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**Title: The “Critical Decade” in the Sino-American Relationship: the “New Roman Empire” and the “New Great Struggle”**

## Introduction

Jiang Shigong (b. 1967) is Professor of Law at Peking University, an important spokesman for China’s

New Left, and a major apologist for the Xi Jinping regime. Elsewhere on this site is a translation of his

[2018 essay, “ Philosophy and History: Interpreting the ‘Xi Jinping Era’ through Xi’s Report to the Nineteenth National Congress of the CCP,” a weighty explanation and defense of Xi Jinping Tho](https://www.readingthechinadream.com/jiang-shigong-philosophy-and-history.html)ught and an attack on the intellectual pluralism that had developed in China before Xi came to power. Jiang has been similarly outspoken on issues such as [China’s constitution](https://journals.sagepub.com/doi/10.1177/0097700409349703) and Hong Kong, both [before](https://books.google.ca/books?id=fGjTDgAAQBAJ&redir_esc=y) and [since](https://www.sohu.com/a/361891729_162522) the recent passage of the new National Security Law. I do not know to what extent Jiang takes his marching orders from the Central Committee and to what extent he speaks for himself, but in either case, his audience is other Chinese intellectuals. He is neither a propagandist nor a populist, but instead a public intellectual, part of the vibrant Chinese intellectual world that emerged during the period of reform and opening, even if he preaches against globalization, liberalization, and the pluralism of which he is a part, hoping to convince other Chinese intellectuals to join him.

The text translated here (published online on September 4, 2020) seeks to do the same thing for the subject of current Sino-American relations as his essay on “Philosophy and History” did for Xi Jinping

Thought: provide a meta-level interpretation that points China’s way forward. In “Philosophy and History,” Jiang positioned Xi Jinping Thought (a new and improved “socialism with Chinese characteristics”) as a beacon for all humanity. Soviet communism and American liberal democracy having both failed, Xi and China have shown how to blend markets and control, creativity and discipline, in a new developmental model that frees other countries from the burdens of the American or Soviet experience. In this new developmental model, “communism” is no longer grounded in “class struggle”—which no longer fits the needs of China’s middle-class society—but is instead a kind of “search for perfection” that resonates with Confucianism and the Chinese tradition.

International relations are by nature messier than “thought,” but Jiang attempts to provide a similar grand narrative of the history and future of Sino-American relations. He frames his analysis around two crucial dates: 2008, the year marking China’s rise (the Beijing Olympics) and the West’s decline (the financial crisis), and 2018, the year that President Trump launched his American trade war against China.

Prior to 2008, Sino-American relations in the reform and opening era had been characterized by a long period of economic collaboration and a high level of mutual interest. The end of the Cold War marked the beginning of the era of globalization, which Jiang sees as cover for the building of the American new Roman Empire in a unipolar world. American policy toward China was marked by massive investments on the economic front, and by the policy of “engagement” on the diplomatic or political front, which, from the Chinese perspective, Jiang derides as the policy of “peaceful evolution.”

Both mean the same thing, that as China opens up, sees the benefit of markets, gets richer, and grows a middle class, democratization will naturally follow. Jiang sees instead “Americanization,” which is not a good thing, but he admits that the long period of economic growth and relative harmony in relations with the world’s largest power had swayed many Chinese to accept some version of the American view of the world, and thus not to worry overmuch about overweening American power. There are worse things than being along for the ride if your friend’s car is nice.

The financial crisis and the ensuing events put an end to this reverie. China managed to navigate the crisis fairly well—even propping up Western capitalism, in Jiang’s telling —but their pride in having weathered the storm faded quickly as the Western markets they relied on as the “world’s factory” dried up, and China realized that it had hitched its wagon to an unreliable horse: the American empire, still under construction, if on pause because of temporary problems of liquidity.

There followed a series of game-changing Chinese decisions: to move away from their export-driven, cheap-labor economy and toward a high(er) value-added, high(er) tech alternative, using China’s impressive financial and industrial clout to propel itself toward “China 2025” and world economic and technical leadership. At the same time, China’s rise and the West’s stumbles began to change China’s policy of “keeping her light under a bushel” on the international front, and China began to engage in the sort of chest-thumping rhetoric we have most recently seen in its [Wolf-Warrior diplomacy](https://www.readingthechinadream.com/xiang-lanxin-on-wolf-warrior-diplomacy.html).

The United States took this badly. Seemingly overnight, China changed from a relatively docile junior partner in American-led globalization into an upstart competitor, daring to challenge the U.S. for market share, even in high-tech fields like cell phones and 5G. The Chinese presence in Africa, and the development of the One Belt—One Road initiative, represented still more unexpected competition. The U.S. strategic community blamed these events of the failure of the U.S. policy of engagement, and further held the Chinese Communist Party and its new leader, Xi Jinping, responsible, trying to drive a wedge between the people and the Party (a variation on the theme of “peaceful evolution”). Trump’s trade war marked the beginning of a “new Cold War” launched by the U.S., the object of which is to “contain” China.

Jiang could have told this story through the lens of “same bed, different dreams,” the Chinese expression describing people who have different views of a shared experience, but as a Marxist and an anti-Westernizer he does not. In his telling, the U.S. has been trying to corral China into its world empire-building schemes ever since their first diplomatic relations in the wake of the Opium War, and thus all fault lies with the Americans. If this is unconvincing to most American readers, Jiang is not perturbed, because his audience, once again, is Chinese intellectuals. The main purpose of his essay is convince these Chinese intellectuals, many of whom are liberals of one stripe or another, and who are worried about the current state of Sino-American relations, that what has happened is inevitable, and is a good thing.

He alternately hectors them, in language with clear Maoist overtones, accusing them of having gone soft as their lives have gotten easier, and soothes them with blandishments concerning the freedom that will accompany the post-American era. How do I know he targets intellectuals? Because he cites in his closing arguments Fareed Zakari and above all Samuel Huntington—and not Mao or even Xi—to drive his points home. Huntington, a cultural conservative, is strangely beloved by many Chinese intellectuals, even Chinese liberals (see [here](https://www.readingthechinadream.com/xu-jilin-et-al-black-lives-matter.html), for example). Thus I read the conclusion of Jiang’s essay as an olive branch, a rallying cry to Chinese intellectuals to surrender their American dreams and come back to the motherland. Huntington said it was okay. His final paragraphs, in which he admits that China can learn from the West and must continue to improve both its hard and soft power if it hopes to inspire international emulation, confirm for me that this is Jiang in “inclusive” mode (because such themes are music to liberals’ ears).

Of course other readings are possible. Jiang’s text is very long (here’s a [pdf version](https://drive.google.com/file/d/1PiVfNQpwapLHDPCFmSWSfabPSWjwotv1/view?usp=sharing) for those who prefer not reading long texts online) and contains many tangents. Competing Chinese visions of SinoAmerican relations, which I find generally clearer and more convincing, are available [here](https://www.readingthechinadream.com/yuan-peng-coronavirus-pandemic.html) and [here.](https://www.readingthechinadream.com/deng-yuwen-chinese-statism.html) But Jiang is always worth reading both on his own terms, and because of his closeness to China’s central leadership.

Thanks to Chris Buckley of the *New York Times* for first calling this text to my attention.

## Translation

In May of 2020, the United States State Department published the “United States Strategic Approach to The People’s Republic of China” report, which clearly pointed out that: “Since the United States and the People’s Republic of China (PRC) established diplomatic relations in 1979, United States policy toward the PRC was largely premised on a hope that deepening engagement would spur fundamental economic and political opening in the PRC and lead to its emergence as a constructive and responsible global stakeholder, with a more open society. More than 40 years later, it has become evident that this approach underestimated the will of the Chinese Communist Party (CCP) to constrain the scope of economic and political reform in China… The PRC’s rapid economic development and increased engagement with the world did not lead to convergence with the citizencentric, free and open order as the United States had hoped.”[2]

Despite persistent criticism in American public opinion of the government’s policy of engagement with China ever since the beginning of the China-U.S. trade war, a policy which has become one of the main reasons for conservatives’ attacks on liberals in the context of Trump’s reelection campaign, the open admission, in a government document, that U.S. policy toward China in the reform and opening era has been a failure at least suggests that after the Trump administration's fumbling in the U.S.-China trade war, the U.S. has developed a new strategy for dealing with China's rise. This report, along with the 2017 U.S. National Security Report, can rightly be seen as a programmatic statement of a new U.S. China policy.

The emergence of a new American strategy in fact confirms a basic conclusion at which observers and even ordinary people throughout the world have arrived over the past few years: the Sino-U.S. relationship cannot return to its former state. In that case, what are the prospects for a new Sino-U.S. relationship? What finally *is* the new American China strategy?

In fact, arguments concerning “decoupling,” the “Thucydides trap,” the “new Cold War,” and the “clash of civilizations” have long since become part of U.S. public discourse, and while the U.S. cites differences in ideological “principles" in launching its new Cold War, its starting point is a defense of the "realistic" national interests of the United States, and against this backdrop of competition, the United States will continue to cooperate with China when such cooperation accords with American national interests.

As this government report announces the failure of America’s policy of engagement with China, it also signals that the U.S. ideal of building a new Roman Empire in the post-Cold War world has in reality failed as well, which is why the U.S. is now planning to contain China through an Atlantic system and an Indo-Pacific system of alliances. This in turn means that the so-called “decoupling of the Sino-U.S. relationship” will not be a decoupling merely in terms of technical and industrial matters, but will require a geopolitical reconfiguration. In this sense, we can say that the bankruptcy of the American dream of building a new Roman Empire and the failure of its policy of engagement were two sides of the same coin—because they could not conquer China, could not gain China’s support, America was unable to build its world empire.

On this point, all American governments have been clear ever since the United States established a presence in Asia. From 1949, when the American government asked “How did we lose China?” through 2018, when the question became “How did we misjudge China,” the underlying logic has been the same.

So how did Sino-American relations arrive at their present state? How should we understand the earlier Sino-American relationship? Why did American policy to China change so drastically? How should we ultimately respond to the new Cold War launched by the Americans? In the context of the global configuration of power, how should we position and build a new Sino-American relationship? These are questions that those of this age must ponder and face up to.

This essay will trace a simple picture of Sino-U.S. relations since reform and opening, arguing that to understand the structural change in U.S.-China relations from the initial policy of friendly engagement to the containment policy of the new Cold War, we must pay deep attention to the key decade from 2008-2018 that determined the direction of U.S.-China relations. In 2008, when the financial crisis exploded in the West, China held the Beijing Olympics, an event that captivated the entire world and which is often taken as a sign of China’s rise; in 2018, Trump launched the U.S.-China trade war, signaling the basic change in the relationship.

For America, the reason this decade was critical was because the Obama government had attempted, over the course of these ten years, to adjust its internal and external policies; for China, it was a decade of transition in central leadership and a redefinition of China’s political line—and was also critical because it was a decade of active deployment of the “great struggle.” Behind these changes in political line and national policy simultaneously occurring in both countries lay a number of shared questions about the future: What would China’s rise mean for the world order? Was America hoping to use the policy of engagement and “color revolutions” to bring China into America’s new Roman Empire, redefining the Sino-American relationship as an alliance of “master and follower,” while China defined the relationship as that of equal partners” in a “new relationship of great powers?”

One might say that, given the huge differences in the way that the two countries saw the future world, it was inevitable that they would arrive at today’s impasse. For this reason, the future of SinoAmerican relations will to a great extent be decided by how, moving forward, both sides imagine the future world. In other words, how we Chinese imagine the future world will have a direct impact on the construction of Sino-American relations.

# History’s Mandate: The Intersecting Fates of China and America

In a certain sense, the decade between the 1963 “Sino-Soviet polemic”[3] and Nixon’s visit to China in 1972 can be seen as the critical decade that decided the fate of Sino-Soviet relations and of the overall world order. This decade profoundly changed the history of the Cold War, both in geopolitical and ideological terms, establishing the political foundation for the conclusion of the Cold War. It was precisely against this backdrop that, after 1978, reform-era China fully entered into the American-led global capitalist system, at the same moment that the USSR entered the era of *perestroika* and *glasnost*. In other words, both the USSR and China unexpectedly found themselves dealing with the end of the Cold War.

Reform and opening in the Soviet Union not only led to the collapse of socialism in Eastern Europe, but also to the disintegration of the Soviet Empire, affording the United States the opportunity to build its world empire. Through Operation Desert Storm, the United States perfectly demonstrated its idea of a new post-Cold War world order—an age of world empire. The traditional description of this used by mainstream international relations scholars was the “unipolar world” or the United States as the “sole superpower.”

However, as suggested by Bill Clinton’s classic remark to George H. W. Bush in the 1992 presidential campaign, “It’s the economy, stupid!”[4] in building its world empire, the United States relied not solely on military conquest, but all the more on establishing control through economic means.

Consequently, the global strategy of the Clinton administration was to shift from military expansion and control to economic expansion throughout the world, thus integrating the entire world into the economic system governed by the U.S.

In American global economic strategy, China was the largest market with the greatest potential, and for this reason, the question of opening China’s market and achieving economic control of China became the core of the Clinton administration’s strategy of economic expansion. However, American strategy unexpectedly ran up against China’s strategy of developing her own market economy in the period following Deng Xiaoping’s “Southern Tour” in 1992, which signaled a return to a primary focus on the economy. This is because having passed through a period of difficulty in 1989, China maintained its internal political stability, while on the international scene continuing its policy of “hiding its light under a bushel,” even as it pushed for rapid economic development. As a result, in the 1990s, Chinese governments, from the center to local levels, all seemed to turn into one huge enterprise, focused daily on the rapidly expanding economic numbers.

Against this backdrop of economic transformation in both countries, the Sino-American political relationship maintained a high level of cooperation in economic terms, despite the existence of ideological differences and even political conflicts of various sorts. One the one hand, America’s excess capital and technology were natural complements to China's cheap labor and vast market; on the other, and more importantly, in the context of privatizing Chinese state owned enterprises, U.S. foreign investors could readily acquire any number of such high-quality enterprises, thereby reaping unimaginably huge profits. Such economic cooperation propelled the American economy and the American standard of living to unprecedented heights of prosperity, even as it fueled China’s highspeed economic growth.

One might say that China’s international political strategy of keeping a low profile made possible the

American ambition of building a world empire. China consistently and cautiously sided with the United States in major international undertakings, and China’s economic strategy of reform and opening fit perfectly with the American strategy of global economic expansion and establishing economic hegemony. In such a way, the Clinton era morphed into the golden age of America’s postCold War strategy of world empire-building through globalization, even if China deserves credit for a fair bit of what America achieved.

The growth of U.S. economic power further encouraged the post-Cold War political ambitions of the U.S. to build its new Roman empire, and when George W. Bush came to power, under the influence of neoconservative political thinking, he came to define China as a political and ideological enemy, the object of the "end of history."[5] This ultimately gave rise to events like the Hainan Island incident in

April of 2001, when American and Chinese military aircraft collided over the South China Sea. Immediately, China and the U.S. found themselves confronted with unprecedented political and military tensions.

However, after 9-11, the U.S. had no choice but to adjust its strategy, launching a “new crusade” against the Islamic world that lasted a decade. Against this background, China almost became America’s strategic partner, especially as China’s vigorous economic growth continued to fuel

American economic prosperity, providing ample economic resources to the construction of the American empire. Even after the American-led global capitalist system fell into crisis in 2008, continued Chinese economic growth helped the Western capitalist world to smoothly traverse the crisis, to the point that some scholars argue that China’s rapid economic growth during this period “saved Western capitalism.”

Against this background, China and the United States gradually established somewhat separate if parallel lines in terms of politics and economics. Despite various differences in terms of political interests and ideology, the close economic cooperation between the two allowed them to successfully resolve their differences. China even gradually learned to make use of the strength of American industry and commerce to engage in political lobbying, and through economic concessions reduced the political and military pressure that the American directed toward China on issues such as human rights, Taiwan, Hong Kong, and the South China Sea. As result, in Chinese public opinion, we saw the rise for a time of the idea of China and the U.S. as “husband and wife 中美夫妻论” because of the economic cooperation and complementarity between the two, and of the “ballast 压舱⽯” theory, meaning that if Sino-U.S. commercial relations were stable then the Sino-U.S. overall relation would remain stable as well.

However, from the American strategic perspective, the “ballast” of the Sino-U.S. commercial relationship was in service to the American global strategy of building a new Roman Empire. The huge war American launched against Islam needed not only China’s political support, but also, and more importantly, her economic support. While America slipped into its war against Islam, China continued its rapid economic development while still keeping a low profile internationally. This was especially true after 2008, when the financial crisis brought about an economic contraction in the U.S. while China’s rapid growth continued.

The tug of war between Chinese and American economic power finally reached a tipping point that destroyed the former equilibrium. Not only did American investors in Chinese industries feel the change in attitude toward them on the part of local Chinese officials, but in public media we could see Chinese entrepreneurs daring to lecture President Trump,[6] arguing that the reason for the decline in American basic infrastructure was a result of U.S. military spending. The arrogance of some Chinese local officials and entrepreneurs illustrated in fact that they did not truly understand the nature of the Sino-American relationship. They had not understood that when Chinese economic growth reached a certain tipping point at which it seemed to challenge the U.S. new Roman Empire, the “ballast” of the former relation would also have disappeared.

Hence what has frustrated many Chinese is the question of why those many American entrepreneurs and industrialists who have made fortunes in China, did not, as in the past, ask that the American government adopt economically friendly policies toward China, and instead supported President Trump when he launched his trade war. There were economic factors involved, in the sense that these American entrepreneurs in China were feeling the pressure from Chinese governments and Chinese companies, pressure precluding their making the same huge profits that they once did, but the most important factor was not economic, but political.

As for people who cling to the "economic ballast" theory of Sino-American relations, if they continue to believe that political protection from the world empire can be obtained through economic "tribute," American conservatives will respond with words similar to those of Bill Clinton: "It politics, stupid!" The real explanation for the shift in Sino-U.S. relations is found in changing political interests triggered by economic changes, or to put it more clearly: China’s rise threatens the U.S. strategy of building a world empire. As a result, how to integrate an economically rising China into the American politics of world empire became the key to adjusting U.S. China policy.

In 2008, China organized the spectacular Beijing Olympics, allowing the West to see the face of China’s rise for the first time. The American strategic community began to examine the successes and failures of the U.S. strategy of globalization. Many of these strategic thinkers probed America’s strategic errors since 9-11, arguing that the Neoconservatives had become overly invested in their ideological crusade against Islam, investing all of their strength in the war against terrorism, and ignoring China’s economic and geopolitical rise. This standpoint more or less became the mainstream view pushing for a change in U.S. strategy. Consequently, the American world empire strategy once again moved from the Islamic world to seeking a response to China’s rise.

Hence, in 2009, the Obama administration announced the withdrawal of U.S. troops from Iraq, and after the attack on Osama Bid Laden in 2011, the withdrawal of troops from Afghanistan. In 2011, the Obama administration announced its “pivot to Asia” strategy, and in 2012 its “Asia-Pacific rebalancing strategy,” following which America would gradually deploy 60% of its warships to the Pacific. In 2014, the U.S. even spurred the Philippines to file for international arbitration over the South China Sea to put pressure on China over the issue. The same year, the “Sunflower Movement” occurred in Taiwan, followed by the “Umbrella Movement” in Hong Kong and serious terrorist attacks in Yunnan and Xinjiang. Clearly, the reason that the U.S. engaged in this series of actions was to contain China’s rise.

However, these American strategic moves had no clear impact on China, whose economy continued to grow, particularly in terms of upgrading industrial capacity, especially visible in the spectacular growth of high-tech and internet companies. On the political front, a new generation of leaders smoothly managed the transition, and through a series of political and legal reforms consolidated the Party’s leadership of various national enterprises. On the military front, China not only began to build aircraft carriers, but more importantly to construct islands in the South China Sea for the purposes of strategic military deployment, thus breaking the absolute control of the United States over the Straits of Malacca, while at the same time constantly deploying new military hardware.

On the geopolitical front, China built a new political landscape through the One Belt—One Road initiative and the Asian Infrastructure Investment Bank (hereafter AIIB). And on the ideological front, China put forth a modernized version of the “China solution 中国⽅案,” as well as the concept of a “community of common destiny 类命运共同体.” All of this clearly represented a basic challenge to the American project of world empire.

Against this backdrop, the Trump administration carried out a comprehensive revision of the Obama administration’s China policy response in the context of its strategy of world empire. In the eyes of the Trump administration, the reason for the failure of the Obama administration was its over-reliance on traditional multi-lateralism, which had led the United States to assume overly heavy international obligations and responsibilities, all of which led American policy toward China into a contradictory posture. One the one hand, the U.S. hoped to contain China, but on the other the U.S. could not avoid relying on China economically, and this economic dependence could not but reduce the political containment. This led to the “make America great again” slogan of the Trump administration, which shifted the focus of strategy toward the economy, transforming the Obama administration’s reliance on China into Trump’s trade war and other attacks, the hope being to maintain America’s world hegemony through stimulating the U.S. economy.

One might say that the 16 years between 1993 and 2009, when Clinton and George H. W. Bush were in the White House, were the golden years of relative political détente and close economic cooperation between China and the United States. And the ten years between 2008, when China held the Olympic games, and 2018, when Trump launched his trade war against China, were the crucial decade in which China and the U.S. continued to cooperate economically and sought to find a new political relationship. And it was during this crucial decade that the U.S. decided that its policy of engagement with China had been a failure. An important reason that Trump was elected president was the failure of this policy, which is identified with liberals and with the Democratic party. To this end, American liberals began to examine why China has failed to live up to "America's expectations," even going back to George Marshall's efforts during WWII to mediate between the Communist Party and China’s ruling Nationalist Party, and reflecting on successive U.S. administrations' overestimation of their ability to influence China's future.

Yet from the perspective of American conservatives, all of this only further proved the failure of the liberals' China strategy. This failure has not only spurred American conservatives to seek to regain power by reheating the China question, but has also deprived American liberals of a voice and leadership on the China issue. When U.S. liberal academics joined together to make a political appeal to President Trump that "China is not the enemy,"[7] U.S. conservatives immediately pledged their support of Trump's strong stance on China, not the least because "supporters of the ChinaEngagement School kept telling U.S. policymakers that China would become a 'responsible stakeholder' once its economic modernization had attained a sufficient level.”[8] For this reason, if we want to understand the change in U.S. China policy, we must understand the engagement strategy of U.S. liberals towards China during this critical decade.

# "Peaceful Evolution" and "Sino-U.S. Co-governance:" America’s Strategic “Engagement” with China

When the Trump administration launched its trade war with China, the strategic community in the United States initiated a discussion of the misjudgment of China. This discussion was like the one about “losing China” after the 1949 revolution, and reveals the continuous nature of U.S. policy. Beginning with the Wanghia Treaty of 1844, marking the American entry into China’s post-Opium War reality, and especially since America began to push for an “Open Door” policy on China in the late 19th century, the United States has seen China as a stepping stone to world empire. With an eye toward this, the U.S. has made continued political, economic, and cultural investments in China, in hopes of converting China into a political force attached to the U.S., and while this position, at least

superficially, is that of a strategic alliance between equals, in fact China’s relation was to be that of a “vassal state” within a “master-follower” structure.

In the American strategic imagination, China is to America what India was to Britain, an important foundation for the construction of world empire. For this reason, the American internal discussion of “why we lost China” in 1949 was in fact an examination of why U.S. policy had supported the corrupt and incompetent Nationalist Party (Guomindang), which finally meant losing all the special privileges obtained since the late Qing period. And in 2017, the American discussion of “how we misjudged China” was in fact a discussion of why the American policy of placing its hopes in Chinese internal liberalization had failed, which meant losing a better opportunity to contain China’s rise. Only if we understand the American strategic plan to establish world empire will we understand that behind the Sino-American trade war, seen as a great power competition Thucydides trap, there is a deeper comparison underway over development paths, political systems, civilizational traditions, and geopolitics.

After the Second World War, the existence of nuclear weapons meant that great power competition could only with great difficulty have recourse to armed conflict, which in turn meant that the rise and fall of great powers had be accomplished in new ways, which became the methods employed during the Cold War. It is not that there were no wars during the Cold War, but there were no large-scale nuclear conflicts; by contrast, throughout the Cold War the great powers used small-scale, controllable military conflicts carried out by proxies. At the same time, war left the battlefield, becoming a more insidious form of total warfare, in other words, a "peaceful evolution"[9] accomplished through all-out competition and constant infiltration of the political, economic, scientific, technological, financial and cultural realms. These two strategies became the tactics commonly employed during the Cold War, the first being encirclement and containment, and the second engagement and inducement.

For this reason, the importance of the Cold War was not only the competition between socialism and capitalism as the two paths toward modernity, but more important was the competition between two imperialistic strategies. For the most part, the USSR employed rather primitive, violent and coercive military means, while the U.S. used the more modern and subtle strategies of engagement and inducement to guide a peaceful evolution, hoping in the end to win without having to fight . A simple comparison of how the USSR influenced China after 1949 and how the U.S. influenced China during the period of reform and opening will be enough to see clearly the huge differences in the methods employed by these two world empire-builders.

## System Reform and the Strategy of Peaceful Evolution

The American strategy of peaceful evolution is in fact built on a set of simple theories of modernization—the private economy and the marketplace—according to which one starts by promoting the rise of civil society and the liberalization of cultural values, which then leads to political liberalization in the form of a multi-party system. Once this democratization has taken place, however, all political competition will be decided by the strength of capital. Just as Lenin pointed out long ago, the true nature of multi-party capitalism is in fact a one-party system under the control of the bourgeois class. Through controlling global capitalism, America can control ideology, political strength, and finally set up a world empire with Wall Street at its head.

Of course, Wall Street’s financial system must be backed up by a military force capable of controlling the entire world. The world empire built by American liberals has many pretty names, such as "the empire of liberty," the "empire of finance," the "empire of capitalism," the "empire of human rights," the "empire of democracy, etc., but these are all particular aspects of the new Roman Empire, which relied solely on violence, but which adopts a more complex, abstract, elaborate, and multifaceted approach. These multiple techniques work in tandem to make up the strategy of peaceful evolution.

Over the long history of the Cold War, Gorbachev’s *perestroika* and *glasnost* fell into the trap of the American strategy of peaceful evolution, because they promoted economic privatization, intellectual liberalization, and political democratization, which led to the USSR’s rapid disintegration. In the 1980s, China also launched reforms of the economic system and political system, and similarly encountered peaceful evolution. Happily, China managed to forge this difficult pass while maintaining political stability and national unity. The collapse of the USSR was a convenient warning, allowing China to remain highly sensitive to the possibilities of peaceful evolution as it continued its process of economic development. Nonetheless, the U.S. never renounced its China strategy of peaceful evolution, for which reform and opening and the development of the market economy indeed provided a solid social foundation.

From an economic perspective, the development of a market economy in China rapidly created a powerful commercial class, which formed close relationships with Western capitalists. The most powerful among them were highly reliant on Western capitalist financiers, making up a cross-national, invisible class of compradors. This class of people worshipped Western culture, identified with the Western world, and employed financial capital and government power to extract high monopoly profits. This class deeply penetrated the media, education and other fields, in an attempt to control the power to lead the direction of China’s cultural development, and further hoped to gain even more wealth and more direct power through privatization and democratization.

By way of comparison, following the Communist Party's proclamation of the policy of the "Three Represents"[10] in 2002, most private industrial entrepreneurs have been consistently concerned about their "political treatment," seeking political security for their property and market operations. To this end, private entrepreneurs have increasingly entered the political establishment through the Federation of Industry and Commerce, the Political Consultative Assembly, and the People's Congress and the Party Congress at all levels, and at one point, the ability of private entrepreneurs to enter the

Central Committee was even seen as a benchmark for the political treatment of private entrepreneurs.

Of course, if we see the entire class of private entrepreneurs as a force pushing for democratization, this is not only wrong on a theoretical level, it is also politically immature. In fact, most of the private entrepreneurial class hopes that Chinese politics will remain stable, and especially hopes that a stable government can contain the populist trend brought by democracy. Still, because the development of the private entrepreneurial economy in China is heavily reliant on outside capital and technology, they are not only exploited by the forces of capital, but also suffer pressure from state-owned enterprises, and do not have the capacity to participate in national policy debates on the virtual economy versus the real economy. In the absence of proper public opinion and political education, this sector can become a force for peaceful evolution.

From a political perspective, the process of economic reforms leading to marketization produced huge changes in the cultural values of the entire society, and many officials became increasingly corrupt. Either they engaged in rent-seeking behavior on their own initiative or were “stalked” by the business types, leading to the creation of “crony interests” with the business class, so much so that China's economic development has been criticized as "crony capitalism." This collusion between government and business has resulted in the formation of various cliques ⼭头, gangs, and interest groups, with the forces of capital constantly infiltrating the Party and government, knitting together and supporting their own interest networks, and even seeking out their own political agents.

Many of the top elites who hold high-level power and state assets are beginning to fantasize that through privatization and political democratization, they can divide up the state assets in a seemingly legitimate manner and become powerful tycoons like the top officials in Russia. As a result, the “theory of the sinking ship 沉船论” spread by the “circle culture”[11] has the effect of weakening the political standpoint of many officials, so that they prepare an exit for themselves, to the point of sending their capital, family members, and children abroad. Some people even talk about “empty suits [literally “naked officials 裸官”],” who are there in name only. In the strict anti-corruption campaign subsequently launched by the Central Government, many officials were punished for losing political direction and political will, for corruption and duplicity.

From an intellectual perspective, over the course of the modern era, American penetration of Chinese culture has produced a stable class of people who are very close to American culture. They believe in liberal ideology and accept Americans’ views of the “end of history,” and with the religious fervor of “making a little progress each day,” they join in the American cause of peaceful evolution. As a result, the cultural media system controlled by commercial capital and liberal intellectuals systematically preaches the value relativism and historical nihilism brought to you by freedom and equality. These cultural trends are systematically distorting and vilifying the history of the CCP and of New China, and while comprehensively attacking and deconstructing the moral models and heroic images established by the Chinese Communist Party, they spare no effort to glorify and spread nostalgia for the

Republican era. For a time, "Republican fans" became a cultural trend, in the way that the pretty young boys of boy bands ⼩鲜⾁ became the aesthetic idol of young people. In a word, the entire Chinese cultural middle class has been sinking further and further into the pursuit of a life of luxury and dissipation.

Even if 2008 was the year marking China’s rise, it was also the 30-year anniversary of reform and opening. From a theoretical perspective, liberals have used Deng Xiaoping’s thirty years of reform and opening to negate Mao Zedong’s prior thirty years of nation-building, and argue that on the basis of the achievements of economic reform, we must hasten to promote the reform of the political system, failing which not only will economic reforms stagnate, but the results of economic reforms to date will be difficult to preserve. This slice of public opinion hoped to take advantage of the critical period of power transition among China's political leaders to push forward the reform of the political system, such as human rights and constitutional democracy, and to move China towards democratization.

At that point, the "color revolutions" promoted by the U.S. in Central Asia and the Middle East seemed to be succeeding, all the more because in practice these movements were integrated with international political forces and Internet technology to become a set of highly technical and standardized training manuals for the political subversion of governments. Against this backdrop, liberals in China also began to attempt to use new internet techniques to organize public protests, and even the U.S. Ambassador to China appeared at a public protest to test the temperature for a "color revolution" in China.[12] At this time, the Sunflower Movement in Taiwan, the Umbrella Revolution in Hong Kong, and the terrorism of separatist forces in Xinjiang were already exerting tremendous pressure on China's political development at the periphery.

The virulent spread of market capitalism and its hedonistic ideology in China inevitably evoked the reaction of what the economic historian Karl Polanyi (1886-1964) called the “social self-defense mechanism.” China saw the rise of the “Old Left,” the “New Left,” and the “Conservatives.” One might say that this decade and more of profound economic cooperation between China and the U.S. was both a period of China’s vibrant economy closing in on the U.S., as well as a period of deep divisions appearing in China’s economy, society, politics, and cultural ideology, and finally a period in which the China’s self-knowledge, cultural self-consciousness, and cultural self-confidence grew continually. And it is especially true that in the crucial decade between 2008 and 2018, not only did Sino-American relations reach a crossroads, but the question of China’s future political path also reached a crossroads.

On the one hand, calls to push forward the reform of the political system not only resounded in the liberal camp—similar public demands also came from within the Party—the argument being that without political reforms, economic reforms could not continue. On the other hand, leftist politics was also on the rise, making common cause with cultural conservatives. Against this background of ideological and cultural polarization, the Central Committee consistently stressed that "we will never follow the heterodox path of regime change" and "we will never follow the old path of being closed and dogmatic."

But what path would China ultimately follow? Political forces and ideologies intertwined, and at one point reached at a fever pitch. Particularly during the crucial period of uncertainty surrounding the transition of political leadership in China prior to 2012, when the U.S. media and political forces were deeply involved in the transition of political power in China, news of the political struggle often appeared first in Western media, and attempts were made to influence the course of Chinese politics through Western media reports.[13] It can be said that this decade was a key decade not only in the development of China's history, but also in the history of Sino-U.S. relations, and even in the history of mankind.

## The Strategic Inducement of “Sino-American Joint Governance”

In this critical decade, although the Obama administration's pivot to Asia targeted China, it did not yet adopt a policy of direct confrontation and containment as the Trump administration later would, and instead employed the policy of strategic inducement known as peaceful evolution. The formulation of this strategy was certainly influenced by the long-standing U.S. philosophy of peaceful evolution, but it was also related to the domestic politics of the U.S. at the time. In 2008, the financial crisis exploded in the United States, which meant that the U.S. urgently needed the help and cooperation of the Chinese economy, but more important was that American financial capital was at this point fleeing the crisis in the West, in hopes of reaping huge profits in China’s vibrantly developing economy. For this reason, the forces of Western capital wanted nothing to do with a policy of containment.

Faced with this opposition, the Obama administration placed its hopes to constrain China in multilateralism, hoping to find an appropriate place for China in the American-led world empire. One the one hand, in economic terms they promoted the establishment the Trans-Pacific Partnership, hoping to use new trade norms that the Americans would lead in establishing to force China to accept American governance, and on the other hand, in political and military terms they sought to rebuild the alliance system, strengthening the military and political encirclement of China. One might say that such policies represented external pressure, but the Obama administration's major strategic adjustment was to set the agenda for China's domestic peaceful evolution, and, at the same time, to lure China into the U.S.-led world imperial system by setting the course for the U.S.-China relationship.

For this reason, at this very moment, American policy-makers came up with a number of new ideas in the context of Sino-American relations. The most famous of these were the economist C. Fred Bergsten's (b. 1941) notion of a "Group of Two" (G-2), an informal special relationship between China and the U.S., which could lead to a situation of "China-U.S. Co-Governance," as well as former World Bank president Robert Zoellick’s (b. 1953) proposition that the United States make China a

"responsible stakeholder" in international affairs. There was also historian Niall Ferguson's (b. 1964) notion of "Chimerica," and Henry Kissinger’s idea (b. 1923) of a "Pacific world," among others.

On the one hand, these concepts reflect the fact the United States had begun to attach great importance to Sino-American relations due to the growth of China's economic strength, but on the other, they served as strategic inducements to lead China to bind its own interests together with those of the United States, thus creating a harmony of interests in which "saving the United States means saving China." The idea was to salvage the system of division of labor and cooperation in which China exported and the United States imported, China saved and the United States consumed, and China manufactured with American financing, so as to effectively integrate China into the world imperial system dominated by the United States and become the "anchor of the Far East" (the term is

Brzezinski’s) in American control of Asia. Within this configuration, even if a “Pacific system” were to emerge, it would be based on the “Atlantic system.” The position ascribed by the United States to China would be like the position of Great Britain or Japan, that of a useful assistant in managing American rule of the world.

One might say that, in the face of China’s rise, promoting a peaceful evolution in China’s internal politics that would lead China to take the path of democracy, and inducing China to cooperate with the United States internationally in the form of Sino-American co-governance, were two component parts of the same U.S. policy toward China. Once China’s peaceful evolution was accomplished, there would necessarily appear in China a political regime highly dependent on the U.S., which would then work efficiently to achieve the strategic arrangements imagined in Sino-American co-governance. Yet at the same time, once China accepted the arrangement of Sino-American co-governance, then China would necessarily be heavily dependent on the U.S., a vassal state like Japan.

That said, many people in China were extremely tempted by the idea of Sino-American cogovernance. In their view, in the post-Opium War history of China’s relations with the West, if China was not invaded and colonized, then it was isolated and excluded, and now with American help China was going to be able to leave behind the “three gorges of history.”[14] Surely we should hasten to embrace such a gift from the world's number one power? If fact, this would mean returning to the position of member of the U.S. alliance from the Guomindang era.

At that time, China was nominally an equal ally with the United States and Britain, managing the international affairs of the Far East, but the fact is that, after World War II, even China’s request, as a victorious country, to reclaim merely the Hong Kong New Territories was rejected by Britain, and China’s Republican government had no influence at the Yalta Conference, whose purpose was to determine the post-war political situation in East Asia, as Chinese affairs remained in the hands of great powers like the United States and the Soviet Union. However, in light of the "end of history" theory, the Chinese liberals have always been politically immature and naive, both in their conception of Chinese politics and in their positioning of China in the global strategic situation, and have even taken the international status of the former Guomindang government as their highest political ideal, enjoying "peace under United States rule" under the banner of democracy and freedom.

Still, as representatives of the China policies of the Clinton and Obama administrations, both the peaceful evolution strategy and the strategic inducement of Sino-American co-governance were broadly successful. By “broadly successful” I mean that they continually pushed China’s economy, politics and culture toward those of the United States, which in turn established mutual

communication and channels of assistance between the two countries within the parameters of the existing international system. Even more important was that several decades of a friendly Sino-

American relationship produced a Chinese elite that was familiar with and trustful of the United States, which in turn established an excellent social foundation and cultural ideology for a stable and friendly Sino-American relationship.

If we make a brief comparison with the Sino-Russian relationship, we will see that even if in international terms, China has established a more trustful and stable political reliance with Russia, nonetheless that relationship continues to lack organic economic ties and cultural links, and neither country has been able to cultivate an elite that understands and trusts one another on issues of political economy or culture. And from a long-term perspective, such economic and cultural ties necessarily benefit the future healthy development of the Sino-American relationship. Therefore, it was entirely possible that this economic and cultural force in China would develop into a positive and healthy force to promote an early end to the conflict and cooperation between China and the United States, but it could also become a destructive force that cooperates with the American new Cold War, or could even degenerate further into an evil force that destroys the Chinese regime and pushes China towards secession and civil war.

# "The Period of Strategic Opportunity:" China's Strategic Choice

As early as 2012, the American political scientist Graham Allison (b. 1940) coined the term

"Thucydides trap" to describe the reality of the inevitable struggle for hegemony between an emerging power and a traditional power. On this basis, in 2017 he published a monograph on the danger that the Sino-American relationship might fall into that trap.[15] The idea of a Thucydides trap had a huge impact in the United States, and it successfully consolidated the strength of the hawkish, hardline faction in American China policy, as both liberals and conservatives could use the idea to seek out legitimate reasons to wage economic, financial, and even military war against China. In this sense, the U.S. trade war on China was merely a test of strength for U.S. hardline policy on China. To complement the trade war, the U.S. is currently deploying containment strategies in the fields of hightech, finance, politics, cultural ideology, and even military, following the logic of a new Cold War.

If we take the Sino-American relationship as a case study of the Thucydides trap, it should remind us to pay attention to the structural contradictions in that relationship. Looking solely at the development of the relationship in 2007 and 2008, when the financial crisis erupted in the United States, did China save America? Had China not saved America, the U.S. dollar system might have collapsed, meaning not only that China’s foreign reserves would have lost value, but more importantly, the Chinese economy would have been drawn into the crisis, and some people were arguing that the U.S. might even launch a war to turn things around. Against this backdrop, “saving the United States” on the one hand was the rational choice for two economies so closely tied together, although from another perspective, the constant theme in public opinion that “saving America is saving China” was an accurate reflection of China’s friendly relationship with the U.S.

Nonetheless, while China purchased vast amounts of American treasury bonds and boosted China’s economy with 4 trillion RMB of investment, thus helping the West to survive the crisis of capitalism, this very same crisis revealed the fragility of China’s own economy and the huge risks it was facing in the global economy. In the face of this, if the Chinese economy were to stay healthy and continue to develop, adjustments to its developmental strategy were necessary, but from an objective perspective, such adjustments would be a challenge to American economic hegemony. Three aspects of this stand out particularly:

## The Chinese Industrial Upgrade Policy Upset the Existing Economic Division of Labor between China and the United States

The global financial crisis of 2008 revealed the weakness of the Chinese economy in its over-reliance on exports, because even if the Chinese government made every effort to maintain a high rate of economic growth through investment spending, the economic development model of “China as the factory of the world,” relying on huge imports and huge exports, was itself running into difficulties. First, the “population dividend” on which the labor-intensive low-end manufacturing industry relies was gradually disappearing, and there were huge debates over putting in place labor laws to protect workers' rights, all of which meant that the cost of labor in China was continually on the rise, to the point that from time to time there were “labor shortages” on the South China coast. In addition, lowend manufacturing uses vast amounts of raw materials, and creates environmental pollution and a host of other social problems, which means that relying exclusively on labor-intensive low-end manufacturing is unsustainable, and if China's economy is to continue to maintain a stable and healthy development, it had to upgrade its industrial structure.

Against this background, in 2008, Guangdong province, which had been on the front lines of China’s reform and opening, took the lead in promoting the economic strategy of “emptying the cage and changing the bird 腾笼换⻦,” the idea being to relocate labor-dependent low-end manufacturing to backward areas, with Guangdong's coastal areas devoting themselves to the development of mid- to high-end manufacturing. From this point forward, using the higher value added “created in China” to upgrade the previous slogan of “made in China” gradually came to be the policy informing national economic development, and China’s new business card is her high-speed rail network instead of the traditional clothing and shoes.

If we say that in the era of 3G, Chinese high-tech was lagging behind others, that in the era of 4G, Chinese high-tech was in the game, and that in the age of 5G, Chinese high-tech is starting to pull ahead, it tells us something about the speed with which Chinese high-tech is catching up: Chinese high-tech manufacturing companies like Huawei and DJI are growing rapidly, while Internet companies are flourishing and even taking the lead in the world, and the latest AI industry has become a top priority for China's industrial development.

Historically, China missed out on three waves of the industrial revolution, but this time the Chinese government is doing its utmost to be on the same starting line as the Western countries in the "fourth industrial revolution." Even if China remains comparatively backward, always trying to catch up to the West, yet what government and public opinion constantly pay attention to is how to take advantage of our backwardness to “pass the West on the curve 弯道超⻋.” For this reason, guiding the development of science and technology has become the goal and pursuit of science and technology innovation in China. These efforts came together in the 2016 action plan entitled “China 2025,” which proposed the strategic goal of a “three-step program” to become a manufacturing superpower.

The first step is to enter the ranks of manufacturing powers by 2025; the second step is to reach the middle level of the world's manufacturing powers by 2035; the third step is to achieve overall strength and enter the forefront of the world's manufacturing powers by the centennial of the founding of New China in 2049. China's strong rise in high-end manufacturing is eating into the monopoly profits of U.S. high-end technology. A case in point is the competition for global market share between Apple and Huawei mobile phones. This development trajectory means that cracks are appearing in the “economic ballast” that had previously stabilized the Sino-American relationship.

## The “One Belt -- One Road” Initiative as Geo-Economics, and the Asian Infrastructure Investment Bank

As China became the world’s factory, industries such as Chinese steel, concrete, and electrical power accumulated huge capacities. When the financial crisis occurred in the West in 2008, China’s four trillion RMB economic incentives created still more capacity. Yet there is no way to exhaust this capacity domestically, and if it cannot be redirected elsewhere, China’s economy will necessarily stagnate. Although the Chinese government has adopted a series of reform measures to "eliminate production capacity" and reduce the speed of economic development, they are not enough to absorb the excess capacity.

However, at this same moment, Americans and Europeans began to scrutinize and restrict Chinese investment and purchasing activities, which meant that China had to look for places to increase its investments outside of the West. To this end, the Chinese government began to shift its gaze toward developing countries outside the West, and to accelerate investment and construction in Africa, to the point that Sino-African relations became a strategic focus of Chinese diplomacy.

In 2009, Xu Shanda, former deputy director of the State Administration of Taxation, proposed that China use its excess capacity to help late-developing countries in Asia, Africa, and Latin-America in a "sharing economy development plan 共享经济发展计划", which was immediately seen as a "Chinese version of the Marshall Plan." This proposal later developed into the One Belt—One Road initiative officially proposed by the Chinese government in 2015. This initiative was clearly aimed at the Pacific region, as China's development was searching to open up new spaces outside the U.S. and Europe, against the backdrop of the Western financial crisis, and the fact that China's overcapacity coincided with the economic development strategies of these developing countries.

However, the One Belt—One Road initiative focuses economic cooperation on the ancient terrestrial and maritime Silk Road, the historical space where China's ancient tribute trade system developed. This kind of strategic vision immediately made people think of the Ming and Qing dynasties, when China was at the top of the world economy before 1840, and seemed to presage that China would break away from the global economic system shaped by the United States and begin to construct its own China-centered economic system.

As the One Belt --One Road countries are predominantly developing countries, they are in dire need of international investment to boost their economic growth. To that end, China took the lead in organizing the establishment of the AIIB, an international financial institution that focuses on supporting infrastructure development and promoting connectivity and economic integration in the Asian region. Because China has built comprehensive supply chains for the manufacturing and construction of infrastructure equipment, its engineering and manufacturing capacity is second to none, which in turn provides strong financial support as China unleashes its global production capacity.

Although the establishment of the AIIB required U.S.-dollar investments, as the first international financial institution sponsored by China, it will help to promote the internationalization of the Chinese currency, the *renminbi* (RMB). As infrastructure investment stimulates economic growth, government support is needed, and for that reason, the construction of the One Belt—One Road economic zone is not only about economic cooperation, but also necessarily involves cooperation in the fields of politics and security, among others, thus forming mutual support with the Shanghai Cooperation Organization and helping to consolidate good political relations between China and the countries involved. While China views One Belt—One Road and the AIIB as development models for building connectivity and win-win cooperation, from the American perspective, this initiative is clearly challenging the global economic and political order dominated by the United States, so much so that the United States has adopted a negative posture of resistance from the very outset.

## The Internationalization of the RMB: A Challenge to the Hegemony of the U.S. Dollar

Following the development of the Chinese economy, should we internationalize the RMB, making it into an international currency that will promote global economic development? One important reason that the Chinese economy of the reform and opening era became an export-oriented economy was that China desperately needed to "export for foreign exchange," earning dollars and then using them to import high-tech products from around the world. In this sense, the Chinese economy was “dollardriven” from the very beginning. However, following the growth in the scale of Chinese global exports, U.S.-dollar foreign exchange reserves also grew continuously, especially after 2008, when they peaked at one point at $4 trillion.

Because of the U.S. high-tech blockade of China, China earns huge amounts of foreign exchange in U.S. dollars but cannot buy high-tech American products, and in the end often uses these dollars to buy U.S. Treasury bonds, and thus winds up being "linked" to the U.S. Treasury market. This kind of deep financial linkage requires economic and political guarantees. Yet in order to stimulate economic development, the United States often uses a policy of quantitative easing and issues additional currency, which has led to the devaluation of the dollar. Thus China’s hard-earned foreign exchange reserves face the risk of constant depreciation or even default on the debt. There are even concerns about whether the United States will be able to maintain international credit to repay its national debt if political relations between China and the United States do not remain stable. At the same time, China’s economic growth requires the import of large quantities of oil, and since oil is traded in U.S.

dollars, this adds another element of uncertainty to the functioning of the Chinese economy.

In this setting, the healthy development of China’s economy requires that China move away from overdependence on the United States dollar in its global economic activity, which will diminish its economic risk and maintain its economic security. In fact, as early as the 1997 Asian financial crisis, although the RMB was not an international currency, the Chinese government's insistence on not devaluing the RMB nonetheless played a huge role in stabilizing the economies of East and Southeast Asian countries with close economic and trade ties with China, thus establishing the international credibility of the RMB for the first time.

After 2008, “de-dollarization” for a time became the strategic choice of many countries. At a certain point, China, Japan, and South Korea proposed establishing an East Asian Free-Trade Zone, which led to the emergence of the idea of creating an “Asian dollar” as a world currency. However, talks on the topic were suspended after the U.S. sowed discord among the participants. Subsequently, China took action on its own, beginning to promote the internationalization of the RMB, hoping to deploy its considerable economic power to turn the RMB into one of the international currencies for global economic transactions. In 2008, the People’s Bank of China began to promote the cross-border circulation of the RMB, and subsequently set up a RMB cross-border clearing house in Hong Kong.

China also signed bilateral local currency swap agreements with Russia, South Korea, a number of

Southeast Asian countries, and countries in Africa, Latin America, and Europe. In 2015, the

International Monetary Fund announced the official inclusion of the RMB in the special drawing rights currency basket, making it the fifth major international currency after the U.S. dollar, the euro, the British pound and the Japanese yen. China is also gradually promoting the building of Shanghai into an international financial center, much like Hong Kong. In January 2019, in the middle of the U.S.China trade war, the People's Bank of China and the National Development and Reform Commission (NDRC) jointly released the Action Plan for the Construction of Shanghai International Financial Center (2018-2020), which clearly stated that Shanghai will be a global financial market dominated by RMB products, with strong financial resource allocation and outward reach, by 2020.

What is especially noteworthy is that, after the disintegration of the Breton Woods system, the reason that the U.S. dollar continued to play the role of international currency was because, on the one hand, the U.S. has great economic and military power, and on the other, because the dollar was cleverly defined as the currency for oil transactions, which created the global “petrodollar” system. However, China’s continued economic growth not only kept the RMB stable, but in addition, China’s huge and stable demand for oil has contributed to stabilizing world oil prices.

Following the world trend of de-dollarization, oil-exporting countries, especially Russia, Iran, Venezuela and other oil-exporting countries subject to U.S. sanctions, rushed to sign oil supply agreements with China that are calculated in RMB, which will both stabilize the supply of oil to China, and also allow the oil-exporting countries to avoid the volatility and inflation of the dollar, which constitutes a win-win situation for all those participating. Thus, can the RMB establish a stable commercial relationship with oil? China has long been planning an oil futures market traded in RMB, and it was in March 2018, during the U.S.-China trade war, that Shanghai oil futures trading began to run on a low profile, plans for which had been underway for over a decade.

Thus we can see that the decade between the U.S. financial crisis of 2008 and the launching of Trump’s trade war in 2018 was, on the on hand, a decade in which the U.S. sought to accelerate the momentum of peaceful evolution, while on the other hand it was a period in which China seized the last window of strategic opportunity to accelerate the upgrade of its economy. And it was precisely the overall improvement in the Chinese economy over the course of this decade that transformed China, in American eyes, into the greatest power challenging its world hegemony.

America's fear of China's development can be seen in most concentrated fashion in a series of statements by Stephen K. Bannon, the man who served as Trump's chief campaign strategist and propelled him to the presidency. Many of the initiatives of the Trump administration, including economic nationalism, political populism, an intellectual culture based on white supremacy and conservatism, reneging on international agreements, banning Muslim immigration and the trade war with China, have as their direct source the ideas of Mr. Bannon.

As Bannon said, if the U.S. allows China to achieve its goals in cutting-edge technologies as stated in “Made in China 2025,” One Belt --One Road, and 5G, then China will first become the high-tech superpower of the information revolution, next an economic superpower, and finally a financial superpower. Once China achieves these goals, American financial hegemony built on the U.S. dollar system will collapse. In Bannon’s view, the U.S. has five years or so to stop China’s development, which meant that nothing is more important than launching economic war on China. If America misses this opportunity, it will be very difficult to right things in the future. As a result, Bannon not only supported Trump in his attacks on Huawei, but argued that restricting and sanctioning Huawei were not enough; Chinese companies should be kicked out of the U.S.-dominated world economic and financial system.

No one likes extreme rhetoric like Bannon’s, but it is precisely statements like his that bring the reality of politics to light. Politics are not like morality, and must include naked struggles for interests and contests of power, the dominator and the dominated, the ruler and the ruled, all resulting from struggle and competition, the eternal themes of politics. The reason that Bannon’s or Trump’s words can have such a huge impact on the people is because these words speak to Americans’ fear of China’s development, and it is this fear that has led the Sino-American relationship into a Thucydides trap. Which means in turn that China must face this ever more urgent trade war, financial war, geopolitical war, and even a military war.

# The Return of Politics: “The New Great Struggle”

It’s like Huawei CEO Ren Zhengfei (b. 1944) said: while Huawei thought there would be a duel with the

U.S. on a mountain top one day, and fully prepared for it, nonetheless when the U.S. suddenly attacked Huawei, Huawei still did not expect the attack to be so broad, nor the strike force so determined. In fact, the CCP has known for a long time that it would one day have to face an American attack. Soon after the occurrence of 9-11, the CCP convened the 16th NPC in 2002, which defined the first twenty years of the 21st century as "an important period of strategic opportunity that must be seized and that can be used to great effect.”

What they meant by "important period of strategic opportunity" is that China should seize the rare opportunity to form a high level of cooperation with the U.S. as a result of the war on terrorism, and go all out to develop its economy, because "development is the hard truth." The “hard truth” here underscores the fact that it is the strength of China’s economy that will decide China’s heft and position in the Sino-American relationship and in China’s international relationships in general.

At the same meeting, central authorities also proposed facing up to increasingly fierce international competition in the technological and economic fields, making full use of China's comparative advantages and advantages as a late-developing nation, linking industrialization with digitization, in sum, embarking on a "new path of industrialization" with high technological content, good economic benefits, low resource consumption, less environmental pollution, and which makes full use of human resources advantages. This path of industrialization was figuratively dubbed “passing on the curve.” This meant that in terms of economic development, China and the U.S. would inevitably compete over high-tech.

## The Error Zones of “Politics”: Politics Misunderstood as Technique, Law, and Governance

Despite all of this, when the U.S. launched its trade war against China, many people did not grasp the importance of the Thucydides trap, and continued to believe in the “ballast” theory of Sino-American relations, which led them to the following basic opinion: the Sino-American relationship “will never be all that good when it’s good, and never will be all that bad when it’s bad.” On the one hand, the origin of this opinion is to be found in the historical experience of the past few decades, when cooperation and a certain division of labor on the economic front led to low-level cooperation on the political front, while ignoring the changes in the relationship wrought by China's enormous progress in industrial upgrading, the One Belt --One Road infrastructure development, and the internationalization of the RMB, all of which changed the dynamics of the competition.

On the other hand, China's “non-discussion” of politics over the past few decades, and its focus on

Sino-American cooperation as a tool for Chinese economic development, ultimately produced in Chinese society a kind of economic thought that lacks political awareness, and which confuses the dialectical relationship between the economy and politics: instead of looking at the economy from the point of view of politics, it looks at politics from the superficial perspective of economic governance, thinking that politics is just a business, a mere exchange of interests, and failing to see that politics involves competition between individuals, peoples, and nations in terms of values and beliefs, cultural identity, and lifestyles.

From "no discussion" to "hard truths," China's political class, in the process of ambitiously promoting rapid economic development, has consciously or unconsciously accepted the notion of using economic thinking as a solution to all government decisions and particularly political problems, leading to the blurring of political consciousness, stagnation in political thinking, and even the demise of political capacity. Leadership no longer employs ideological and political means to solve political problems, but rather uses economic means to mitigate them or sweep them under the rug.

Internally, faced with social fragmentation and divergent interests, they preach economic security maintenance, a sort of “RMB solution to the problem of contradictions among the people.” In the face of an ever stronger “Taiwan independence movement,” they even seek the solution in expanded economic ties. In the face of the disputes involving regime types and Hong Kong governance, they seek to smooth things over by “giving big gifts.” In the face of ever more virulent religious extremism and terrorism in Xinjiang, they place their hope in promoting economic development. And in the face of continued eruption of mass incidents in the country, they respond by throwing money at them.

One might say the Chinese elite, in this atmosphere of fake song and dance created by sustained economic growth and international and domestic stability, has slowly lost its political consciousness, political will, and perhaps even its political capacity, after which they have come to confuse questions of “governance 治理” with those of “politics 政治.” To put it another way they have confused “interest politics 利益政治” [translated into English as “politics” in the original] with “cultural politics ⽂化政治” [translated into English as “the political” in the original], believing that “politics” is mere bargaining over division of interests, and thus can be “smoothed over with RMB,” which means that political questions are questions about dividing up wealth, problems of governance solved through the techniques of mediation.

This kind of “interest politics” forgets that people by nature are not animals who merely pay attention to material comfort, but are instead a higher beings with a soul, spirit, and values to pursue. And the basic nature of politics is committed to exploring and constructing this communal life of values, aspirations, beliefs, and ideals. Politics, therefore, inevitably involves an exploration of values and ways of life, a clash of cultures and ideologies, a "battle of the gods" or even a "clash of civilizations."

In this sense, politics is essentially the art of winning hearts and minds. The problems we face in Xinjiang, Tibet, Taiwan, and Hong Kong are not first about economic development and material wealth, but about cultural education, values, and political philosophy, questions of how to defend the territory of hearts and minds. And in the face of growing ideological fragmentation internally, what people need is not just an increase in wealth; much more important is to renew our belief in how to act as people, in social norms, and in life ideals.

In fact, ever since the May 4th movement, what the CCP has upheld has been the basic notion of such “cultural politics.” However, the economic development of reform and opening has led to the stifling of this theme. In particular, the proliferating use of techniques, laws, and governance strategies in interest-based politics has stifled the development of fresh political consciousness and political thought, and the ruling party has become increasingly bureaucratic, content to direct the masses with executive orders rather than reaching out to the masses, becoming one with the masses 与群众打成⼀⽚. The newly risen middle-class elite has lost its ideals and beliefs, its moral values are in decline, and historical nihilism is rampant.

They no longer know how to distinguish between friends and enemies in politics, they no longer care about how to win the support of the masses through political thought, they no longer care about national spirit and political will. They no longer discuss the direction of historical development or China's development path, and they look at politics with a "last man" mentality of "the end of history," thinking that the fundamental purpose of Chinese politics is to maintain stable Sino-American relations. Some even argue that China's economic development is about benefiting from the comparative advantages created by the division of labor in the global market, while opposing the promotion of industrial upgrading through industrial policy. Looked at superficially, this appears to be an economic question, but it is actually a political one, namely, avoiding damage to the overall U.S.China relationship.

Following the objective logic of economic development, China's rapid growth created a competitive situation with the United States, to the point of facing the risk of the Thucydides trap, yet in the subjective and dynamic realm of politics, China’s entire social elite lacks crisis consciousness and political awareness, as well as cultural and institutional self-confidence, and thus falls into the fake song and dance of our “harmonious society” and the reign of permanent peace between China and the United States. The objective dynamics of China's economic development and the subjective mindset of China's political elite have created a dangerous rupture, so much so that the vast majority of people are unaware of the quietly approaching, unprecedented political crisis.

Under such circumstances, although the 18th National Congress of the CCP in 2012 called on the whole Party to "prepare for a great struggle with many new historical characteristics", many people do not understand the real meaning of the "new great struggle", and some are even worried that the concept of "struggle" will return to the class struggle of yesteryear, and thus see "struggle" as the old ideology of the "old leftists," failing to see that this "new great struggle" is against the inevitable Thucydides trap, a struggle for control and counter-control against the new Roman Empire built by the United States.

## “The Return of Politics:” The “China Solution’s” Challenge to the “End of History”

In the face of this dangerous situation, after the 18th NPC, the central leadership first turned to Partybuilding and ideological education, targeting high-pressure political anti-corruption initiatives and ideological construction, work-style construction, and organizational construction, reactivating the ruling Party's ideological nature, political nature, and popular nature, injecting political vitality back into the ruling Party and restoring its political beliefs, political cohesion, and fighting power. Just as the report of the 19th NPC, summarizing the five years since the 18th NCP says:

“Over the past five years, we have acted with courage to confront major risks and tests facing the Party and to address prominent problems within the Party itself. With firm resolve, we have tightened discipline and improved Party conduct, fought corruption and punished wrongdoing, and removed serious potential dangers in the Party and the country. As a result, both the intraparty political atmosphere and the political ecosystem of the Party have improved markedly. The Party’s ability to innovate, power to unite, and energy to fight have all been significantly strengthened; Party solidarity and unity have been reinforced, and our engagement with the people has been greatly improved. Revolutionary tempering has made our Party stronger and it now radiates with great vitality. With this, efforts to develop the cause of the Party and the country have gained a strong political underpinning.”[16]

On the basis of just such underpinnings, the CCP turned its attention to solving the problem of the goals and direction of our reforms, questions that we have sought, without success, to resolve throughout the period of reform and opening—the question of where China’s development path will ultimately lead. The Third and Fourth Plenary Sessions of the 18th Central Committee of the CCP clearly promoted "the gradual maturation and completion of the system of socialism with Chinese characteristics," which is clearly related to the issues of promoting the modernization of the country's governance system and governance capacity.

This meant that the reform of China’s political system could no longer follow the path leading to Western democracy, but instead had to uphold Party leadership, and uphold socialism with Chinese characteristics. On this development path, "Party leadership" has not only been incorporated into the national system of rule of law through Party laws and regulations, but has also been explicitly written into the text of the Constitution through amendments, thus blocking the possibility of peaceful evolution. And at the Fourth Plenary Session of the 19th Central Committee, more specific institutional developments were made regarding the adherence to and improvement of the system of socialism with Chinese characteristics and the modernization of the country's governance system and governance capacity.

Even more important, the system of socialism with Chinese characteristics not only remains unchanged within China, but will also make an ever greater contribution to humanity as a whole. At a 2016 conference commemorating the 95th anniversary of the founding of the CCP, General Secretary

Xi Jinping publicly declared that "history has not ended, nor can it be brought to and end…the Chinese Communists and the Chinese people are fully confident that they can provide a Chinese solution to humanity's quest for a better social system." And the 2017 Nineteenth National Congress Report further proposed that China's development path "can expand the path to modernization for developing countries, provide new choices for those countries and peoples of the world that wish to both accelerate development and maintain their own independence, and contribute Chinese wisdom and Chinese solutions to solve human problems.”

From an American perspective, there is no doubt that this is a public challenge to its “end of history” ideology and its construction of world empire, a challenge that requires a change in the U.S. attitude towards China. One might say that the five years between the 18th NPC in 2012 and the 19th NPC in 2017 were a crucial five years in the path of the great revival of the Chinese nation, five years of a race against time preparing the groundwork for the inevitable Thucydides trap, five years of full-scale political revival around this great struggle.

To this end, on the economic front, China made every effort to promote the domestic production of core technologies related to national security, such as information networks, to prevent the United States from using these core technologies to control China. Through One Belt --One Road, China sought to expand overseas markets and prevent the United States from suppressing China's markets in Europe and the United States. China promoted RMB internationalization and RMB oil futures trading to prevent U.S.-initiated energy and currency wars.

On the military front, it has rebuilt the military spirit through anti-corruption initiatives, political reconstruction, and institutional reform; accelerated the creation of artificial islands in the South China Sea to gain geostrategic momentum; accelerated military modernization to enable the military to adapt to the needs of war in live-fire exercises; and accelerated the development and manufacture of new types of weapons to enhance the overall national defense strength in order to cope with any military conflict that may arise. In international relations, China strengthened and consolidated SinoRussian strategic cooperation, strengthened cooperation with neighboring countries and the European Union, expanded China's international political space as much as possible, and responded to the U.S.

concept of world empire with the concept of the "community of human destiny."

After these five years of effort, the 2017 19th National Congress Report announced the dawn of a new era, and the ensuing constitutional changes [removing the two-mandate limit on the office of the president], which deprived the United States of the possibility of intervening in Chinese politics through a change in generational leadership to engineer a peaceful evolution. From the American perspective, this was tantamount to declaring the failure of the enduring U.S. strategy of peaceful evolution, and meant that the U.S. would have to adjust its strategy towards China.

In fact, China had long anticipated that the U.S. would change its China strategy. In the Report of the 19th NPC, “struggle” came to be one of the major key-words of the entire document. This amounted to announcing before the fact China’s political standpoint concerning the attack measures that the United States was readying: dare to fight, never surrender. Regardless of this, even after the conclusion of the 19th NPC, many people still could not understand the hidden meaning of “struggle,” to the point that when the U.S. sanctioned ZTE and began a trade war against China, many blamed it on the chest-thumping high-profile propaganda that emerged in Chinese public opinion after the 19th NPC, and failed to see the Thucydides trap structural contradiction into which Sino-U.S. relations were heading.

It was not until American demands in the trade war became ever more costly, and especially with the baseless arrest of Meng Wanzhou and the nakedly interest-driven American attacks on Huawei, that the cruel reality began to sink in for the Chinese people, leading many of them to change their attitude and to come to the realization that in the absence of a series of painstaking, proactive efforts undertaken since 2012, in the absence of the strong leadership of the Party and the solid and determined leadership at the core of the Party, China would simply be in no position to talk calmly about a “protracted war” in the way that we are doing today.

In sum, in terms of international relations, China has rejected the temptation of Sino-American cogovernance, has opposed binding herself to the war chariot of America’s world empire, and has consistently clung to an independent and sovereign foreign policy, and has proposed that the U.S. and China construct a truly equal, friendly, and cooperative “new-style great power relationship.” However, this kind of Sino-American relationship clearly does not fit into American dreams of world empire, and represents a political proposal that, in today’s America, neither a liberal nor a conservative government can accept. This means that the liberal American hope that constructive engagement would change China so that China would submit to a Pax Americana has proved fruitless. As American conservatives put it in their open letter of support for Trump: “We note the PRC does not recognize the principles and rules of the existing international order, which under a Pax Americana has enabled the greatest period of peace and global prosperity in mankind’s history.”[17] This undoubtedly reveals the political truth of the Sino-American conflict.

It should be pointed out that here, the American conservatives are nakedly, openly proclaiming a Pax Americana. This concept comes from the Pax Romana created by the Roman Empire. It was against this background that liberals in America began to discuss the question of why they had “misjudged China,” why, despite American assistance in China’s economic development, a developed China not only did not become a strategic partner in the American world empire, but instead became a strategic competitor challenging the Pax Americana. They ascribed the reason to the political system of the CCP, and even personal aspects of Xi Jinping’s leadership. Hence, following this logic, the leadership of the Communist Party of China and system of socialism with Chinese characteristics became stumbling blocks in the construction of the new Roman Empire by the United States.

Following this logic, if they are to build the new Roman Empire, then they will first need to launch a new Cold War against the Chinese political system. Following this logic we can also understand the universal disappointment in the United States, especially among those who have been friendly to China for a long time, including the worries of conservatives like Kissinger. This disappointment is surely similar to that felt by the American Ambassador John Leighton Stuart (1876-1962) when he left China in 1949. And the backlash to this kind of disappointment can readily turn into a kind of psychological resentment, which constitutes the psychological origin of the new Cold War against China advocated by many people even in the Democratic Party.

At the same time that the Trump administration criticizes past administrations for having “misjudged”

China, it clearly positions China as a “strategic competitor,” replacing the previous definition as

“strategic partner.” One might say that the failure of the Democratic-led strategy of engagement with China is the reason why both the Democratic and Republican parties, no matter how different they are in domestic politics, have shifted from engagement to containment and from cooperation to competition in their policies towards China. This strategy in fact has evolved from America’s historical experience of dealing with the Soviet Union in the Cold War.

If we say that America’s former engagement policy relied on internal forces within China to succeed, then the containment policy that has replaced it requires that the U.S. itself “join the battle.” This means that the Trump administration will use any means—political, economic, military, public opinion, cultural—to contain and attack China. The crackdown is not just about the U.S.-China trade war and the attack on Huawei, but could develop into competition in the technology, economic, financial, security, and military fields. This competition will inevitably lead to propositions to promote the decoupling of the two countries.

At present, the United States has begun a witch hunt against the Chinese in the fields of high-tech and culture and education, and has started to prohibit Chinese students from entering the United States to study in high-tech fields, restricting Chinese enterprises’ exchanges with the United States in the fields of technology and finance. Behind this theory of decoupling lies the theory of the new Cold War, which will give rise to a situation like that of the “two great camps” in the Cold War, a “one world, two systems” of mutual competition. This new Cold War is different from the Cold War in which the two superpowers, the United States and the Soviet Union, competed for world domination, but has adopted the doctrine of "excommunication" from a new type of Christian empire, and since China does not submit to the world imperial system dominated by the United States, and does not believe in the liberal and democratic ideas of American Protestantism, then China should be expelled from the world imperial system.

In this sense, the “new” part of the new Cold War is that the differences between the U.S. and China are no longer ideological differences between communism and liberalism or socialism and capitalism, but are instead based on different understandings of the development path of modernization and the resulting arrangements of the global order.

# Huntington’s Advice: The Ideological Roots of “Misjudging” China

If we consider the discussion from "why the U.S. lost China" in 1948 to "why it misjudged China" in 2018 as major blunders in U.S. policy towards China at critical periods in its history, then we should look at why the U.S. policy towards China has repeatedly made such huge strategic blunders.

This obviously is an extremely complex theoretical question. In the context of the concerns of this particular essay, we will discover that these two China policies, from different eras and of different types, nonetheless share an ideological base. One the one hand, the U.S. government has consistently believed that economic markets and cultural freedom would inevitably promote democratization and the creation of a multi-party democratic system; at the same time, they also believe that a democratic government must necessarily be a pro-U.S. government. What unites these two different themes in domestic and international politics is the belief in a unique "end of history," namely, that the ultimate way of life in the development of human history is that of liberal democracies, of which the United States is a model, and that the United States represents the way of life that humanity will inevitably adopt in the future. This theory is typified by Fukuyama’s “end of history.”

From this perspective, we can finally understand that, in order to build a pro-U.S. government in China, the U.S. has spared no effort to promote the complete Westernization or complete Americanization of China; similarly, to propel China to leave behind the “three gorges of history” and realize the cause of political democratization, Chinese liberals have not hesitated to admire the United States. Not only are the two goals similar, both propositions follow the same ideological logic. And this is precisely why it is only in examining these two examples of "the end of history," which have been embraced by liberals in the United States and in China, that can we understand why the United States has "misjudged China" and ultimately "lost China.” In fact, Fukuyama’s advisor, the American political scientist Samuel T. Huntington (1927-2008), carried out a comprehensive rethinking of these two questions in American political ideology, which can surely be taken as the realist's heartfelt advice to the liberal idealist.

## The Advisors of Late-Developing Modernizing Countries are not in Washington

In an early volume, *Political Order in Changing Societies*, Huntington reflected deeply and critically on post-WWII America’s promotion of democracy movements in the Third World, which resulted in the dissolution of order, and subsequently produced conflict, chaos, massacres, violence, separatism, war, and revolution. Based on his reflections on these historical experiences, Huntington suggested that political science theory make a distinction between “modernity” and “modernization.” Modernity referred to a completely new style of life, including the market economy, freedom and the rule of law, and constitutional rule, etc., which emerged after the transformation from traditional to modern society in the European historical experience. Modernization referred to the specific historical process from the disintegration of authority in traditional society to the construction of a new social authority. If we say that the former is a normative analysis, then the latter is the analysis of political history. In this concrete historical process, some countries succeeded and some failed, and even in Europe, the starting point for modernity, England and the U.S. are often seen as successful examples, while the political instability following the great French revolution is often seen as an example of failure.

Basing himself squarely on these historical examples, in his volume, Huntington criticized Western political theory for its dogmatic ideological belief that liberal democratic governments represent the highest political ideal, and argued that the primary problem in politics is not liberal democracy, but how to avoid falling into the anarchy of "every man for himself," which Huntington called "political decay." For this reason, in Huntington’s view, the first question in politics is not the question of the form of the government, but instead the question of authority, or in other words how to establish stable political authority, only after which can one impose political order and avoid political decay. This theory represents the basic difference between Huntington and Fukuyama’s “end of history;” the

latter is a normative theory, and takes the basic question in politics to be that of the form of government. Later on, Fukuyama revised his theory in the light of reality, and turned his attention to national governance capacity.

Consequently, as part of the historical process of modernization, the market economy destroyed the traditional economy, which led to the disintegration of the traditional social structure, and the rationalization and liberalization of lifestyles destroyed traditional beliefs, morals and norms of social life. However, if, following the consequent disintegration of traditional authority, the authority produced by the democratic process is not effectively established, political democratization runs the greatest danger of all: a descent into anarchy. The political democratization promoted by the United States in Africa, Latin America, and Southeast Asia after World War II generally encountered just such political decay.

Huntington’s starting point was precisely this question of how to overcome political decay, and he studied the paths produced by different historical and cultural backgrounds. For example, in the process of democratization, Turkey experienced political decay, and ultimately restored political order through the establishment of a “military government.” In China, the restoration of political order was achieved by the CCP, which effectively overcame the decades of chaos and civil war that democracy had wrought. Basing himself purely on respect for the facts of history, Huntington, despite the ideological climate created by the Cold War, accorded high praise to the Soviet Union and China for having overcome political decay through the one-party regimes of their communist parties, thus realizing effective political rule.

He thus argued that for Third World countries, the advisors that could help them implement democratic politics were not found in Washington, but in Moscow and Beijing. The Washington model brought political decay, while the Moscow-Beijing model brought effective political order. On the basis of summarizing these historical experiences, Huntington clearly opposed ideological arguments in favor of democracy, and proposed instead economic development and the establishment of more democratic institutional channels for public participation, which would then serve as the basis for the consolidation and enhancement of democratic political authority through the effective suppression of excessive expectations otherwise generated by democratic ideology.

## The American Promotion of Globalization Necessarily Gives Rise to Anti-American Governments throughout the World

Huntington’s argument not only explains why the U.S. lost China in 1948, it also explains why the U.S. misjudged China in 2018. The extreme democratic movements associated with the 1911 Revolution destroyed traditional forms of Chinese authority, yet were unable to establish effective democratic authority, and the Republican government remained mired in the political decay of chaos, separatism, and civil war. This political decay only came to an end when the CCP made use of even more radical means of social mobilization, and reestablished a modern political authority, the modern, democratic, sovereign authority that replaced the traditional authority of the emperor.

However, when the U.S. promoted democratic movements throughout the world in the post-War era, its primary goal was to build a world that would be dependent on the U.S., meaning the establishment of semi-colonial governments that rely on the middle class and intellectuals of the port cities to dominate the interior countryside, a process which inevitably sows the seeds of political decay through internal divisions. In this sense, active American promotion of economic marketization, intellectual liberalization, and political democratization often led to political decay. Indeed, the active democratization of politics by the United States was the main culprit pushing these countries into political decline, so much so that, to counter this trend, these countries had to build stronger political institutions and governments with an "anti-American" sense of political autonomy.

The history of the post-Cold War period also proves the value of Huntington’s insights. The disintegration of the Soviet Union was a successful example of peaceful evolution promoted by the United States, as well as a classic case of political democratization leading to political decay. Democratization led to the collapse of the country, the radical marketizing reforms of “shock therapy” led to economic collapse, national wealth disappeared into Western pockets over night, and a world power that had made America tremble in fear became a decayed state. For this reason, should Russia want to leave political decay behind and rebuild a strong government, this government cannot be proAmerican, but must be anti-American. This is why there is an internal linkage between Putin’s rise and Russian anti-Americanism, which is that being pro-America brings political decay, while leaving behind political decay requires opposing America.

The 1980s in China was also an era overflowing with liberal thought, but it was precisely when the

Chinese government put a timely end to the “color revolutions” supported by American liberals that China, embracing the idea that “stability trumps everything,” guaranteed political authority and stability, and on this basis accelerated market reforms. In this process, the fact that the extreme democratic reforms underway in the Soviet Union led to the disintegration of the country, the collapse of the economy, and political decay served as a mirror for China, making the trap of political decay all the clearer, and revealing as well the true face of the peaceful evolution the U.S. was pushing in China. Thereafter, even as the U.S. continued to intensify its efforts to effect China's peaceful evolution, the Chinese government remained consistently wary of U.S. strategy and of the Chinese liberals it supports to promote peaceful evolution under the cover of "political system reform," and called this path to political democratization "an evil path leading to regime change."

“With history as a mirror, one can know the rise and fall of a state.”[18] The reason that America misjudged China, and that China’s economic reforms did not take the path of peaceful evolution America had imagined, is precisely because Chinese politicians consciously heeded Huntington’s “heartfelt advice.” This is not because they read Huntington, but was instead the result of practical lessons learned about political realities from China’s experience since the Revolution of 1911 and the disintegration of the Soviet Union. For politicians, history and contemporary reality serve as living political textbooks.

Of course, we cannot say that the reason the U.S. promoted democratization around the world in the post-War period was to create political decay. In fact, governments suffering political decay, even if they are pro-American, do not really serve the interests of the American strategy of building a world empire, because such governments in decay often require that the U.S. invest considerable strength in propping them up, which often brings the U.S. to the brink of disaster.

For example, their support for Syngman Rhee’s government forced them into the Korean War, and their support for the Ngo Dinh Diem landed them in the quagmire of the Vietnam War. What the U.S. needs are pro-U.S. governments with stability and governing ability, the kind of pro-American governments that do not rely on the U.S., but instead identify with American culture and values. Post-War Europe and Japan are classic examples. For this reason, one important aspect of America’s global strategy is to unstintingly promote American values and lifestyles, which includes the construction of liberal democratic regimes.

Yet what America has overlooked is that once democratic politics and American cultural values are packaged together, countries going through democratization will a difficult choice in cultural politics: should they choose American culture? Or their own culture? Clearly, the American strategy of “peaceful evolution” pushes those countries to identify with American culture, but when those democratizing countries leave political decay behind and achieve economic prosperity and political stability, this will necessarily stimulate their own national pride and they will be all the more likely to identify with their own culture and not American culture. That today’s Turkish government is gradually turning its back on the reform line chosen by Atatürk and returning to an Islamisict path is clearly linked to the U.S. promotion of “color revolutions” in the Middle East.

In fact, in his *Clash of Civilizations*, Huntington further revealed the paradox of the worldwide U.S. promotion of American lifestyles and cultural values. In his view, in the process of American-led democratization, the first generation to be influenced by the Americans is often favorable to the U.S., and hence identifies with American culture and values. However, as these countries adopt free market economies and democratic politics, national development produces feelings of national pride, so that they find themselves not on the path of Westernization or Americanization, but on their own domestic path, and some change from pro-American to anti-American.

Indeed, the “April Youth Club” who protested against CNN’s representation of the “Olympic flame incident” in Tibet in 2008, is representative of this: those who were ideologically promoting China’s rise and challenging the American hegemonic order were none other than successive generations of Chinese youth who had studied in the United States. Hence, in Huntington’s view, at the end of the Cold War, the world did not move toward an “end of history” dominated by the American lifestyle, but instead toward a “clash of civilizations.” In his view, in addition to the clash between Christian and Islamic civilizations, there is also the clash between Christian and Chinese Confucian civilizations.

Since the May Fourth movement, the Chinese elite has identified with Western culture and values, be it American-European capitalist culture or the socialist culture of the USSR. Yet as China’s political stability and economic flourishing have stimulated China’s rise, the Chinese people have gradually bid farewell to ideas of full-scale Westernization in cultural matters, and pay little attention to ideological differences between capitalism and socialism. Instead, they are actively indigenizing Western culture and returning to China’s own history and traditions, which explains growing feelings of national pride and cultural self-confidence. We can see this not only in the wave of “national studies 国学热” at the grass roots level, but also in the vibrant rise of cultural conservatism among China’s elites.

Even more important, the new generation of political leadership places even more emphasis on reviving China’s cultural traditions. The 18th NPC promoted “self-confidence in our path, in our theory, and in our system,” and the 19th NPC made a critical addition—“cultural self-confidence.” If the first three express differences between the path taken by China’s system of socialism with Chinese characteristics and that taken by Western capitalism, the final self-confidence speaks to the revival of Chinese civilization and traditions.

For this reason, when Trump visited Beijing in the period before the Sino-American trade war, what he and General Secretary Xi Jinping chatted about in the Forbidden City was the uninterrupted history of 5,000 years of Chinese civilization. This means that while China can accept the market economy, democratic politics, cultural freedom and other concepts grounded in the Western cultural tradition, China absolutely cannot take the path of Western capitalism, nor reproduce American lifestyles, but will instead follow China’s own path to modernity shaped by Chinese history and civilization.

This is also the political significance of the Chinese government’s consistent emphasis on “the path of socialism with Chinese characteristics” and “the revival of the great Chinese nation.” Only when China and America, two great powers, have arrived at mutual equality and respect in terms of cultural, history, and traditions, in terms of paths of political development, and in terms of ideology, can the Sino-American relationship find the right track and establish a new-style great power relationship.

For this reason, in post-Cold War history, any strong nation, or any nation attempting to build a strong government, must openly or implicitly become a country that “can say no to America.” This is true for Russia, as well as for China, Iran, Turkey, North Korea, it was true for the former Iraq and the former Libya, and it is true as well for Merkel’s Germany and Macron’s France. This is less because the entire world has entered a period of “strong governments” and more because the world has entered what the journalist Fareed Zakaria has called the “post-American” era. And rather than see these as political choices made by political strongmen, we should instead see them as the product of the internal logic of global political history, in other words, that "deep globalization" has promoted the formation of a community of common destiny for all mankind that will stand together through thick and thin.

A new type of international order must be constructed on the basis of mutual respect, and opposing the United States’ construction of a world empire based on the Western imperialist tradition must be the common mission of all mankind. For this reason, even before the completion of American’s new Roman Empire, the project has faced resistance and opposition from all the world’s great powers, including China. The path the United States is taking today is actually recreating the path taken by the

Soviet Union in the Brezhnev era in an effort to establish world hegemony. This is why the

Singaporean diplomat Kishore Mahbubani (b. 1948) said that the United States today acts in the world like the Soviet Union did back then, while China acts in the world like the United States did.[19]

# Conclusion

Today, most observers of Sino-American relations are pessimistic, believing that things will only get worse. But this pessimism is due precisely to the presuppositions of an overly blindly optimistic vision of Sino-U.S. relations in the past few decades, in other words, the argument that China would gradually, in the process of international engagement, fall in line with the American-built world empire. In a sense, this optimistic imagination also presupposes the normative premise of the end of history. However, if we reflect a bit on this normative premise, we will realize that such optimism was but a brief historical moment.

Over the long course of history, China has always been a world power that handles its affairs independently and chooses its own path of development. When the New China began its national reconstruction, she did not hesitate to face the suppression of the two world superpowers, the U.S. and the USSR, while at the same time exploring its own development path. Today, against the backdrop of China’s rise, it is all the more impossible to submit to the world imperial order unilaterally imposed on China by the United States. Even more important, solely from a geopolitical perspective, should China submit to the strategic arrangements of the American world empire, this would mean that China would find herself on the front lines of the American conquest of Russia, the Middle East, and the Islamic world. This clearly is not in China’s national interests, and China's location in the middle of Eurasia and the Pacific world dictates that it must construct its own geopolitical world.

In reality, in the absence of the background of the Cold War, the global revival of market economies jointly promoted by Reagan, Thatcher, and Deng Xiaoping would have been difficult; and in the absence of the global changes created by 9-11, the comprehensive economic cooperation between China and the United States would have been impossible. Of course, in the absence of China’s rise, or of China’s strong leadership since the 18th NPC and this leadership’s decision to remain faithful to China’s own path, there might not have been the U.S.-China trade war, or the trade war might have had another solution.

Nonetheless, behind these random historical events there remains one unchanging historical question: will the future global order be the vision of the new Roman Empire, as imagined by the United States? Or rather the vision of the common development of plural civilizations as imagined by the United Nations? Or perhaps a new world order that will evolve out of the tradition of Chinese universalism 天下主义?[20] What are the prospects of China’s rise and the great rejuvenation of the Chinese nation for the future global order? Only by reflecting on and constructing an image of the future can Sino-U.S. relations arrive at a proper repositioning.

In this sense, we have reason to remain optimistic about current Sino-American conflicts and the future of Sino-American relations, in the sense that this relationship will no longer be that of a tortured global posture of mutual cooperation brought about by the Cold War and 9-11, but instead the search for the direction of the historical development their competition will take. Such a contest could spiral out of control and lead to full-scale conflict or even war, but it is also possible to find a line that cannot be crossed line in the contest and to seek cooperation on the basis of that line. “To seek unity in struggle” requires from both parties dispassionate political judgment and profound political wisdom.

As for the United States, perhaps they should abandon their ideology of the “end of history,” abandon their dream of peaceful evolution for China, and let it seek out its own developmental path based on its own traditions, all of which means that perhaps American should rethink its plans to build a new Roman Empire, and sincerely treat China as an equal partner, seeking to cooperate even as we struggle, and in this way approaching China’s proposition that they create a “new great power relationship.” This would perhaps means that competition and cooperation between the two countries would become normal, and that their competition would in effect stimulate the dynamism found in both countries, and the cooperation would resolve problems that neither country can solve alone, especially global problems.

In fact, the “United States Strategic Approach to the People’s Republic of China” Report recently issued by the U.S. State Department already reveals this type of thinking, when it states that: “United States policies are not premised on an attempt to change the PRC’s domestic governance model… Whether the PRC eventually converges with the principles of the free and open order can only be determined by the Chinese people themselves. We recognize that Beijing, not Washington, has agency over and responsibility for the PRC government’s actions.”[21]

At least on paper, this suggests that America has abandoned her peaceful evolution strategy for China. This is surely a partial result of the “new great struggle” actively launched by China over the course of the past crucial decade, in the sense that even while the U.S. declares that there are fundamental differences of principle in Sino-American relations, nonetheless the American “realistic” standpoint respects the fact that the Chinese people choose the system of governance in their country, and decides to treat China as a “competing great power.” Based precisely on this standpoint of “principled realism,” even as America competes with China and carries out comprehensive containment of China, it does not exclude the possibility of cooperating with China on the basis of American interests.

As for China, perhaps we too should adopt a standpoint of “principled realism,” admitting that even as we uphold the principle of the “community of common destiny,” we remain clearly aware of our differences with the West in terms of social and cultural values, nonetheless upholding the rational position of "realism" and taking a calm look at ourselves and the whole world we have to face. We must recognize that the basic framework of the current world order has been established by the West over the last few centuries, and a world governed by rules can create a world where human beings work together on the foundation of different cultural traditions. If China wants to actively participate in world governance, she must first seriously study and absorb the positive elements of the world created by the West, and on the basis of this global framework engage in global cooperation.

We should also clearly understand that the “post-American era” will necessarily be an era of conflict and confusion, in which China will have to rely on the cooperation of all world powers and a friendly system of relations with neighbors to solve the problems that might emerge. In the few years of the post-Cold War era, the American ambition to build a world empire has been tragically thwarted, largely due to its blind sense of mission concerning "the end of history" and its "false virtue" of saving mankind, which led to its ambition exceeding its strength.

If the disintegration of the Soviet Union was one lesson for China, allowing China to maintain a clearheaded political consciousness throughout, then America’s decline is another lesson, counseling China to always exercise strategic restraint, overcome the cultural vanity of saving the world, and to maintain constant strategic focus on nation-building, constantly increasing its power, both hard and soft. Because in a world of international competition, “power is the hard truth.”

But if we want to increase national power, then we must think about how to modernize our country’s governance, how to build an organically vibrant society that provides stimulation to life and creativity, how to build a country governed by rules and laws, all of this to meet the increasing global competition for technology, talent, institutions, and civilization. Whether it is the disintegration of the Soviet Union or the decline of the United States, the decisive factors are always internal, which means that the result of future Sino-American competition will basically be determined by domestic affairs in China.

Over the critical decade that has influenced the course of Sino-American relations, China has consistently focused on domestic affairs, promoting economic development while always focusing on poverty reduction, and promoting the internal unity and rapid rise of Chinese society, which has given it the strength and ability to face the challenges of the United States. In comparison, the U.S. has neglected domestic affairs. With financial and high-tech oligarchs plundering the nation’s wealth, with manufacturing hollowing out, and with a widening gap between rich and poor, it is not surprising that we see the rise of a Trump-style oligarchy combining populism and financial domination.

For this reason, “the true king does not rule those outside civilization,” and only if we gradually develop a stable and desirable lifestyle will other countries wish to emulate our experience and our lifestyle, at which point we can consciously or unconsciously shape the world. It’s like dealing with the pandemic. Whether they wanted to or not, Western countries finally did like we did, put on their masks and practiced social distancing.

# Notes

1. 强世功, “中美’关键⼗年’——“新罗⻢帝国”与“新的伟⼤⽃争,” first published online on September 4, 2020, at <http://www.cifu.fudan.edu.cn/c2/40/c12233a246336/page.htm>, and subsequently republished at <https://www.guancha.cn/QiangShiGong/2020_09_05_564144_s.shtml>, and on Jiang’s Aisixiang page: <http://www.aisixiang.com/data/122877.html>.
2. [Translator’s note: Translation taken from https://www.whitehouse.gov/wp-](https://www.whitehouse.gov/wp-content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report-5.20.20.pdf)

[content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report5.20.20.pdf .](https://www.whitehouse.gov/wp-content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report-5.20.20.pdf)

1. Translator’s note : One incident among many in the deterioration of Sino-Soviet relations over the[course of the 1960s. For details, see https://www.marxists.org/history/erol/ca.secondwave/alivepolemic.htm .](https://www.marxists.org/history/erol/ca.secondwave/alive-polemic.htm)
2. Translator’s note : Actually, the remark was made not by Clinton, but by his advisor and campaignmanager James Carville.
3. Translator’s note : Jiang’s reference is obviously to Francis Fukuyama’s 1992 volume, *The End of*

*History and the Last Man*, a chest-thumping American celebration of the victory of liberalism in the Cold War. Almost twenty years after its publication, the book continues to enrage Chinese intellectuals, particularly those on the left.

1. Translator’s note : Jiang surely means President Bush or Obama here.
2. See M. Taylor Fravel, J. Stapleton Roy, Michael D. Swaine, Susan A. Thornton and Ezra Vogel,“China is not an Enemy”, *The Washington Post*, July 3, 2019.
3. [Translator’s note: Translation taken from https://www.jpolrisk.com/stay-the-course-on-china-anopen-letter-to-president-trump/ .](https://www.jpolrisk.com/stay-the-course-on-china-an-open-letter-to-president-trump/)
4. Translator’s note : The term was first used by American Secretary of State John Foster Dulles in1957-1958, in the context Jiang is describing: He foresaw that commerce and other forms of Western engagement could shorten the lifespan of Communist regimes. Mao took Dulles’s rather anodyne remarks seriously, and opposition to the “policy” remains a hallmark of Chinese foreign policy.
5. Translator’s note : The “Three Represents” policy, identified with Jiang Zemin, asserts that theCCP represents: the "advanced productive forces,” the "progressive course of China's advanced culture," and "the fundamental interests of the majority." As representatives of advanced productive forces, Chinese capitalists were permitted to enter the Party following the implementation of this policy.
6. Translator’s note: The idea of a “circle culture” comes from a 2014 anti-corruption speech by XiJinping, in which he criticized cadres who spend their time trying to figure out who is hanging with whom in order to exploit personal relationships for private gain. See <https://baike.baidu.com/item/%E5%9C%88%E5%AD%90%E6%96%87%E5%8C%96/16431854> .
7. Translator’s note : The reference is to Jon Huntsman and his visit to Wangfujing at a moment[when there was talk of organizing a “color revolution” in China, see https://www.wsj.com/articles/BLCJB-13369 .](https://www.wsj.com/articles/BL-CJB-13369)
8. Translator’s note : Jiang is referring here to the Bo Xilai affair in which Bo, author of the

“Chongqing model” praised by many of the left for representing a “third way” between capitalism and socialism, was ultimately purged and sentenced to prison in 2013. Bo is widely seen as having been a major rival to Xi Jinping.

1. Translator’s note: Jiang takes the idea of “three historical gorges” from the work of Tong Tekong

(1920-2009), a Chinese-American historian who taught at Columbia University and at the City University of New York. His “three gorges” referred to China’s feudal, imperial, and democratic eras, and to the transitions between them.

1. Translator’s note: see Graham Allison, *Destined For War: Can America and China escape Thucydides's trap* (2017).
2. Translator’s note: Translation taken from the official Chinese version,

available at: http://www.xinhuanet.com/english/download/Xi\_Jinping's\_report\_at\_19th\_CPC\_National\_Congress.pdf

, pp. 7-8.

1. [Translator’s note: Translation taken from https://www.jpolrisk.com/stay-the-course-on-china-anopen-letter-to-president-trump/ .](https://www.jpolrisk.com/stay-the-course-on-china-an-open-letter-to-president-trump/)
2. Translator’s note: The quote is attributed to the emperor Tang Taizong (598-649).
3. See Kishore Mahbubani, *Has China Won? Chinese Challenge to American Primacy* (2020).
4. Translator’s note: “Chinese universalism,” or *tianxia zhuyi*, refers to the Chinese view of the world before the arrival of the West. Although traditionally associated with Sino-Centrism, since China’s rise it has been revisited by any number of Chinese scholars attempting to recycle it as a diplomatic/geopolitical partner to China’s success in growing its domestic economy. For a [comprehensive discussion elsewhere on this site, see https://www.readingthechinadream.com/liangzhiping-tianxia-and-ideology.html .](https://www.readingthechinadream.com/liang-zhiping-tianxia-and-ideology.html)
5. [Translator’s note: Translation taken from https://www.whitehouse.gov/wp-](https://www.whitehouse.gov/wp-content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report-5.24v1.pdf)

[content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report5.24v1.pdf , p. 8](https://www.whitehouse.gov/wp-content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report-5.24v1.pdf)