



ICAS BULLETIN

Institute for China-America Studies

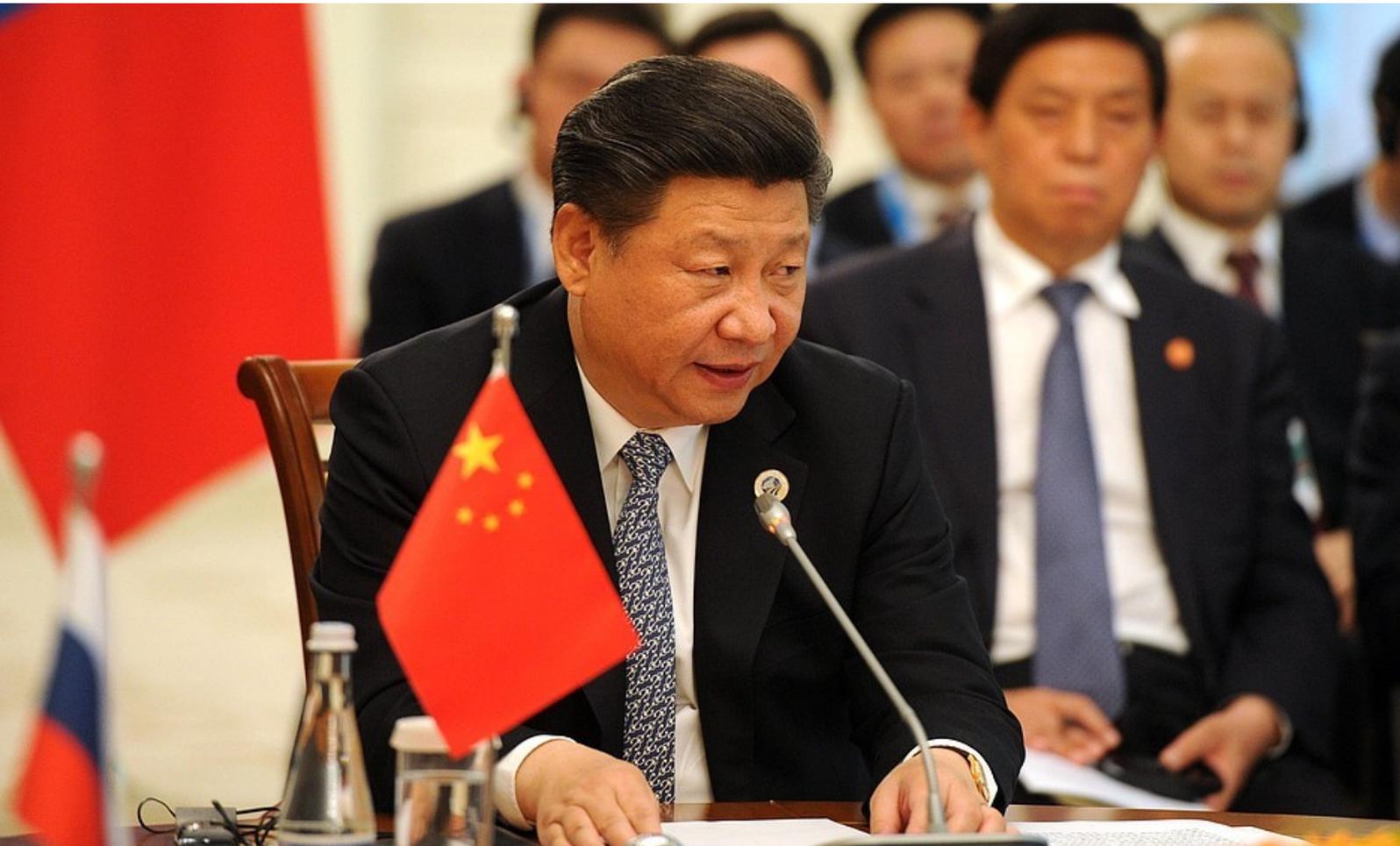
A Survey of Scholarship on U.S.-China Relations

Twice a month, the ICAS Bulletin updates a global audience on American perspectives regarding the world's most important bilateral relationship. Research papers, journal articles, and other prominent work published in the U.S. are listed here alongside information about events at U.S.-based institutions.

Commentary:

China's Strategic Vision: Five Years on and Looking Ahead

By Han Guo & Zhan Zhou



In the News

China Expected to Work with Europe to Preserve Iran Nuclear Deal after Trump Threat

Kristin Huang

South China Morning Post, October 16

Despite international inspectors' verification that Iran is complying with the nuclear agreement it signed in 2015, US President Donald Trump has decertified the agreement, paving the way for the U.S. Congress to place new sanctions on Iran. The decision has pushed European countries closer to Russia and China, who are determined to preserve the deal in spite of the American president. Given China's close economic ties with Iran, analysts predict that "Washington's move would not affect China's ties with other parties involved in the nuclear deal."

For the latest on the Iran nuclear agreement, see Reuters reporting [here](#).

North Korea Rejects Diplomacy for Now

Will Ripley, Zachary Cohen, and Richard Roth

CNN, October 17

"A North Korean official reaffirmed Pyongyang's commitment to developing a long-range intercontinental ballistic missile capable of reaching 'all the way to the East coast of the mainland US,' on Monday, telling CNN that the rogue nation is currently not interested in diplomacy with the US until it achieves that goal."

"North Korea is not ruling out diplomacy, but 'before we can engage in diplomacy with the Trump administration, we want to send a clear message that the DPRK has a reliable defensive and offensive capability to counter any aggression from the United States,' the official said."

Statement from the Press Secretary on President Donald J. Trump's Upcoming Travel to Asia

The White House, October 16

The White House has released President Donald Trump's schedule of the upcoming travel to Asia. "On November 8, President Trump will arrive in Beijing, China for a series of bilateral, commercial, and cultural events, including meetings with President Xi Jinping."

The Communist Party of China held its 19th National Congress in Beijing

Xinhua Staff

Xinhua News, October 18-24

The Communist Party of China held its 19th National Congress on October 18-24. President Xi Jinping delivered a comprehensive report in the opening session, the highlights of which can be found [here](#). During the congress, the new guiding doctrine entitled "[Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era](#)" was written into the Party Constitution. The Congress also emphasized strengthening socialism with Chinese

characteristics, party-building, and socialist rule of law, and setting concrete timelines for achieving development goals, such as building a moderately prosperous society and achieving “socialist modernization.” It was also noted for rallying China to play a more substantial role internationally. Towards the end, the congress voted to select members of the highest ruling organs of the party, including the Politburo and its Standing Committee, the Central Committee, and the Central Commission for Discipline Inspection.

These Seven Man Now Run China

Chris Buckley

The New York Times, October 25

“Chinese President Xi Jinping unveiled on Wednesday the new leadership team that will help him govern the world’s most populous nation for the next five years,” as the country’s 19th Party Congress drew to the end. In addition to Mr. Xi, the members of the new Politburo Standing Committee are Li Keqiang, Li Zhanshu, Wang Yang, Wang Huning, Zhao Leji, and Han Zheng.

Amid Strained Ties, North Korea Congratulates China on Party Congress

Reuters Staff

Reuters, October 18

“North Korea congratulated China on its 19th Communist Party Congress on Wednesday amid increasingly frayed relationships between the traditional allies, as China tightens sanctions over Pyongyang’s nuclear weapons program.”

China Says Jobless Rate Lowest in Years, but Challenges Persist

Reuters Staff

Reuters, October 21

China’s Ministry of Human Resources and Social Security reported that the unemployment rate hit its lowest point in several years at 3.95 percent in September. 10.97 million new jobs have been created since this year, largely due to the internet based economy and flourishing entrepreneurship. However, employment rose substantially in sectors targeted by capacity cuts, such as coal and steel.

North Korea Will Not Resume Six Party Talks Without Change in US Policies

Choi He-Suk

Korean Herald, October 22

“According to reports citing participants of the Moscow Nonproliferation Conference, North Korean Foreign Ministry’s Director General of North America Affairs Choi Sun-hee said that Pyongyang will not return to six party talks, and that the country will only negotiate with the US.” “According to reports, Choi also said that Pyongyang considers the six party talks to be invalid, and that nuclear armament was a “strategic decision” for North Korea.”

China and ASEAN to Go Ahead with First Joint Naval Exercise in Sign of Greater Engagement

Sarah Zheng

South China Morning Post, October 24

“China and the Association of Southeast Asian Nations plan to deepen their military relations and will go ahead with a joint maritime exercise proposed by Beijing, according to a statement from Singapore’s defence ministry, in a sign of greater engagement between the 10-member bloc and the region’s leading economic power.”

“Details of the exercise were not given, but observers said it was likely to involve the nations’ militaries engaging in non-combat drills, such as navigation, signalling, and search and rescue exercises.”

Trump to Skip Key Asia Summit in Philippines to Go Home Earlier

Josh Rogin

The Washington Post, October 24

President Trump is officially planning to leave Philippines a day before the important East Asia Summit. Analysts take this scheduling as a signal of “a lack of interest in the organization and the project it represents,” and believe that this “will only raise more questions about American credibility.”

Articles and Analysis

Why Do We Keep Writing about Chinese Politics As if We Know More Than We Do?

Jessica Batke and Oliver Melton

China File, October 16

In the light of China’s 19th Party Congress, western media and think tanks have published numerous articles and analysis deciphering Chinese politics. But because China guards information about its internal affairs so closely, it is particularly challenging to get the facts straight. Most analysts simply lack sufficient evidence to support their conclusions. It is especially difficult to decipher the power struggle of China’s ruling party, a topic that is favoured by many western observers. This runs the very real risk of misinterpreting what is actually happening in Chinese politics.

A New Era Dawns for Xi Jinping’s China, But What Will It Mean for the Rest of the World?

David Zweig

South China Morning Post, October 25

President Xi Jinping announced at the Communist Party of China’s 19th National Congress that China has entered the “New Era” of its history. After accomplishing the goal of re-

establishing national unity and quickly becoming a moderately wealthy country, the new bar is set at building comprehensive national power that can fulfil the “China Dream”.

China’s development can benefit the world as it takes on more global responsibilities. However, China also needs to be aware of the risks, primarily the over-centralization of power, which may cause alternative ideas within its leadership to be shut out as well as lead to the suppression of societal expression.

“Thus in this third era, China is at a crossroads – will it be the confident and constructive China that solves its own dilemmas and contributes positively to resolving the world’s problems, or a more aggressive China, which itself becomes a problem?”

Take Away Trump’s Power to Nuke First

Will Saetren and Emily Jin
Inkstick Media, October 25

Very few people understand that Donald Trump has absolute control over America’s nuclear arsenal, write Will Saetren and Emily Jin. In fact, 76 percent of Americans think that there is some sort of check on the President’s authority to initiate a global nuclear holocaust. There isn’t. The President of the United States can launch the weapons on at any time, for any reason. There is no proverbial red button he can push to unleash armageddon, but he could do so in about as much time as it takes the average person to send a 140 character Tweet.

Russia Steps Up as Go-between on North Korea

Tomoyo Ogawa
Nikkei Asian Review, October 16

Russia has been setting up high-profile meetings with North Korean officials and calling for dialogue to defuse the current crisis. But Pyongyang has rejected the idea and protested that the ongoing sanctions and joint U.S.-South Korea military drills create an atmosphere in which it is impossible to negotiate. These moves indicate that Russia is playing the North Korean card to mend fences with the United States, given that Russia itself has been sanctioned over the Ukraine crisis and alleged interference with U.S. elections.

See also: the latest news on Russia’s sanctions against North Korea:

http://news.xinhuanet.com/english/2017-10/17/c_136684459.htm

Why Trump’s Threat to Withdraw from the Iran Nuclear Deal is a Concern for China

Sarah Zheng
South China Morning Post, October 17

“In a speech on Friday, Trump refused to certify the Joint Comprehensive Plan of Action, accusing Tehran of committing ‘multiple violations’ of the deal despite international inspectors saying it had complied with it. The president’s actions threaten the accord to ease sanctions on Iran, which was negotiated by the US, China, France, Germany, Russia and the United Kingdom to curb Tehran’s nuclear ambitions. That could further destabilise the economic and security situation in Iran, which has close links with China. The two countries have economic, trade and energy ties, with China relying on oil imports from Iran while

Tehran looks to China for investment, particularly stemming from its sprawling belt and road trade and infrastructure plan.”

What Did the CCP Party Congress Mean for China’s Diplomats?

Ricardo Barrios

The Diplomat, October 30

“Personnel changes within the Party reflect satisfaction with the leadership’s international performance over the last five years and suggest the country’s course will continue along the same path of increasing engagement overseas.”

The 19th Party Congress demonstrated both continuity and a greater emphasis on China’s diplomacy. Many diplomatic and economic players in the party and state remain onboard. Still, the promotion of State Councilor Yang Jiechi to the Party’s Politburo, as well as former UN representative Liu Jieyi indicated that China’s diplomats have been given a new level of respect that reflects the country’s growing international profile.

Past Events, Videos, and Discussions

New Approaches to the South China Sea Conflicts

Conference hosted by *University of Oxford*, October 19-20

Dr. Nong Hong, the Executive Director of ICAS, attended a two-day conference at the University of Oxford focused on identifying viable policy solutions to the many disputes in the South China Sea. All of the main claimants, including China, the Philippines, Vietnam, Taiwan, Malaysia and Brunei, have ratified UNCLOS (The United Nations Convention on the Law of the Sea). UNCLOS contains specific mechanisms for dispute resolution, but these have not yet proven to be effective. Furthermore, as evidenced by China’s decision not to participate in the recent arbitration case brought by the Philippines or to accept the decision of the tribunal, it is unclear whether UNCLOS (or international agreements like it) can be a productive tool for managing this conflict. Dr. Hong gave a presentation at the conference on the topic, “Lawfare Surrounding the South China Sea: The Role of UNCLOS.” Dr. Hong also gave a speech at the public forum following the conference entitled, “New Approaches to the South China Sea Conflicts.”

Maritime Security and Cooperation: Opportunities and Challenges in the Asia-Pacific and the Arctic

Conference co-hosted by *ICAS* and the *China Institute, University of Alberta*, October 26-27

ICAS sent a delegation led by Executive Director Dr. Nong Hong to Edmonton, Canada to attend the co-organized 5th annual Asia Maritime Security Forum, Maritime Security and Cooperation: Opportunities and Challenges in Asia-Pacific and the Arctic.

The two-day forum examined similarities and differences between the maritime security and stability in these two regions. The territorial and sovereign rights disputes in the South China Sea are frequently covered in academia and the media, but more often than not the Arctic is

overlooked. This region is increasingly becoming a battleground for competing interests and claims. Thus far, international law and the law of the sea has managed to resolve these issues as they arise, but that will become increasingly difficult. As more of the Arctic becomes accessible and its resources harvestable due to climate change, the frequency and complexity of these competing claims will only increase. Current ambiguity in international law is already proving to be problematic in resolving the disputes in the South China Sea. It is essential that this doesn't spill over into the Arctic as well.

This conference sought to address these challenges and identify common ground for cooperation and dispute resolution in the South China Sea and the Arctic.

5th International Conference on Economics, Politics, and Security in China and the U.S.A. - "Partnering for the 21st Century"

Conference co-hosted by the *School of Public Policy, University of Maryland*, and National *University of Defense Technology*, October 24-25

The School of Public Policy of the University of Maryland and China's elite National University of Defense Technology jointly hosted an international conference last week featuring panels on U.S.-China bilateral relations, nuclear security issues, cybersecurity in the 21st Century, and security in the Pacific.

ICAS research associate, Will Saetren, participated in the 5th panel on Security in the Pacific. He highlighted the challenges both the United States and China are facing in the South China Sea. Solving the issues requires a long-term commitment to crisis management and to reconcile Chinese and international laws. Importantly, both countries need to agree to strengthen crisis management mechanisms to prevent misunderstandings and disastrous escalation.

Xi Takes Charge: China's Political Landscape after the 19th Party Congress"

Event hosted by the *University of California Washington Center* and the *US-Asia Institute*, October 23

"The upcoming 19th Party Congress in China, considered to be President Xi Jinping's 'midterm,' is fraught with risks and challenges for him. As Xi seeks to strengthen his hand by elevating his close supporters into the Politburo and its Standing Committee, the Party's institutional rules and precedents require him to share power and patronage with other senior leaders."

This event addressed the following questions: Will Xi follow the rules and preside over a normal collective process or will he flout the rules in order to consolidate his position as the core leader? What is the agenda for economic policy reform?

Upcoming Events

Featured Event: U.S-Asia and U.S.-China relations in the wake of Donald Trump's Trip to the Asia-Pacific

Roundtable discussion hosted by *ICAS*, November 16

New Team, New Agenda? What the 19th Party Congress Tells Us

Event hosted by *The Brookings Institute*, November 02

China's 19th Party Congress: Implications for China and the United States

Event hosted by *Kissinger Institute on China and the United States*, November 03

The Dawn of a New Era: Readout of the 19th Party Congress

Event hosted by *Center for Strategic and International Studies*, November 03

America's Asia-Pacific Alliances In a Time of Uncertainty and a Rising China

Event hosted by *The Paulson Institute* and *Harris Public Policy*, November 03

China's Power: Up for Debate - The Second ChinaPower Annual Conference

Event hosted by *Center for Strategic and International Studies*, November 14

Managing Strategic Competition in Asia

Event hosted by *The National Bureau of Asian Research*, November 15

Commentary

China's Strategic Vision: Five Years on and Looking Ahead

By Han Guo and Zhan Zhou

China, one of the world's most influential powers, held its most significant political meeting last week. The 19th CPC National Congress marks a milestone in the country's development as the new ruling guideline of the party, "Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era," was written into the Party Constitution. The new Constitution places emphasis on building "the community of shared future for mankind" and addresses President Xi's "Belt and Road Initiative (BRI)." They are the most notable diplomatic achievements of China in the past five years.

Prior to this, the Party Constitution has had no comprehensively renewal of the section on foreign policy for twenty years. In that light, what is the significance of those two strategic proposals, what has been achieved so far, and what can we expect in the future?

Building "the community of shared future for mankind" is a significant international strategy proposed by President Xi. Despite global economic growth, the past five years witnessed political instability as economic isolationism, political separatism and terrorism were on the rise. In the context of globalization, those issues challenge all of us. How should we as human beings think of our future and the future that lies ahead of us? As an answer to those profound questions, "the community of shared future" is a timely response that provides a much-needed account for the outlook of the integrating globe. It points out that the future of mankind is essentially dependent on each other, and this dependence requires the communal effort of every country on the planet. To establish this community, President Xi has issued a call to "make sure that all countries respect one another and treat each other as equals... seek win-win cooperation and common development... pursue common, comprehensive, cooperative and sustainable security... and ensure inclusiveness and mutual learning among civilizations."

BRI, also known as "the Silk Road Economic Belt and the 21st Century Maritime Silk Road," is a crucial step towards realizing the community of shared future for mankind, and probably the most ambitious strategy China has ever launched, which is slated to provide much-needed infrastructure development and financial coordination for the 65 Eurasian and African countries involved. The initiative aims at promoting the connectivity and cooperation between those countries. As of the end of 2016, China has reportedly invested more than \$50 billion in its BRI partners, and the total volume of trade between China and other BRI countries has exceeded \$3 trillion. Chinese firms have also established more than 50 economic and trade zones in more than 20 countries.

To secure the enormous amount of investment needed for the project, China has proposed to found the Asian Infrastructure Investment Bank (AIIB), established the Silk Road Fund (SRF), and invested in the Silk Road International Bank in Djibouti. Like BRI, AIIB is widely supported by the international community as the bank currently has 56 member states with

[capital investments exceeding \\$100 billion](#). For perspective, that is equivalent to roughly half of the capital possessed by World Bank. [According to PhoenixTV](#), AIIB has provided \$1.7 billion in loans for 9 BRI countries, and SRF has invested \$4 billion.

Huge investment have led to rapid and successful implementation of [the first BRI projects](#). The first physical platform of the Silk Road Economic Belt, the China-Kazakhstan logistic cooperation base, was opened in May of 2014. Several cross-continental rail lines went into operation until the beginning of 2017, including the Yiwu-London rail line, the Addis Ababa-Djibouti electrified rail line, and the Lanzhou-Minsk rail line. Other infrastructure projects, including the Belgrade-Budapest high-speed railway and the Moscow-Kazan railway, are currently under construction.

In lieu of these achievements, the 19th CPC National Congress enshrined “community of shared future” and BRI into the Party Constitution, which has profound implications for China’s diplomacy under President Xi Jinping. It is a step that legitimizes the ideas and practices behind the two initiatives. It also sends a powerful signal to the world about the credibility of China’s policy consistency, at a time when the United States is demonstrating anything but. Finally, the two enshrined initiatives lay the groundwork for what will come as China’s diplomacy in the “New Era,” whose characteristics are manifested in four perspectives.

Perspective one, China has started its transition from a “big nation” (大国) to a “strong nation” (强国). Its foreign policy guidelines have clearly shifted from the “keep a low profile and bide one’s time” of the past (韬光养晦), to “strive for achievements” (奋发有为). This will likely translate to a far more assertive Chinese foreign policy in the near future. It also means that China will have to assume a much larger mantle of responsibility both domestically and globally. China’s recent economic growth has been unprecedented. In 2016 Chinese foreign investment [amounted](#) to \$175 billion, twice the size that it was in 2012. China has also become the world’s [largest](#) export economy, and is set to [surpass](#) the United States by 2029 in terms of nominal GDP. The expansion of Chinese interests overseas will mean that the government has to bolster its efforts to safeguard its citizens and investments, which will in turn lead to a need for greater political representation. Given the power vacuum created by the lack of foreign policy vision of the Trump administration, this transition is almost inevitable.

Perspective two, a Chinese concept of “community of shared destiny” is needed to tackle the perils of current global political system. Countries around the world now face common threats from climate change to global economic recessions. President Xi [said](#) “no country alone can address the many challenges facing mankind... nor retreat into self-isolation.” Admittedly, previous globalization and the flow of capital have deepened inequality and exacerbated exclusive development, but President Xi offered a dual-track solution to these problems. Although he [emphasized](#) his commitment to “supporting multilateral trade institutions,” he also pledged to “increase aid to the least developed countries” and “expand the representations and voices of developing countries in international affairs.” These remarks suggest that China will heed its actions to avoid the old model of colonialism while

promoting convergence of mutual interests and responsibility, through which a “community of shared future” can be forged.

Perspective three, China’s development of the past 30 years bears notable differences from the Western model commonly dubbed as the “Washington Consensus,” including democratization, free market and privatization of state-owned enterprises. The key to China’s economic success boils down to the combination of the market and state (with the state playing a crucial role), the merit-based selection of bureaucracy and the overarching emphasis on political stability. These offered a “Chinese approach” to “countries and nations who want to spruced up their development while preserving independence.” The “Chinese wisdoms” provide a philosophical guideline on incorporating development theory (in China’s case, Marxism) with the country’s socio-economic conditions. As President Xi [noted](#), “a political system cannot be judged in abstraction without regard for its social and political context, its history and its cultural traditions.” This implies that China’s political systems are never [thought of](#) as “universal,” nor as “imitating the China model an indispensable part of the justice.” Hence the concerns over China “selling” the so-called “China Model” are unwarranted. Empirically, China upholds its longstanding policy of non-interference. Its foreign aid has never included terms to suppress the political-economic systems to the recipient states. China no longer sees benefits from ideological expansions, nor does it have the wherewithal to promulgate Chinese systems the way Soviet Union promoted communism.

Perspective four, the elevated status of diplomatic personnel in decision-making body signals an improvement of inter-agency coordination and coherence. One of the most notable personnel changes made the Party Congress was the promotion of State Councilor Yang Jiechi to the Politburo. Traditionally, the Foreign Minister and the State Councilor are located in the Central Committee, while their uniformed counterparts (vice chairman of the Central Military Commission) almost always hold the seats in the Politburo. In the past, this has led to the sidelining of the Foreign Ministry institutionally, and severely weakened its ability to influence China’s top leadership. There are plenty of examples where the rhetoric of the Foreign Ministry have failed to match up with the policies pursued by hawkish elements of the government. In an interview with the BBC, Zeng Jinghan [explained](#) how the Foreign Ministry had a hard time in “coordinating actions by local governments, the military, and state-owned petroleum enterprises during the South China Sea fray.” Xi’s moves to strengthen the Foreign Ministry will undoubtedly provide a more unified and authoritative channel to represent the official policy of the government as China seeks to play a greater role on the global stage.

The 19th CPC National Congress underscored a degree of continuity in China’s foreign and domestic policies. More importantly, it set the stage for China to assume a global leadership role and fill the vacuum left by the United States as it retreats into isolationism. In an era with uncertainties and opportunities, China now stands at a crucial crossroad. It must decide if it will pursue the methodology and mindset of a traditional rising power, squandering its power prioritizing self-interests above all else, or that of a responsible stakeholder, contributing positively to the global order and progress of mankind. The world expects the latter.

Han Guo and Zhan Zhou are research assistants at the Institute for China-America Studies.