

Notes from the
**NATIONAL COMMITTEE
ON UNITED STATES-CHINA RELATIONS**

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U.S. FOREIGN POLICY COLLOQUIUM MEETS IN WASHINGTON

On June 5, the National Committee on United States-China Relations and the Elliott School of International Affairs at The George Washington University welcomed two hundred Chinese graduate students and fifteen American graduate students to the inaugural U.S. Foreign Policy Colloquium in Washington, D.C. The students from the PRC are currently enrolled in universities throughout the United States and represent a variety of academic disciplines. Their American colleagues are enrolled in graduate programs of international affairs in Washington, D.C. area universities.

The purpose of this program, underwritten by a generous grant from The Coca-Cola Company, is to help Chinese graduate students better understand the complex forces that influence American foreign policy. During the three-day colloquium, participants had the opportunity to hear firsthand from current and former Administration of-

ficials and members of Congress, as well as representatives from academia, the military, think tanks, the media, and lobbying groups.

Three Days of Foreign Policy Immersion

From Thursday evening, June 5, through Sunday, June 8, participants in the U.S. Foreign Policy Colloquium were immersed in speeches, workshops, discussions, site visits, and even a movie screening to demonstrate aspects of the foreign policy-making process in American society. Highlights of the program included:

- Senator Chuck Hagel's keynote speech, *America's Role in the World*;
- An opening reception sponsored by Coca Cola, Anheuser Busch, and Federal Express;
- Former Secretary of State Madeleine Albright's talk, *The Role of Public Opinion in U.S. Foreign Policy*;

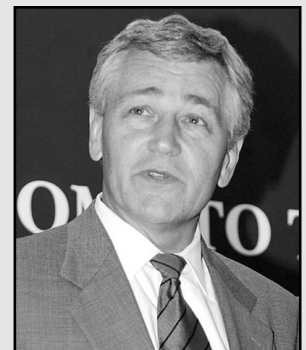
"The United States cannot afford to lose the warm feelings of the next generation around the world."
—Senator Chuck Hagel

"There is a strong consensus among economists that trade is good, and that it creates more winners than losers. But the losers are often politically powerful."
—Barry Bosworth, Senior Fellow, The Brookings Institution

"Military capabilities make solutions possible, but they can't solve non-military issues."
—Admiral Joseph Prueher, former Ambassador to the PRC

After this session, it is fair to say most of the Chinese participants know the process of American foreign policy decision-making better than the process of China's. I hope they can be the translators or icebreakers whenever a crisis occurs in the future between China and the US."
—Comment from participant

"Strongly recommended. This three-day session is more meaningful and instructive than a one year 'Foreign Policy' course at school."
—Comment from participant



Senator Chuck Hagel gave the keynote address on *America's Role in the World*.

PRESIDENT'S MESSAGE: ON CHALLENGES OF NATURE

As I write this, the sluice gates of China's controversial Three Gorges Dam are closing, beginning the six-year process of filling a 365-mile reservoir to a depth of 175 meters. Earlier this year, China embarked on an even more ambitious project, a 50-year, \$59 billion scheme to divert water from the Yangtze to the arid North China plains and its thirsty cities, industries, and crops. Considering the enormous human and financial costs of these massive projects, I can only hope that they achieve the ambitious goals envisioned by their champions.

Like the Great Yu, legendary founder of the Xia dynasty, whose "control of the [flood] waters" of the Central Plains established his authority, subsequent Chinese leaders have also been measured by their success in managing China's rivers. In the vibrant early years of dynasties, dikes were repaired and dams built; by a dynasty's end they had fallen into disrepair, a certain sign of dynastic weakness. Like their ancient counterparts, China's modern leaders also regard hydrological management as a core responsibility, whether they are proposing Yangtze River dams (Sun Yat-sen was the first, in 1919), South-North water diversions, or sending PLA troops for flood relief. Hydrological engineering was, not surprisingly, a fitting subject for the collegian Hu Jintao, China's new president.

I am reminded of a riparian experience of my own, in 1981, when I served as interpreter/adviser for National Geographic on a two-month assignment along the Yellow River. This dangerous river has acquired many pseudonyms; foreigners called it "China's Sorrow;" in Shandong it was called *xuan he* ("suspended river") because its riverbed, contained by ancient dikes, was higher than the plains through which it flowed; and in Henan peasants called it *shao he* ("burning river") because at flood time it contained so much loess silt that fish would leap onto its banks for air, as if the river were on fire. In 1981, the Yellow River was still a threat; the hydrologists we interviewed all said despondently that floods could never be prevented, even through massive reforestation along the river's upper reaches.

But the experts were wrong; human demand for water grew so much that, by the early 1990s, the Yellow River was merely a shrunken facsimile of its former self. It even became possible, for several months a year, to drive across its riverbed in much of Shandong province. The floods that for millenia had both extinguished life and made life possible through deposits of fertile silt were no more. No longer would the river serve as a metaphor in the way it did for the great Tang poet Li Bo, whose "*Jiang Jin Jiu*" begins:

*Do you not see, my friend, how the waters of the
Yellow River
Rush from Heaven to the sea, never to return?*

Just as China's best hydrologists could not imagine that ordinary human needs—not engineers—would tame the Yellow River, Hu Jintao and Wen Jiabao could never have imagined that a microscopic virus, not a mighty river, would be the first test of their authority and political skills. Nor could they have imagined that a disease affecting so few people could have such a huge impact—economic, social, and political. (By the time the World Health Organization had lifted its last travel advisory on June 24, Severe Acute Respiratory Syndrome, or SARS, had infected 8,458 worldwide, 7,348 of whom had recovered. By contrast, there are more than one million HIV/AIDS and 400 million tuberculosis sufferers in China today; in 1949, 20 percent of China's population suffered from acute epidemic disease, according to one report.)

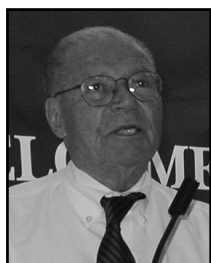
When first faced with this puzzling new disease, the Chinese government invoked rules that required information about epidemics to be treated as state secrets. The resulting coverup proved sadly inappropriate and ineffective, however, and the new leadership belatedly realized that the only way to eradicate the disease was to be open and enlist the Chinese people themselves to be vigilant against its spread. Further motivation came from the realization that, unlike tuberculosis, SARS threatened even those with access to the best health care. Not only could SARS strike anyone in China, it was spreading worldwide; China had a global responsibility to discharge. Finally, with the internet and phone messaging, suppressing information about the epidemic was clearly a foolish fantasy.

It is too soon to know what course SARS will take. The disease seems to be dying out now, but may well return with colder weather in the late fall, like other coronaviruses. If so, will China have adequate means in place to isolate it and slow its spread? What about other countries? How will the world community react to a resurgence of SARS?

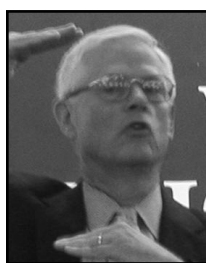
SARS is a significant challenge to China, but is only one of many that the Fourth Generation of Chinese leaders—and the Chinese people—must deal with. For them, even more than for their predecessors, the way ahead is uncharted, since no country has ever attempted to remake itself so completely in such a deliberate, controlled way. That their success or failure will affect all of mankind is perhaps clearer to more people now—post SARS—than ever before.

John L. Holden
June 2003

- Site visits to fifteen government agencies and non-governmental institutions involved in the U.S. foreign policy process;
- Assistant Secretary of State James Kelly's conversation with three of the colloquium participants on issues from North Korea to visa dispensation, followed by questions from the audience;
- Screening of the film *Thirteen*



Robert McNamara, former U.S. Secretary of Defense, talked about his part in the Cuban Missile Crisis.



Admiral Joseph Prueher, former U.S. Ambassador to the P.R.C. makes a point.

- *Days*, the story of the Cuban Missile Crisis, followed by a moderated panel discussion of the Cuban Missile Crisis with one of the key participants, former U.S. Secretary of Defense Robert McNamara;
- Panel sessions on the role of interest groups in foreign policy, and on economic policy, security policy, and global issues;
- Group exercises to give students the chance to analyze and digest what they were hearing from the experts;
- Discussion of U.S.-China relations with both Dean Harry Harding of the Elliott School and John Holden of the National Committee; and
- Sightseeing around Washington, D.C. both by bus and foot.

The chance for speakers, panelists, and students to engage directly with each other was an important part of the three days, and the lively question and answer sessions attested to the students' desire to communi-

cate with, as well as learn from, the presenters. The FPC not only encouraged dialogue, but also enabled participants to get to know one another. As one student said at the end of the program, "The more people know each other, the better people like each other."

Interested readers can find the full colloquium agenda on the National Committee website.❖



Harry Harding, dean of the Elliott School, and John Holden, National Committee president, welcome The Honorable Madeleine Albright.



National Committee president John L. Holden talks with two colloquium participants.



A site visit to the House of Representatives Committee on International Relations. L-R from front row: Huang Gaosheng, Zheng Yu, Wu Gang, Zhang Xueli, Wen Haiming. Back row: Yang Zhengfan, Zhang Guorong, Zong Yueming, Lindsay Martin, Zhang Nanyun.



Lu Yong of Yale University asks a question.



Participants Zhang Zhenqing, Yang Jian, and Zhou Changhai took part in a panel conversation with James A. Kelly, Assistant Secretary of State for East Asian and Pacific Affairs.

WORKER RETRAINING DELEGATION GOES TO TAIWAN

Economic reforms in China have come at a huge price in terms of employment: the streamlining and closing of many state-owned enterprises have put large numbers of people out of work, most with years to go before retirement. Taiwan also faces high unemployment, although its causes are different: the migration of Taiwanese manufacturers to the PRC, the impact of globalization, and major industrial restructuring have left more than 500,000 in Taiwan unemployed.

In response, the National Committee, with support from the State Department's Bureau of Educational and Cultural Affairs, recently held the first in a series of exchanges to introduce American worker training and retraining programs to Taiwan and the P.R.C. Shenyu Belsky, who heads up the National Committee's labor-oriented programs, took four U.S. job training specialists to Taiwan April 11-19, where they were hosted by Taiwan's Employment and Vocational Training Administration (EVTA) under the Council of Labor Affairs—Taiwan's senior labor governmental body. The

group had originally been scheduled to visit the PRC as well, but has had to postpone that portion of the program until later this year because of the SARS situation.

Each of the four delegates to Taiwan has had experience in different approaches to worker retraining. Carolyn Golding, former deputy assistant secretary of labor responsible for employment and training, has spent more than 30 years working with federal labor policies and regulations; Willie Walker, former director of employment and training for the city of Detroit, is an expert on "one-stop centers" that provide integrated services to the unemployed; Harmon Lisnow, executive director of the Institute for Career Development in Merrillville, Indiana, has run award-winning labor management programs for steelworkers for many years; and Gus Crosetto, former vice president for corporate learning at Fanny Mae Corporation, has expertise in private training initiatives and corporate social responsibility.

The following account of the trip to Taiwan is adapted from delegate Harmon Lisnow's trip report.

REPORT FROM THE FIELD

Harmon Lisnow

As a Peace Corps Volunteer in my early twenties, I went to Africa thinking I had a pretty sophisticated worldview...but quickly learned how limited my view was and how relative my values were. Our trip to Taiwan was another such experience. What I gained and the way it altered my perceptions and stretched my knowledge in one short week has been rather stunning.

We arrived in Taipei on Saturday evening April 12. Throughout the trip, Shenyu Belsky of the National Committee, Grace Tao, our escort from Taiwan's Employment and Vocational Training Administration, and Shan Tsen, our interpreter, made this the smoothest and most well planned effort the National Committee could have hoped for.

Sunday, April 13, our first full day in Taiwan, was an easy sightseeing day. We visited the beautiful Long Shan temple, the Chiang Kai Chek Memorial Hall, and the breath-

taking Palace Museum. The latter gave us a sense of Chinese history through artifacts. The day ended with a stimulating dinner discussion with Richard Vulysteke and Don Shapiro, executive director and editor in chief, respectively, of the American Chamber of Commerce in Taipei.

On Monday, the program kicked into high gear with a series of meetings at training institutions in Taipei. These included the Employment and Vocational Training Administration the Banciao Employment Service branch office (*see box page 5*), and the Information Management Training Center, which was of particular interest to me because our Institute for Career Development (ICD) is always looking for new technologies to enhance steelworkers' learning opportunities. The interactive learning software program that the Center had developed was as good or better than anything ICD has found. But this in-

novative software seems to be used mainly as an internal tool, when it could also be used to create or incubate new business opportunities in Taiwan. This problem was evident at several of the Taiwan endeavors we saw—sophisticated "vertical" capabilities without the "horizontal" linkages to maximize the impact of particularly good systems.

For the next two days we participated in a highly interactive and productive conference on human resource development. As outside experts, each of us on the delegation talked from our own experience, based on whom we served and the philosophical constructs and measured benefits of our programs. Speakers and panels of experts responded to our presentations, followed by questions from a larger-than-expected audience of more than 80 government officials, scholars, union and NGO leaders, as well as enterprise representatives from different regions in Taiwan. I was especially impressed with the willingness of the audience to enter into frank, and possibly controversial, dialogue over relevant issues.

Harmon Lisnow is executive director of the Institute for Career Development in Merrillville, IN.

On Wednesday afternoon we met with Robert Howes, director of public affairs at the American Institute in Taiwan, and then flew on to the city of Kaohsiung, on the southern tip of Taiwan, to continue our journey of wonders, visits, and dialogue. Thursday began with a tour of the impressive Southern Vocational Training Center, followed by a panel dialogue with members of the Center. As in our previous meetings, the four U.S. visitors presented an overview of human resource development, each speaking from our particular experience. Carolyn Golding, who has a broad conceptual grasp of worker development programs, defined the macroeconomic issues clearly. Willie Walker described what goes into a citywide training model, based on his expertise running highly successful one-stop training programs in Detroit. Gus Crosetto represented a business view, outlining corporate responsibilities for offering workers educational opportunities. I repre-

sented labor/management training programs (in my case steelworkers and the steel industry) in which both parties cooperate as equal partners.

Thursday afternoon was particularly poignant. We went to the Phoenix Foundation of Kaohsiung County to participate in a flower-arranging workshop designed to help the handicapped develop a marketable skill. Then we were asked to be students, and were taught how to assemble a rose bouquet—a wonderful experience! Last we toured and made presentations at the Huo-Feng-Huang Cultural Foundation Job Center, followed by a lively question and answer session.

On Friday, our final day, we toured the China Steel Corporation, got an overview of the company's training program, and had a thoughtful visit with Wu Ching Pin, the President of the China Steel Union. Production at the China Steel Corporation was state-of-the-art, and the union had a stronger voice in labor

matters than I would have expected.

On our last afternoon, we had a chance to visit a magnificent Taoist temple and journey south to a craft center in the mountain region of Pingtung County. The next day, April 19, we headed back to the United States. After most trips I am ready to get home, but there is a magnetic appeal to this enchanting and dynamic place that made it hard to leave.

In general, the most impressive aspect of our trip to Taiwan was the broad range of training programs we visited, the honest dialogue that took place, and the diversity of economic, social, and political dynamics these programs represented. The leadership and technicians we met showed an intense desire to find ways to improve. Hopefully, the wonderful cross-cultural “seeding” that took place on our trip will grow to impact values and perceptions and thereby help to fulfill the mandate of the National Committee on United States-China Relations. ♦

THE GENESIS OF THE BANCIAO EMPLOYMENT CENTER

A highlight of the Worker Retraining Delegation's meetings in Taipei was a visit to the Banciao Employment Service Center, the first of Taiwan's “one-stop centers.” Banciao is also known as the “Three-in-One Project” because it integrates services such as unemployment benefits, employment consultation/promotion, and vocational training. The group heard an excellent presentation on the different services the center provided, engaged in stimulating discussion concerning challenges and solutions, and toured the training facility.

The Banciao Employment Service Center is an excellent example of how such exchange delegations and workshops can lead to important new programs. Taiwan's implementation of the one-stop model was a direct result of the 2001 Taiwan Labor Leaders' Study Tour, another National Committee program. (A report on this delegation appeared in the Fall/Winter 2001 newsletter, and can be accessed on our website.) That delegation included two officials from Taiwan's Council of Labor Affairs: Mr. Dwan-Fan Ho, secretary general of CLA, and Dr. Chin-Hsin Liu, chief advisor to the CLA. Their U.S. itinerary included a visit to an impressive one-stop center set up by Willie Walker (a member of this 2003 delegation).

Upon their return to Taiwan, Mr. Ho and Dr. Liu recommended that Taiwan establish such a center, and the Banciao Center opened for services in February 2003. It was extraordinarily encouraging for both Willie Walker and the National Committee to visit Taiwan's Banciao Center in April 2003 and see such tangible evidence of their previous work coming to fruition.



At the Banciao “One Stop” Employment Service Branch Office—from left: Harmon Lisnow, Willie Walker, Gus Crosetto, Carolyn Golding, Kun-wei Chang (Banciao director), and San-Quei Lin (EVTA).

TEACHERS EXCHANGE PROGRAM CONVENES TWO CONFERENCES

The U.S.-China Teachers Exchange Program (USCTEP), established in 1995 with funding from the Freeman Foundation, sends American K-12 teachers to China and brings Chinese secondary school teachers to the United States. In addition to teacher exchanges, the program hosts conferences and workshops each year so that teachers and program "alumni" can share curriculum ideas and experiences. USCTEP, which has been operating under the auspices of the National Committee since the summer of 2002, has hosted two conferences so far this year in New York, described below.



Chinese exchange teachers now working throughout the United States gathered in New York City in January to exchange experiences. Here they are shown with Ambassador Yang Jiechi and Committee President John L. Holden (seated at center).

CHINESE TEACHERS' MID-YEAR CONFERENCE

New York, January 17-20

Twenty-two Chinese teachers working throughout the United States gathered in New York City on a frigid weekend in January to talk about their ongoing teaching adventures in the United States and to learn something about American educational history. This annual event also gives participants a chance to share ideas and teaching tips with each other and with veteran American teachers, as well as to enjoy a bit of New York City culture.

Among USCTEP's strongest supporters are the program's many former exchange teachers who stay involved by speaking at our conferences and by arranging a wide range of activities for teachers in their home communities. The first day featured several excellent presentations by former program participants such as Ann Connolly Tolkoff, a high school English teacher from Massachusetts who spent the spring 2001 semester teaching in Suzhou. She opened the conference with a talk on

the history of American education from colonial times to the present. She was followed by Wu Wei-ling, a Chinese language teacher now at a New Jersey high school, and a doctoral candidate in education at the University of Pennsylvania, who talked about how to engage American students in the classroom. She also runs our pre-departure orientation programs for Chinese teachers preparing to come to the United States; they regard her as a tremendous source of knowledge and insight, as well as a sympathetic friend.

In the third presentation, returned teacher Richard Sanford gave an English as a Second Language (ESL) demonstration lesson. Sanford, a retired New York City high school ESL teacher who spent the 1997-98 school year at the Dalian Experimental Middle School, also gave the concluding presentation with Sandra Hassan, a former high school Spanish teacher who is now a high school principal on Long Island. They devised three case studies of classroom situations that could arise for Chinese exchange teachers. The

teachers respond very positively to the case study method, which gives them a chance to wrestle with problems in an unthreatening atmosphere.

One message that the mid-year conference strives to convey is that learning can and does take place beyond the confines of a classroom. The second day of the conference was therefore spent outside the conference room, beginning with a walking tour of the Lower East Side. Despite the low temperatures, the teachers followed the guide enthusiastically, soaking up information about the different immigrant groups that make the area so interesting. The group thawed out at a nearby deli, enjoyed a matinee performance of the New York City Ballet, and ended the day with a meal at a theater district bistro.

The final morning of the conference featured an evaluation session led by Dr. Beverly Parsons, executive director of InSites, an educational evaluation company in Colorado that does ongoing work with USCTEP. The teachers discussed the purposes of the program and its impact on their schools in

China. That afternoon, China's ambassador to the United States, Yang Jiechi, came to address the group. He praised the teachers for their courage in venturing into the unknown and talked about how their work is improving understanding between the peoples of the United States and China. After the conference, teachers returned to their host communities throughout the country to finish their year-long exchange assignments. Many took the time to write and say that the conference was helpful—and that they had had a good time.

FIFTH ANNUAL AMERICAN “ALUMNI” CONFERENCE

New York, April 25-27

Since 1998 the USCTEP program has also held an annual conference for returned American teachers. The theme is how best to infuse China into the curriculum of American K-12 schools. This spring, 45 participants evaluated two case studies developed by InSites. The focus of the conference session was on change theory, and how to implement educational reform (change) given various constraints—those imposed by fiscal realities, curricular demands, and professional capacity. (Very few aspiring teachers study Asia, and teachers cannot teach what they do not know.)

At every opportunity teachers are invited to share successful curriculum units on China. This conference included a presentation by Carmen De Yoe, a kindergarten teacher in La Crosse, Wisconsin who spent the 2001-2002 school year in Luoyang. Upon her return to the United States, she spearheaded the school-wide study of China in her elementary school, including offering six professional development sessions for her colleagues. The school's efforts culminated in a China Week held in late January and early February. Every student, teacher, and classroom in the school was involved in the study of

China, as were the two Chinese exchange teachers from Luoyang.

Hayes Dabney, a fourth grade teacher in Ann Arbor, Michigan who spent the 1999-2000 school year in Beijing, addressed two questions: How can returned teachers share China with people who have not been there? How can they teach about China while also dealing with everything else going on in schools? He linked “personal prior knowledge”—in this case, knowledge about China—to social studies, language arts, math, and science. All can include China. That led neatly to Joanne Parkhouse, an eighth grade math teacher in Denver who spent the 1999-2000 and 2001-2002 school years teaching in Suzhou and developed a geometry unit based on Suzhou gardens. William Clay, a high school English teacher in Seattle who also spent a year in Suzhou (1997-98), developed a unit based on the literature of war, using excerpts from an enormous range of materials readily available in English translation, from the *Book of Odes* through contemporary Chinese poets and novelists. Our final “alumni” presenter was Enid Serrano, a teacher trainer in New York City who spent the last school year in Beijing. She described including information about China in every training program she conducts.

Madge Huntington of the Weatherhead East Asian Institute at Columbia University and the National Consortium for Teaching about Asia (NCTA) talked to the group about the NCTA, established in 1998 with funding from the Freeman Foundation to educate American teachers about Asia. Thirty-hour courses are now offered in 46 states (all but Alaska, Hawaii, and North and South Dakota) to teachers of world subjects—primarily social studies and literature. We hope to find ways for Teachers Exchange Program “alumni” and the NCTA to collaborate. Each is a wonderful resource for the other, and there should be more interaction than currently

takes place.

On the second day, which is devoted to professional development, the Chinese exchange teachers living in New York City joined the American participants. Joanne Bauer, director of programs at the Carnegie Council on Ethics and International Affairs, gave a talk on “China's Environmental Challenge,” based on a study of values and environmental policy conducted by the Carnegie Council in China, India, Japan, and the United States. She discussed two cases in detail. One is Benxi, a medium-sized city in Liaoning Province that gained fame in 1979 when a United Nations report called it “the city that cannot be seen by satellite.” Smog obscured the view. The second case is that of the Sanjiang Plain Wetlands in Heilongjiang.

Our concluding speaker was National Committee member Yu Renqiu, historian at the State University of New York at Purchase. He addressed “China's Past: Benefit and/or Burden?” There is no question that China has a long history. Should its major traditions—Legalism, Daoism, Confucianism, and later Buddhism—be repudiated, or do the Chinese people have the wisdom to turn the undeniably negative aspects of some legacies of the past into something positive for the present and future? Several teachers said that they could have listened to him all day, while others wanted to know when and where they could sign up for his courses! ♦



Carmen De Yoe describing the China project at her elementary school in La Crosse, WI.

BATTLING SARS: WILL IT MAKE PRESIDENT HU JINTAO PRESIDENTIAL?

Joseph Fewsmith

On March 18, Hu Jintao became China's president and Wen Jiabao its premier, completing a leadership transition that began in November 2002 with the convening of the Sixteenth Party Congress. The party congress made sweeping changes to China's leadership—eight of the nine members of the Politburo Standing Committee are new to that body and 16 of the 25 members of the whole Politburo (including one alternate) are new. Nevertheless, Jiang Zemin stayed on as head of the party's Central Military Commission—he held on to the chairmanship of the state CMC in March as well—and arranged for a number of apparently close colleagues to be named to the Politburo and its Standing Committee. The succession hardly seemed complete.¹

Given the skewed leadership lineup that emerged from the Congress and Hu Jintao's own pledge to "seek instruction and listen to the views" of Jiang Zemin, it seemed likely that Hu would begin his tenure as general secretary of the Chinese Communist Party (CCP) slowly and cautiously—much as he had behaved in the decade he spent waiting in the wings. Indeed, Hu had been so cautious in his positions as vice president and head of the Central Party School (and the number five ranked member of the Politburo Standing Committee) that he had become famous for not being famous. The many symposia held before he became general secretary and then president (inevitably titled "Who's Hu?") were useful in combing his background (graduate of Qinghua University, long tenure in the poor areas of Gansu, Guizhou, and Tibet, reputation for having a photographic memory) but could shed little light on his political leanings. Some claimed he was a closet liberal (based largely on discussions held at

the Central Party School about social democracy), while others saw him as either a hard-liner (based on his tenure in Tibet) or a non-entity (based on his having to subordinate himself to others for so many years).

A New Image at the Top

It was thus something of a surprise that shortly after being named general secretary, Hu began a series of appearances and speeches that showed him to be an energetic, involved leader willing to address the social and (to a lesser extent) political problems facing China. His remarks centered around three basic issues: rule by law, fighting corruption, and easing inequalities in China.

In his first public appearance following the close of the party con-

**Both Wu Yi and Wang
Qishan...have impressive
resumes that will make
them formidable actors on
the political scene.**

gress, Hu on December 4 emphasized the rule of law as he commemorated the twentieth anniversary of the promulgation of China's post-Cultural Revolution constitution (which remains in effect today, albeit with several important amendments). Hu emphasized the fact that the 1982 constitution had promoted socialist democracy, law, and human rights, and repeated that

the party must operate within the confines of the law. Underscoring the message, Hu presided over a Politburo session to study the constitution on December 26—the 110th anniversary of Mao Zedong's birthday.

Shortly thereafter Hu led the Politburo Standing Committee to Xibaipo, the final wartime capital of the CCP before it entered Beijing in 1949, to reiterate the message delivered by Mao Zedong before he led the CCP into Beijing: that cadres must remain modest, prudent, and free from arrogance and rashness; and that party members must preserve the style of plain living and hard struggle (encapsulated as the "two musts"). The CCP has been widely resented for its corruption in recent years, so Hu's evocation of Maoist virtues was generally received as refreshing.

In January, at the rural work conference, Hu emphasized the importance of addressing the gap between the rich and the poor, especially between the wealthy east coast and the struggling farming communities of the interior. As a leader with deep roots in China's hinterland, Hu used the meeting to round out Jiang's Sixteenth Party Congress call for a "comparatively well-off society" (*xiaokang shehui*) by arguing that "until farmers become well-off, the whole nation will not become well-off; until rural areas are modernized, the country will not be modernized." To this end, Hu called for further reform of the tax system, the grain circulation system, and the financial system as well as the acceleration of rural migration to cities.

These themes were backed up with a media campaign designed to show Hu suffering weal and woe with the masses. He spent January 2-5 in frozen Inner Mongolia, where he huddled with the common people in

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a yurt and asked them about their lives. For the lunar New Year, Hu toured the distant suburbs of Beijing municipality, which were nearly as cold as Inner Mongolia. Combined with his early speeches, these actions projected an image of a leader devoid of pretense and understanding of the problems of the common person. When Wen Jiabao was selected as China's new premier, he reinforced this leadership image. In a press conference on March 18, Wen, in a fashion quite atypical for Chinese leaders, talked of his own background and life experience. He said, "I am a very ordinary person. I come from...the countryside. My grandfather, my father, and my mother were all teachers; and my childhood was spent in the turmoil of war. Our home was literally burned down by the flames of war and so was the primary school, which my grandfather built with his own hands." He went on to emphasize that he had been to 1,800 of China's 2,500 counties, adding "I know what [the Chinese people's]...expectations are."

These initiatives immediately raised questions about Hu's relationship with Jiang Zemin—inevitable questions given Jiang's decision to stay on as CMC head, Jiang's apparently somewhat distant relationship with Hu, and Jiang's promotion of Zeng Qinghong in helicopter-like fashion from alternate member of the Politburo to the fifth ranking member of the Politburo Standing Committee (and then to vice president in March). However, there are several reasons not to infer too much from these early observations. First, demonstrating concern for the *laobaixing* (common people) is a very old CCP tradition. Especially as a new general secretary, Hu would be expected to demonstrate his concern for the people and his modesty as a leader. Second, Hu has couched his words carefully to show respect to his predecessors. Thus, when he went to Xibaipo, he invoked the words of both Deng Xiaoping and Jiang Zemin (who visited Xibaipo in

1991). Jiang's theoretical totem of the "Three Represents" has been continuously invoked, although more in terms of what policies it demands than in abstract theoretical terms. Third, Hu's speeches have been within the parameters of CCP discourse and would have been vetted by the Politburo Standing Committee in any case. The language of the Sixteenth Party Congress political report is, if anything, even stronger on the

With the outbreak of the SARS crisis, the inadequacies of China's healthcare system have been clearly exposed.

importance of law than anything Hu said in commemorating the anniversary of the constitution. His speeches on the twentieth anniversary of the promulgation of the constitution and at Xibaipo would have been read and approved by members of the Politburo Standing Committee—on which sit a number of protégés of Jiang Zemin, including Zeng Qinghong.

These cautionary admonitions do not exclude the possibility, even probability, that Hu was engaged in a certain amount of verbal "edgeball" (an evocative Chinese expression suggestive of a ping pong ball hitting the edge of the table and hence being unreturnable). Chinese leaders are permitted a certain degree of discretion, and what they choose to speak about does, to a certain extent, reflect their concerns and personalities. Moreover, as a newly appointed leader, Hu has a need to establish his own persona—a need perhaps enhanced by the precarious position that he appeared to be in at the close of the Congress. To challenge Jiang directly would be unacceptable in terms of elite politics, but the mere effort to assert Hu's own leadership would inevitably be seen as an effort to diminish Jiang's influence. Hu ap-

pears to have tried to have it both ways, showing respect to Jiang but also asserting his own leadership. His position inevitably puts him into conflict with Jiang, especially given Jiang's apparent determination to retain significant influence as the paramount "elder." And this was true even before Severe Acute Respiratory Syndrome (SARS) appeared.

Changing Direction on SARS

New information about the SARS crisis and how it has been handled, mishandled, reported and not reported comes out daily, so it is difficult to make definitive judgments. Nevertheless, it seems apparent that the State Council (whether or not the premier) was aware of SARS by early February, because the Ministry of Health sent an investigation team to Guangdong on February 8.¹¹ Given what we know both about the government's efforts to hide the extent of infection and its later action to report more fully (if not completely) and accurately, it seems certain that there was a debate within the government about what to reveal and when to reveal it. Some argued that public disclosure was necessary to fight the spread of the disease whereas others thought the disease could be contained and that public disclosure would create social instability and damage the economy. In the end, of course, the damage to China's international reputation and economy—not to mention public health—was made much worse by the long delay in reporting honestly.

It seems likely that a decision was made not to report the situation fully during the period of the National People's Congress (March 5-19). With the end of the Congress and the naming of Hu Jintao as president and of Wen Jiabao as premier, the political situation began to change. According to John Pomfret of *The Washington Post*, when Wen Jiabao visited the Center for Disease Control on April 7—which the Chinese press reported in an upbeat

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YAO MING: A BILLBOARD FOR ALL SEASONS

Judy Polumbaum

“Ping-pong diplomacy,” a catalyst for normalization of U.S.-China relations in the early 1970s, has entered our lexicon as a synonym for conquering a seemingly intractable stalemate through seemingly innocuous means. The phrase reminds us of sports’ capacity to serve non-sporting ends. By now, we are alert to the potential of wrestling or skating or soccer or, say, basketball, to bear the freight of politics or commerce or cultural exchange. And in the context of U.S.-China relations, the athlete-diplomat of the moment is hoopster Yao Ming, formerly of the Shanghai Sharks, today of the Houston Rockets, and also a continuing player on the Chinese national team.

Scholars can make too much of everyday affairs, of course. A table tennis match is still a table tennis match, a basketball game still a game, and Yao Ming’s main claim to fame is but the appropriate confluence of innate physical attributes and cultivated athletic skills on the court. At the same time, as both product and producer of contemporary global popular culture, Yao Ming shows how an individual athlete can become a billboard for much larger preoccupations and concerns.

As the Rockets’ number one pick in the June 2002 draft, the 7’5” (2.26 meter) Yao was the first player raised abroad to be the top recruit in the National Basketball Association. This tall and talented young man’s arrival in the NBA, which is both quintessentially American in origins and global in ramifications, stirred commotion on both continents and overblown assertions in many realms. His conduct, physique, statements, sponsorships, shortcomings and strengths, personality and pastimes, have been dissected along myriad dimensions, from nationality, ethnicity, and masculinity to modernity, technology, and youth.

On the face of it, what the U.S. media have come to call “Yaomania”

has an obvious source: the irresistible force field of transnational capitalism. In this case, the global juggernaut is represented by the NBA and intertwined corporate interests seeking to capitalize on Yao’s high profile (pun intended) and popularity. Yao’s commercial sponsors to date include the interactive game developer Sorrent, Nike, Gatorade (owned by Pepsi), Visa, and Apple (with the latter two winning rave reviews for their clever ads). Earlier this year, Yao signed his first deal

Yao Ming shows how an individual athlete can become a billboard for much larger preoccupations and concerns.

with a Chinese-based corporation, a two-year contract with the telecommunications company China Unicom, the country’s second-largest mobile phone operator.

In this country, Yao has proven a huge draw for expatriate Chinese and local Chinese-American audiences in Houston and wherever he plays, an opportunity the teams have capitalized on with campaigns to draw Chinese and Asian constituencies, employing Chinese-language advertising and special promotions to reach heretofore ignored potential basketball fans. The enthusiasm of this audience is accompanied by the notion that Yao Ming can inspire reconnection with Chinese culture, including interest among children of Chinese heritage growing up in the United States. For his first NBA sea-

son, the Rockets erected billboards with Yao’s image and the team slogan “Be part of something big” in Chinese characters; the team also sold “Yao Ming Big Man” packages including tickets for six games against NBA teams with other prominent centers. The team ran a weekly locker-room radio interview show with Yao in Mandarin. In Boston, the Celtics promoted their first “Asian-American Night” for a Celtics-Rockets game in March, which sold out and brought signs of “Yo, Yao” and “Chairman Yao” into the stands. Similar scenes were replayed from San Francisco to Detroit.

For non-Chinese spectators, Yao is positioned somewhat as a novelty draw, epitomized in the provision of fortune cookies (an American invention) as audience favors at some games. Jocular, if affectionate, references to his nationality abound on the Rockets’ web site. U.S. reporters recycle monikers like Ming Dynasty and Great Wall, and cannot refrain from uninformed Orientalisms (e.g., plays on yin and yang).

Overall, however, positive assessments of Yao’s play have translated into a more respectful evaluation of him as a serious player. At the same time, U.S. fans have warmed to an element of silliness surrounding Yao Ming that might not have caught on with a more seasoned or suave star. He’s even got a theme song, “It’s a Ming Thing,” which made the rounds of arenas and the web all spring. The chorus is simply Yao Ming’s name repeated two dozen times. The Rockets president, George Postolos, entertained guests at a basketball reception in Beijing with the song and also delivered it on a TV sports show watched by millions of Chinese viewers.

Beyond his value to his team, Yao Ming’s presence on an NBA roster is important for the league overall, which in the past decade has worked hard to expand its presence and popu-

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larity worldwide. With the U.S. market for basketball games and products seen as saturated, NBA Commissioner David Stern views the global marketplace as the critical arena for continued vitality. Yao personifies key dimensions of the global marketing strategy, most obviously importation of foreign players; there are now more than 60 from outside the United States in the league. The courting and drafting of Yao led to expanded TV deals in China, the establishment of a Chinese-language web presence, and various other vehicles aimed directly at fans on the mainland and throughout the Chinese diaspora. People casting ballots for the NBA All-Star Game this year could do so in Chinese and Spanish as well as English—and Yao was voted in as a starting center on the West All-Star team (he played only 17 minutes and made one 2-pointer).

The NBA likes to say that, in his Chinese TV debut, Yao Ming reached 287 million households, and that additional deals with regional networks are expected to expand that to 400 million. In fact, these figures refer to households that could receive the games if they switched on the tube; actual viewers typically numbered more like 12 to 15 million, often divided between a live telecast in the morning (of a game being played the previous night, U.S. time) and a rebroadcast in the evening. But of course even small segments of the Chinese market can be large: take the estimated nine million people who logged on to an hour and a half Internet chat with Yao on the Chinese language web portal Sohu.com.

Yet even as a creature of commodity capitalism, Yao Ming is not seen as its prisoner. His ability to control the extent and nature of his own crass commercial exploitation has itself become a

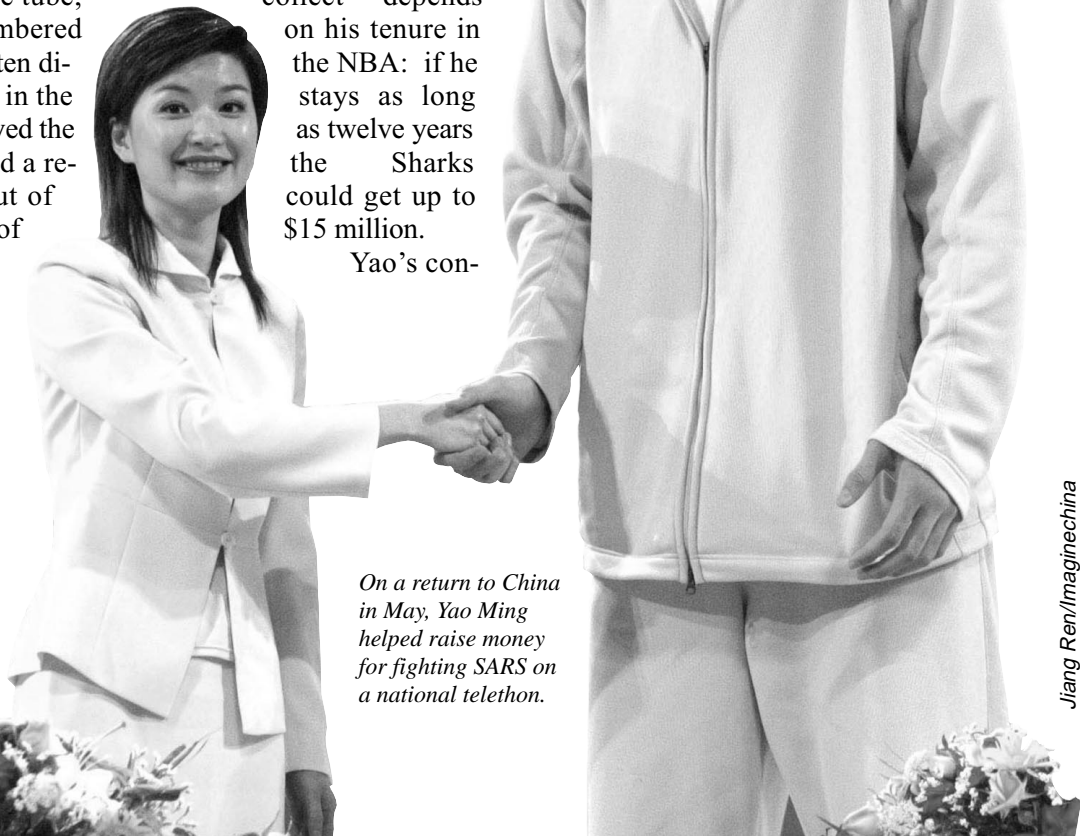
topic of note and admiration. His “Team Yao” of savvy individuals running his business strategy has set out guidelines for the most desirable associations of his persona and image with commercial products. Emphasizing image over money, Yao’s team filed a lawsuit in May against Coca-Cola’s Chinese subsidiary for using his picture without his permission—but asking for only one yuan, or about twelve cents.

An additional level of defense against multinational corporate might and the U.S.-centric basketball establishment exists in the command over part of Yao’s salary and earnings by Chinese sports interests—including his old team, the Shanghai Sharks, and China’s pro league, the Chinese Basketball Association. The Rockets also agreed to Yao’s continued participation on China’s national team for important regional and international competitions. Yao is under contract to the Rockets for four years, with an additional option season, for \$17.8 million, and reportedly half of that will go to the Chinese league and government units. The amount his old team can collect depends on his tenure in the NBA: if he stays as long as twelve years the Sharks could get up to \$15 million.

Yao’s con-

tractual obligations to China, both monetary and political, have been the subject of derision in U.S. media accounts, viewed as the obdurate edge of Communist authoritarianism lurking beneath China’s concessions to the free market, including the freedom to sell one’s labor power to the highest bidder. On the flip side, much appreciated in China and largely unrecognized in U.S. accounts, are the values of national pride, loyalty, and entitlement. Chinese accounts speak of “national duty.” Yao Ming is merely working for the Americans; his heart belongs to China. This conviction gained credence when, upon

returning to China for national team practice this spring, Yao Ming immediately hosted a



On a return to China in May, Yao Ming helped raise money for fighting SARS on a national telethon.

telethon to raise money for the campaign against SARS.

From Chinese perspectives, Yao's ascension—not only to NBA-playing caliber, seen as the gold standard worldwide, but to the very pinnacle of the league (which distinguishes him from compatriots Wang Zhizhi and Mengke Bateer, both hired by NBA teams the previous sea-

son with much less fanfare)—is testimony first and foremost to the rising ambitions and accomplishments of the Chinese nation. Even China's ambassador to the United States, Yang Jiechi, has heralded Yao's importance for advancing Sino-American relations, calling his joining the Rockets an example of "constructive engagement" between the two countries.

So far, Yao Ming has met demands and expectations of multiple constituencies remarkably well. Barring some catastrophic deterioration in his basketball performance, the global creation, negotiation, and appreciation of the outsized Yao Ming can only grow bigger as his professional career evolves. ♦

BOARD NEWS

The China Institute in New York presented **Dr. Mary Brown Bullock**, the president of Agnes Scott College in Atlanta, with the Elisabeth Luce Moore Award for Visionary Leadership in October 2002. She was also appointed in 2002 to the National Science Foundation's Advisory Council on U.S.-China Cooperation in Science, Policy, Research, and Education. Dr. Bullock was the director of the Committee on Scholarly Communication with the People's Republic of China from 1977 to 1988.

The Honorable Lee Hamilton, director of the Woodrow Wilson International Center for Scholars and former U.S. Congressman from Indiana, was appointed vice-chairman of the National Commission on Terrorist Attacks Upon the United States in December 2002. He also recently co-chaired the Independent Task Force on U.S./UN Relations, which issued its bipartisan report in October 2002, calling on the United States to enhance its influence and reputation at the United Nations.

The Honorable Thomas H. Kean was appointed chairman of the National Commission on Terrorist Attacks upon the United States late last year by President George W. Bush. This June he also received the first-ever Lifetime Achievement Award from the Partnership in Philanthropy (PIP) in recognition of his 35-year record of public service and commitment. PIP has inaugurated a Thomas H. Kean Achievement Award to be awarded annually to a

worthwhile New Jersey nonprofit organization. Kean is president of Drew University and former two-term governor of New Jersey.

NEW BOARD APPOINTMENTS

New appointments to the Board of Directors were approved at the 36th Annual Members' Meeting in December 2002 for the following individuals. (Asterisks indicate those who have previously served on the National Committee Board.)

Michael H. Armacost: Shorenstein Distinguished Fellow, Asia Pacific Research Center, Stanford University. Former President, The Brookings Institution, and former Undersecretary of State for Political Affairs. Palo Alto, CA.*

Dennis C. Blair: Admiral, USN, Ret., Senior Fellow, Institute for Defense Analysis. Former Commander in Chief of the U.S. Pacific Command (1999 - May 2002). Alexandria, VA.

Edward T. Cloonan: Vice President, International and Corporate Affairs, AIG

Gerald R. Ford: Rancho Mirage, CA.*

John H. Foster: Founder and Managing Partner, HealthPoint, LLC. New York, NY.

William E. Frenzel: Guest Scholar, The Brookings Institution. Former Member of Congress (MN). Washington, D.C.*

David R. Gergen: Professor, Public Service, Kennedy School of Government, Harvard University.

Editor at Large, *U.S. News & World Report*. Cambridge, MA.*

Maurice R. Greenberg: Chairman and Chief Executive Officer, American International Group, Inc. New York, NY.*

Lee H. Hamilton: Director, The Woodrow Wilson Center. Former Member of Congress (IN). Washington, D.C.*

Robert A. Levinson: Chairman and President, Levcor International, Inc. New York, NY.*

D. Bruce McMahan: Chairman and Chief Executive Officer, McMahan Securities. Greenwich, CT.*

Robert S. McNamara: Former President, The World Bank. Former Secretary of Defense, and former President, Ford Motor Company. Washington, D.C.*

Kevin J. O'Brien: Professor of Political Science, University of California at Berkeley.*

James R. Sasser: Former U.S. Ambassador to the People's Republic of China. Washington, D.C.*

Nicholas V. Scheele: President and Chief Operating Officer, Ford Motor Company. Dearborn, MI.*

Nancy Bernkopf Tucker: Professor of History, Department of History and School of Foreign Service, Georgetown University. Washington, D.C.*

I. Peter Wolff: Senior Vice President, International, and Executive Advisor, Office of the Chief Executive Officer, AOL Time Warner Inc. New York, NY.*

MEDIA CONFERENCE IN CHINA

A group of media experts assembled by the National Committee exchanged ideas on business and economic reporting at a conference on “The Role of the Media in a Market Economy,” held at Tsinghua University in Beijing last November. The conference examined the role of the media in disclosing, disseminating, and analyzing information about financial markets in the United States and China, as well as how markets and consumers respond to media reports. The conference was a follow-on to the Committee’s 1998 conference on “U.S. Media Coverage of China,” which focused on how the United States and China are portrayed in their respective media outlets.

The five American delegates to the conference were Peter Ennis, U.S. bureau chief of *Toyo Keizai* (The Oriental Economist); Robert Keatley, former editor of the *South China Morning Post* and *Asian Wall Street Journal*; Sheridan Prasso, senior news editor at *Business Week*; Martha Steffens, professor of business and economic reporting at the University of Missouri; and Christopher Ullman, vice president of corporate communications at The Carlyle Group and former spokesperson at the Securities and Exchange Commission. Fifteen Chinese journalists and journalism professors and six members of the foreign press corps based in China also participated, while Tsinghua journalism students observed several sessions.

The Chinese government has encouraged the growth of the business press and tends to give such media outlets more leeway than others to do investigative reporting. The relative openness of China’s business press is driven by the government’s interest in developing viable financial markets and by investors’ needs for reliable information.

Because business reporting is a less sensitive topic than politics, par-



Chinese and American journalists convened in Beijing to compare and contrast the role of the business press in their two nations.

ticipants in this program could more readily address core journalism issues such as accountability, journalism standards, and professional ethics than was possible at the 1998 conference. Ethical issues, for example, proved to be a recurring topic, examined from several angles during the conference. Distinct differences were noted between the American and Chinese journalism culture: in China the practice of “red envelope” journalism (paying media outlets or individual reporters for favorable coverage) persists, while such practices are not tolerated by American news organizations. Discussants found common ground, however, when they looked at pressures applied to news organizations and reporters in China and the United States, including pressure from advertisers. Increasing competition among news organizations emerged as one practical solution to these pressures, since a media outlet is less likely to succumb to pressure and avoid stories if the competition plans to run them.

The conference was hosted by the Center for International Communications, a graduate journalism program at Tsinghua University led by Prof. Li Xiguang. Support for the conference came from the John D.

and Catherine T. MacArthur Foundation, the Ford Foundation, and the Shanghai-based Sun Media Holdings Group.

The American delegation spent several days in Shanghai prior to the conference, developing firsthand impressions of China’s financial markets during briefings at the Shanghai Stock Exchange, Citibank, the U.S. Consulate, and meetings

CONFERENCE REPORTS

Veteran editor and delegation member Robert L. Keatley authored a detailed conference report, *The Role of the Media in a Market Economy*, which was published by the National Committee in February 2003 as Number 19 in its China Policy Series. A report of the National Committee’s first media conference, *U.S. Media Coverage of China*, by Teresa J. Lawson, was published in 1998. Both conference reports may be accessed via the National Committee’s website (www.ncusr.org) or obtained as reprints by contacting the National Committee.

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with Shanghai financial professionals. The group also visited one of China's top journalism schools, at Shanghai's Fudan University, for discussions with journalism professors

and students.

The conference has already sparked at least one additional exchange: delegate Sheridan Prasso has accepted a Knight International Fellowship that will place her this fall

at Guangdong University, where she will advise journalism professors and local reporters, as well as some of the path-breaking news publications based in that region. ♦

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manner, quoting Wen as saying that prevention and control measures had "achieved obvious progress"—the premier had in fact complained about the failure of the military to reveal information about the extent of the disease.ⁱⁱⁱ On April 11, Wen suggested greater urgency, saying that although the epidemic was "under effective control," the "situation remained extremely grave."

Although we can only guess at the internal dynamic, it is apparent that Hu Jintao and Wen Jiabao engineered an important and in some ways dramatic turnaround in policy. Reporters were expecting to hear from Minister of Health Zhang Wenkang and from Beijing Mayor Meng Xuenong at a press conference on April 20. Instead, a newly appointed vice minister of health, Gao Qiang, appeared at the podium to revise the figures for infections in Beijing from 37 to 339, a nearly tenfold increase that was quietly raised to 688 two days later. Shortly after the press conference, reporters learned that Zhang Wenkang and Meng Xuenong had been fired.

Zhang and Wen were replaced by Vice Premier Wu Yi and former Hainan party secretary Wang Qishan, respectively. Both are well known to the international community, Wu because of her role in China's WTO negotiations and Wang because he has served as vice president of the People's Bank of China and President of the Construction Bank of China. Beyond this experience, however, both have impressive resumes that will make them formidable actors on the political scene. Wu Yi spent two and a half decades in the petroleum industry and over three

years as vice mayor of Beijing (under Chen Xitong). She clearly knows her way around the bureaucracy of Beijing and the ministerial culture of the capital. Her positions in the petroleum industry may well have brought her into contact with Zeng Qinghong, who was at the National Energy Commission from 1979-1982 and then with the Ministry of Petroleum from 1982 to 1984. As the son-in-law of the late economic planner Yao Yilin, Wang Qishan is one of the leading *gaogan zidi* ("princelings") in Beijing. He came to fame as early as 1980 when he and three other young intellectuals (who collectively became known as the "four gentlemen") wrote an economic reform proposal that was praised by Chen Yun. In 1982, Wang worked with Du Runsheng in the Rural Policy Research Office of the CCP Central Committee and the State Council Rural Development Research Center. In this capacity, he was very much a part of the group of young reformers who helped bring about China's agricultural reforms. Their appointment brought the top managerial talent in Beijing to bear on the fight against SARS.

Mixed Messages

It would be easier to judge the Hu/Wen leadership if one could be sure that they were fully in charge. Certainly the change in policy direction was a promising sign that they are bringing a new leadership style and greater openness to governance. But Jiang Zemin has clearly not left the stage. Media treatment of Jiang since the close of the NPC has depicted him as equal in stature to Hu Jintao. On two occasions when meeting foreign leaders, Jiang's picture

has appeared on the front page of *People's Daily* side-by-side with Hu's, equal in size. When the SARS crisis broke into public view, Jiang said not a word about it until a meeting with Indian Defense Minister George Fernandes on April 26. Jiang told Fernandes, "After arduous efforts, we have achieved obvious results in controlling SARS"^{iv}—a statement that seemed to contrast with the daily images of Hu Jintao and Wen Jiabao mobilizing support for the fight against SARS. Also on April 26, Xinhua reported that Zeng Qinghong, whose silence on the SARS issue had also become conspicuous, had gone to the Central Party School on April 24—the very day that schools across Beijing were ordered shut—to deliver the opposite message. It is "extremely important," Zeng said, that the party school "maintain normal teaching and studying order and work order."

The picture was further complicated on April 28 when the Politburo met to discuss Jiang's ideological theme, the "Three Represents" (that the CCP represents the fundamental interests of the vast majority of the people, that it represents the advanced productive forces, and that it represents advanced culture). This Politburo meeting certainly put Jiang's thinking front and center again, reminding people that Jiang was still central to the political system, but its relevance to the fight against SARS was not immediately evident. Two authoritative *People's Daily* editorials on the Three Represents, appearing on June 11 and 23, further complicate the picture as the annual Beidahe leadership conference looms on the horizon.

continued

Glasnost in the Media?

Even before the policy reversal on SARS, there were intriguing signs that Hu Jintao wanted to reform the media in various ways. Hu criticized the CCTV evening news program for devoting some 26 of their 30 minutes to the activities of the leadership. Li Changchun, the Politburo member in charge of propaganda, called on the media to report not only on the government “but also to monitor some problems and issues in society.” But Li apparently had no fundamental reforms in mind; on the contrary, reforms would increase the “purposefulness, effectiveness, and appeal” of propaganda. Nevertheless, there have been some changes in media coverage. China Central Television (CCTV) on May 1 started an around-the-clock news service apparently modeled after CNN. This was expected to bring in a lot of advertising revenue, and should also increase the quality of news coverage. Moreover, during the war in Iraq, CCTV for the first time carried feeds from foreign broadcasters and live coverage of the war.

Many have hoped that the SARS crisis, which demonstrated the cost of controlling information, would prompt major changes; some have viewed SARS as “China’s Chernobyl.” Although some bold articles appear to challenge the parameters of control, the sudden reporting of SARS figures in an honest and mostly open way has not led to a general opening up of the media or even to free reporting about SARS. On April 25, only five days after the sacking of Zhang Wenkang and Meng Xuenong and the adoption of a policy of openness with regards to SARS, the Propaganda Department met to finalize a new “line” for covering the crisis. The meeting declared that SARS had “put our country at the mercy of a sudden, major disaster” and thus it was “more necessary for us than ever before to enhance our great national spirit....” A Propaganda Department notice the following day emphasized the impor-

tance of the Three Represents, and demanded that propaganda units underscore the unfolding of the “great national spirit” in the struggle and victory against SARS. Since then, there have been numerous *People’s Daily* Commentator articles on strengthening the national spirit, building to Hu Jintao’s May 1 call to launch a “people’s war” against SARS.

This new propaganda package had several advantages. First, it linked the themes evoked by Hu Jintao since the previous autumn—the emphasis on the common person, the emphasis on the mass line, and the Maoist rhetoric Hu used in his trip to Xibaipo—to his current, populist approach to fighting SARS. Second, it allows him to be forthright about reporting information about SARS. Third, it builds a sense of national crisis and solidarity that calms the fears of those concerned that speaking frankly about SARS will disrupt social stability. Finally, it provides a framework for controlling the media, implicitly (but firmly) saying that media outlets that do not adhere to the line are unpatriotic. It is an approach that allows greater honesty but does not admit *glasnost*.

Tackling Inequalities

Hu Jintao has been a surprisingly effective leader in his first few months in office. The issues that he has stressed—law, anti-corruption, the need for equality—have resonated with the Chinese public. Despite the long and unfortunate delay in reporting the truth about SARS, Hu (and Wen Jiabao) did engineer a turn around that stressed greater openness. All this is to the good, but one has to be cautious in projecting from these initial successes.

The first question, of course, is how long the SARS crisis will last. As of early summer 2003, the number of reported new infections is decreasing, almost to the vanishing point. But it is not clear how long this will last. Taiwan had initial successes



Hu Jintao made his first trip to the United States in the spring of 2002; he spoke at a dinner in Washington D.C. cohosted by the National Committee.

before being hit by a new wave of infections, and Toronto had a similar experience. China may well follow the same pattern, especially because the habits of covering up bad news are deeply ingrained in the political system. Local officials need to weigh the consequences of being honest (and revealing that their area is problematic) against the consequences of covering up (assuming they can deal with whatever the problem is quietly); many incentives embedded in the political structure may incline them toward hiding problems in their areas. If the SARS crisis is resolved relatively quickly, say, by August, Hu’s leadership is going to look pretty good, and this will enhance his standing, both domestically and internationally. If the SARS crisis should come back, or if the economy should suffer a serious setback, Hu will find the going more difficult.

Beyond the question of “who wins” and “who loses” in terms of elite politics, Hu’s agenda of addressing the needs of those passed by in the economic growth and rush to inequality of the 1990s will be diffi-

cult to fulfill. China maintained political stability in the 1990s in part by catering to the interests of the economic elite. Now it faces a situation in which vested interests will not want to give back the gains they have already attained. But failure to address the issues of corruption and inequality will exacerbate social tensions already known to be serious. Photo-ops in Mongolian yurts are good, but addressing the issues of law, residency requirements, regional distribution of resources, education, and so forth that led to the inequalities of the 1990s is not something that can be done overnight. Hu may find himself haunted by a gap between his early promise and his inability to deliver.

Moreover, the response of Hu Jintao and the Chinese government to the SARS crisis may complicate future efforts to reform. The Chinese Communist Party has fought SARS by mobilizing neighborhood committees and party cells. Although this has largely proven effective, in some cases it may have exacerbated the SARS problem—migrant workers facing quarantine in Beijing fled to their home districts rather than face the vagaries of the Beijing administrative system. At the same time, more liberal minded thinkers have wondered about the administrative ham-handedness revealed. As the Shanghai intellectual Xu Jilin put it, “If a society faced with a crisis can only passively depend on government control, this in itself represents a latent crisis.”^V Put another way, China has been inching its way toward a regulatory state in recent years, but the mass line and populist approach favored by the party in recent weeks raises new questions about the relationship between the old Leninist party and the newly emerging regulatory state.

Complexities of Globalization

Finally, The SARS crisis is certainly a product of globalization. On the one hand, SARS reflects the dark

side of globalization—which transmits germs as well as dollars. On the other hand, it was the intrusive aspects of globalization that forced China to adopt a more open policy. It was Chinese whistle blowers (particularly Dr. Jiang Yanyong, the retired head of the military’s No. 301 hospital) who alerted the international media to the seriousness of the cover up (after his attempts to inform the domestic media failed), and it was the increasing concerns and pressures of international actors—symbolized by the cancellation of a

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concert by the Rolling Stones and the decision of the World Economic Forum to postpone its meeting scheduled for April in Beijing—that forced the hand of the Chinese government. The Chinese leadership has embraced globalization while at the same time trying to restrict globalization to economic activities, of which it has been a beneficiary. The SARS crisis will force Chinese leaders to think more deeply about the complexity of globalization, including the meaning of “international norms” as embodied in an organization such as the World Health Organization (WHO). As the Chinese government has found out, the WHO can be a rather intrusive international presence, raising demands for openness and honesty. At the same time, the SARS crisis has raised in sharp and unexpected ways questions about Taiwan’s exclusion from the WHO.

In short, China’s new leadership has been challenged in ways that were simply unimaginable a few months ago but that raise questions that go well beyond the handling of the SARS crisis. Falling back into politics as usual is very likely—the uncertainty of elite politics, the rapid mobilization of a propaganda campaign around nationalist themes, the mobilization of the cellular structure of the Communist Party all suggest it. But such a response will not deal adequately with either the state-society issues alluded to by Xu Jilin or the globalization issues raised by SARS. Hu Jintao and the other new leaders of China face a very formidable agenda indeed. ♦

ENDNOTES

ⁱ Joseph Fewsmith, “The Sixteenth National Party Congress: The Succession that Didn’t Happen,” *The China Quarterly*, no. 173 (March 2003): 1-16.

ⁱⁱ John Pomfret, “SARS Outbreak Gave Hu an Opening,” *The Washington Post*, May 12, 2003.

ⁱⁱⁱ John Pomfret, “China’s Crisis Has a Political Edge,” *The Washington Post*, April 27, 2003, A33.

^{iv} Xinhua, April 26, 2003, retrieved from <http://www.people.com.cn/GB/shizheng/16/20030426/980253.html>.

^v Joseph Kahn, “Viewing SARS as a Social Mirror,” *International Herald Tribune*, May 23, 2003.

HOLD THE DATE!

The National Committee’s biennial Gala Dinner will take place on September 10, 2003 at The Plaza in New York City. Board members Thomas R. Pickering of The Boeing Company and William R. Rhodes of Citigroup, Inc. will serve as co-chairmen of the dinner. Members will receive further details this summer.

STANDOFF ON THE KOREAN PENINSULA

William J. Perry

William J. Perry spoke about the crisis on the Korean Peninsula in two separate presentations cosponsored by the National Committee, at the Japan Society in New York on January 23, and at The Brookings Institution in Washington, D.C. on January 24, 2003. The National Committee's website contains the full transcript as well as commentators' remarks (Secretary Perry's speech in New York was followed by a panel of leading security experts) and a record of the questions and answers that followed his speech in Washington.

Korean history since World War II has been one of conflict and threats of conflict. Indeed, since the ending of the bloody Korean war, there has been no peace on the Korean peninsula; only a dangerous armed truce. Just how dangerous this truce could be was demonstrated during the crisis with North Korea in June, 1994. That crisis is forever engrained in my memory because I was personally involved in preparations for a military conflict that would have been disastrous for all sides.

The North Korean nuclear facility at a place called Yongbyon was about to begin reprocessing nuclear fuel, which had provided them with enough plutonium to make immediately about five nuclear bombs. Considering the seriousness of this challenge, I directed that an option be prepared for striking the facility at Yongbyon with precision-guided conventional warheads. Such a strike could have been successfully carried out, but had a high probability of provoking an invasion of South Korea. So I set this option aside so that we could explore all other options first.

The least provocative of these other options was an allied plan to impose sanctions on North Korea. But North Korea said they would

consider the imposition of sanctions an "act of war" and proclaimed that they would turn Seoul into a "sea of flames." Therefore, I conducted a review to determine whether our war contingency plan was adequate. This review indicated that, in the event of a no-warning attack by the North, the allies would achieve a decisive victory but that there would be very high casualties—to Korean forces, American forces, and Korean civilians.

But the review also indicated that we could significantly reduce those expected casualties by reinforcing our troops in Korea before any hostilities began. Therefore I ordered that plans be drawn up to augment our deployment in Korea with tens of thousands of American troops, and our embassy in Seoul prepared plans for the evacuation of non-essential civilians from Korea. President Clinton was within hours of authorizing those actions when he received word that Kim Il Sung was ready to freeze the activity at Yongbyon and begin serious negotiations. So in the end the crisis was resolved not by war, but by a diplomatic agreement known as the Agreed Framework.

This agreement called for North Korea to freeze and in time dismantle the reactors and processors of concern, and for the Republic of Korea, Japan, and the United States to provide replacement facilities that would provide needed electricity without entailing the same risk of proliferation. Until the new reactors were

ready, the United States agreed to provide fuel oil to compensate for the loss of electricity from the reactors.

As a result of the Agreed Framework, those nuclear reactors and the processing facility that concerned us so much have remained frozen for more than eight years, from June 1994 until just a few weeks ago. During that period, those facilities could have produced enough plutonium to make more than 50 nuclear bombs. But their dismantlement awaited completion of the construction of the commercial reactor called for in the Agreed Framework which, when the present crisis began, was still a few years away. Therefore with the termination of the Agreed Framework earlier this month, North Korea was able to, and did, reactivate the reactor and processing facilities, and could be in full production of plutonium within a few months.....

Let me summarize where we stand now. North Korea's unfreezing of its plutonium production program at Yongbyon, coming on top of its admission that it had begun a uranium enrichment program in violation of international agreements, clearly poses a grave threat to American policy. While the uranium enrichment program is some years away from becoming a serious threat, the actions underway at Yongbyon pose an imminent danger. North Korea has begun moving the fuel rods that have been under international inspection since 1994. These rods can yield enough weapons grade plutonium for about five nuclear bombs this year. Additionally, the startup of the reactors at Yongbyon will give the North Koreans the capacity for serial production of nuclear bombs beginning next year.

What is a plausible strategy for moving forward? As in 1994 we have three basic alternatives: formulating an aggressive diplomatic strategy, ac-

William J. Perry, Secretary of Defense from 1994-1997 and Special Advisor to the President and Secretary of State on U.S.-North Korea relations under the Clinton Administration, is currently director of the Stanford-Harvard Preventive Defense Program.

cepting a robust nuclear weapon production plan in North Korea, or conducting a full-scale war to stop this program.

The downsides of a full-scale war are about the same today as they were in 1994 and have received ample commentary, so I will not elaborate on our obvious desire to avoid this alternative. The administration, in recognizing how disastrous a war could be and recognizing that North Korea might already have one or two bombs, has suggested that they were not overly concerned with the prospect of the production program restarting. I believe that this misjudges the negative consequences of such a program. Indeed, I believe that any strategy for dealing with this difficult problem must be based on the understanding that allowing North Korea to undertake the production of fissile material and nuclear bombs would be a major setback for American security, for regional security, and for international security.

There are four reasons why this is such a serious security issue. One, at such time as North Korea possessed a significant nuclear arsenal, its leaders might be misled into thinking that the United States would be unwilling to defend its interests and allies in the region, weakening deterrence and making war more likely. Two, North Korea's nuclear program might begin a domino effect of proliferation in East Asia, causing South Korea, Japan, and Taiwan to question their own non-nuclear status. Three, given North Korea's record as a proliferator of ballistic missiles, and their desperate economic condition, we must assume that some products of this nuclear program would be for sale to the highest bidders, not excluding terrorist groups. Finally, we must be concerned that "loose nukes" might be the result of some ultimate process of breakup or collapse of the North Korean regime. For all of these reasons, the North Korean nuclear program poses an unacceptable secu-

rity risk.

The United States strategy should be designed to ensure that the present activities at Yongbyon do not reach the production stage. Clearly, to achieve this objective without war will take an aggressive and creative diplomatic strategy.

The administration finds discussions with North Korea distasteful, and said that they are not prepared to talk until North Korea first stops all of their nuclear programs. I am sympathetic to the distaste they feel, but do not believe that this is an acceptable basis for a U.S. strategy, considering how unattractive are the two alternatives to diplomatic strategy. Besides our distaste for dealing with North Korea, we have to overcome a seeming reluctance to treat South Korea and Japan as full partners. Indeed I believe that our strategy must be based on the understanding that no American strategy toward North Korea can succeed unless it has the full understanding and the full support of our allies in the region—South Korea and Japan.

We have an urgent need to rein-vigorate an effective tripartite approach to dealing with the North Korean problem. It has been suggested that Russia and China can play a constructive role in resolving this crisis, and I fully agree. Indeed, when I was in China six weeks ago I made the point very strongly to President Jiang Zemin that this was not just a United States crisis: a nuclear weapon production program in North Korea could produce results profoundly adverse to China's interests, including the possibility of a nuclear arms race starting in the Pacific. For that reason, and not as a favor to the United States, he should get China actively involved. But how? I believe that China cannot serve as a surrogate negotiator for the United States.

The major issue is an American security assurance to North Korea, and surely no one can negotiate that but the United States. But China can play a role as a facilitator or host of a meeting. Even more important

would be their role in putting serious pressure on North Korea to stay with the Nuclear Non-proliferation Treaty and abide by the United Nations' role in enforcing its provisions through the International Atomic Energy Agency.

Finally, I would note that whatever we do, time is of the essence in heading off North Korea's nuclear ambitions. In some weeks North Korea will be able to create from the fuel rods a dangerous fait accompli—enough weapons grade plutonium for about five bombs. Once the plutonium is reprocessed it could be moved anywhere, making it much more difficult subsequently to find and eliminate.

I believe that we should state immediately that the reprocessing of plutonium at Yongbyon would be a red line, thus defining our diplomacy as coercive diplomacy. I believe that China, Russia, South Korea and Japan all have an important role to play in the ongoing discussions with North Korea—certainly we and they have a commonality of interest in this crisis. But the resolution of this crisis is too important to American security to turn the diplomatic treatment of it over to those nations—the United States should be engaged directly and aggressively! Finally, I believe that time is of the essence in getting back on a serious diplomatic track—every week we delay makes the problem more difficult to resolve.

There has been some disagreement on semantics: Is this a crisis or not? Let me be clear, I believe that it is a crisis; indeed, I believe it is a serious crisis. But I also believe that it can be managed. Two key ingredients of a possible solution are the credibility of our determination to remove the nuclear threat even if it risks war, and the courage and the confidence to pursue creative diplomatic alternatives to war.

John F. Kennedy said it best. "We should never negotiate from fear, but we should never fear to negotiate."❖

NATIONAL COMMITTEE PROGRAMS IN BRIEF

DECEMBER 2002—JUNE 2003

36th Annual Members Meeting New York, December 5, 2002

The National Committee's 2002 Annual Members Meeting, at the Warwick Hotel, began with a luncheon speech by Dr. Richard Haass, then director of Policy Planning at the U.S. State Department and recently named president of the Council on Foreign Relations. In the panel discussion that followed, National Committee directors explored ideas for initiatives to strengthen U.S.-China relations. (For a full report, see our website, www.ncusr.org.)

Roundtable Discussion with Professor Hsiao Hsin-huang New York, January 21, 2003

At a public roundtable, Professor Hsiao, sociologist at National Taiwan University, spoke on "Taiwan's Social Transformation, Democratic Consolidation, and Cross-Strait Relations." Dr. Hsiao, a research fellow in Taiwan's Institute of Sociology at Academia Sinica, also directs the Asia-Pacific Research Program.

Meeting with Michael Jemal, CEO of Haier America New York February 4, 2003

National Committee corporate members learned about Haier, a China-based appliance company, and its plans to position itself as a global brand, during a luncheon discussion with Michael Jemal, head of the the Haier America division. Jemal spoke about challenges faced by Haier America as it seeks to gain share in a market with well-established, recognized brands.

Screening of *China in the Red* New York, February 10, 2003

The National Committee, the Asia Society, and Frontline cosponsored the screening of a new documentary

film, *China in the Red*, by filmmaker and National Committee member Sue Williams. The lives of the individuals profiled in the film illustrate both the opportunities and costs of economic reform. Sue Williams also discussed the challenges of filming in China and issues that framed individual stories portrayed in the film.

China's Investment Climate: A Report from the Field by Dr. Christian Murck

New York, March 18, 2003

American Chamber of Commerce/Beijing chairman Christian Murck discussed China's recent economic performance, its efforts to implement WTO regulations, and its current investment climate in a public evening program with National Committee members and guests.

Meeting with Dr. Justin Yifu Lin New York, April 7, 2003

Noted economist Justin Yifu Lin, founding director of the China Center for Economic Research at Peking University, discussed policy options that China's new leaders are likely to consider in dealing with the country's most intransigent economic problems at a breakfast with corporate members. Dr. Lin also holds a faculty position at Hong Kong University of Science and Technology.

Book Program with author David Shambaugh

New York, April 7, 2003

Dr. David Shambaugh presented highlights from his new book, *Modernizing China's Military: Progress, Problems and Prospects*, to members of the National Committee, the Asia Society, and the Council on Foreign Relations. Dr. Shambaugh is professor of political science and international affairs and director of the China Policy Program at George Washington

University. Former Ambassador to China Winston Lord and Adam Segal of the Council on Foreign Relations provided commentary.

Shanghai Media Group Panel New York, May 21, 2003

A group of 15 journalists from the Shanghai Media Group, China's largest private media group, learned more about how China is covered in American media at a panel presentation held at the National Committee's offices. Panelists were Lu Xiaobo, director of the Weatherhead Institute for East Asian Studies at Columbia University; Urban Lehner, former executive editor of the Asian Wall Street Journal, and National Committee president John L. Holden.

SARS: Its Impact on China's Politics, Economy, and Society New York, June 18, 2003

This public conference, sponsored by the National Committee, brought outside experts together for an off-the-record discussion of SARS. The keynote speaker was Ms. Laurie Garrett, prize-winning journalist and author of *The Coming Plague: Emerging Diseases in a World Out of Balance*; and *Betrayal of Trust: The Collapse of Global Public Health*. The program was generously supported by Johnson & Johnson, the John D. and Catherine T. MacArthur Foundation, Morgan Stanley, and New York Life Insurance Co.

Meeting with Taiwan Legislator Bi-khim Hsiao New York, June 20, 2003

Bi-khim Hsiao, the most prominent of the younger DPP legislators in Taiwan, met with invited guests at the National Committee offices. She previously served as an advisor and interpreter to President Chen Shui-bian.

NATIONAL COMMITTEE BOOKSHELF

National Committee directors and members have authored many new books in the past year. Check our website for an expanded Members Bookshelf that goes back to 2000 and includes brief descriptions of each book. Committee members who have additions to this list may contact Kathryn Gonnerman (kgonnerman@ncuscr.org).

Jennifer Scheel Bushman and Jean Artley Szymanski, *Hard Sleeper* (Lost Coast Press, 2003).

Evan Feigenbaum, *China's Techno-Warriors: National Security and Strategic Competition from the Nuclear to the Information Age* (Stanford University Press, 2003).

David M. Finkelstein and Maryanne Kivlehan, eds., *China's Leadership in the 21st Century: The Rise of the 4th Generation* (ME Sharpe, 2003).

Mark Frazier, *The Making of the Chinese Industrial Workplace: State, Revolution, and Labor Management* (Cambridge University Press, 2002).

Thomas Gold, Doug Guthrie, and David Wank, eds., *Social Connections in China: Institutions, Culture, and the Changing Nature of Guanxi* (Cambridge University Press, 2002).

Lee Hamilton, *The Creative Tension: The Foreign Policy Roles of the President and Congress* (Woodrow Wilson Center, 2003).

David M. Lampton and Richard Daniel Ewing, *US-China Relations in a Post-September 11th World* (The Nixon Center, 2002).

Laurence J. C. Ma and Carolyn Cartier, eds., *The Chinese Diaspora: Space, Place, Mobility, and Identity* (Rowman & Littlefield, 2003).

Joshua Cooper Ramo, *No Visible Horizon: Surviving the World's*

Most Dangerous Sport (Simon & Schuster, 2003)

David Shambaugh, *Modernizing China's Military: Progress, Problems, and Prospects* (University of California Press, 2002).

Robert L. Suettinger, *Beyond Tianmen: The Politics of U.S.-China Relations* (Brookings Institution, 2003).

Rebecca Weiner, Angie Eagan, and Xu Jun, *Culture Shock! Shanghai at Your Door* (Times Media, 2003)

Daniel B. Wright, *The Promise of the Revolution: Stories of Fulfillment and Struggle in China's Hinterland* (Rowman & Littlefield, 2003).

David Zweig, *Internationalizing China: Domestic Interests and Global Linkages* (Cornell University Press, 2002). ♦

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