



# Why China Behaves the Way it Does, and What to Do About It

Doug Bandow

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America remains the world's most powerful nation, but foreign crises appear to be a constant for the Biden administration. Although Russia and Ukraine have grabbed the spotlight, before that the crisis-du-jour was China and Taiwan. And Beijing will pose the greater challenge over the long term.

The “China problem” is complicated. At least the regime's behavior is evident to all. Divining its intentions is far more difficult.

The People's Republic of China mixes ideological, national, and practical motives. That makes addressing its behavior more difficult. Nevertheless, the PRC is not an unstoppable colossus set on global domination with America doomed to eternal submission. To paraphrase Aragorn in *The Lord of the Rings*, there is a time when the age of Western liberalism may come crashing down, but it is not this day! This day we fight! And we do so more effectively the better we understand what we face.

Nationalism might be the most powerful force in the PRC today. Although the PRC is equated with China, for many people CHINA is something very different than whoever or whatever rules the mainland at any moment or another. Ethnic Chinese the world over celebrated Hong Kong's retrocession to CHINA, not the PRC. The Chinese believe Taiwan is part of CHINA, not necessarily the PRC. So, too, are their territorial claims made throughout Asia-Pacific waters. The PRC might be the immediate beneficiary of Beijing's attempted resource grab, but the issue is rooted in the weakness of CHINA during the “Century of Humiliation” before the Communists drove out the foreign oppressors.

History weighs heavily on the Chinese people and plays an integral role in this narrative. Hong Kong ended up a British colony because it was the spoils in the two Opium Wars, basically waged by London to force Imperial China to allow the sale of opium (and make additional commercial concessions). In the mid-19<sup>th</sup> century, British (primarily) and French troops looted and then

destroyed the Summer Palace, the ruins of which are on display in Beijing. The episode still rankles in modern China.

Western concessions in China spread over time; in Shanghai the Bund, or waterfront, sports numerous 19<sup>th</sup> century European-style buildings which were part of the Western zone from which unauthorized Chinese were barred. In 1895 Japan defeated China in war and seized Taiwan. Moreover, the weak, ever-declining empire and chaotic successor governments were unable to pursue territorial claims in nearby waters. Many Chinese see the PRC's current assertiveness as a long overdue effort to reclaim what was legitimately CHINA's.

Like most countries, Beijing is quite concerned about security. The US is perhaps the most secure nation on earth, at least when it isn't attempting to run the world. America enjoys vast oceans east and west and pacific neighbors north and south. Other than geopolitical pinpricks—the 9/11 terrorist attacks, Japan's release of balloon bombs against the Northwest, occupation of some Aleutian Islands, and bombing of Pearl Harbor—the last war on American soil was the Civil War. The last conflict with a foreign nation, which Washington initiated, was the Mexican-American War.

In contrast, China has land boundaries with 14 countries and several close water-bound neighbors, most importantly Japan. Over the last century China has been at war with Japan, Russia, Korea, Vietnam, and India. Today the PRC appears more threatening than threatened, but like in Russia, people remember the vulnerabilities of the past and vow never to allow them to recur.

Equally, if not more important is internal security, upon which Beijing spends more than on traditional "defense." The evolving empire faced sporadic revolts as well as invasions. Instability increased as the empire weakened. The most famous 19<sup>th</sup> century conflagration was the Boxer Rebellion, which triggered international intervention. Earlier resistance to imperial authority included the Taiping Rebellion, Nian Rebellion, Du Wenxiu Rebellion, and two Dungan Revolts. In 1911 the Xinhai Revolution against the monarchy erupted, leading to a weak republic and decades of conflict highlighted by warlords and Japan's invasion. Some of these conflicts lasted years and cost tens of millions of lives. Chinese don't want a repeat performance, even for a theoretically good cause.

Economic growth also is a priority. China, both CHINA and the PRC suffered from immiserating poverty which lasted for centuries. Raising people out of poverty is a goal for its own sake, but especially to create a stronger nation state and to solidify political support for the current regime. The Chinese Communist Party was vulnerable to attack in 1989 because prosperity did not yet counterbalance tyranny. The PRC was developing more quickly but had started at a very low base.

Since then the CCP has taken credit for the rapid economic growth, providing an important source of legitimacy that otherwise was lacking. However, growth has created rising expectations. Even an economic slowdown creates discontent, especially for younger Chinese stuck working long hours and facing high living expenses. A serious reversal, which seems increasingly likely given the system's significant flaws—banks overloaded with bad debts, inefficient state enterprises, aging and soon shrinking population, rising political interference in private firms, rising

antagonism from major trading partners—would pose a greater challenge to the regime’s political legitimacy.

Given the PRC’s dependence on trade and overseas energy supplies, it remains highly vulnerable to foreign interference and pressure. In response, Beijing is constructing a globe-spanning navy and expanding its port and other commercial access through the Belt and Road Initiative. Both these efforts reflect political objectives as well, and a large navy obviously can be used offensively to advance territorial claims against neighbors, assault Taiwan, and combat the US in any conflict. Nevertheless, China’s objectives naturally come with growth, and are not so different from those of America on its rise to global influence.

Access to oil and other energy resources remains an important concern, especially as the government attempts to reduce dependence on coal. This requires trade, and mostly based on ocean transit. As noted earlier, that creates greater uncertainty and especially vulnerability. These mattered little when economic growth and environmental interest were low. The concern also was minimal so long as Beijing’s relationship with the US was largely positive. However, as ties move competitively and perhaps towards confrontation, the PRC’s fears about access understandably increase. These days China is more dependent on the Middle East than is America.

The PRC also acts out of ideology, though exactly how much of that is genuine principle and how much is practiced cynicism is difficult to discern. The party is Leninist, with mostly a veneer of Marxism. A hardline Maoist faction has pushed the regime to return to something closer to real socialism and all that comes with that, but this group’s influence has mostly been peripheral. Xi Jinping’s ongoing crackdown on business appears more practical than ideological, to appeal to Chinese who feel left out of or badly served by past growth. Moreover, he wants to ensure the CCP’s ability to use even nominally private businesses for its, and his, own purposes.

Ultimately, Xi made his mark by greatly strengthening party and personal authority. His strongest constraint likely will be whatever he believes weakens or risks his control. For instance, regaining Beijing’s authority over Taiwan would be a great victory. However, failing in the attempt would be a major disaster. Fear of the latter is likely to constrain the PRC’s policy, if not its rhetoric, toward Taipei. The regime’s willingness to open its economy, compromise on territorial issues, and more will reflect the same consideration. As Xi prepares to seize a third term as president, he simultaneously stands at the summit and the abyss, seemingly beyond challenge yet having filled his country with enemies.

All these factors come together powerfully in a country that is increasingly repressive and aggressive. How to respond? The US should plan on playing the long game. That should start with America’s doing better. The US needs an educational system freed from today’s government monopoly which actually educates and an economic system freed from financial rent-seeking and ideological woke-imposing. Immigration and trade need to again be understood as sources of economic growth, even as social and political concerns are assuaged. The free or cheap security ride for allied states must be ended: countries that claim to fear for their safety should fund their own defense.

Most importantly, Americans should realize that they are acting from a position of strength and the future is not decided. The US is wealthier and more influential than the PRC. America has both friends and allies, while China has virtually none of either. And Beijing's future is not set. Absent the Japanese invasion starting in 1937, the CCP likely would have been defeated and its campaign remembered as one more failed rebellion. After Mao Zedong's death in 1976 the remnants of his rule were quickly swept aside. When Xi leaves the scene China could change again equally swiftly.

China is a complex challenge, not an unstoppable enemy. The goal should be not so much victory over but transformation of the PRC into a different, truly liberated China. And keeping the peace is an essential goal, since war between the two countries most likely to dominate this century would be a disaster for both—and well beyond. None of this will be easy. However, instead of responding with fear, Americans should have confidence in themselves and the free society, however imperfect, which they have created.