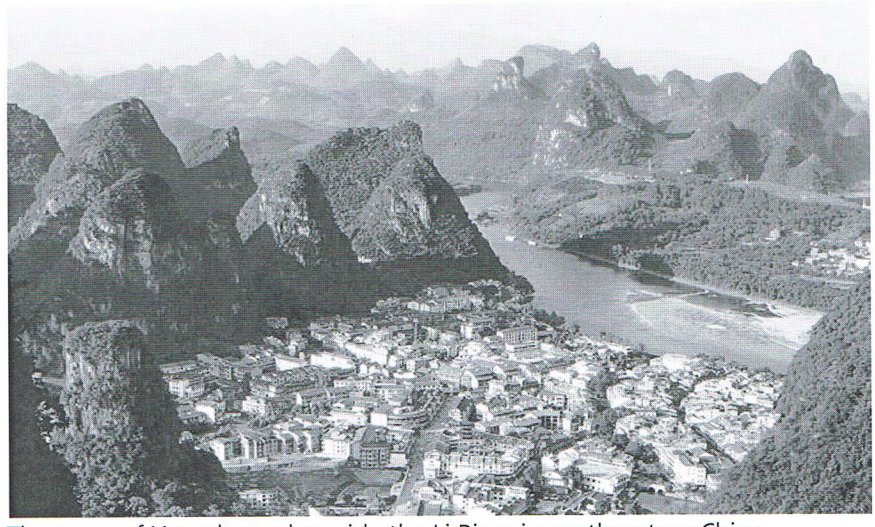
Introduction: China in the Twenty-First Century

In the late 1970s, China emerged from three decades of economic isolation imposed by Mao Zedong, the leader of China's communist revolution. Mao's policies had produced a society that valued equality and uniformity. China was able to feed and clothe its population, the largest in the world, but there were few opportunities for individual advancement.



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The town of Yangshuo, alongside the Li River in southeastern China.

At the time of Mao's death in 1976, Li Xiaohua was a peasant working on a state-run wheat farm in northern China. Like millions of his countrymen, Li closely followed the struggle for power among China's political elite that followed Mao's death. He was pleased when Deng Xiaoping emerged as the head of China's Communist Party, and he supported Deng's program of economic reform.

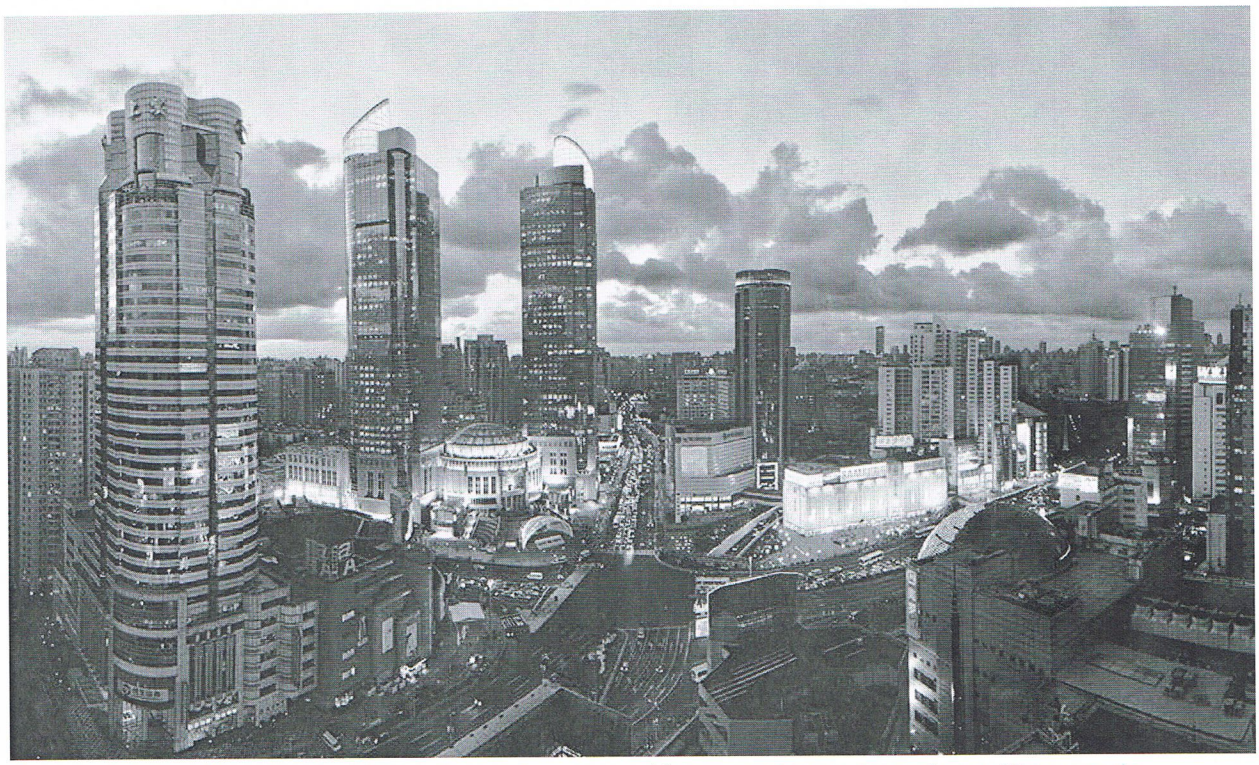
Today, Li is one symbol of China's transformation. He has become a multi-millionaire businessman and drives around Beijing, China's capital, in a red Ferrari. He was the first person in China to own one. Under Mao, private cars were unheard of. As late as 1981, only twenty people in Beijing owned their own vehicles. The China that Deng and Li helped to create now has annual auto sales of over twenty-three million vehicles.

But there are difficulties with China's growth too. Zhang Feifei used to work in a low-skilled job at a factory in a large town. She lost her job in 2011 and discovered she could not get another one without paying a bribe that she could not afford.

Today's China offers some citizens opportunities for huge financial success, but many others are struggling. Although wealth is not distributed equally among China's population of nearly 1.4 billion people, the pace of economic reform has turned China into an economic giant. Since the late 1970s, China's economic growth has averaged between 8 and 9 percent annually. No major country in modern times has grown so fast for such a long period. In 2014, China's economy surpassed the United States' by some measurements and became the largest in the world. (The U.S. economy had been the world's largest for over 140 years.) This speedy growth has brought many out of poverty, but threatens to increase

	China	United States
Area	3.7 million square miles	3.8 million square miles
Population	1.37 billion	321 million
Life Expectancy	75 years	80 years
Per Capita GDP	$13,200	$54,400
Urban Population	56% of population	82% of population
Internet Users	627 million 46% of population	277 million 87% of population
Cell Phones	1.3 billion	317 million

Data from CIA World Factbook.



Ricky Qi (CC BY 2.0).

Shanghai, China. Shanghai is a global financial center and home to about twenty-four million people.

inflation, government debt, and environmental destruction. China, like the United States, is a major contributor to climate change. Together, the two countries are responsible for roughly 44 percent of global greenhouse gas emissions. Governments from around the world have called on both countries to reduce their emissions.

China's transformation is changing international relations almost as fast as it is changing the lives of the Chinese people. For much of human history, China was the richest, most powerful country in the world. During the nineteenth and early twentieth centuries, foreign countries dominated China. Today, China is reasserting its influence in world affairs. Just as the 1900s have been referred to as the "American century," the year 2001 may have marked the beginning of the "Chinese century."

The implications for the United States are enormous. China has become the United States' second-largest trading partner just behind Canada. At the same time, disputes over China's failure to accept some international trade standards and the country's poor human rights record have strained relations with the United States.

In recent years, China has become more assertive in international politics. China has modernized its military, including its nuclear arsenal. U.S. officials worry that new generations of Chinese leaders may seek to flex China's military muscle in East Asia and beyond.

In the coming days, you will have an opportunity to reflect on the U.S. relationship with China, confronting the same questions U.S. policy makers consider. Part I of the reading reviews the early history of U.S. interactions with China. Part II explores the economic, social, and political transformation of China since the late 1970s. Part III introduces you to the issues that shape U.S. policy toward China today. Finally, you will have the opportunity to consider four options for the future of U.S.-China relations.

Part I: The History of U.S.-China Relations

For much of its five thousand years of history, Chinese culture was unmatched in its continuity and sophistication. The Chinese system of government was remarkable for its ability to maintain order, manage an efficient bureaucracy, and build roads, bridges, and canals over a vast empire.

The Chinese were responsible for many of the most important inventions of the modern age—the compass, printing press, and gunpowder among them. Chinese ships in the late fifteenth century were superior to those produced in Europe, and Chinese sea captains expanded trade ties throughout Asia and to parts of Africa and Latin America. China's unified empire stood in sharp contrast to the quarreling kingdoms of Europe.

In 1565, the Spanish established a trade route to China and Japan through the Philippines and Mexico—both Spanish colonies at the time—trading Mexican silver for Chinese luxury items. This route would connect the two sides of the Pacific for three centuries. In fact, the Mexican tradition of the paper mâché piñata filled with candy is said to be of Chinese origin. Similarly, many of the chili peppers now associated with Mexican cuisine came from China.

A Meeting of Opposites

Led by the British and the French, European merchants began visiting China regularly in the 1700s. Chinese officials initially paid little attention to the traders. They viewed all outsiders as uncivilized barbarians and assumed that there was little the Chinese could learn from them.

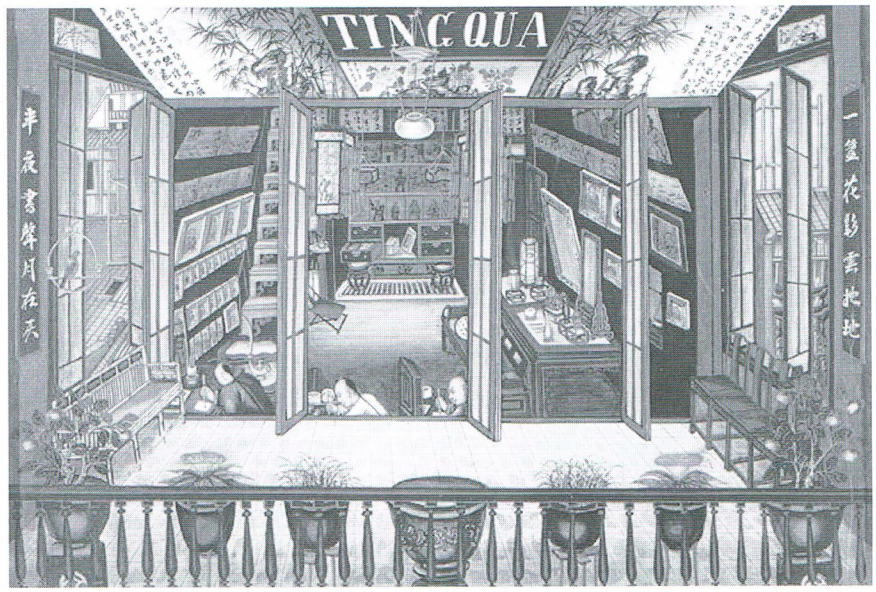
Definitions

Colonialism—The acquisition and exploitation of territory by a foreign power for its own economic and political benefit.

Imperialism—A policy of exerting cultural, economic, or political influence over other societies. Colonialism is a form of imperialism, but imperialism includes a broader array of policies that powerful states use to influence the affairs of weaker states.

Western—Refers generally to the countries that share the political ideologies of Europe and the United States.

Europe and the American colonies prized Chinese goods: silk, porcelain, furniture, artwork, and especially tea. The tea that American patriots dumped into the sea at the Boston Tea Party in 1773 was, in fact, from China. While the West (Europe and the United States) increased its demand for Chinese tea, China did not want most of what the Europe-



Peabody Essex Museum via Wikimedia Commons. Public Domain.

A painting of Chinese artist Tingqua's studio in Guangzhou. Tingqua's paintings were exported from China in the nineteenth century.

Chinese porters carrying tea on the Silk Road, 1908. Originating over two thousand years ago, the network of trade routes eventually stretched over thousands of miles, connecting Asia, the Middle East, and Europe. The Silk Road was a bridge for both commercial and cultural exchange.

ans had to offer in trade. Europeans spent their reserves of silver—much of which they had extracted from their colonies in the Americas—to pay for Chinese products and needed something to sell to the Chinese. In the early 1800s, they began to sell increasing amounts of opium, an addictive drug produced in British colonies on the Indian subcontinent.

How did the Opium Wars change China's relations with the West?

Opium brought enormous profits to the European and U.S. traders. By the end of the 1830s, millions of Chinese were addicted and China had a trade deficit with the West. Chinese authorities tried to stop the opium trade by force and rejected British appeals for negotiations. In response, British merchants called on their government to support them militarily.

The Opium War of 1839-42 was a devastating defeat for China. Modern British warships leveled Chinese coastal defenses and destroyed the Chinese southern fleet. British troops occupied several major trading cities, including Shanghai. The Chinese emperor had no choice but to negotiate with the British.

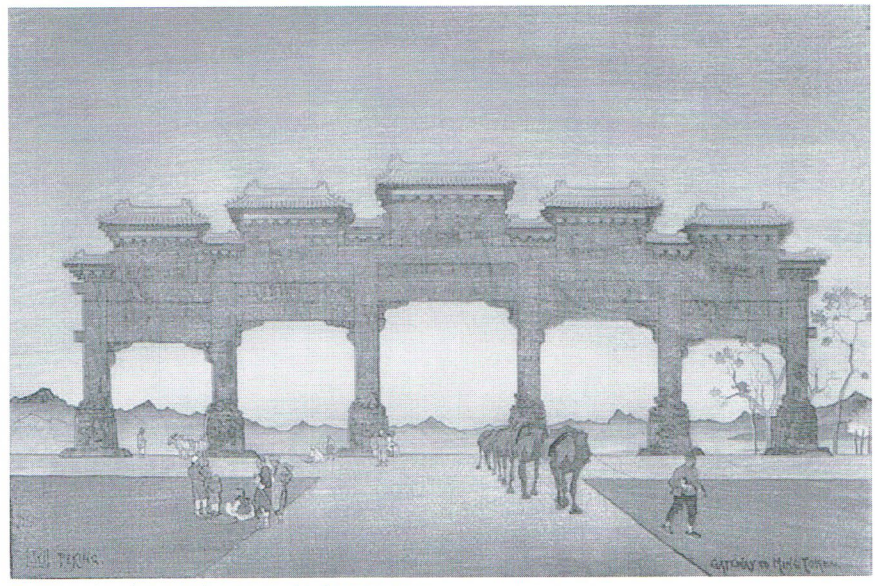
Britain's victory turned the tables on China's relationship with the West. Under the Treaty of Nanjing (or Nanking), signed in 1842, and another treaty the following year, the British imposed a new set of rules for international commerce. The treaties forced China to lower its tariffs (taxes on imported goods) to 5

Chinese "Coolies"

European expansion into China through the Treaty of Nanjing (and other treaties to follow) contributed to the development of a system of human trafficking. Chinese indentured servants (laborers contracted for a specific number of years often in conditions similar to slavery) known as "coolies" were sent to work in plantations in the Americas, primarily in the Caribbean and Latin America. With the prohibition of the transatlantic slave trade by England in 1807 and the abolition of slavery in various places over the course of century, European governments and newly independent countries in the Americas looked for new ways to maintain their plantations without an enslaved workforce. This demand for workers made the idea of an inexpensive labor force of Asian men very appealing to plantation owners, so they contracted workers from China and the Indian subcontinent.

The Chinese made key contributions in their new homes abroad. In Cuba, Chinese laborers worked on sugar plantations, providing the backbone for the country's biggest industry. In Panama, Chinese coolies were contracted to help build the Panama Canal and the Panama Railroad. Some Chinese workers became merchants and opened shops in their communities.

percent, so that European goods would be cheaper for the Chinese to buy. It also forced China to open five additional ports to foreign trade and hand over the island of Hong Kong to Britain. Additionally, any Westerners accused of crimes in China were to be tried according to Western laws by officials from their home countries, not Chinese authorities.



Charles William Bartlett. Library of Congress Prints and Photographs Division, LC-USZC4-2060.

Beijing in the early twentieth century.

Like merchants of other countries, U.S. traders also benefited from the Treaty of Nanjing. A treaty between the United States and China in 1844—the Treaty of Peace, Amity, and Commerce—closely followed the terms of the Treaty of Nanjing.

How was China weakened in the nineteenth century?

The Manchu dynasty (1644-1911)—also known as the Qing dynasty—came under increasing strain following China's defeat in the Opium War. Much of the strain was due to the rapid population growth of the 1700s, a century of stability and prosperity in China. As China's population approached 300 million in the early 1800s, millions of peasants left the countryside in search of work and food. Local officials were often unable to maintain order.

Frequent rebellions shook China in the nineteenth century. Most significantly, the Taiping Rebellion raged from 1850 to 1864 and claimed at least twenty million lives. The leader of the Taiping (or "Heavenly Kingdom") movement was Hong Xiuquan. Protestant missionaries in China had influenced Hong, who believed that he was the brother of Jesus Christ. In this way, Hong blended the Christian figure of Jesus with the traditional Chinese belief that the emperor was a "son of heaven" and his rule blessed by the "Mandate of Heaven." By 1853, Hong had organized an army of more than one million soldiers and established his rule over six of China's richest provinces. The rebels sought to establish their own society and government based on their version of Christianity.

As the Taiping Rebellion continued, the Manchu dynasty entered a new round of fighting with the West. In 1856, Chinese forts along the Pearl River in southern China fired on U.S. ships without warning. U.S. naval forces responded by bombarding the Chinese defenses. A larger conflict—often known as the Second Opium War—erupted in 1857, when the Chinese refused to consider revising the Treaty of Nanjing and its other agreements with Western countries.

According to the U.S.-China treaty of 1844, the agreement was to be reviewed after twelve years. The Western powers insisted that international law was on their side. The British, French, and Russians asserted that they were entitled to the same privileges granted to the United States. Led by the British, they backed their claims with military might.

The results of the war left a deeper scar on the Chinese people than had the First Opium War. Although the Chinese put up a determined resistance, the Western forces fought their way to Beijing, burned and looted the Summer Palace where the emperor lived, and forced the emperor to flee. The British cap-

tured Ye Mingchen, the emperor's adviser on foreign affairs, and exiled him to India.

> ***"The barbarians [Westerners] are superior in three ways: firstly, warships; secondly, firearms; and thirdly, methods of military training and discipline of soldiers."***
>
> —Imperial Commissioner Lin Zexu, served from 1811-1850

After the Second Opium War, the victorious Western countries broadened the terms of the Treaty of Nanjing to their advantage. The opium trade was legalized. Westerners were permitted to travel into China's interior and take up residence in Beijing. In addition, China now had to tolerate the presence of Christian missionaries and their converts. Once the Chinese agreed to the new concessions, the Western powers helped the Manchu dynasty put down the fading Taiping Rebellion.

The Expanding Role of the United States

The forces of modernization and industrialization led the United States and China in opposite directions in the nineteenth century. As China fell further behind, the United States rose to the status of a world power. In the decades after the U.S. Civil War, U.S. industry grew rapidly. By the turn of the century, the United States had surpassed Britain as the world's leading economic producer.

Strengthened by its economic growth, the United States took a larger role overseas. The U.S. victory in the Spanish-American War of 1898 left the United States in control of the Philippines and the island of Guam. The U.S. foothold in East Asia led to a greater focus on China.

How did Japan challenge the Western powers in China?

At the same time, the Western powers' cooperation with each other on issues relating to China was breaking down. In the last years of the nineteenth century, Japan, Britain, France, Russia, and Germany scrambled for land and economic advantages in China. Each country sought to carve out a "sphere of influence" that it could control in order to regulate Chinese commerce. Although the United States wanted to make sure that it would not be shut out of trade with China, it was unwilling to commit troops and warships to join in the competition.

Japan's challenge to Britain's leadership role in China was especially critical. Like China, Japan did not previously welcome contact with the West. Four U.S. battleships under the command of Commodore Matthew Perry had forced the Japanese to open their country to foreign trade in 1853. After Perry's visit, Japan's leaders led a vast effort to catch up with the Western industrial and military technology.

The Japanese demonstrated their success at military modernization at the expense of the Chinese. In 1894, a war broke out between the two countries over their competing claims to territory on the Korean peninsula. Within six months, the Japanese had smashed China's fleet and defeated the Chinese army.

> ***"If we continue to drift with an army untrained, our revenues disorganized, our scholars ignorant, and our artisans without technical training, how can we possibly hope to hold our own among the nations?"***
>
> —Emperor Guangxu, ruler of China from 1875-1908

How did the Open Door policy shape U.S. relations with China?

Britain, France, and other imperialist powers had already claimed vast colonial empires in Asia and throughout Africa. U.S. policy makers hoped to devise a strategy that would prevent European imperial powers from excluding the United States from doing business in China. Japan's recent military success also stirred U.S. anxiety.

In 1899, U.S. Secretary of State John Hay sent a note to the foreign powers in China requesting that they maintain an "open door." The Open Door policy held that all countries

doing business in China should compete on equal terms. (At the time, U.S. commerce with China amounted to about 1 percent of total U.S. trade.) Although no treaties were actually signed, the United States upheld the Open Door as the foundation of U.S. policy toward China for the next half century.

Percentage of World Manufacturing Output

	1750	1800	1830	1860	1880	1900
China	33%	33%	30%	20%	13%	6%
Britain	2%	4%	10%	20%	23%	19%
U.S.	0.1%	1%	2%	7%	15%	24%
France	4%	4%	5%	8%	8%	7%
Russia	5%	6%	6%	7%	8%	9%
Japan	4%	4%	3%	3%	2%	2%
Germany	3%	4%	4%	5%	9%	13%

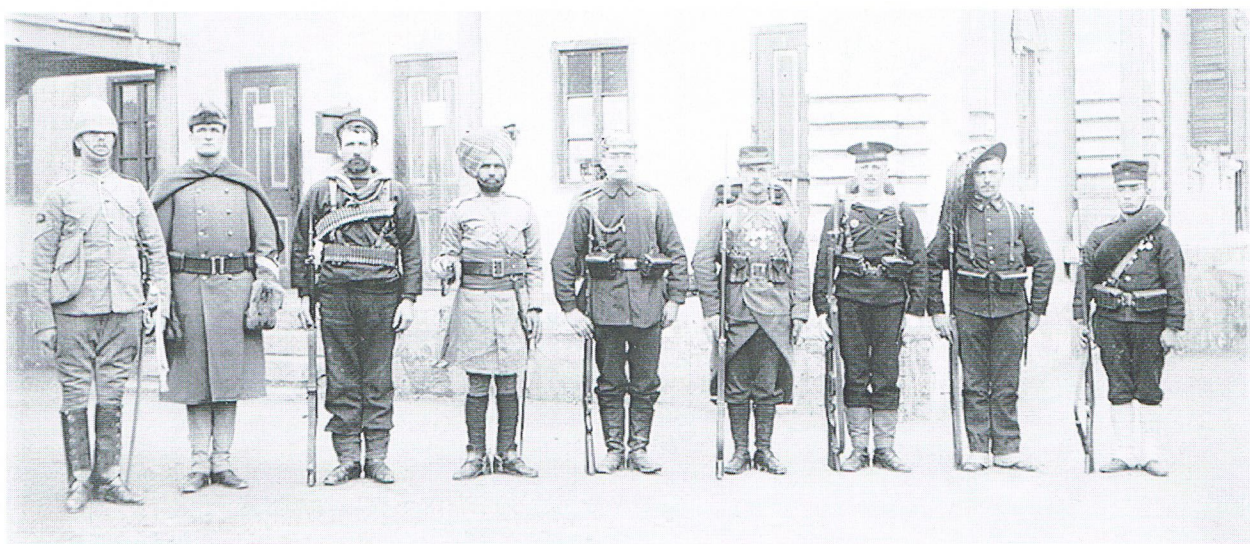
Data from *The Rise and Fall of Great Powers*, by Paul Kennedy.

The Open Door policy signaled that the United States wanted to be more involved in China. In 1900, several thousand U.S. soldiers joined other imperialist powers in putting down the Boxer Rebellion in Beijing. The Boxers were drawn from secret societies of martial arts experts and fought against the spread of Western and Japanese domination in China. In an effort to expel the imperial powers from China, the Boxers had laid siege to the area in Beijing that was set aside for foreign diplomats. They were armed and supported by China's empress dowager (the emperor's mother), Cixi.

Once the rebellion had been crushed, the foreign powers demanded that the Chinese government pay $300 million (about $8 billion today) in gold for the damage caused by the Boxers. The United States participated in the negotiations, but U.S. leaders were wary of the ambitions of the other powers. The United States presented itself as a defender of China's independence and warned that the foreign powers should not use the Boxer Rebellion as an excuse to acquire more territory in China. The United States received $25 million as compensation for the rebellion, which it invested in the Chinese educational system.

Why was the United States a source of inspiration and resentment for Chinese nationalists?

The United States was a source of both inspiration and resentment for a new generation of Chinese intellectuals who shaped the nationalist movement of the early 1900s. The



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Soldiers of the eight nations allied to put down the Boxer Rebellion 1900. Left to right: Britain, United States, Australia, British India, Germany, France, Austria-Hungary, Italy, and Japan.

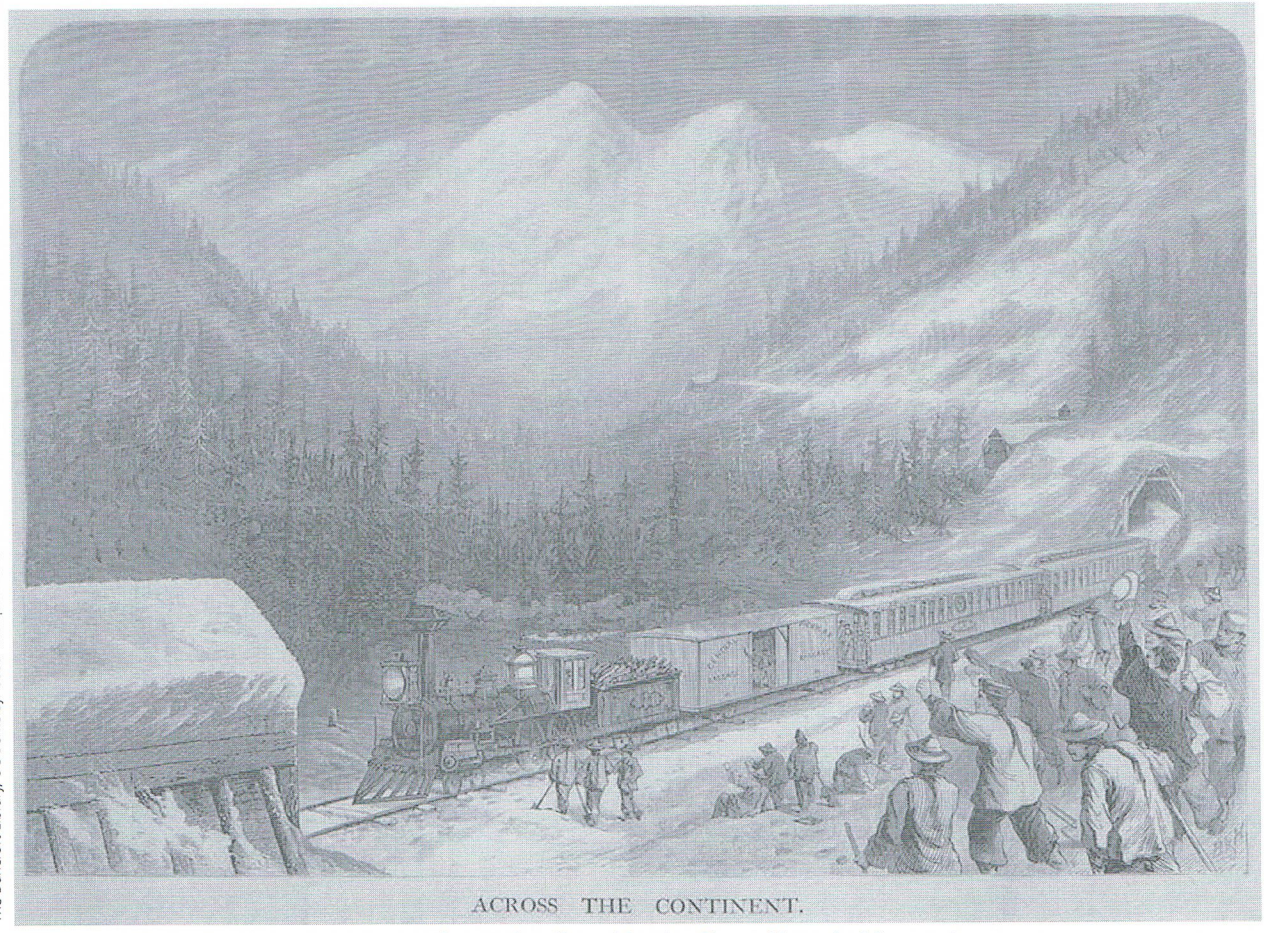
chief aim of the nationalist movement was to reassert Chinese authority over China and overturn what were known as the "unequal treaties" with Western nations and companies, beginning with the 1842 Treaty of Nanjing.

Many Chinese nationalists admired the U.S. ideals of democracy and equal opportunity. For example, when the Manchu dynasty undertook educational, governmental, and military reforms after the Boxer Rebellion, the institutions of the United States served as a model.

At the same time, Chinese nationalists, who opposed the Manchu dynasty, saw that many U.S. officials viewed them as a backward and inferior race. They also regarded the poor treatment of Chinese immigrants in the United States as a reflection of U.S. attitudes.

In the mid-1800s, the United States had encouraged Chinese laborers to come to the United States to help build the railroads and work the mines of the western United States. By 1868, there were more than one hundred thousand Chinese immigrants in the United States, most of them young men intending to return to China one day. Chinese laborers made up two-thirds of all workers on the Transcontinental Railroad, the first to connect the East and West coasts of the United States.

In Western frontier towns, the Chinese were often the targets of violent attacks by whites. White miners massacred twenty-eight Chinese miners in Wyoming in 1885. The Chinese presence also sparked the first significant U.S. legislation to restrict immigration—the Chinese Exclusion Act of 1882. In 1904, Congress banned Chinese immigration to the United States altogether. Chinese nationalists responded by refusing to buy U.S. products in China.



The Bancroft Library, UC Berkeley. Used with permission.

Chinese workers on the U.S. Transcontinental Railroad in the Sierra Nevada Mountains.

Chinese Exclusion in the United States

White American opinions about the Chinese began to change as work demands waned in the late 1800s. With the Transcontinental Railroad complete and the surge of the Gold Rush slowing to a trickle, many people stopped seeing the Chinese as necessary and began objecting to their presence and pursuits of other lines of work, like shopkeeping.

In 1882, the United States passed the Chinese Exclusion Act, which prohibited all Chinese nationals from entering the United States. Initially introduced as a temporary provision to limit migration, the Chinese Exclusion Act became standard U.S. policy until 1943. Chinese people already in the United States needed to carry ID with them at all times and request a certificate for re-entry if they wanted to travel outside of the country. Chinese residents in the United States faced new barriers to participating in the country that they helped build, and received little government protection. They could not testify in court on their behalf or against any white person, become U.S. citizens, or vote in elections.

The Chinese Exclusion Act was the first time that U.S. legislation blocked entry to the country for a specific nationality. The act set the stage for later discriminatory U.S. policies that would restrict immigration opportunities for certain groups of people based on nationality, race, or ethnicity. The Immigration Act of 1924 set a quota for one hundred Chinese immigrants to enter the United States annually, a tiny fraction of the one hundred thousand Chinese immigrants recruited to move to the United States up to the mid-1800s.

How did nationalism lead to civil war in China?

Although the boycott of U.S. products fizzled, Chinese nationalism gained a sharper focus in the early 1900s. Nationalists viewed the Manchu rulers, descendents of a conquering tribe from the northeast of Manchuria, as outsiders. They also blamed the Manchus for allowing China to fall under the domination of the West and Japan.

Chinese nationalism helped spark a series of revolts that toppled the Manchu dynasty in 1911. But the nationalists lacked the strength to carry out their plans to form a constitutional republic. Instead, power revolved around the military strongman Yuan Shikai and his officers. Yuan attempted to create a new dynasty with himself as emperor, but both the nationalists and many of his generals opposed him. By the time of his death in 1916, China was sinking into the chaos of civil war.

Why did Chinese nationalists feel betrayed by President Wilson?

China's weakness left it vulnerable to Japanese expansion during World War I (1914-18). In 1915, Japan seized the German sphere of influence in the Chinese province of Shandong and demanded new concessions from China.

Many Chinese nationalists looked with hope to U.S. President Woodrow Wilson, who offered a vision for a new international system to end the war. Wilson championed the principle of self-determination—the right of nations to govern themselves—and argued that justice and fair play should guide international relations. Wilson also proposed creating a new international organization, the League of Nations, to prevent future wars.

At the peace conference convened at the end of World War I, Wilson faced opposition. When he called for Japan to withdraw from Shandong, Japanese leaders threatened to walk out of the conference. The president feared that support for the League of Nations would be undermined if they left, so he withdrew his request for Japan's withdrawal from Shandong.

In China, many of the nationalists who had admired Wilson for his advocacy of self-determination were outraged. On May 4, 1919, hundreds of thousands of Chinese students demonstrated in China's major cities to protest the decision of the peace conference. What came to be known as the May 4th Move-

ment prompted a boycott of Japanese goods and deepened Chinese anger toward foreign domination of China. The growing appeal of Chinese nationalism also helped fuel support for two political parties—the Kuomintang and the Chinese Communists—that would shape Chinese politics in the coming decades.

How did the Kuomintang become the ruling party in China?

The Kuomintang (or Nationalist Party) was founded by Sun Yat-sen in 1912 and won the largest number of seats in the election for parliament in 1912-13. But it was difficult for the party to consolidate power because of the many different political and military groups in China at the time. Until his death in 1925, Sun and the Kuomintang were caught up in a multi-sided struggle for control of China.

The Chinese Communist Party got its start in 1921 under the leadership of Mao Zedong. While the Kuomintang drew support largely from educated city dwellers, the Communists sought to create a popular base among the peasants. From the outset, the Communists looked to the newly formed Soviet Union for assistance.

Sun's death in 1925 brought a new leader and a new strategy to the Kuomintang. Chiang Kai-shek, a military commander, built an army capable of unifying China. Over the next three years, he defeated warlords who challenged him, stood against the Communists, and forced the Soviets, who had taken over some areas of China, out of the territory under his control. By 1928, Chiang was strong enough to declare himself the ruler of China.

Why did the United States not respond to Japan's use of military force in China?

The United States recognized Chiang's government and granted China the authority to determine its own import tariffs. This action reversed a key part of the "unequal treaties" from the nineteenth century.

By the late 1920s, U.S. influence in China had grown. U.S. companies played a leading role in developing China's transportation and communications systems. Protestant missionaries operated a network of colleges that served to transmit U.S. values to China's elite.

But the bonds between the United States and China were not strong enough to withstand the general trend of U.S. foreign policy after World War I. In 1920, the Senate rejected U.S. participation in the League of Nations. For the next two decades, the United States tried to avoid becoming involved in another international conflict like World War I, which much of the U.S. public saw as a failure.

When Japan attacked China in 1931, the world was not prepared to stand up to the aggression. Japan's leaders considered the coal and iron ore reserves of Manchuria in the northeast region of China vital to their country's industrialized economy. By 1932, the Japanese had set up a puppet government in Manchuria, renaming the region "Manchukuo."

U.S. diplomatic efforts to stop the Japanese attack failed. Although President Herbert Hoover sent a few U.S. warships and troops to China in 1932, the United States was unable to oppose Japan with a significant military force.

> ***"If she [China] lacks the strength to protect herself from aggression and exploitation, she cannot reasonably expect the other nations to do the job for her."***
>
> —Thomas Lamont (1870-1948), Wall Street banker

Other world leaders expressed their outrage, yet also avoided becoming involved in the conflict. The League of Nations turned away from this crucial challenge. After he took office in 1933, U.S. President Franklin D. Roosevelt, facing the Great Depression, was even less inclined to defend China than Hoover.

How did Japan's aggression affect U.S. policy in China?

In 1937, Japan's military forces plunged deeper into China's heartland. By the end of the year, Japanese forces had taken Nanjing, the capital of Chiang Kai-shek's government. Hundreds of foreign residents witnessed the

Japanese campaign of murder, rape, and looting against the civilian population. More than two hundred thousand Chinese were massacred and much of the city was burned to the ground.

The massacre at Nanjing turned the U.S. public against Japan, but U.S. policy hardly budged. Part of the reason was that U.S. officials in China were reporting that Chiang's army devoted more of its energy to fighting Mao Zedong's Communists than to fighting the Japanese. A few were even convinced that China would be better off under Japanese control.

Frank Cancellare. Library of Congress Prints and Photographs Division, LC-DIG-ppmsca-1333.

Chinese soldiers marching in 1943.

> ***"The Japanese imperialists attack us and even plan for our extinction. Owing to the existence of the communist bandits, we cannot offer unified, effective resistance to the aggressor."***
>
> —Chiang Kai-shek

Over the next few years, the Japanese tightened their hold over much of coastal China. Japan's foreign policy ultimately changed the attitude of U.S. leaders. In September 1940, the Japanese formed an alliance with Nazi Germany and fascist Italy. The United States responded by offering aid to the Chinese and restricting exports to Japan. Japan's surprise attack against the U.S. naval base at Pearl Harbor, Hawaii on December 7, 1941 brought the United States into World War II.

Why was China a low priority for the United States in World War II?

World War II created new links between the United States and Chiang Kai-shek's government. U.S. military advisers and equipment strengthened the Chinese army. As a sign of solidarity, the United States abandoned the remaining parts of the "unequal treaties" that were still in effect and lifted the ban against Chinese immigration to the United States.

But the military campaigns in China remained an area of low priority for U.S. military planners. The United States focused instead on defeating the Nazis in Europe and then smashing Japan's island empire in the Pacific. The large-scale commitment of U.S. troops that Chiang lobbied for never arrived. Between ten and twenty million Chinese died during the war, many the victims of Japanese brutality.

China After World War II

Among the chief goals of U.S. officials in China during World War II was to prevent a civil war between Chiang's Kuomintang forces and the Communists. Many people in the United States were disgusted by the corruption and indifference of Kuomintang officials, and praised the Communists for putting up a more effective battle against Japan. Nonetheless, the United States made sure that Chiang's government had a prominent place in the international system after World War II. In addition to the United States, the Soviet Union, Britain, and France, China gained a seat on the Security Council at the founding meeting of

the United Nations (UN) in 1945. As one of the five permanent members of the Security Council, China gained the right to veto any Security Council decision.

How did the Communists come to power in China?

U.S. leaders also hoped to arrange a political compromise between the Communists and the Kuomintang. Negotiations soon broke down, and Mao Zedong denounced the United States for aiding Chiang's government. In 1946, fighting in the long-simmering civil war between the Kuomintang and the Communists heated up. The Communists gained the upper hand. In 1948, Mao's forces swept south from their strongholds in northern China. Thousands of Kuomintang troops defected or deserted, leaving behind most of their U.S.-supplied equipment.

In early 1949, Chiang began to transfer the government's gold reserves to the island of Formosa (present-day Taiwan). What remained of Chiang's army and government soon followed. On October 1, Mao proclaimed the People's Republic of China on the mainland.

How did the Cold War affect U.S.-Chinese relations?

U.S. foreign policy underwent a dramatic shift after World War II. The United States emerged from the war as the world's foremost military and economic power. At the same time, the war had strengthened the position of the Soviet Union. In the late 1940s, the U.S.-Soviet wartime alliance gave way to hostility between the two superpowers. U.S. policy makers increasingly viewed Soviet communism as a global threat, especially after the Soviets exploded their first atomic bomb in September 1949.

In response to the Soviet threat, U.S. leaders redefined the U.S. role in the world. Most people in the United States came to agree that the country would need to make a determined effort to contain the expansion of Soviet communism. The confrontation with the Soviet Union became known as the Cold War and lasted until 1989.

George Kennan, a U.S. diplomat who conceived the "containment" strategy of limiting the spread of Soviet influence, was not particularly alarmed by the communist takeover in China. Kennan was mainly concerned with U.S. policy in Europe. According to Kennan, China was decades away from developing the industrial strength needed to mount a military challenge to the United States. In addition, most U.S. officials were convinced that a long history of conflicting interests would prevent the Soviet Union and Chinese communists from reaching an effective alliance.

As Mao's forces overran southern China in 1949, the U.S. administration of Harry Truman decided that further aid to Chiang Kai-shek was useless. Truman expected the Communists would soon gain control over Formosa as well. U.S. leaders were more concerned with preventing Mao and the Soviet Union from forming an alliance.

Socialism, Communism, and Capitalism

Socialism is an economic system in which the community or the state controls the production and distribution of resources in order to increase social and economic equality. Generally in socialist systems, the state or community—rather than individuals—owns resources such as land and businesses. **Communism** is a political stage after socialism without social classes, property ownership, or even government. Although communism has never been achieved by any state in the modern world, the Soviet Union and China have often been called communist countries. Socialist economic systems have occurred in both democratic and authoritarian states.

Capitalism is an economic system in which resources are all or mostly owned by individuals and operated for profit. Production and distribution of goods is left up to individuals or market forces such as supply and demand.

How did the Korean War create more distrust between the United States and China?

Communist North Korea's invasion of South Korea in June 1950 changed U.S. policy in East Asia overnight. Concerned about communist expansion, President Truman sent U.S. warships to defend Formosa. The United States led a dozen other nations under the authority of the UN in an international effort to stop the North Koreans.

By September 1950, UN forces under U.S. General Douglas MacArthur pushed the North Korean army back to the 38th parallel, the latitude that forms the border between the two countries. MacArthur also wanted to defeat the communist regime in North Korea. When his troops advanced beyond the 38th parallel, the communist Chinese army launched a massive counter-attack. China supported North Korea's efforts in order to counter U.S. involvement in East Asia.

Although the Chinese military was no match for the United States technologically, the Chinese had the advantage of numbers. Poorly armed Chinese soldiers threw themselves at U.S. positions in human-wave assaults. Roughly 250,000 Chinese and 54,000 U.S. soldiers died in the war. UN forces retreated deep into South Korea.

MacArthur favored attacking China, even using nuclear weapons, to turn the tide of the war. But Truman feared that MacArthur's recommendations would trigger World War III, and he replaced his top general. UN forces slowly retook South Korea in the first half of 1951. Fighting continued along the 38th parallel for another two years before a truce was reached in 1953.

Why did China and the United States view each other as enemies in the 1950s and 1960s?

In the United States, people saw China as a tool of the Soviet campaign to spread communism worldwide. U.S. diplomatic recognition of China was now out of the question. Moreover, the United States viewed the Kuomintang government of Taiwan as a critical ally against communism.

Definitions

State—A country with a government that is recognized by its citizens and other countries. A state has sole control over its own territory and military.

Diplomatic Recognition—A formal relationship in which one state recognizes the status of another state. In the 1950s and 1960s, the United States recognized Taiwan but not China as a state.

Mao contributed to the antagonism in U.S.-China relations. In the early 1950s, he drove out U.S. missionaries, foundations, and colleges still operating in China. Russian replaced English as the foreign language promoted by the government. People in the United States were also appalled by Chinese attempts to brainwash U.S. prisoners of war captured in Korea.

"Power grows out of the barrel of a gun."

—Mao Zedong, 1938

During the 1950s, U.S. policy in East Asia concentrated on "containing" China. The United States signed defense treaties with most of China's neighbors and stationed thousands of soldiers in South Korea, Japan, and Taiwan. In 1954 and 1958, the United States pledged to use force to counter Chinese threats to invade two small islands claimed by Taiwan. U.S. hostility angered China and continued even after the Chinese-Soviet alliance unraveled in the early 1960s.

For many people in the United States, Mao's combative stance made China an even greater foreign policy concern than the Soviet Union. In 1962, the Chinese army quickly defeated India and occupied territory that had been in dispute along the border of the two countries. Two years later, China exploded its first atomic bomb. U.S. leaders explained the United States' growing involvement in the Vietnam War in the mid-1960s largely in terms of the threat posed by China.

As U.S. troop strength in Vietnam rose to five hundred thousand in 1967, Mao was leading his people down a radical path. Mao's Cultural Revolution, which took place from 1966 to 1976, was designed to overturn the traditional order of Chinese society. Mao sent millions of government officials and university professors to the countryside to work in the fields. Groups of students called Red Guards were given the authority to police the Revolution by destroying anything representing foreign influences. Meanwhile, Chinese and Soviet troops engaged in two serious border clashes in 1969. The Soviet army marched into northwestern China to force the Chinese to negotiate a settlement to the dispute.

National Archives and Records Administration. ARC Identifier 194759.

President Nixon meets with Chinese leader Mao Zedong during his 1972 visit.

How did U.S.-China relations improve in the 1970s and 1980s?

Even as Mao enacted extreme policies, U.S. policy makers in the late 1960s were rethinking U.S.-China relations. Ironically, the initiative came from President Richard Nixon, a political figure long known for his anti-communist stance. Nixon recognized that the United States and China shared a common mistrust of the Soviet Union. He was eager to realign the global balance of power at a time when Soviet influence seemed to be on the rise.

The first talks between the United States and China began in 1970. The following year, the United States lifted trade restrictions against China that dated from the Korean War. In the UN, the United States allowed a resolution that reassigned Taiwan's seats on the Security Council and in the General Assembly to China.

In 1972, Nixon visited Beijing. The president met with Mao, swapped toasts with top Chinese officials, and watched a ballet performance of The Red Detachment of Women. Nixon had achieved an important breakthrough in U.S. foreign policy.

For the next few years, political crises in both the United States and China prevented the relationship from developing further. The Watergate scandal forced Nixon's resignation in 1974, while in China the death of Mao Zedong and Chinese Premier Zhou Enlai in 1976 set off a struggle for power.

The emergence of Deng Xiaoping as China's next leader signaled that further progress in the U.S.-China relationship was possible. Deng was known as a moderate who wanted to open China to the outside world. In January 1979, he visited the United States, touring factories and even wearing a cowboy hat at a Texas rodeo. Behind the scenes, he assured U.S. officials that China would not use force against Taiwan. On January 1, 1979, the United States officially recognized China as a state—and withdrew recognition of Taiwan.

At the same time, Congress was concerned about the future of U.S.-Taiwan relations and on April 10, 1979 passed the Taiwan Relations Act, which guaranteed continued trade and cultural relations with the island. It also provided U.S. assurances for its security. The future of Taiwan remained a sticking point in U.S.-China relations during much of the 1980s and does so to this day. At the same time, expanding trade and investment, as well as a surge in student, scientific, and cultural exchanges, quickly created important links between China and the United States. China was not a U.S. ally, but a new era in U.S.-China relations was clearly underway.

U.S.-China Relations: 1784-1979

- **1784** — First U.S. merchants trade with China
- **1839-1842** — Britain defeats China in First Opium War
- **1842** — Treaty of Nanjing opens China to British trade
- **1844** — U.S. signs first treaty with China
- **1850-1864** — Taiping Rebellion devastates China
- **1856** — U.S. warships retaliate against Chinese forts
- **1857-1860** — Western forces defeat China in Second Opium War
- **1858** — Treaty of Tianjin broadens Western advantages in China
- **1882** — Chinese Exclusion Act restricts Chinese immigration to U.S.
- **1894-1895** — Japan defeats China in six-month war
- **1899** — Secretary of State Hay issues Open Door note
- **1900** — Foreign powers put down Boxer Rebellion
- **1911** — Yuan Shi-kai claims power after fall of Manchu dynasty
- **1912** — Sun Yat-sen establishes Kuomintang (Nationalist Party)
- **1919** — Chinese students protest decision of Paris Peace Conference
- **1921** — Mao Zedong establishes Chinese Communist Party
- **1928** — Chiang Kai-shek asserts rule in China
- **1931-1932** — Japanese extend control over Manchuria
- **1937** — Japanese launch large-scale invasion of China
- **1941-1945** — U.S. spearheads Allied victory over Japan
- **1945** — China included on UN Security Council
- **1949** — Communist forces establish control over China
- **1950-1953** — China opposes U.S. in Korean War
- **1962** — China defeats India in border dispute
- **1967** — U.S. troop strength in Vietnam rises to 500,000
- **1972** — Richard Nixon visits China
- **1976** — Mao Zedong dies
- **1979** — U.S. recognizes People's Republic of China