

The Bush Administration and U.S. China Policy Debate— Reasons for Optimism*

ROBERT SUTTER

The George W. Bush administration has substantially adjusted U.S. policy toward Taiwan, in favor of Taiwan and U.S.-Taiwan relations, while sustaining generally smooth and businesslike relations with the People's Republic of China (PRC). The Bush policy is in accord with U.S. domestic forces in the ongoing U.S. China policy debate (e.g., Congress, the media) that are supportive of Taiwan and critical of China. The current administration's approach also meets the needs of U.S. business interests seeking greater involvement with the China market. Effective use of strong U.S. power and influence over the PRC should allow the Bush administration to continue a positive stance toward Taiwan without disrupting relations with Beijing. U.S. domestic forces pushing for more extreme and potentially disruptive U.S. positions in the ongoing U.S. China policy debate have been held in check by strong U.S. preoccupation with the war against terrorism.

KEYWORDS: George W. Bush administration; U.S. policy; Taiwan; China; U.S. domestic forces.

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Robert Sutter is Professor of Asian Studies at the School of Foreign Service, Georgetown University, Washington, D.C. His most recent book is *The United States and East Asia: Dynamics and Implications* (Lanham, Md.: Rowman and Littlefield, 2002). Professor Sutter can be reached at <sutterr@georgetown.edu>.

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The George W. Bush administration has carried out arguably the most significant rebalancing of U.S. policy in the U.S.-People's Republic of China (PRC)-Taiwan triangular relationship, in favor of Taiwan and U.S.-Taiwan relations, since Richard Nixon went to China in 1972. The steps have included arms sales to Taiwan, closer military contacts, greater leeway for President Chen Shui-bian (陳水扁) and other Taiwan leaders visiting the United States, and President Bush's personal assurance about defending Taiwan from attack. The broad framework for U.S. policy remains a "one China" policy defined by the three U.S.-PRC communiqués establishing official U.S.-PRC relations and requiring the breaking of official U.S. ties with Taiwan. The United States does not support Taiwan independence, an anathema to Beijing.¹

The U.S. adjustments thus far have been accompanied by an overall smooth and businesslike U.S. relationship with China. The crisis of the EP-3 incident of April 2001 has been followed by cordial summit meetings and muted complaints from Beijing about U.S. policies toward Taiwan and other sensitive issues that in the past elicited much stronger Chinese criticisms and threats of assertive action.

A central argument in this article is that the Bush administration's approach to the U.S.-PRC-Taiwan triangular relationship is better suited than many of the previous U.S. government approaches to support important U.S. interests regarding Taiwan, while at the same time sustaining a businesslike relationship with mainland China. In particular, the design of and the circumstances surrounding the Bush administration's approach

¹See "Bush Xinhua Interview," Xinhua, February 15, 2002, in U.S. Foreign Broadcast Information Service (FBIS) (Internet version), and "Remarks by Deputy Defense Secretary Paul Wolfowitz to U.S.-Taiwan Business Council, March 11, 2002," Reuters, April 9, 2002. The extent of the rebalancing in Taiwan's favor has been illustrated by statements made by U.S. and Taiwan officials in late 2001 and 2002 in Washington, D.C. that U.S.-Taiwan relations were better than at any time since before Richard Nixon's trip to China. The author has confirmed these statements with these officials on several occasions during this time. The view that the rebalancing is the most extensive in thirty years also has been confirmed by the author's consultations with senior PRC and Taiwan officials during visits to Taiwan and mainland China in June-July 2002.

position the Bush government well to manage the U.S. domestic debate over U.S. policy toward China and Taiwan; this is something that previous U.S. administrations had great difficulty in doing, especially in the post-Cold War period. To make this case, the article carefully reviews patterns and lessons of the U.S. domestic debate over U.S. policy toward the PRC and Taiwan during the past three decades in order to assess how well or poorly Bush administration policies and approaches work amid the U.S. domestic debate. Against this background, the article offers a cautiously optimistic view of the likely outlook for U.S. relations with the PRC and Taiwan over the next few years.

The analysis is divided into three main sections. The first reviews the significant changes in U.S. policy toward Taiwan and the PRC during the George W. Bush administration. It highlights the administration's leverage over China and Bush's ability to carry out positive advances in U.S. relations with Taiwan without prompting PRC aggressive or disruptive actions. The Bush policy also seems to fit well with key U.S. domestic constituencies in the ongoing U.S. debate over policy toward China. The second section provides an overview of patterns and lessons derived from a review of the U.S. domestic debate on U.S.-PRC-Taiwan relations since President Richard Nixon's opening to China in 1972. It argues that recent George W. Bush administration policy fits well with the underlying dynamics of the U.S. domestic debate on China-Taiwan policy and is unlikely to be disrupted by such haggling. The third and final section offers a cautiously optimistic outlook for U.S.-PRC-Taiwan relations based on the design of and the circumstances surrounding Bush administration policy toward Beijing and Taipei.

Bush Administration Adjustments in U.S. Policy toward Taiwan and the PRC

Taiwan

The adjustments in U.S. policy in the U.S.-PRC-Taiwan relationship during the Bush administration thus far have involved several steps, most



notably the President's personal pledge on national television in the United States that he would do "whatever it takes" militarily to protect Taiwan in the event of an attack from mainland China. No American president has made such strong remarks in support of Taiwan's defense since before the ending of the U.S. defense treaty with Taiwan at the time of normalization of U.S. diplomatic relations with the PRC in the late 1970s. U.S. officials have maintained that the President's statement did not represent a change in U.S. policy toward the PRC and Taiwan, but no U.S. officials have said the President did not mean what he said, and several senior officials have highlighted the President's statement in interchanges with Taiwan officials and other observers.²

President Bush also notably departed from the past practice of U.S. presidents preparing for and carrying out visits to the PRC by strongly highlighting U.S. support for Taiwan in his rhetoric before and during his China trip in February 2002. Thus, President Bush used his weekly address to the nation just prior to his departure for Asia to hail Taiwan as one of America's notable friends in the region; he equated Taiwan with the Philippines, a formal U.S. ally.³ In the Japanese Diet during his Tokyo stop prior to visiting Beijing, the U.S. President pointedly emphasized U.S. support for Taiwan to the warm applause of the Japanese legislators.⁴ In China, Mr. Bush repeatedly mentioned the importance of the Taiwan Relations Act and the U.S. defense commitment to Taiwan, while making no public mention to the three U.S. communiqués that define the U.S.-PRC relationship and are viewed by Beijing as the bedrock of the relationship.⁵

²See "U.S. Vows to Do What It Takes to Aid Taiwan Defense," Reuters, April 9, 2002; Steve Mufson, "President Pledges Defense of Taiwan," *Washington Post*, April 26, 2001, A1. The author's consultations with PRC military and foreign policy officials in the United States and the PRC in 2001-2002 made clear their view after consultation with Bush administration officials that the U.S. President's statement was a very serious declaration of U.S. intent regarding Taiwan.

³"Radio Address of the President to the Nation," The White House, Office of the Press Secretary, February 16, 2002.

⁴"Bush Address to Diet Promotes Security, Trade, Reform," *Japan Times*, February 20, 2002 (Internet version).

⁵Erik Eckolm, "U.S. and China Stay Positive, But Make Little Progress," *New York Times*, February 23, 2002 (Internet version).

The Bush administration's initial arms sales package for Taiwan was larger than any since the President's father agreed in 1992 to sell 150 F-16 fighter jets to Taiwan in a move seen motivated in considerable part by the President's need to woo voters in Texas, a key state in the 1992 presidential race and the location of factories producing the F-16s. The George W. Bush administration provided considerably greater freedom to President Chen Shui-bian and other high-level Taiwan officials on several-day "transit" visits to the United States,⁶ and Taiwan's Defense Minister Tang Yiau-ming (湯曜明) was allowed to participate in a business conference in Florida in March 2002 where he engaged in talks with Deputy Secretary of Defense Paul Wolfowitz and other U.S. officials attending the meeting.⁷

Senior U.S. defense, intelligence, and foreign policy officials repeatedly take aim at the buildup of Chinese missiles and other forces opposite Taiwan, viewing them as a threat to Taiwan and to U.S. forces that could be ordered to help protect Taiwan in the event of a conflict in the Taiwan Strait.⁸ Although the administration's initial arms package to Taiwan did not contain AEGIS destroyers and their capable missile defense systems, senior U.S. officials have warned on the record and in the presence of PRC officials that if the People's Liberation Army (PLA) buildup continues, the chances of the United States providing missile defense systems for Taiwan increase.⁹

⁶After the break in official U.S.-Taiwan relations, President Chiang Ching-kuo (蔣經國) did not travel to foreign spots via the United States. President Lee Teng-hui (李登輝) was carefully restricted in his U.S. transit stops, though the U.S. policy was reversed once, allowing his visit to Cornell University in 1995. President Chen Shui-bian faced strict restrictions during the Clinton administration, but the Bush administration changed these restrictions, allowing Chen to meet U.S. Congressional officials, spend more than one day, and engage in various public activities during his transit stops in U.S. cities.

⁷For quarterly reviews and chronologies of developments in U.S.-China relations, see the articles by Bonnie Glaser in *Comparative Connections* (Honolulu: CSIS/Pacific Forum), available at <<http://www.csis.org/pacfor>>. PRC official complaints made clear the PRC view that the U.S. treatment of visiting high-level Taiwan officials marked a significant departure from past U.S. practice.

⁸Testimony of CIA Director George Tenet to the Senate Armed Services Committee, March 20, 2002; Testimony of Admiral Dennis Blair to the House Armed Services Committee, March 20, 2002; U.S. Department of Defense, "Annual Report on the Military Power of the People's Republic of China" (July 2002), available at <<http://www.defenselink.mil/pubs>>.

⁹Luncheon remarks of Assistant Secretary of State James Kelly at the National Press Club, Washington, D.C., February 27, 2002.

China

The rebalancing of U.S. policy has also involved a notable downgrading in the importance that the U.S. government places on relations with China. Although early campaign rhetoric about China as a strategic competitor received heavy media attention, George W. Bush gave relatively little attention to China and foreign policy during both the campaign and early months of his administration, and he was careful to reaffirm strong interest in cooperative trade relations and China's entry into the World Trade Organization (WTO).¹⁰ The administration's strategy toward China appeared to be part of a broader effort to improve U.S. power and influence in world and Asian affairs through U.S. economic and military strength, closer ties with U.S. allies and friends (in East Asia, especially Japan), and new openings with other world power centers, notably Russia and India.¹¹

Unsure of rising China's implications for U.S. interests, the U.S. government has cooperated in areas of common ground while demonstrating stronger determination to defend U.S. security interests, notably regarding Taiwan and the Western Pacific. The administration repeatedly downgraded China's priority for U.S. decision-makers, placing the PRC well behind Asian allies and even Russia and India in terms of foreign policy attention. Initial signs of this tendency included the President's personal calls to leaders in Japan, South Korea, and Russia, while Chinese leaders were sent more formal letters, and strenuous administration efforts to make sure that the President met personally with the senior leaders of South Korea and Japan before a senior PRC official, Vice-Premier Qian Qichen (錢其琛), was allowed to meet with the President in March 2001.¹²

The EP-3 incident of April 1, 2001 led to a sharp downturn in relations. Significantly, the Bush administration did not resort to high-level

¹⁰Murray Hiebert, *The Bush Presidency: Implications for Asia* (New York: The Asia Society, Asian Update, January 2001), 5-9.

¹¹*Ibid.*, 9-19.

¹²Bonnie Glaser, "First Contact: Qian Qichen Engages in Wide-Ranging, Constructive Talks," *Comparative Connections*, 1st quarter 2001 (Honolulu: CSIS/Pacific Forum), available at <<http://www.csis.org/pacfor>>.

envoys or other special arrangements often used to resolve difficult U.S.-China issues, insisting on working through normal State Department and Defense Department channels that did not raise China's stature in U.S. foreign policy. In the strained atmosphere of those months, U.S. officials resorted to a tactic often used by China to show its displeasure with foreign governments by ordering all U.S. officials to avoid all but the most essential contacts with Chinese officials in Washington and elsewhere.¹³ The recently arrived Chinese Ambassador Yang Jiechi (楊潔篪), reportedly a close friend of the U.S. President's father and a reputed so-called "tiger" noted for his tough negotiations with the Clinton administration, was largely ignored by official Washington. Presumably seeking to make good use of his unexpected free time, he made the rounds of Washington think tanks giving speeches in a carefully moderate tone emphasizing China's sincere interest to move the relationship forward.¹⁴

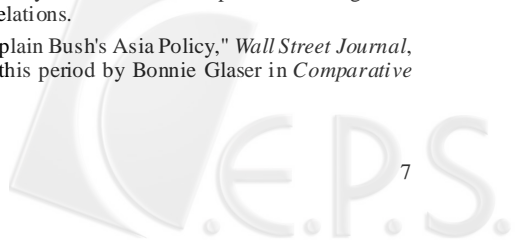
While avoiding any compromise of core Chinese interests, PRC leaders endeavored to insure that Secretary of State Colin Powell's one-day visit to Beijing in late July went smoothly. Official Chinese media had already begun to muffle the sometimes-strident Chinese media complaints against alleged U.S. hegemonism and efforts to contain China that had been common in recent years, and Chinese officials even hinted at a more positive view of the U.S. military presence in the Western Pacific. The U.S. side also signaled an interest to calm the concerns of friends and allies in Asia over the state of U.S.-China relations and to pursue areas of common ground in trade and other issues with the PRC.¹⁵

The anti-terrorism campaign saw an upswing in cooperation, though

¹³John Keefe, "Anatomy of the EP-3 Incident" (Alexandria, Virginia: Center for Naval Analysis, January 2002).

¹⁴Ambassador Yang spoke at forums at the Brookings Institution and the Woodrow Wilson Center for Scholars, among others. The author was among U.S. officials restricted from meeting with Ambassador Yang and other PRC officials except at such public meetings. Those present at the meetings were impressed by the Ambassador's positive message at a time of considerable tension in U.S.-China relations.

¹⁵See Nick Cummings-Bruce, "Powell Will Explain Bush's Asia Policy," *Wall Street Journal*, July 23, 2001, A11. See also the review of this period by Bonnie Glaser in *Comparative Connections*.



China was the most reserved among world power centers in supporting the U.S. war against Afghanistan. President Bush's visits to Shanghai in October 2001 and Beijing in February 2002 had as much to do with U.S. strategy in Asia as with China. They showed a U.S. willingness to meet Chinese leaders' symbolic needs for summitry, yet also sustained a tough U.S. stance on bilateral differences.¹⁶

The President was unwavering in his support of the U.S. pledge to provide aid for Taiwan's defense. His views on human rights, religious freedom, and other sensitive issues remained firm. In the nine months prior to the trip, his administration imposed sanctions on China three times over issues involving China's reported proliferation of weapons of mass destruction (WMD)—more than in the entire eight years of the Clinton administration. The U.S. Defense Department's Quadrennial Defense Review unmistakably saw China as a potential threat in Asia. U.S. ballistic missile defense programs severely challenged China's nuclear deterrent and intimidation strategy against Taiwan, and rising U.S. influence and prolonged military deployments were at odds with previous Chinese strategy along China's western flank.¹⁷

At the same time, the U.S. President endorsed the pursuit of a "constructive, cooperative, and candid" relationship with China. He appeared to realize the importance of treating Chinese leaders with respect and acknowledging Beijing's progress in developing the Chinese economy and improving the standard of living of the Chinese people. President Bush seemed to please Chinese leaders by inviting both Vice-President Hu Jintao (胡锦涛) and President Jiang Zemin (江泽民) for separate visits to the United States in 2002.¹⁸

A feature of recent U.S. policy toward China is to limit U.S. requests for Chinese support and assistance, particularly any steps seen as possible

¹⁶Bonnie Glaser, "Bush's China Policy Shows Change," *Taipei Times*, March 18, 2002 (Internet version); Robert Sutter, "Grading Bush's China Policy" (Honolulu: CSIS/Pacific Forum *PACNET* 10, March 8, 2002).

¹⁷Sutter, "Grading Bush's China Policy."

¹⁸Glaser, "Bush's China Policy Shows Change."

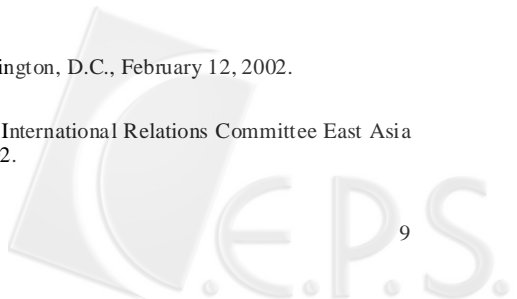
"favors" to the United States. As one U.S. official privately noted in an interview in February 2002, "This administration [the George W. Bush administration] doesn't ask China for much"; he viewed this as a contrast with the previous U.S. administration that was seen to be in repeated negotiations with China seeking "deliverables" that would be highlighted during high-level U.S.-China meetings.¹⁹ Another senior Bush administration official confirmed bluntly "we don't do 'deliverables'" with China.²⁰ Although President Bush welcomed Chinese support in the anti-terrorism campaign and reportedly sought Chinese assistance in getting North Korea to resume dialogue and ease tensions on the Korean Peninsula, there was little sign of strong U.S. efforts to ask for changes in Chinese policies and behavior. U.S. officials were clear and explicit about the negative consequences for China flowing from such behavior as the military buildup opposite Taiwan, and WMD proliferation activities, and they duly criticized Chinese human rights restrictions. They emphasized that U.S. military power would be brought to bear to deal with the Taiwan imbalance while sanctions would continue regarding nonproliferation infractions.

Seemingly underlining China's continued low priority for the Bush administration, Assistant Secretary of State James Kelly's discussion of U.S. relations with East Asia in testimony to Congress prior to the President's trip in February contained over three pages of very positive commentary on U.S.-Japan relations, over three pages of very positive commentary on U.S.-South Korea relations, over three pages of neutral or positive commentary about other parts of Asia where the President was not visiting, and only two pages of mixed negative and positive comments about China.²¹ That China's support in the anti-terrorism campaign registered low on the administration's scale seemed underlined by Pacific Commander in Chief Admiral Dennis Blair's seventy pages of testimony to Congress in March 2002 that highlighted the anti-terrorism cooperation and activities of vari-

¹⁹Interview at the Brookings Institution, Washington, D.C., February 12, 2002.

²⁰Interview, Washington, D.C., May 15, 2002.

²¹Statement of James Kelly before the House International Relations Committee East Asia and Pacific Subcommittee, February 14, 2002.



ous actors in Asia but ignored mention of China in this regard.²²

The rebalancing of the U.S. stance in the U.S.-PRC-Taiwan triangular relationship in a direction favorable to Taiwan thus far has not elicited much domestic debate in the United States. Debate over China policy-related issues has involved many issues and U.S. interest groups. As will be discussed below, the debate has often influenced and complicated U.S. administration policy toward the PRC and Taiwan during the past three decades, and especially in the post-Cold War period.

In the past year, however, the debate over China has been muffled as a result of U.S. preoccupation with the anti-terrorism campaign which appears to have much more salient implications for American interests. Mainstream opinion in Congress, the media, and in public opinion remains skeptical of China and more positive regarding Taiwan and U.S. support for Taiwan. U.S. business interests are still a powerful domestic force in favor of avoiding disruptive controversy in U.S.-PRC relations, but their concerns appear to be met by the Bush administration's careful emphasis on maintaining mutually advantageous economic relations with China despite differences over other issues.²³ Meanwhile, PRC leaders have been reluctant to express strong dissatisfaction with Bush administration actions, a marked contrast with Chinese public and private pressure on some previous U.S. administrations to tow the line on U.S. relations with Taiwan and other sensitive issues.²⁴

²²Statement of Admiral Dennis Blair before the House Armed Services Committee, March 20, 2002.

²³Among reviews of U.S. domestic debate on China policy, see Kerry Dumbaugh, *China-U.S. Relations* (Washington, D.C.: The Library of Congress, Congressional Research Service, Issue Brief 98018; updated regularly). For a longer treatment of the issues and the debate, see Robert Sutter, "The U.S. Congress: Personal, Partisan, Political"; Kerry Dumbaugh, "Interest Groups: Growing Influence"; and James Mann, "Congress and Taiwan: Understanding the Bond," in *Making China Policy: Lessons from the Bush and Clinton Administrations*, ed. Ramon H. Myers, Michel Oksenberg, and David Shambaugh (Lanham, Md.: Rowman and Littlefield, 2001), 79-112, 113-48, 179-200. See also David Michael Lampton, *Same Bed, Different Dreams: Managing U.S.-China Relations, 1989-2000* (Berkeley: University of California, 2001), 249-312.

²⁴See Pan Zhongying, "Bush Visit and Sino-U.S. Ties" (Honolulu: CSIS/Pacific Forum, *PACNET* 8, February 8, 2002); "Sino-U.S. Cooperation Vital to World Peace: Tang Jiaxuan," *China Daily*, March 7, 2002 (Internet version); and Wang Jisi, "Internal Values

Trilateral Dynamics

In short, the current rebalancing is supported by domestic U.S. forces favoring closer ties with Taiwan and meets little opposition elsewhere in the U.S. China policy debate. It is hard to argue that the administration was pressured into taking its recent initiatives by salient U.S. domestic pressure, though administration officials were often in the lead among U.S. domestic forces criticizing the previous administration's position in the U.S.-PRC-Taiwan triangular relationship.

A review of the major turning points and lessons of U.S. relations with the PRC and Taiwan since the Nixon opening to China and the recent dynamic in the triangular relationships suggests that the Bush administration has greater leverage than some previous U.S. administrations in dealing with the PRC and Taiwan; and that thus far it has set forth an approach that manages effectively U.S. domestic pressures for changes while maintaining U.S. interests in relations with both Taiwan and the PRC. The record of the past makes clear that the triangular relationship remains delicate, and excessive U.S. moves toward one side or the other could lead to crises and confrontation unwelcome in U.S. domestic politics and adverse to U.S. interests.

Some Asian specialists have warned in particular that the Bush administration will be prone to accommodate U.S. domestic pressures to grant greater support and concessions to Taiwan that will in turn prompt a strong PRC reaction and major crises in cross-Strait and U.S.-China relations.²⁵ They point to "hard-liners" on China, notably in the U.S. Defense Department and in the Vice President Office, who allegedly are inclined to be very responsive to pressure from Congress, the media, and interest

Set to Push Sino-U.S. Relations to Maturity," *Lianhe bao* (United Daily News) (Taipei), March 19, 2002, 13. In consultations with the author in Washington, Beijing, and Guangzhou in 2001-2002, Chinese officials repeatedly voiced private unhappiness with Beijing's comparatively moderate reaction to what they saw as egregious U.S. "affronts" in support of Taiwan and regarding other sensitive issues, notably the proliferation of weapons of mass destruction.

²⁵The debate over this issue is the subject of "The Taiwan Threat?", a special issue of *Issues & Studies* 38, no. 1 (March 2002), guest-edited by Andrew D. Marble.

groups to provide greater support for Taiwan even at the risk of a serious blow-up in U.S.-PRC relations.²⁶

The practice of the Bush administration over the past year—including during the difficult EP-3 incident crisis—suggests that this administration's deliberative approach to decision-making, where issues are decided not so much on the basis of personal proclivity of individual policymakers but more on the basis of an airing of major considerations before a decision is reached, works against the so-called "hard-liners" being able to move China policy in dangerous directions.²⁷ Meanwhile, the high standing of the President in U.S. domestic opinion polls and the U.S. preoccupation with the war on terrorism also suggest that U.S. domestic groups endeavoring to push U.S. policy in more extreme directions will face an uphill struggle if their stance is seen as being inconsistent with U.S. interests as defined by the deliberations of the Bush administration leadership.

Patterns and Lessons of the U.S. Domestic Debate on U.S.-PRC-Taiwan Relations, 1972-2002

Several key findings relevant to the issue of the influence of the U.S. domestic debate on U.S. policy toward the PRC and Taiwan come from these three decades of experience.²⁸

²⁶These perspectives are reviewed in, among others, Michael Swaine and Minxin Pei, "Rebalancing U.S.-China Relations," The Carnegie Endowment *Policy Brief* 13, February 2002 (Washington, D.C.); David Shambaugh, "From the White House, All Zigzags Lead to China," *Washington Post*, February 17, 2002 (Internet version); Richard Holbrooke, "A Defining Moment with China," *ibid.*, January 2, 2002 (Internet version); and David M. Lampton, "Small Mercies: China and America after 9/11," The Nixon Center Press Release, January 14, 2002 (Washington, D.C.).

²⁷See note 13 above.

²⁸Useful sources for the review of the U.S. domestic debate on this subject include: Myers, Oksenberg, and Shambaugh, eds., *Making China Policy*; Lampton, *Same Bed, Different Dreams*; James Mann, *About Face: A History of America's Curious Relationship with China from Nixon to Clinton* (New York: Knopf, 1998); Robert S. Ross, *Negotiating Cooperation: The United States and China, 1969-1989* (Stanford, Calif.: Stanford University Press, 1995); Robert Sutter, *U.S. Policy Toward China* (Lanham, Md.: Rowman and Littlefield, 1998); Ramon H. Myers, ed., *The Unique Relationship* (Stanford, Calif.: Hoover

Mainland China-Taiwan relations have long been competitive; they have a zero-sum game quality that dates back to the Communist-Nationalist competition for U.S. support during World War II. Given this continued rivalry, the United States since it opened to the PRC has had to calibrate its policy carefully because leaning in favor of one side (the PRC) is perceived to hurt the other side (Taiwan), and vice versa.

U.S. calibration has been influenced by the U.S. domestic debate over China policy and in this context by U.S. domestic interests participating in this debate. The influence of the domestic debate and domestic interests has been stronger since the end of the Cold War than it was in the decades prior to the end of the Cold War. The domestic debate/domestic interests have sometimes been a "driver" of the direction of U.S. policy toward mainland China/Taiwan. More often, they have been a "brake" slowing the momentum of U.S. policy. From Nixon through Carter and into early Reagan, the domestic factors generally were a brake slowing the moves led by the administration to downgrade ties with Taiwan and move closer to the PRC. Following the end of the Cold War, these factors generally have been a driver pushing U.S. policy toward closer ties with Taiwan, though they reverted to the status of brake during the second term of the Clinton administration.

The debate in the Nixon-Reagan period involved important tangible costs and benefits for the United States. The U.S. strategic posture vis-à-vis the Soviet Union and the future of Taiwan headed the list of the serious issues at stake for the United States. Reflecting deep uncertainty about U.S. power and purpose in world affairs, U.S. policy was prepared to make major sacrifices in order to pursue paths in the debate, and indeed U.S. policy ultimately sacrificed official relations with Taiwan and took the unprecedented step of ending a defense treaty with a loyal ally for the sake of the benefits to be derived from official relations with the PRC.

Institution, 1989); Robert Sutter, *The China Quandary* (Boulder, Colo.: Westview Press, 1983); and Robert Sutter, "U.S. Domestic Debate over Policy toward Mainland China and Taiwan: Key Findings, Outlook, and Lessons," *The American Journal of Chinese Studies* 8, no. 2 (October 2001) : 133-44.



The major protagonists in the U.S. domestic debate over policy toward the PRC and Taiwan argued their case mainly because they were sincerely concerned about the serious implications and consequences of the direction of U.S. policy in this triangular relationship. Partisan interests and the influence of interest groups or constituent groups also played a role, but less so than in later decades of U.S. China policy debate (see below). The fact that a Democratic-controlled Congress took the lead in modifying the perceived oversights and excesses of the Democratic Carter administration in tilting in favor of Beijing and against Taiwan in the late 1970s and early 1980s showed that partisan interests played a secondary or relatively unimportant role in the U.S. domestic debate. Significantly, this pattern persisted even after the Democratic-controlled Congress rewrote and passed the Taiwan Relation Act in April 1979. Democratic Senators and Representatives remained active in resisting the Carter administration's continuing perceived "tilt" toward the PRC and away from Taiwan. Among notable critics and skeptics of the U.S. policy at this time were such Democrats as Adlai Stevenson, John Glenn, Richard Stone, and George McGovern.²⁹

The Congressional opposition at this time did reflect an important element of institutional rivalry between the Executive Branch and the Congress that colored the U.S. domestic debate during this period. Congress appeared determined to protect its perceived prerogatives in U.S. foreign policy while U.S. administration officials were equally determined to protect the prerogatives of the Executive Branch in foreign affairs.

*Comparing the U.S. Debates on China and Taiwan—
Late 1970s/Early 1980s versus Post-Cold War*

Although the U.S. domestic debate became more important in influencing the course of U.S. policy toward Taiwan and the PRC after the end of the Tiananmen Incident (天安門事件) and the end of the Cold War in the late 1980s and the early 1990s, major features of the debate were

²⁹Reviewed in Sutter, *The China Quandary*, 5, 19, 85, 146.

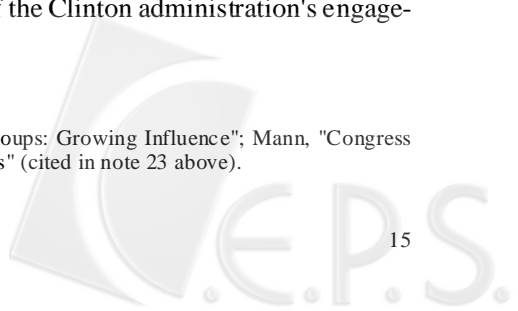
markedly different from the debate in the 1970s and early 1980s.³⁰

First of all, U.S. policymakers in the Executive Branch and the Congress were confident of U.S. power and influence in the world, especially now that the Soviet empire had collapsed—a marked contrast from the U.S. strategic uncertainty that underlined the U.S. policy debate in the 1970s and early 1980s.

In contrast to the 1970s when U.S. officials faced and made major sacrifices in pursuit of U.S. policy toward the PRC and Taiwan, the protagonists in the U.S. China policy debate after the Cold War had little inclination to sacrifice tangible U.S. interests for the sake of their preferred stance in the U.S.-PRC-Taiwan triangle. Thus, those in Congress, the media, and elsewhere in U.S. domestic politics who were vocal in seeking an upgrading in U.S. treatment for Taiwan President Lee Teng-hui—demanding he be granted a visa to visit Cornell University in 1995, largely fell silent when Beijing reacted to the visit with forceful actions in the Taiwan Strait that posed a serious danger of U.S.-Chinese military confrontation. The majority of Congressional members opposing the annual waiver granting continued most-favored-nation (MFN) tariff treatment to Chinese imports had no intention of seeking a serious cutoff of U.S.-China trade. They often explained that they were merely endeavoring to send a signal to the administration and to China over their dissatisfaction with U.S. and Chinese policies.

Many active in the U.S. domestic debate did so for partisan or other ulterior motives—a marked contrast from the 1970s when the foreign policy issues themselves seemed to be the prime drivers in the U.S. domestic debate. Heading the list was candidate William Clinton who used the China issue to attack the record of the Bush administration, only to reverse course after a time in office, returning to the engagement policy of the previous president. The sometimes white hot rhetoric coming from Republican Congressional leaders critical of the Clinton administration's engage-

³⁰See, among others, Dumbaugh, "Interest Groups: Growing Influence"; Mann, "Congress and Taiwan"; and Sutter, "The U.S. Congress" (cited in note 23 above).



ment policy seemed to have similarly partisan motives. There was also plenty of debate within the Democratic and Republican parties at this time, with labor-oriented Democrats using the China issue to discredit the pro-business leanings of the leaders of the Clinton administration, while social conservatives in the Republican Party focused in on China's forced abortions and suppression of religious freedom to embarrass their party leaders who favored pragmatic economic engagement with China and were seen as not devoting enough attention to the social conservatives' political agenda in U.S. domestic politics.

Reflecting the less serious substantive concern over the U.S. policy toward the PRC and Taiwan after the Cold War than during the 1970s and early 1980s, the U.S. China-related debate notably subsided whenever the United States faced a serious foreign policy challenge. Thus, the vocal Congressional debate over China policy stopped abruptly following the Iraqi invasion of Kuwait in 1990, and the Congress remained quiet about China throughout the U.S. "Desert Shield" and "Desert Storm" operations. Once the war was over in 1991, the China debate resumed immediately, with many Democrats in Congress and elsewhere seeking to use the China issue to tear down President Bush's then-strong standing in U.S. opinion polls regarding his handling of foreign affairs. The September 11, 2001 attack on America similarly dampened the U.S. China debate, which was then focused notably on the threat to U.S. interests posed by a rising China. In this vein, some in Congress in the preceding year or two had gone to the extreme of warning of a Chinese military takeover of the Panama Canal. After several months, media organs like the *Washington Times* and some in Congress resumed lower-keyed efforts to focus on the China threat, while pro-Taiwan groups tried to use the rebalancing of Bush administration policy in Taiwan's favor to push for even more favorable U.S. treatment for Taiwan.³¹

³¹Bill Gertz and Rowan Scarborough, "Inside the Ring," *Washington Times*, March 22, 2002 (Internet version); Murray Hiebert and Susan Lawrence, "Crossing Red Lines," *Far Eastern Economic Review*, April 4, 2002 (Internet version).

Nixon through Early Reagan

U.S. administrations with varying degrees of U.S. domestic support followed a strategic need during this period to move closer to China in order to benefit the United States in competition with the USSR. Because of PRC conditions and competition with Taiwan, the United States had to cut back ties with Taiwan if Washington wanted to move ahead with China against the USSR. In effect, the United States had to make adjustments in the smaller U.S.-PRC-Taiwan triangular relationship—moving away from Taiwan and closer to the PRC, in order to secure PRC cooperation in the larger U.S.-USSR-PRC triangular relationship.

Many felt that there was a lot at stake in getting these policies right. In particular, U.S. leaders tended to see the United States as weaker than before and in urgent need of support from China in order to deal with the perceived rising threat from the USSR. At the same time, there was also a sense of urgency felt by those concerned about Taiwan's future, which in their view appeared ready to be extinguished as a result of U.S. compromises for the sake of winning PRC support against the USSR.³²

The momentum was on the side of those who were pushing to downgrade U.S. ties with Taiwan in order to build ties with the PRC against the USSR. However, there was strong opposition to this momentum from several U.S. domestic quarters that resulted in a strong and continuing domestic U.S. debate that slowed and modified the U.S. move away from Taiwan and toward the PRC. Elements of the resistance included:

- Conservatives in Congress, media, and other opinion leaders who supported Taiwan as a longstanding ally and were deeply suspicious of Communism and the PRC leadership;
- Strategists who judged it was foolish for the United States to rely on China to leverage the USSR, or strategists who favored a more

³²U.S. House of Representatives, Committee on Foreign Affairs, *Executive-Legislative Consultations over China Policy, 1978-1979* (Washington, D.C.: U.S. Government Printing Office, 1980).



accommodating U.S. stance designed to build common ground and détente with Moscow;

- A spectrum of opinion in Congress, media, and other groups who judged that expediency in cutting ties with Taiwan would seriously undermine U.S. credibility in regard to support for Israel and other friends; and
- Opinion in Congress and elsewhere that objected to the intense secrecy that surrounded administration efforts to cut back ties with Taiwan and develop ties with Beijing.³³

The opposition slowed the movement in U.S. policy but in fact the United States did break all official ties with Taiwan, including the defense treaty, and even signed a communiqué with China in August 1982 that appeared to mark the beginning of the end of U.S. arms sales to Taiwan. The opposition did achieve some notable victories along the way, in particular the Taiwan Relations Act of 1979 that served as a marker that administration policymakers could not easily cross in their efforts to accommodate China over Taiwan.

Reagan-Schultz

The U.S. dynamic toward China changed markedly in this period, but not because of domestic U.S. pressures. Rather, the administration leaders recalculated the strategic importance of China against the USSR and judged that China was less important for the United States and that Washington was in relatively good shape in competition with Moscow. The U.S. military buildup, strong support from U.S. allies like Japan, and perceived Soviet decline combined with an assessment that China was a difficult partner.

The Chinese had come to be seen by many U.S. officials as having used their leverage as a perceived source of support for the U.S. effort to

³³Sutter, *The China Quandary*, 89-92.

deal with the USSR in order to press for U.S. concessions over Taiwan and other issues. The U.S. recalculation at this time of the utility of and need for China in U.S. efforts against the USSR markedly downgraded China's perceived ability to press the United States to make concessions on Taiwan or other issues. Basically, there was much less urgency in the United States about the need to seek China's support against the rising Soviet threat. Significantly, the key U.S. officials dealing with China at this juncture under the leadership of Secretary of State George Schultz and Secretary of Defense Casper Weinberger, included Paul Wolfowitz as Assistant Secretary of State for East Asian Affairs, and Richard Armitage as the senior Defense Department official responsible for U.S. policy toward China. Wolfowitz is now Deputy Secretary of Defense and Armitage is now Deputy Secretary of State.

The U.S. domestic forces that supported Taiwan continued to do so, but they sensed the flagging of U.S. administration interest to cater to PRC demands and accordingly saw less need to take countermeasures to brake the momentum and protect U.S. interests in Taiwan. Meanwhile, the mainland's post-Mao economic opening coincided with Taiwan's more gradual opening to the mainland, prompting Beijing to pursue its Taiwan agenda more through cross-Strait contacts than through pressure on the United States.³⁴

*Post-Cold War, Post-Tiananmen, Taiwan's Democracy*³⁵

The changes in this period saw the United State downgrade China's strategic importance as the Soviet Union moved toward collapse. U.S. elites, including President George Bush, had much more difficulty controlling the direction of U.S. policy now that the Soviet threat was gone; U.S. domestic forces and interest groups demanded more of a voice in the making of U.S. foreign policy and U.S. administration leaders found resist-

³⁴Ross, *Negotiating Cooperation*, 201-45.

³⁵See discussion in Myers, Oksenberg, and Shambaugh, eds., *Making China Policy* and in Sutter, *U.S. Policy Toward China*.



ing them to be politically difficult. The Tiananmen massacre and continued negative media coverage seriously undermined China's image and further reduced its influence in the United States. Concurrently, Taiwan's move toward democracy while sustaining free market economics greatly broadened Taiwan's positive image and influence in the United States.

These changes allowed forces in the United States pushing for closer ties with Taiwan, even at the expense of U.S. relations with the PRC, to become a driving force in U.S. policy toward mainland China and Taiwan. They were held in check most notably by President Bush himself who sustained a strategic vision that required a continued close relationship with the PRC, and that in turn required maintaining restrictions on U.S. ties with Taiwan.

President Clinton represented U.S. political forces that used China policy issues for ulterior ends when he sharply attacked President Bush's China policy during the campaign of 1992. He used anti-China charges for domestic U.S. political ends—and this strategy worked well. Taking office, President Clinton showed little interest in resisting the U.S. domestic forces pushing for closer ties with Taiwan at Beijing's expense. However, his policy advisers in the State, Defense, and National Security Council (NSC) offices defended the existing guidelines on dealing with Taiwan or gave ground grudgingly in the protracted Taiwan policy review. At bottom, they were concerned that moving closer to Taiwan would make an already very difficult U.S. relationship with China very disruptive and much more difficult to manage.

President Clinton's expedient use of the China debate for domestic ends in 1992 was not unusual in this period. The strategy was easy to carry out and had little apparent cost. Unlike the great sense of urgency that was seen in the debate over China/Taiwan in the late 1970s and early 1980s, where U.S. security vis-à-vis the USSR threat and Taiwan's survival were seen to be at stake, the potential risks in the 1990s China debate were less serious. In particular as noted above, few of the U.S. domestic critics of China, including those strong supporters of Taiwan, had intentions of taking actions that would lead to serious consequences for U.S. security (e.g., a confrontation or conflict with China) or major retrogression in

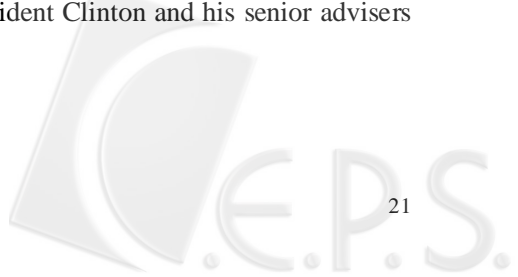
U.S.-China economic relations. This was manifest in the annual debates on MFN (involving U.S. most-favored-nation tariff treatment for Chinese imports) where the critics rarely seemed serious about actually withdrawing China's normal trade relations. Rather, they used the debate to make other points; some related to China policy but many also related to partisanship and other ulterior motives.

President Clinton in 1994 bent to U.S. domestic forces, especially U.S. business interests anxious to interact with the burgeoning Chinese economy, in reversing his policy linking human rights and MFN. Seeing this retreat and encouraged by the pro-Republican slant of the new Congress in 1995, Taiwan advocates of various persuasions pushed for advances in Taiwan-U.S. ties despite PRC objections—notably a Lee Teng-hui visit to the United States. President Clinton acquiesced despite continued opposition of his professional staff who warned of PRC reaction.

The sharp Chinese reaction led to a backlash in the administration. Lee Teng-hui was seen as a troublemaker, and Clinton and his senior advisers were determined to take steps to assure that the danger of confrontation with the PRC did not arise again on their watch. This resulted in two U.S.-China summits and the "three no's" (restrictions on U.S. support for Taiwan), with the United States meeting PRC conditions on Taiwan in order to insure smooth U.S.-China relations. Indeed, one of the first steps to reassure the Chinese was an August 1995 secret letter from President Clinton to President Jiang that was delivered by Secretary of State Warren Christopher and called for a summit and laid out the "three no's."³⁶

The administration's motives in switching to a strong engagement policy with China and keeping Taiwan at arms length were complex and will be subject to a variety of assessments for some time to come. It became clear that the policy was no longer directed by the State Department, where it had appeared to drift without strong presidential leadership amid the vocal U.S. domestic debate over China policy. The summit meetings of 1997 and 1998 fully engaged President Clinton and his senior advisers

³⁶Mann, *About Face*, 330.



at the White House, who took on the key leadership role in China policy. They seemed to be at pains to avoid serious disruptions in the China relationship, disruptions which the White House presumably feared would undermine the Congressional support for the engagement policy with China. One such engagement policy the President sought to protect was U.S. permanent normal trade relations (PNTR) with China, which was strongly favored by Clinton's business backers in the United States. Of course, a serious downturn in U.S.-China relations could remind the U.S. media and other observers of the checkered and erratic handling of China policy in the first term of the Clinton administration, and endanger the public perception of the competence of the administration (including year 2000 presidential candidate, Vice President Al Gore), and its historic legacy.

Clinton administration leaders sought to justify engagement and closer economic ties with China with evidence that China was indeed changing in ways compatible with U.S. interests. Important was to show that negotiating with China could lead to changes that were seen as good for American interests and that also could be used as justifications for the engagement policy and the granting of PNTR with China.³⁷

In this context, Congressional, media, and other supporters of Taiwan were put back on the defensive, having overplayed their hand in pushing for the Lee Teng-hui visit in 1995. The strongly partisan debate over U.S. China policy continued with a vengeance, as media and Congressional critics honed in on a variety of security, human rights, economic, and other issues relating to U.S. policy toward China, including policy toward Taiwan. The focal points of attention were alleged Chinese spying and influence peddling in U.S. domestic politics, and the rising security threat posed by a rising and more powerful China. The Congressional and other critics endeavored to counter the President's "three no's" with a number of legislative and other steps. Continued overall strong U.S. support for Taiwan was reflected in the President's balancing of the "three no's" with a decla-

³⁷See the review of the Congressional-Executive branch debates over these subjects in Dumbaugh, *China-U.S. Relations* (cited in note 23 above).

ration that in the U.S. government's view any settlement of Taiwan's future had to be consistent with the wishes of the Taiwan people.³⁸

*George W. Bush*³⁹

U.S. domestic forces critical of China and supportive of Taiwan have remained strong. Overall U.S. support for Taiwan in the Congress, media, among opinion leaders, and in popular opinion has been stronger than at any time since Nixon's opening to China.⁴⁰ The Bush administration came to power with a platform that supported closer ties with Taiwan, though it also has supported seeking common ground with the PRC and has shown no change in the longstanding U.S. desire to avoid serious retrogression or confrontation and conflict in U.S.-China relations.

The new President and his team also have displayed a view of China that is much less benign than that of President Clinton, who expressed faith that economic development, globalization, and U.S. engagement with China would lead to eventual change in China and greater Chinese interdependence abroad that would benefit the United States.⁴¹ The Bush strategic vision of China has been more focused on China as a competitor and strategic adversary, and Taiwan has been seen as a key area where these differences have played out.⁴² In particular:

- China is seen as a rising economic and military power, seeking to confront the United States over Taiwan and over time to ease the United States out of East Asia;

³⁸Kerry Dumbaugh, *Taiwan: Recent Developments and U.S. Policy Choices* (Washington, D.C.: U.S. Library of Congress, Congressional Research Service, CRS Issue Brief CRS 98034; updated periodically).

³⁹For quarterly reviews of U.S.-China and China-Taiwan relations, see *Comparative Connections* (Honolulu: CSIS/ Pacific Forum) at <<http://www.csis.org/pacfor>>.

⁴⁰This view was repeatedly confirmed during consultations with Taiwan, U.S., and PRC officials in Washington, D.C., Taipei, Beijing, and Guangzhou, 2001-2002.

⁴¹Lampton, *Same Bed, Different Dreams*, 58.

⁴²See earlier discussion in this article, and especially Department of Defense's "Annual Report on the Military Power of the People's Republic of China" (cited in note 8 above).

- China has opposed U.S. support for Taiwan, and has given top military priority to dealing with the United States in a Taiwan contingency;
- China also has opposed the strengthening of the U.S.-Japan defense alliance; U.S. missile defense plans; and works against U.S. interests in Asian and world affairs, in ASEAN Plus Three, the Shanghai Cooperation Group, the United Nations, and elsewhere; and
- Aware of China's continued strong need for workable ties, especially economic ties, with the United States, the new U.S. administration has been able to set upon a course that has appealed to those in the United States supportive of Taiwan and critical of the PRC, without risking a breakdown in U.S.-PRC relations. Its course also has served to warn the PRC clearly of U.S. determination over Taiwan issues, presumably seeking to deter the PRC from aggressive moves. The steps have included arms sales to Taiwan, closer military contacts, and greater leeway for President Chen Shui-bian and other Taiwan leaders visiting the United States, and President Bush's personal assurance about defending Taiwan from attack. More broadly, the United States has signaled an overall downgrading of China's priority and has highlighted Japan and close allies and friends.

The Bush administration approach to China received lower protocol priority, though U.S.-China issues clearly were central to U.S. policy in the region. In addition to the steps on Taiwan and other issues noted above, Bush administration rhetoric highlighted differences with China over human rights, Taiwan, Tibet, security issues, WMD proliferation, and other concerns, and avoided typical Clinton administration admonitions regarding the great benefits of U.S. engagement with China, and seeking to develop a "constructive strategic partnership" with the PRC.

After the April 1, 2001 crash of a Chinese jet fighter and a U.S. reconnaissance plane over the South China Sea worsened relations for months,

both sides worked to ease tensions and to resume dialogue and high-level contacts later in the year. Secretary of State Colin Powell's stop in Beijing during his Asia tour in July 2001 was carefully scheduled to come after his stops in Tokyo and Seoul, but it also underlined an intent on both sides to resume senior-level contacts that would culminate in President Bush's October 2001 trip to the Asia-Pacific Economic Cooperation (APEC) summit meeting in Shanghai and consultations in Beijing (eventually taking place in February 2002) with Chinese leaders. Among highlights of the U.S.-China contacts were resumed cabinet-level talks with Chinese counterparts by the Treasury and Commerce secretaries, among others.

Notably lagging in this resumed U.S. engagement was the Department of Defense. U.S. military contacts remained quite restricted while other departments were resuming engagement. In this context, many observers speculated about significant differences among Bush administration officials concerning policy toward China.⁴³ In broad terms, they viewed Secretary Powell and the State Department leading a wing of the administration seeking to manage differences with China in ways that would avoid disruption and allow for greater development of common ground. In contrast, Defense Secretary Donald Rumsfeld was seen leading a harder-line approach that gave pride of place to China's ongoing military buildup directed at intimidating Taiwan and dealing with contingencies involving U.S. forces in a Taiwan conflict. This Chinese challenge was seen to have implications for the U.S. strategic presence and influence in East Asia and the Western Pacific, and to be part of a broader Chinese effort to spread China's influence at U.S. expense in Asian and world affairs, using military power, WMD proliferation, and espionage, as well as more conventional economic, diplomatic, and political means. Secretary Rumsfeld did meet with visiting Vice-President Hu Jintao in Washington in May 2002.

⁴³See, for example, Shambaugh, "From the White House, All Zigzags Lead to China" (cited in note 26 above).



Lessons and Outlook

Specialists differ on what lessons can be usefully drawn from the experience of the past thirty years and applied to recent U.S. policy toward the PRC and Taiwan. Several argue that the administration needs to change its policy in several ways in order to avoid a confrontation with Beijing as a result of the recent U.S. tilt toward Taiwan. The United States needs to more strictly abide by the three communiqués, curb its military relations with Taiwan, resume active military dialogue with the PRC, and seek closer interaction with PRC leaders in order to develop a cooperative partnership with the PRC leaders that promotes common ground amid continuing differences. The alternative is an unstable and dangerous U.S.-PRC relationship easily falling into confrontation and conflict for many years to come. In particular, Bush administration firmness toward Beijing and support for Taiwan over the longer term could lead to Beijing becoming a determined enemy of the United States and Taiwan leaders taking advantage of strong U.S. support to pursue a strong pro-independence stance that could lead to a U.S.-China war.⁴⁴

An alternative view, including that of this article, is impressed by the strong U.S. leverage over China regarding important issues in Sino-U.S. relations in the current situation, and is relatively sanguine about the Bush administration's ability to manage this leverage in ways advantageous for long-term U.S. interests.⁴⁵ U.S. leverage over China regarding U.S. policy toward Taiwan and other issues has increased in the past when U.S. leaders have felt confident in the U.S. international position and in their own domestic position.

U.S. leaders during the tenure of Secretary of State George Schultz were successful in muting Chinese pressure on Taiwan, and U.S. policy toward the island proceeded without significant interruption, despite the

⁴⁴See, among others, the recommendations set forth in Swaine and Pei, "Rebalancing U.S.-China Relations" (cited in note 26 above).

⁴⁵Sutter, "Grading Bush's China Policy."

acrimony of the U.S.-PRC-Taiwan relationship in the preceding years. U.S. leverage over China appeared strong after the end of the Cold War and the collapse of the USSR undermined the perceived U.S. strategic need for accommodation of Chinese interests over Taiwan and other issues. However, the U.S. leverage was not well directed or was poorly used by the U.S. administration. Rather, policy was defined heavily by the active U.S. domestic debate over U.S. policy toward China, which precluded a coherent U.S. approach that could use leverage effectively in dealing with Beijing.

The Clinton administration eventually came up with a more coherent policy toward China in its second term, but lost leverage over China especially regarding the Taiwan issue in part because of its perceived need to avoid "swings" in the U.S.-China relationship over the Taiwan issue and to seek signs of progress in the U.S. engagement with China that required cooperation from the PRC. Not surprisingly, PRC bargainers insisted on concessions in areas of importance to them, notably Taiwan.

The situation seems better for U.S. interests during the George W. Bush administration. PRC ability to bargain and pressure on Taiwan and other issues appears much less with the current Bush administration that seeks little from China and offers little in return. The administration appears powerful and influential in world affairs with or without Chinese government support. Powers like Russia and India have joined with the European Union and Japan in endeavoring to work hard to join with the United States in key international efforts—notably the war against terrorism.

Preoccupied with difficult leadership succession issues and protracted economic and social challenges to China's internal stability, Beijing leaders have sought to preserve advantageous U.S. economic contacts and avoid the broad and internally wrenching ramifications of any major change in China's U.S. policy. Seeking an Olympic bid for 2008 and a smooth transition into the WTO added to reasons for moderation. China also has become somewhat more optimistic about cross-Strait relations, though the military buildup opposite Taiwan continues.

The second Clinton administration was seen by Beijing as anxious to

avoid major downturns or "swings" in the China relationship that might have jeopardized the passage of PNTR legislation in Congress and called attention to the President's mixed record on handling China policy. Against this background, the Clinton administration gave China the highest priority in U.S. Asia policy—a potential source of leverage for the PRC. By contrast, the firm U.S. reaction to the EP-3 episode, markedly increased U.S. support for Taiwan, and new U.S. focus on China as a potential threat showed Beijing leaders that the current U.S. government was prepared to see U.S.-China relations worsen if necessary. The firm U.S. stance seemed to have U.S. domestic backing, fitting well with mainstream Congressional and U.S. media opinion regarding China. Thus, Chinese leaders by mid-2001 recognized that if U.S.-China relations were to avoid further deterioration, it was up to China to take steps to improve ties. Chinese officials have therefore been more solicitous and less acrimonious in interaction with U.S. officials in many years, Chinese rhetoric against U.S. hegemonism has been toned down, and some tentative signs of public PRC support for the U.S. military presence in East Asia have even appeared.

The current balance in U.S. policy toward China means that Chinese leaders are likely to continue to be solicitous of improved U.S. ties and less likely to pressure the U.S. government for concessions or threaten strong countermeasures to U.S. actions on Taiwan and other sensitive issues. Beijing is not compromising core interests regarding Taiwan, WMD proliferation, human rights, and other issues, though China may be more willing to make some case-by-case concessions in the interest of stabilizing the relationship. U.S. business interests seem satisfied with the enlarging U.S.-China economic relationship, while U.S. friends and allies in Asia are reassured that the past year has seen relations move to greater stability and reduced tensions. The war against terrorism has muffled much of the U.S. domestic debate over China policy, allowing U.S. administration leaders a freer hand in dealing with China.

However, the situation remains delicate—the administration has exponents of a harder line who could push too hard on Taiwan or other sensitive issues, prompting a strong PRC backlash. Taiwan supporters could seek advantage at the expense of U.S.-PRC stability.

On balance, the pro-Taiwan forces in the United States have been satisfied with Bush administration policy and there is little sense of urgency to seek more support from the United States. The formation of the Congressional Taiwan Caucus in April 2002 reflects the deep Congressional support for Taiwan more than any strong sense of Congressional dissatisfaction with Bush administration policy.⁴⁶ Pro-Taiwan forces in the United States are less likely to push hard for further advances in U.S. ties with Taiwan so long as Taipei seeks to avoid unneeded difficulty with Beijing at a time of tense cross-Strait relations and declining economic prospects and political order in Taiwan.

Up to now, Taipei generally has joined U.S. allies and friends in the region, along with U.S. business interests and other opinion leaders in urging stability in U.S. policy toward cross-Strait issues. In general, this appears to be enough to brake egregious forward movement in U.S. ties with Taiwan, although U.S. steps seen as needed to secure Taiwan against the continuing PRC military buildup are likely to add to the arms race and tension in cross-Strait relations.

There is a danger that Taipei—frustrated by the impasse in cross-Strait interchange and unable to make headway on domestic economic and political issues—may seek a higher U.S. profile for President Chen Shui-bian, even at the risk of a serious downturn in U.S.-PRC relations. Some pro-Taiwan groups are pushing for a visit by President Chen to Washington, D.C. President Chen himself has spoken in recent video conferences with Washington, D.C. and other U.S. audiences about his desire to be with them "in person."⁴⁷ (He has also made some statements on cross-Strait relations in August 2002 that appeared destabilizing and contrary to U.S. interests. The Bush administration took prompt steps to curb such statements.⁴⁸) The generally deliberative style of decision-making in the

⁴⁶"Taiwan Getting a Stronger Voice in U.S. Congress," *Taipei Times*, April 11, 2002 (Internet version).

⁴⁷Hiebert and Lawrence, "Crossing Red Lines" (cited in note 31 above).

⁴⁸John Pomfret, "China, Taiwan Ease Tensions," *Washington Post*, August 10, 2002 (Internet version).

Bush administration may provide a brake to domestically driven initiatives that would do little to improve U.S. interests as they risk major friction in U.S. relations with the PRC.

In sum, the Bush administration has followed an approach to China in the context of a broader U.S. regional and international strategy that has seen an increase in U.S. power and influence in regional and world affairs, and has placed the United States in a position where Washington can significantly increase U.S. support for Taiwan and adopt firm positions on other sensitive issues with China, without significantly disrupting U.S.-PRC relations. The U.S. stance also has seen fewer of the concessions and compromises on sensitive issues, notably Taiwan, seen in the previous administration. In large part because of circumstances surrounding the U.S. focus on the war against terrorism, the Bush administration has been less constrained by the ongoing U.S. domestic debate over China policy than previous administrations. The advantageous position of the U.S. administration depends in good measure on U.S. power relative to China, and U.S. ability to use that power in ways that avoid extremes in support for Taiwan and in other sensitive issue-areas that could prompt China to reevaluate its recent approach in favor of a tougher stance toward the United States.