

Economics before politics

BY RICHARD GRECO

The idea that China and the US, as presiding superpowers in a multipolar world, must be mutually antagonistic is not reflected in the strategic interests of both countries.

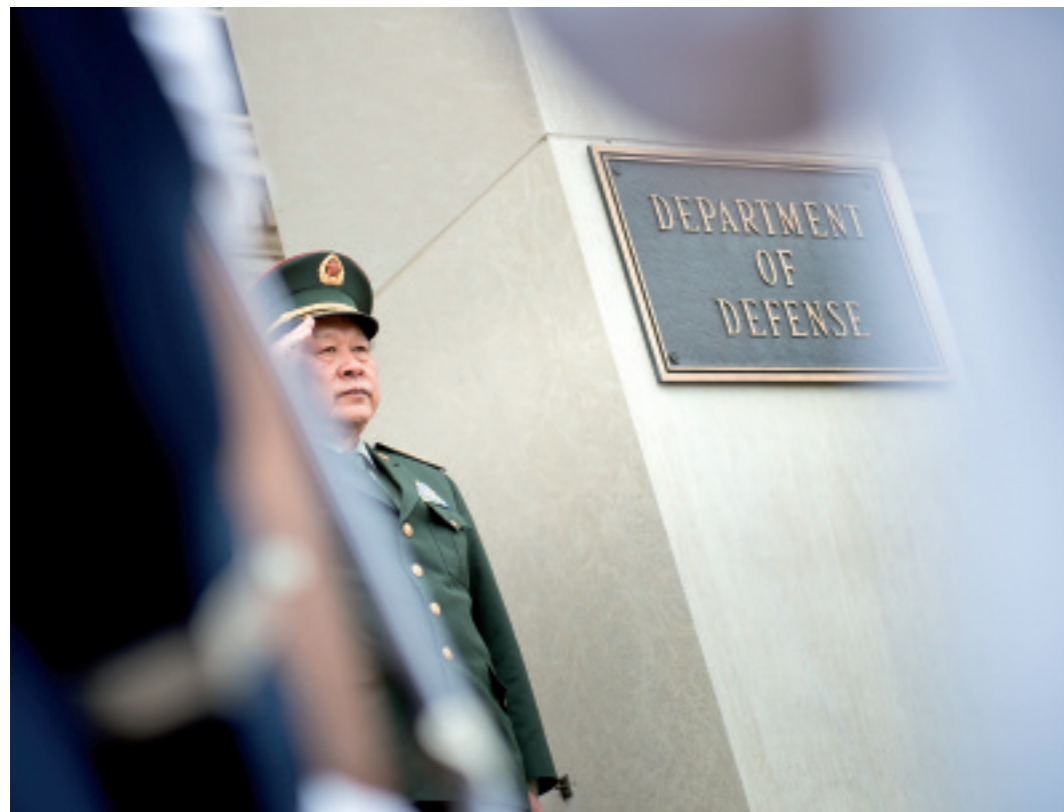
"It is our view that the economy is the base, while politics is the manifestation. Without economic stability you cannot enjoy political stability for a long time."
Former Chinese Premier Li Peng

A Western diplomat was speaking to a Chinese diplomat one day. The Western diplomat asked, "So, do you really think that Napoleon had a beg influence on the course of world history?" The Chinese diplomat responded, "I don't know. It's too early to tell."

This humorous story reflects the reality that China and the West, particularly the United States, have very different peoples with very different histories, cultures, and development patterns that affect the way we look at the world. In order for the relationship between China and the US to advance, we must deal pragmatically with these differences. Most distinctly, with a history going back 5,000 or more years, China has a very long-term view of the world, its role in it, and its evolution.

No American knows or understands modern China better than former National Security Adviser Brent Scowcroft, who 40 years ago helped prepare President Richard Nixon's historic trip to China. On reflecting over the past 40 years of US-China relations, General Scowcroft recently commented, "Since 1972 every American president, Republican or Democrat, some of them starting out with very different views of China, has come to the same conclusion that broadening and deepening the relationship with China is in the US national interest." He continued, "As China grows, our

A statue of former Chinese Premier Zhou Enlai, left, and former US President Richard Nixon in Zunyi, China.



China's Defense Minister General Liang Guanglie salutes as China's national anthem is played during an honor cordon at the Pentagon on May 7, 2012 before holding talks with US Defense Secretary Leon Panetta.

countries run into each other in more places and over more issues in the world. The world itself is getting more complex."

The most important thing to keep in mind, says Scowcroft, is that there does not seem to be any obvious reason that the US and China need to have a hostile relationship. Its government is neither fascist nor Stalinist, and it does not have a history of aggression or expansion, in traditional senses of the words. He especially cautions not to treat China like a hostile power, or else it will become a hostile power and says that there are no places where we face fundamentally different issues. We must work on the fact that we are two great powers, and it will be our responsibility and the fruits of our best efforts to take the world to a better era.

The recent visit by the Vice President of China (and presumed-to-be next President) Xi Jinping to the US was an important event, according to Scowcroft, who had the privilege of being invited to an intimate dinner with Xi. Later, at a meeting of the Atlantic Council, whose broad mission is to promote transatlantic cooperation and international security, Scowcroft commented that Vice President Xi had made an extraordinary gesture of also visiting during his trip a small town in Iowa. In his opinion, Vice President Xi wanted genuinely to experience the American mentality and values of the average American. While the Vice Presi-

dent stayed away from any controversial matters, including failing to respond to differences of opinion between the US and China that Vice President Biden publicly raised, he presented himself as a steady leader whose likely course of action once President would be to keep developing the relationship with the US in typical pragmatic Chinese style.

Scowcroft also commented that Xi's visit to the Pentagon was historic. Never had the Pentagon organized the kind of ceremony it did for a visiting Vice President. Earlier that day, however, US Defense Secretary Leon Panetta testified at the Senate Arms Services Committee, "Rising powers in Asia are testing international rules and relationships. And there are growing concerns about cyber intrusions and attacks. Our challenge is to meet these threats." This was clearly a reference to China.

According to Scowcroft and confirmed by Panetta, it is in the realm of military relations that the two countries have the least amount of trust. Businessmen understand each other intuitively, and diplomats also understand each other intuitively. But military leaders are prone to mistrust each other. In order to move the relationship between the US and China forward, Secretary Panetta offered the potential for military cooperation between Beijing and Washington in matters of humanitarian aid and combating piracy, which have the potential for long-term exchange, the building of personal relations, and enhanced mutual understanding.

It is estimated that when Hu Jintao ends his second five-year term as party head in October 2012 and ends his presidency at a parliamentary meeting in March 2013, as many as 70% of the leadership of the Communist Party of China will also change. This represents the largest transition of leadership in China's modern history. Most rising party officials will have experienced the Cultural Revolution in their formative years and will have come to reject it, embracing over time the reforms of Deng Xiaoping and witnessing the great rise of Chinese cities, growth of labor, higher standards of living, 500 million or more people with access to the internet and social media, and even the rise of a middle class as large as the US population itself. Historically, where a middle class has developed, po-



Chinese Vice President Xi Jinping (C) kicks a Gaelic football as he visits the Croke Park in Dublin on February 19, 2012 to attend an exhibition of Gaelic football and hurling.

litical reforms with greater personal liberties have followed. The coincidence of these phenomena with the impending change of party leadership, has the potential to shape US-China relations in a positive way for the next 20 to 30 years.

No matter who wins the US presidential election in November, the new president should take note of the words of former Chinese Premier Li Peng to Brent Scowcroft: "It is our view that the economy is the base, while politics is the manifestation. Without economic stability you cannot enjoy political stability for a long time." The Western view of man begins with inalienable rights that are endowed to him by a Creator, including the rights to life, liberty, and the pursuit of happiness (also to property), and that these rights are manifest and protected most fully in a free political system such as a democracy. Once a free government is established, economic prosperity can emanate and be well ordered. In the Chinese view of the world, economics precedes politics. Economic prosperity produces political sta-

bility even within a communist framework. In either worldview, it is important to understand that military conflict, while sometimes necessary, is always disruptive. In the Western worldview, however, economic competition is a means for more efficient allocation of resources. In the Chinese world view, economic competition is the key to prosperity, political stability, and furtherance of party control. If the next president understands this, he will have an important insight into guiding the complicated relationship between our two countries.

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