
The United States Hits a Wall

Limits of Liberal Internationalism in Sino-American
Relations

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Introduction

The U.S.-China relationship is still full of challenges. We are two large, complex nations with profoundly different histories, political systems, and outlooks, whose economies and futures have become deeply entwined (118).

-Hillary Clinton in *Hard Choices: a Memoir*

Since the end of the Cold War the United States has demonstrated significant political, economic, military, and economic power in the international order. Yet the establishment of the U.S. as a superpower is not an isolated effort and it depends on other countries. One country has been a significant contributor to growth of the American economy, but that country is not an ideological ally. Since the rapprochement with China, Sino-American relations have been complicated. American grand strategies towards China have always demonstrated liberal internationalism, but this is met with more resistance now that China has a large stake in the American economy and is becoming a player of significance on the geopolitical stage.

Analysis of American grand strategy in relation to post-Cold War American policy towards China is important because it can explain why the Sino-American relation remains troubled in the post-Cold War era. Moreover, the relation becomes more important as China attains a larger role on the geopolitical stage, a stage on which the U.S. still remains a leader. The relationship will influence events on an international level and it will likely play a role in trans-Atlantic relations. If China rises to American levels of global influence, Europe will undoubtedly also be influenced by this shift in geopolitical power.

The growing importance of the Sino-American relation is also acknowledged by the Ministry of Foreign Affairs of the Netherlands (MFAN). In October 2013, the MFAN, in collaboration with Johns Hopkins University, organized a conference called “The Rise of Asia: Implications for the Transatlantic Agenda”, which resulted in a book called *Pivoting with Europe: Towards a New Trilateralism*, edited by Hans Binnendijk and Dan Hamilton. During the book presentation on May 1 2014, Dutch Minister of Foreign Affairs Frans Timmermans addressed the influence of the Asia Pivot on transatlantic relations in Washington DC. Here, Mr. Timmermans argued that the importance of

geopolitics has returned, which makes analysis of American grand strategy of increasing importance (Timmermans 2014). Through their network of institutes, interests of Europe and the United States are closely interwoven, which means that U.S. grand strategy also influences Europe. This is clearly seen at the MFAN, as policymakers are emphasizing that the Asia Pivot is not a pivot *from* Europe to Asia, but a rebalance *with* Europe to Asia.

Over the past ten years an incredible amount of scholarly attention has been dedicated to the subject of American empire: whether it actually exists, how it is embedded in American foreign policy, how it is related to American history and national identity, and what its influence in the world is.

Professor of history and American foreign policy Andrew Bacevich argues in *American Empire: Realities and Consequences of American Diplomacy*, that “the strategy of openness” or liberal internationalism in American grand strategy is embedded in American history and national identity (3). Bacevich sporadically discusses the influence of liberal internationalism on Sino-American relations, but his book does not draw definite conclusions of this relationship, nor does his research extent into the Obama presidency.

Professor of politics Claes G. Ryn argues that the American empire is not build on the physical expansion of its borders, but instead is created on the global extension of American power and ideals (Federici 31-32). Yet, Ryn does not connect his description of an ideology of empire to the liberal internationalism within U.S. foreign policy.

Professor of international and comparative politics Tony Smith, an ideological proponent of liberal internationalism, does theorize that post-Cold War American foreign policy is inherently influenced by liberal internationalism. He argues that the pillars of liberal internationalism are: democracy promotion abroad, the promotion of the global establishment of free markets and global cooperation through multilateral institutions under American leadership (Cox 14). Smith does not acknowledge the construction of American empire through liberal internationalism, nor does he pay real attention to the influence of liberal internationalism on Sino-American relations.

The answer as to what kind of empire the United States has constructed during

the twentieth century and into the twenty-first century, is given by Harvard professor Charles S. Maier. He conceptualized the American empire of consumption in *Among Empires: American Ascendancy and its Predecessors*. Maier argues that the ceaseless American consumption is sustained by other countries for a good reason. As long as these countries buy American national debt, Americans will maintain consumption of commodities produced in these countries. Moreover, the flow of American foreign direct investment (fdi) to these countries will be sustained and technological advances will be implemented by American companies (255). While Maier constructs a well-researched framework for American empire and cleverly places the American empire in the context of empires of the past, his framework is only passingly used in contemporary context and does not connect liberal internationalism and the empire of consumption.

Finally, Christopher Layne, who is quite critical of liberal internationalism, argues in *American Empire: a Debate* that the United States is willing to accommodate the rise of China, as long as China conforms to the American rule based global order, and accepts American leadership within that order (71). However, Layne only dedicates a few paragraphs to the problematic nature of Sino-American relations within a framework of U.S. foreign policy influenced by American empire.

In a world where China is becoming increasingly powerful, and the United States is becoming increasingly dependent of China, it is important to research how American foreign policy and its aim to create a global order of free market democracies is influencing Sino-American relations. This thesis will add to the discussion of American empire by connecting theories of liberal internationalism and the theory of empire of consumption. Furthermore, this thesis will analyze the role of China in the American empire of consumption and the effect of liberal internationalism on Sino-American relations.

Ultimately, this thesis seeks to argue that liberal internationalism has been the driving force in American grand strategies since the Cold War but that this narrative has found its limits in the relationship with China. With China becoming an ever larger part of the American empire of consumption and of the global economy, American dependence on China has grown significantly. It is apparent that rhetoric and policies

grounded in liberal internationalism in American China policy have become increasingly problematic. The Clinton grand strategy contained a clear narrative of liberal internationalism towards China. He regarded China as a beneficial partner to stimulate the American economy, but he was also an ardent proponent of the improvement of Chinese human rights. Yet, his measures were met with Chinese resistance and he eventually had to mute his moral convictions to maintain a healthy Sino-American economic relationship. Bush maintained liberal internationalism in his grand strategy as well, but he favored a more unilateralist approach to it. However, his liberal internationalist intentions towards China were met with even more resistance. Since China was becoming an important part of the American empire of consumption, China had more leverage to resist American intentions. Obama showed to have learned from his predecessors: while his grand strategy still demonstrated liberal internationalism, his liberal internationalist intentions towards China have certainly been decreased. Obama has instead launched the Asia Pivot: a shift of attention to the entire Asia-Pacific region in which American liberal internationalist intentions are visible once more. In conclusion, liberal internationalism has thus found its limits in the American relation with China, as the growing role of China in the American empire of consumption has given China leverage to resist American intentions and values.

Chapter one contains the theoretical framework of this thesis. Theories of grand strategy, liberal internationalism, and empire of consumption will be discussed and connected to narratives of American history and national identity. These theories will be connected and related to the overarching argument of this thesis. This chapter will also contain a brief overview of Sino-American relations since the rapprochement to offer a context for the discussion of Sino-American relations in the subsequent chapters. Chapter two will contain an analysis of liberal internationalism in Clinton's foreign policy. Moreover, this chapter will demonstrate how liberal internationalism in American China policy experienced its first signs of resistance. Chapter three will demonstrate how unilateral liberal internationalism during the Bush Jr. presidency was met with serious resistance by the Chinese government. The increasingly growing role of China in the American empire of consumption further complicated liberal

internationalism in U.S. foreign policy towards China. Chapter four will then concentrate on the presidency of Obama. He has consciously chosen to diminish the liberal internationalist rhetoric towards China. Furthermore, Obama has demonstrated a growing resistance to the ever-growing Chinese role in the American empire of consumption, which he seeks to decrease by rebuilding the American manufacturing industry. Finally, by initiating a policy called the Asia pivot, Obama seeks to strengthen economic and political multilateral relations in the Asia-Pacific.

The contents in this thesis will be researched with the use of both primary and secondary sources. The primary sources in the last three chapters will be composed of speeches, National Security Strategies, and State of the Unions of the consecutive presidents. Throughout the entire thesis the secondary sources will support the theoretical framework. Ultimately these sources will be analyzed to demonstrate how liberal internationalism manifest itself in American grand strategy, and how this has found its limits in the bilateral relationship with China.

Chapter 1

American Empire through Liberal Internationalism

1.1 American Grand Strategy

The organization of American empire through liberal internationalism is embedded in the highest form of American strategy, which is American grand strategy. This section will discuss what American grand strategy is and how the academic debate is structured around this concept.

American grand strategy is the highest form of strategy created by a government and is ultimately determined by U.S. national interests (Layne VII). Layne and Thayer argued that “distilled to its essence, grand strategy is about determining the state’s vital interests – that is, those important enough to fight for – and its role in the world [.] [W]ell-conceived strategies maximize the state’s opportunity to further its interests peacefully” (x). These interests are ultimately aimed at creating security for the state (Kennedy 167). American grand strategy was first conceptualized by military historian B. H. Liddell Hart, who argued that

Grand strategy should both calculate and develop the economic resources and manpower of nations in order to sustain the fighting services. Also the moral resources- for to foster the people’s willing spirit is often as important as to possess the more concrete forms of power [...] Moreover, fighting power is but one of the instruments of grand strategy – which should take into account of and apply the power of financial pressure, of diplomatic pressure, of commercial pressure, and, not least of ethical pressure, to weaken the opponent’s will (Kennedy 2).

In other words, grand strategy is the balancing act between resources¹ and the protection of security interests.² Furthermore, Hart argued that a successful grand strategy is not just aimed at the development of economic resources and military power, but also on the spirit encapsulated in the strategy. In the case of American grand strategy the spirit is rooted in liberal internationalism, which

1 Military power/ ability to finance conflict/moral support

2 Such as geopolitical primacy

will become clear in this chapter.

Although Hart's definition of grand strategy was aimed at the British Empire, Paul Kennedy argued in his book *Grand Strategies in War and Peace*, that this definition is applicable to American strategy as well. Kennedy argued that American grand strategy is not inherently militaristic in nature, but that the protection of American security interests is mainly political (168). In the more recent book *Reluctant Crusaders*, Colin Dueck also argued that grand strategy revolves around the prioritization of foreign policy goals and the available resources to achieve these goals (1). Finally, Kennedy insisted that the effectiveness of grand strategy is seen in the policies resulting from this strategy.

Andrew J. Bacevich argued in *American Empire* that in contrast to popular opinion, the US had a well-defined grand strategy in the post-Cold War era (2). He argues that:

[it] is U.S. interest to expand an American imperium. Central to this strategy is commitment to global openness –removing barriers that inhibit the movement of goods, capital, ideas, and people. Its ultimate objective is the creation of an open integrated international order based on the principles of democratic capitalism, with the United States as ultimate guarantor of order and enforcer of norms (3).

Christopher Layne argued along the same lines in *American Empire: a Debate*: “since the Cold War's end, America's paramount grand strategic goal has been to maintain a firm grip on its preeminent international role” (55). U.S.'s main interest on the geopolitical stage is the maintenance of American primacy, a role that was established directly after the Cold War (Bacevich 1). Since the post-Cold War, American grand strategy has been aimed at establishing an international order that adheres to American standards of democracy³, freedom and

3 A democracy is a political system institutionalized under the rule of law, wherein an autonomous civil society, whose individuals join together voluntarily into groups with self-designated purposes, collaborate with each other through the mechanisms of political parties

capitalism (Layne 55).

American grand strategy is organized to achieve and maintain the establishment of American primacy in a global order, in other words, the establishment of an empire (Layne 55). This raises an interesting set of questions: is the American empire similar to those in the past, or is it different from them? Subsequently, what ideology influences American grand strategy, and finally, why is primacy in the international order so important?

1.2 American Empire and American Anti-Imperialism⁴

In contrast to intentions of empires in the past, the American empire did not intend to acquire large pieces of land to expand its physical empire (C. Maier 60-63). Instead, American empire in American grand strategy assumed a particular reading of the myth of American national identity and its roots in the American founding and its Constitution (Hixson 9). Walter Hixson argued that “U.S. foreign policy, bolstered by a usable past, encompasses a vast realm of representation and linguistic discourse that has served to create, affirm, and maintain cultural hegemony⁵” (9). In other words, strategies formulated in American foreign policy were influenced by the assumed history of American identity, which was used as moral justification and as guideline to the direction of policies.

If the goal of American empire was not the acquisition of large foreign territories, how was this empire then modeled (Federici 31)? Whereas empires in the past relied on their colonies for the exploitation of their agricultural means and the production of raw materials, the American empire controlled its subordinates in a more subtle and humane manner. Instead of exploitation of African slaves through triangular trade, the American empire created a network of first production and later consumption. In contrast to former empires, the American empire advocated human rights and even used them as a

and establish through freely contested elections a system of representative government (Smith 13).

⁴ I have used part of this theory before in the research paper “Reagan's all-Consuming Rhetoric: the Connection between Ideology of Empire and the Establishment of an Empire of Consumption”

⁵ /American empire

tool to criticize other nations (Murrin et al. 32).

The vehement denial of American intentions to establish global hegemony with U.S. as its leader, is very logical in light of their status as a former colony (C.Maier 24). After all, the founding of the thirteen original colonies ensued after they themselves had been used by the Motherland to contribute to the prosperity of the British empire, with barely any reciprocity (P. Maier 146). Through the slogan “No Taxation Without Representation” the revolutionaries rallied to detach the colonies from the iron grip of the British Crown (Murrin et al. 136). Therefore, after the American revolution the United States entered a period that is now known for its isolationist foreign policy. However, as the section on manifest destiny will later explain, this period was far from isolationist.

The American vision upon imperialism was challenged close to the turn of the nineteenth century, as John B. Judis argued in his book *The Folly of Empire* (12). According to Judis, Americans looked to their own perceived identity and moral mission for the answer to how the U.S. would act in the international order as a nation that opposed imperialism (13). Their answer to imperialism came from two connected places: America was an exceptionalist nation with a chosen people, and America had a destiny to fulfill in the world (13). Thus written into this myth of American identity and prescribed in this particular reading of the American founding and its Constitution, is the idea that the American people are part of an exceptional nation, who have bestowed upon them the moral obligation to create a morally superior world, which includes an international order that finds its right of existence in democracy and freedom (Ryn 34).

The perceived American responsibility to bring democracy and freedom to other nations was tested directly after the Second World War (Ferguson 172). Franklin D. Roosevelt regarded this war as an opportunity to end European imperialism and grant former colonies the rights to self-determination (172). Roosevelt set example by granting the Philippines their independence, and expected European countries to follow suit (Murrin et al. 720). Furthermore, Roosevelt also brought Wilson’s League of Nations, a system of interconnected nations, back to life as the United Nations (718). Finally, during the Bretton Woods conference in 1944 the International Monetary Fund (IMF)

was established, which created an exchange rate among foreign currencies, fixed to the Dollar currency (719). Eventually the World Trade Organization (WTO) was created in 1994.

The reaction of Americans to reject the term empire in regards to their role in the world is thus rooted in the American status as a former colony and its firm opposition to imperialism. The combination of democracy promotion, spread of free markets, and global multilateralism under American leadership is commonly known as Wilsonianism, or liberal internationalism. The next sub-chapter will discuss the roots of liberal internationalism and its role as guiding motive in American grand strategy.

1.3 Liberal Internationalism

Now that has been established that despite American anti-imperialism, born out of the American revolution against the British empire, American foreign policy was still influenced by intentions of American empire the question remains: How is American empire then reflected in American foreign policy?

At the start of the twentieth century, President Woodrow Wilson positioned himself in opposition to imperialism, as he had seen the results of it in the Philippines under President Theodore Roosevelt (Judis 75). However, this did not signal the end of American imperialism, but rather a different brand of it. Wilson's vision on a liberal international order became known as liberal internationalism . Tony Smith argued in *America's Mission*, that the central goal of twentieth century foreign policy has been to promote democracy around the globe (3). More specifically, he argued that American national interests are thought to be best protected by establishing a democratic world order (xv). Wilson felt that the American nation was different from other nations, that its freedoms, and democracy were exceptional, and the US had the moral obligation to "make the world safe for democracy" (Judis 76). He also believed that the US could only achieve this goal if it would participate in world affairs, which eventually led the country into the First World War. Finally, Wilson believed that by creating a network of democratic societies (which the US would come to lead), peace would become more

sustainable (77).

Wilson thus envisioned a liberal world order, from which his successors Roosevelt and Truman took cue and updated through a network of institutions, such as the UN and IMF (Ikenberry et al. 15). This liberal order was based on free trade and open markets, which liberals then believed would prevent future wars, as countries became dependent on this liberal network for their livelihood (16). Important to realize is that in this context, the United States was be the *primus inter pares* of the liberal world order, situated at the center of it. While the network of institutions gave it a very liberal and democratic character, it was the American distribution of commodities, the American currency, and the American assurance of security that ruled the order. Wilson was acutely aware of the benefits that an international order of liberal democracies would bring to the U.S. Since Europe still largely relied on American Marshall Aid in order to rebuild their economies, it was generally accepted that the U.S. took on a leadership position (C. Maier 153). In addition, this Western model of liberal order was meant to spread over the globe, in order to transform and include countries outside of the geographical West (Ikenberry 18).

Visions of liberal internationalism have influenced foreign policy in the twentieth century, and specifically foreign policy of the post-Cold war administrations. This thesis will use the term liberal internationalism as conceptualized by Tony Smith in *America's Mission*, and *U.S. Foreign Policy and Democracy Promotion*. He argues that liberal internationalism is based on four principles and aimed at establishing world peace:

- There should be cooperation among democratic governments
- These democratic governments have to be linked in economic openness
- They should cooperate through multilateral institutions
- All these democratic governments should fall under American leadership.

(Smith in Cox 14)

These four principles are based on the assumption that democratic states are highly unlikely to go to war with one another because of their political and economic interconnectedness (Cox 179). Ultimately, this theory seeks to enlarge U.S. national security, since a world connected through democratic states is unlikely to attack the U.S.

(Layne 53). These ideas have influenced American foreign policy in the twentieth century and are of increased influence since the end of the Cold War. This is related to the American uncontested political, military, and cultural power in international politics after the fall of the Soviet Union and its Communist ideology (Cox 180). Since containment of communism was no longer a main narrative American grand strategy, the void had to be filled (Ikenberry 66). This resulted in a more assertive version of liberal internationalism (66).

A good example of liberal internationalism in the post-Cold War grand strategy can be found in the first *National Security Strategy* created by the Clinton administration. Clinton was critical of the state of democracy in Asia. More specifically, Clinton implicitly argued that democracy should have been brought to China, even if some believed that democracy was not right for China:

Some have argued that democracy is somehow unsuited for Asia or at least for some Asian nations – that human rights are relative and that they simply mask Western cultural imperialism. These arguments are wrong. It is not Western imperialism, but the aspirations of Asian peoples themselves that explain the growing number of democracies and the growing strength of democracy movements everywhere in Asia. We support those aspirations and those movements (29).

Clinton argued that his intentions to democratize Asia and China were not born out of imperialistic intentions, but that these Western values were instead universal values which every human aspires to in essence (Layne 57). Here Clinton relied on the exceptionalist/Wilsonian assumption that Western values⁶ are values every human being aspires to. This cleverly removes the idea that the United States is imposing its hegemony on other countries, as it is merely liberating humans around the world from its oppressors.

Yet it is important to keep in mind that these “universal” Western values were a Enlightenment reaction to Old World aristocratic oppression in the seventeenth century, which led to the first colonists seeking a better life in the New World. Furthermore, democracy was not an American invention, as it was originally invented by the Greek

⁶ Freedom of speech/press/religion/petition and democracy

(Maier 283).

In conclusion, democracy promotion was a way to stimulate stability and peace in the international order, which in turn would preserve American hegemony and American economic prosperity in a globalizing environment (Cox et al. 162). However, democracy promotion was also used to create a growing network of free markets, as democracies are more like to adopt a free market. These “imperialistic” intentions are further underlined by Secretary of State Christopher Warren , who announced in 1993 that American foreign policy was now aimed at an “all-out effort to remove obstacles to foreign trade and investment”(Bacevich 95). In this example it already becomes quite clear how liberal internationalism and American empire are related to one another. Two questions now remain, how is liberal internationalism rooted in American history, and what kind of empire has the U.S. established?

1.4 Exceptionalism⁷

Liberal internationalism is rooted in American history and identity, while motives that have come to influence it in the twentieth and twenty-first century were in place before the theory came to be. Both exceptionalism and manifest destiny are understood to be theories of American empire and have consequently influenced liberal internationalist thinking.

Relatively recent the United States emerged from the Cold War as the nation that would restore order in a chaotic world. Now that the Soviet Union had fallen apart, the United States had the responsibility, as the sole superpower, to guard international order (Bacevich 1). At least, this was the narrative according to which American history was told, as argued by Costigliola and Paterson (Hogan 12). One of the dominant motives in America’s grand narrative is exceptionalism, the idea that America is substantially different from other nations and has acquired a morally superior standing in the international order, as a result from its mythical founding.

⁷ I have used part of this theory before in the research paper “Reagan's all-Consuming Rhetoric: the Connection between Ideology of Empire and the Establishment of an Empire of Consumption”

Over the years the U.S. has been called exceptional quite some times. According to Seymour Martin Lipset “the United States is exceptional in starting from a revolutionary event, in being ‘the first new nation,’ the first colony [...] to become independent”(17). The origins of this idea can be traced back to Thomas Paine, who argued in 1776 that “freedom has been hunted round the globe”, but it finds a place in America (51). Seventy years later influential political thinker Alexis de Tocqueville was the first to call America “quite exceptional, and it may be believed that no democratic people will ever be placed in a similar one” (49). De Tocqueville also prescribed this liberal democracy as a unique feature of the American nation (Smith 34).

The idea of exceptionalism was interwoven with liberal democracy from the start of the American republic. A foundation for this belief can certainly be found in the Bill of Rights’ First Amendment:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances”(Woll 430).

In exceptionalist thought, freedom of religion, press, speech and opposition to the government, are uniquely prescribed to the American nation and its people. They became the pillars which separated the American nation from other countries, while they simultaneously becoming the tools of justification for American exceptionalism.

Furthermore, exceptionalism increasingly was invoked by politicians in the post-Cold War period to underline the great American narrative and to justify liberal internationalism. George W. Bush argued in his 2002 *National Security Strategy* that “America’s constitution has served us well. Many other nations, with different histories and cultures, facing different circumstances, have successfully incorporated these core principles into their own systems of governance” (NSS 2002: 3)”. Interwoven with this concept was the unique responsibility to overspread these exceptionalist values over the globe. Through the narrative of exceptionalism in American identity, liberal internationalism is thus rooted in American history. The responsibility to overspread American values is related to another grand narrative in American history: manifest destiny.

1.5 Manifest Destiny⁸

During the eighteenth and nineteenth century American foreign policy is commonly understood to have been isolationist. However, while the U.S. during that period indeed deferred from interfering in world politics, its policies were arguably not isolationist.

After the formalization of the independence of the thirteen colonies, the newly-anointed Americans sought to increase their territory. However, having just broken free from the shackles of the British Empire and taxes, the American could hardly colonize their continent under the guise of financial profit.

The solution to the American practice-what-you-preach problem related to their former status as colony of the British Empire, finds its moral justification with the early colonists. Anders Stephanson argued in *Manifest Destiny: American Expansionism and the Empire of the Right* that manifest destiny created the moral means by which the expansionists could justify their mission. This theory found its foundations with the Puritans, who believed that the New World was the start of a new era, a do-over in regards to European history and politics (Stephanson 10). Yet manifest destiny as it is now understood had relatively little to do with the Puritan's moral mission.

Manifest destiny is interwoven with theories of American empire and has a two-fold intention of moral and capitalist influence. The term manifest destiny was coined in 1845 by journalist John L. O'Sullivan, who was part of a movement called "Young America" (Murrin et al 336). This movement argued that the annexation of Texas was necessary, as it was America's "mission to overspread the continent allotted by Providence for the free development of our yearly multiplying millions" (Stephanson xi). Furthermore, it was argued that the westward expansion of extended the inherent liberty of the United States, which would benefit the continent (xi). Today through liberal internationalism, this mission is no longer confined by the American continent, but has come to include the world.

8 I have used part of this theory before in the research paper "Reagan's all-Consuming Rhetoric: the Connection between Ideology of Empire and the Establishment of an Empire of Consumption"

Subsequently, the moral aspects of manifest destiny are questioned by several scholars. *In What Hath God Wrought*, Daniel Walker Howe argued that “Manifest Destiny served both as a label and a justification for policies that might otherwise have simply been called American expansionism or imperialism” (703). Andrew J. Bacevich agreed with Howe and argued in his book *The Limits of Power: The End of American Exceptionalism* that “crediting the United States with a “great liberating tradition” distorts the past and obscures the actual motive force behind American politics and U.S. foreign policy [...], if the young United States had a mission, it was not to liberate but to expand” (19-20). This distortion corresponds to the theory of liberal internationalism, in which it is argued that the quest for American empire is hidden in moralistic rhetoric and goals to transform governments in liberal democracies. Manifest destiny is thus the second manner in which liberal internationalism is rooted in American history.

1.6 American Empire of Consumption⁹

After determining the American motives for creating an empire, it is imperative to ascertain what kind of empire the U.S. aspires to have. This thesis has already established that the American empire is not interesting in extending its physical borders, but what then makes the U.S. an empire?

The United States seeks to maintain control not through occupation of territory but through other means, such as expanding its ideology of democracy and free market economics; it freely permits access to its economy by other countries

-Layne 6

Woodrow Wilson gave a speech on July 10, 1916 at a salesman conference in Detroit. This speech embodied the spirit of American capitalism as vehicle for liberal democracy perfectly. He argued that the time had come for the American people move in on the international stage. Wilson was convinced that this quest would be successful, as he saw the U.S. as a country of liberty, equality and opportunity. “That is America, and now as it is as if the nations of the world, sampled and united here, were in their new union and

⁹ I have used part of this theory before in the research paper “Reagan's all-Consuming Rhetoric: the Connection between Ideology of Empire and the Establishment of an Empire of Consumption”

new common understanding turning about to serve the world with all the honest processes of business and enterprise.” (de Grazia 137).

The creation of this Western order enabled the growth of what Victoria de Grazia outlined as a market empire. She described this phenomenon as a non-traditional empire, through which the United States established international norms for consumerism and commodities (5). In addition, American consumer goods flooded the European market, which not just brought a greater variation to the shelves. De Grazia instead argued that commodities such as Hollywood movies brought “a local market in new identities and pleasures” (6).

Post-World War Europe posed as a perfect example of American non-territorial imperialism, but American influence extended further than just to the West. In his extensive comparative book on empires through the ages, Charles S. Maier nuanced De Grazia’s theory in *Among Empires*. He splits her theory in two time periods, in which he distinguished two modes of production: first he recognized the US as being an empire of production, which later changed to being an empire of consumption (255).

It was directly after the Second World War that the U.S. truly rose as an empire of production. Europe became a large consumers market for American commodities, as the continent was industrially still recuperating from the War. However, between the Sixties and Seventies Europe and Asia became productive competitors of the U.S., slowly diminishing American sales (Maier 144). During the 1980s, the U.S. became an empire of consumption, under the leadership of Ronald Reagan (255). Since that decade, both American household and the federal budget runs consistent deficits, while the export of American commodities steadily decreases (255). Yet, for decades foreign banks and foreign entrepreneurs have both accepted these deficits and invested steadily in American society (258).

Why is it then that foreign investors remain compliant in their advancement of credit to the U.S.? The trade and investment relationship with China proves to be a great example to explain this occurrence. During the Presidency of Ronald Reagan, who saw consumerism as a means to put an end to the economic decline of the Seventies, the American empire of production morphed into one of consumption (Troy 3). While

Reagan was a supporter of military equipment of Taiwan and personally opposed the “One-China Policy”, he put his personal objections aside during his second Presidential term (Sutter 80/Bell 48). It was during the Eighties that Chinese credits became increasingly important for the American economy, although these credits were not yet extended on the scale that they are today (C. Maier 267).

The seemingly unusual benevolence of the Chinese government was not born out of intentions to save the American economy (267). Maier argues that generally, foreign credit was exchanged for social capital that would be poured into Asia (267). This was also the case for China: the US became the largest market for Chinese commodities and the Chinese government hoped to profit from advanced American technology (Cohen 230-31).

Finally, Maier argued that “the empire of consumption could continue to function only insofar as it was not considered exploitive by too many participants” (276). This was certainly the case for China: the governmental elite was more than willing to accept extending credit to the US in exchange for a large market for their commodities and technological advances, which both stimulated the modernization of their own country (Cohen 230).

President Reagan started the Sino-American trade and investment relation with China, which would explode over the next decade. These relations became increasingly important during the next decades and the monetary value of the relation exploded. China became an increasingly important part of the American empire of consumption, and by 2008 China was the US’s largest creditor (Cohen A. 289).

The establishment of the American empire of consumption was strongly related to liberal internationalism. As the first modern liberal internationalist, Reagan was an ardent promoter of democracy abroad and China was no exception (Smith xv). Reagan insisted that trade relations would stimulate the free market, which in turn would stimulate free choice in commodities, which would eventually lead to a democratic system (Smith 310). Back then, his liberal internationalist intentions for China did not harm the Sino-American relationship. This was largely due to the fact that China had something to gain by establishing formal trade relations with the U.S.: modernization

and advancement of their economy.

However, in the Post-Cold War period, China was no longer solely trading with the United States and was able to take a harder stance towards the United States, by leveraging their other trade relations. Yet, the influence of liberal internationalism on the Sino-American relations is until this day present. The insistence that American interests are best served by a community of democracies frequently causes tensions with China (Smith xv). Ideologically, the American government has to be opposed to China's handling of human rights, freedom, and democracy. After all, if the United States allows China to be both an anti-democratic and a member of the international order, other countries should not have to follow the American example to democratize either. On the other hand, China had now become such an important part of the American empire of consumption that it would cost the American economy greatly to antagonize the Chinese government. Thus the reaction of the United States towards China is rooted in liberal internationalism, but is problematic due to China's increasing role in the American empire of consumption.

1.7 Short History of Sino-American Relations Since the Rapprochement.

In order to establish a proper frame of reference for this thesis to continue with the analysis of the consecutive post-Cold war administrations, it will first give a brief overview of Sino-American relations since the rapprochement. What were the initial motivations for resuming the relation and how did the relationship develop during the last stage of the Cold War?

Since the establishment of Hay's Open Door trading policy with China at the close of the nineteenth century, American interests in China were mostly two-fold: trade relations with China would benefit the American economy, and a strong China would ensure security in Asia (Cohen 198). Although China was not deemed to be important to the degree of Europe, American businessmen who sought trade relations with the Chinese, were protected by the American army (196). It was in American interest to support a strong, democratic and independent China, as they reasoned that this could keep the

smaller Asian countries in their periphery in check (197). The American government rationalized at the start of the twentieth century that a modern China would be able to resist both Japanese and Soviet imperialism, and stronger Sino-American trade relations would guarantee substantial economic benefits for the US (199). Furthermore, the American government also argued that a strong China would align itself with the US, as it would inhabit a place in the international order alongside the US (Shambaugh 29).

However, the rise of Communism and the establishment of the People's Republic of China by Mao, left the diplomatic and economic ties between the US and China deteriorated and left hopes of a stable Asia through China shattered. Soviet imperialism and the new Sino-Soviet alliance deeply troubled the Truman government, and this in combination with domestic waves of McCarthyism, led to policies of Communist containment around Asia (198). These containment policies culminated in the Vietnam war, a rather black page in American foreign history. The US fought with the anti-communists in South-Vietnam, whereas China supported the Communists in the North (Schulman 4).

It was therefore that Nixon's decision to seek a rapprochement with China, surprised both the American and the Chinese public (Sutter 3). Although it seemed like a strange development in geopolitics, it was for both the United States and China beneficial to resume official relations (65). The rapprochement was therefore a pragmatic decision with geopolitical benefits on both sides, and was influenced by several factors. On the Chinese side the most important argument for normalization was the Sino-Soviet rift of the Sixties, which had been caused by territorial disputes between the former allies (Shambaugh 35). Mao reasoned that normalization of relations with the US, would vastly decrease the risk of the Soviet Union attacking China. Furthermore, Nixon recognized that cooperation with China against the Soviet Union would both less costly and more safe for American interests (Sutter 74).

Improvement in the relations seemed to occur quickly thereafter, but were halted by an unexpected political scandal. In 1971, Nixon undertook his first official trip to China, announcing the rapprochement in the State of the world speech (Cohen A 217). In 1973 liaison offices open in both Beijing and Washington (Sutter 76). In 1974, the

infamous Watergate scandal and Nixon's resignation halted the normalization of Sino-American relations. Nixon's successor Ford perceived American resistance to normalization as a signal not to continue Nixon's policies towards China (Sutter 76).

President Carter was finally the one to normalize relations with China in 1979, after he formally recognized the People's Republic of China (Cohen A 223). During this year, Carter also extends Most Favored Nation status to the Sino-American trade relation (Sutter 79). As previously mentioned, Sino-American relations flourished and the US became the leading investor in China during Reagan's second term as president (Cohen A 230). Sino-American relations under Bush Sr. began on a highly positive note. Personally he had a lot of experience with Sino-American relations, both as Reagan's Vice-President and as ambassador to the United Nations. Unfortunately, even he could not control the gruesome event that would transpire in 1989 (Sutter 97-98).

Between 1987 and 1989 Chinese students took it upon themselves to advocate democracy during the now infamous student protests. While the protests remained relatively peaceful, it was in the summer of 1989 that things escalated. After students places a statue resembling the American Statue of Liberty in the vicinity of Mao's tomb, the Chinese reaction heavily escalated. The People's liberation army drove over Tiananmen Square, shooting through the crowds and driving over anyone who stood in their way (Cohen A 238-239). Bush reacted publicly reacted horrified and in line with the expected American reaction against the brutal limitation of democracy. In private however, he send a mission to China to ensure that relations would remain intact (Cohen A 241). Bush thus fought to maintain Sino-American relations regardless of the gruesome violation of human rights, something that his successor would pointedly use during his presidential campaign.

Chapter 2

Sino-American Relations During the Clinton Presidency

2.1 Electoral Utopia

In a 1992 *New York Times* article, Thomas L. Friedman analyzed the foreign policy plans of governor of Arkansas, Bill Clinton. With the Cold War in the past, and the Tiananmen Square protest still fresh in the collective memory of the American people, Clinton took a hard stance on China. He faulted Bush for taking a soft approach to democracy and human rights promotion, and he favored the use of trade sanctions against China if they would not comply with the desired human rights improvements. (Friedman 1992).

Furthermore, as seen in the excerpt from one of his campaign speeches below, Clinton chided Bush for maintaining the status quo business relationship with China, instead of sanctioning them for their serious violation of human rights.

When China cracked down on pro-democracy demonstrators, exported advanced weapons to radical regimes, and suppressed Tibet, this Administration and this President failed to stand up for our values. Instead he sent secret emissaries to China signaling that we would do business as usual with those who murdered freedom in Tienanmen Square. (Friedman 1992)

Moreover, Clinton accused Bush of ignoring the American values of freedom in favor of business, while he also mentions the lack of action from the Bush administration regarding the Chinese distribution of weapons to unfavorable regimes. Yet he failed to mention how the American economy would have been impacted, had Bush sanctioned the Chinese government as Clinton would have like it.

During election debate with Ross Perot and George H.W. Bush, Clinton reiterated his stance on the importance human rights over economic interests: “If we can stand up for our economic interests, we ought to be able to pursue the democratic interests of the people in China. And over the long run they’ll be more reliable partners.” While Bush responded to this jab by explaining the economic consequences of such sanctions, it was the comment about increasing human rights in China that stuck (Washingtonpost.com)

The American public preferred to support Clinton’s remark about the bad condition of Chinese human rights and the necessity to bring democracy to the Chinese

people. This resounded with their own American identity and having the virtues of freedom as a universal right. However, once Clinton became president, he had to deal with the realistic consequences of a harder stance toward Chinese domestic policies. China had now become an important part of the American empire of consumption, and the economic consequences for the U.S would be real in case of alienation.

2.2 Domestic policies or globalization?

By the time that Clinton was elected President, his concerns with China's handling of human rights changed significantly, which was due to the domestic and foreign policy goals he had set for his administration (Judis 156).

Upon entering office in 1993, Clinton had the difficult task to create the first grand strategy in a post-Cold War world. Clinton was personally determined to focus his time and energy on domestic policy over foreign policy (Judis 156). In his State of the Union speech of 1994, Clinton clarified that improvement of the economy was on the top of his list of goals (Clinton '94). Furthermore, the attention he would pay to foreign policy, he would direct to trade related issues. He regarded foreign policy as a tool to improve conditions of domestic life and the American economy (Judis 157). Logically, his agenda of improving human rights in China would have to come on the backburner, as improving human rights in China would like go hand in hand with severely damaged trade relations.

By the time Clinton released the first National Security Strategy, it was abundantly clear that he was invested in the globalizing world and America's leading role in this post-Cold War world order. Globalization was perfectly suited to stimulate the principles of liberal internationalism. Clinton was very successful in globalizing American trade and reaching trade agreements (60). Successes included the finalization of NAFTA, and the inclusion of China in the World Trade Organization (WTO).

2.3 Maintaining American Primacy

While a globalizing world fitted into the agenda of liberal internationalism, the U.S. had to maintain primacy in the international order to achieve all four principles of liberal internationalism. Cohen argues in *America's Failing Empire*: “one transcendent issue that had emerged clearly in the Bush administration [...] was how to maintain the preeminence of the United States in world affairs” (58). In contrast to the concerns of the Bush administration, the Clinton administration worried about economic primacy instead of military primacy (58). During its two terms, the Clinton administration tried to achieve this goal through “soft”¹⁰ power as opposed to the “hard power”¹¹ used by his predecessors (Suri 622). Throughout his two terms, Clinton has promoted the importance of the global economy under American leadership, through the global promotion of the free market, free trade, and democracy. Clinton thus ensured that liberal internationalism has continued to influence American foreign policy into the twenty-first century (Dumbrell 42).

Clinton was thus a proponent of liberal internationalism, which he saw beneficial because of its favorable effects on both the American domestic economy and the promotion of democracy abroad (Peceny 158). His grand strategy was aimed at creating economic primacy in the international order (Layne 57). The core of Clinton's grand strategy was free trade, which was supposed to speed up “democratic enlargement” through commercial diplomacy (Peceny 159). However, as Christopher Layne astutely notes, this democratic enlargement did not solely rely on the international networks of American companies (57). On the contrary, in a speech in 1993, Clinton makes it perfectly clear that the United States had the full right “to intervene in the domestic affairs of nondemocratic states” (Clinton 1993). This underlines the motives of American empire: Clinton was not just benevolently promoting democracy for the good of other people, he also enforces that global democracy is a matter of American security and should be guarded as such.

10 Ability to exert power through cultural practices which appeal to others (Kroes 8).

11 Ability to exert power through military means (Kroes 8).

2.4 Primacy through Engagement and Enlargement

During his presidency in the last decade of the twentieth century, Clinton published three different National Security Strategies. The title of Clinton's first National Security Strategy in 1995 was aptly called the *National Security Strategy for Engagement¹² and Enlargement¹³*. This NSS was used to formulate a new grand strategy of national security after the fall of the Soviet Union and communism. No longer did communism have to be contained on a global scale, thus a new strategy of liberal internationalism was formed. Security advisor Anthony Lake argued that enlargement would protect U.S. security interests, as ideologically like-minded nations would also serve market economics supported by the US (Bacevich 99/Cox 26).

Clinton's three NSS's all advocated a grand strategy of engagement and enlargement, and the influence of liberal internationalist thinking is prominently present. In his first strategy Clinton expanded on his vision for the post-Cold War order, while he also puts forward his grand strategy of economic primacy through engagement and enlargement:

We believe that our goals of enhancing our security, bolstering our economic prosperity, and promoting democracy are mutually supportive. Secure nations are more likely to support free trade and maintain democratic structures. Nations with growing economies and strong trade ties are more likely to feel secure and to work toward freedom. And democratic states are less likely to threaten our interests and more likely to cooperate with the U.S. to meet security threats and promote free trade and sustainable development (i).

In other words, Clinton argued that the global promotion of democracy would increase prosperity in the United States, enhance American national security and stimulate the support of freedom around the globe. Most importantly, he argued that trade relations with these growing economies would give an impulse to the enabling of freedom in these countries. Clinton thus argued in line with liberal internationalist thought: the freedom that is uniquely prescribed to the American people, can be spread through American

12 The pursuit of a working relationship with a disagreeable regime (Cohen B 90).

13 Commitment to expanding free markets and to promote democracy globally (Dumbrell 42).

capitalism to countries that were formerly repressed. This is specifically the case for China, the country that Clinton ardently targeted during his campaign against Bush sr.

2.5 A Changing Relation with China

During the Clinton presidency, the American relationship with China changed, and the first limits of liberal internationalism started to show.

For all of Clinton's moralistic ideas and his conviction that the "Butchers of Beijing" would have to be taught a lesson, he failed to link Most Favored Nation¹⁴ (MFN) status of China to their human rights situation (Bacevich 93). Resistance to this measure came from both the American and Chinese side. The Chinese argued that if Washington deemed to criticize Chinese human rights, they should first look at their own human rights situation in LA (Dumbrell 112). Twenty years after the normalization of Sino-American relations and in an era where the animosity of the Soviet Union was no longer a binding factor, China started to oppose certain American demands.

On the American side the corporations with locations and investments in China looked towards their congressional lobbyists to undermine the MFN measure (Sutter 98). If the MFN status of Chinese export would be removed, American companies that relied on the import of Chinese commodities would see their profits decrease drastically. Through an increasingly negative trade balance¹⁵, China's role in the growth of America as an empire of consumption became increasingly important. Therefore, corporate America was resistant to any government measures that could threaten the relationship and stressed the possibility of the free market bringing freedom to China (Cohen A 253). These corporations were supported by American policy makers, who also emphasized the economic important of China for the United States (253).

In addition, China was able to take a tough stance, since economic competitors from Japan and Germany had send representatives to China to offer new trade

14 Allowing Chinese goods into the United States at non-discriminatory tariffs (Dumbrell 59).

15 In 1994 The United States imported more \$29,505.1 million more than it exported to China (census.gov).

opportunities if the Sino-American trade relation would diminish (Sutter 125). Ultimately the MFN status of the Sino-American trade relationship was continued and such measures did not have to be taken. However, the failure of this measure signaled a shift in dynamics in Sino-American relations.

When the campaigned measure indeed fell through, Secretary of State Christopher Warren declared that Sino-American policy would now “take a new path” and that the US would now pursue “a comprehensive [...] strategy of engagement” (Bacevich 94). He also remarked that the US from now on would concentrate on “integrating China into the global community” (94).

The Clinton administration, which had so enthusiastically announced an emphasis on improving Chinese human rights, instead had to recognize the growing strength of China and a shift in the balance of the relationship. The Chinese government had no interest in improving its human rights and decided to challenge Washington on this point. In combination with their explosive economic growth which lured American businesses in, they stood quite strong to American demands (Cohen B 251). While Smith argues that while America’s mission to democratize the world is both successful and honorable, he also acknowledges that this process knows its limits in the world (342). In 1995, China began to demonstrate resistance to American liberal internationalism and leveraged the Sino-American economic relation to refrain the American government from intervening in their domestic policies.

2.6 China in a globalizing world

The increasingly powerful role of China in the Sino-American relationship also brings concerns for the globalizing world and the American role in leading it.

The first signs of an American reaction to the rise of China in world politics was apparent in the introduction of the 1995 NSS: Clinton argued that “China maintains a repressive regime even as that country assumes a more important economic and political role in global affairs (1)”. Clinton effectively argued that the Chinese regime is repressive in contrast to the freedom experienced in the United States, and he insisted that this is negative situation. However, American concern over the rise of China is not overwhelming yet, as is illustrated by Clinton’s State of the Unions from 1993 to 1996. The small amount of attention and speech space he dedicates to foreign policy, are focused on maintain American leadership in the world, not on China.

This changed in 1997, when Clinton he informed the American public that: “we must pursue a deeper dialogue with China for the sake of our interests and our ideals. An isolated China is not good for America. A China playing its proper role in the world is” (Clinton ’97). It is during this year that the American interest in China changed from China becoming a democracy, to China becoming a suitable player in world politics. This was the first sign that China would serve international interests, but not American interests (Cohen A 290).

The 1997 release of the new NSS demonstrated increased attention for China in the globalizing world. A shift in policies towards China becomes apparent in comparison with the 1995 NSS: whereas the former strategy pressed China to accept democracy and human rights, this document prescribes a different approach. Instead of unilaterally pressing upon China to adhere to Western democratic ideals, this strategy boasts the hope that China will liberalize by integrating into the international community. Clinton argued that “China's integration into the international system of rules and norms will influence its own political and economic development” (28).

The change of direction in policy towards China did not come as a surprise and

was two-fold. On the one hand, China became more assertive in the Asia-Pacific region. In 1996 China exercised military training the Taiwan Strait, meant to intimidate the people of Taiwan (Cohen B 256). American warnings to China to not overstep their boundaries were cynically received. Instead of returning their troops to mainland China, Beijing reminded Washington that Chinese missiles would be able to bomb American cities (257). It was thus in American security interest to avoid another crisis with China (Sutter 98).

On the other hand, it was also in American economic interest to stabilize relations with China. Sino-American trade relations had intensified and China was quickly becoming one of the most important trading partners of the U.S. (Cohen B 84). Between '95 and '97 the trade imbalance increased by 250% in favor of China (census.gov). The American consumption of Chinese commodities rapidly increased, making China a more integral part of the American empire of consumption. Moreover, trade restrictions were irking the American business community as they saw China put grave limitations on their export quotas (Cohen B 85).

From 1998 onwards, the US was committed to promotion China's role in the international community. China might not become a democratic community with a free market and limited trade barriers through unilateral pressure from the United States. The American government preferred to avoid crises alike those in 1996 and thus emphasized a more pragmatic relation with China (Sutter 98). Furthermore, the growth of the trade imbalance became more than \$10 billion annually (census.gov), which further cemented the role of China s commodity producer in the American empire of consumption. However, Clinton was still determined to remove obstacles in American export to China. To achieve this goal, Clinton shifted to a more multilateral approach of China.

It is very important to note that the change in policy direction did not suggest a shift in the intention to promote liberal internationalism in China. The Chinese integration into the global economy and world politics, was under the condition that China would accept the existing rules and regulations. In general, the rules and regulations of the international order were those that would comply with American

primacy. Furthermore, liberal internationalism prefers cooperation through multilateral institutions, of which the World Trade Organization (WTO) was an example (Cox 14).

China's ascension to the WTO was stimulated on the condition China removed certain barriers and adhered to commercial rules created by WTO ('97 NSS 19). Clinton argued in 1999 that American support for Chinese ascension to the WTO, was not a sign of a weakening American position towards China, but a move in American national interest (Clinton '99). Clinton said: "China already has broad access to our markets. If China accepts the responsibilities that come with WTO membership, that will give us broad access to China's markets while accelerating its internal reforms and propelling it toward acceptance of the rule of law" (Clinton '99).

In his '99 State of the Union Clinton revamped the traditional argument about the creation of freedom in China by insisting that "The more we bring China into the world, the more the world will bring change and freedom to China" (Clinton '99). Later that year, an MoU¹⁶ on Chinese ascension to the WTO was signed (Sutter 106).

Finally in 1999 Clinton once again extended Most Favored Nation trade status to China, by then renamed as Normal Trade Relations (NTR). In his statement on his decision to extend this status he rehashed his old argument: "trade also remains a force for social change in China, spreading the tools, contacts, and ideas that promote freedom" (Clinton June '99). However, this time he enhanced his social change argument with his intention to "bring [...] China into global structures, to promote China's adherence to global norms on human rights, weapons of mass destruction, crime and drugs, immigration, the environment, and on trade." Clinton thus increases the emphasis on the effects liberal internationalism through the international order.

2.7 Growing Consequences for Liberal Internationalism

By the end of Clinton's second term, China was making quick strides in buying American debt (Bader 3). When Clinton left the White House China had accumulated \$100 billion dollars in American debt, making the country an important stakeholder in the future of

16 Memorandum of Understanding: official agreement to follow through on a certain policy in the bilateral relation

the American economy. However, this was largely in Chinese interest, since sustaining the American debt meant that the Americans would still have money to buy Chinese commodities. The Chinese thus became increasingly part of the American empire of consumption, a role they gladly took upon themselves.

The liberal international agenda of Clinton created tensions in the relation with China: his insistence on the improvement of Chinese human rights continuously led to issues in the Sino-American relation. Furthermore, the growing role of China in the American empire of consumption led to restraint on the follow through on liberal internationalist rhetoric. While the Clinton administration still proclaimed to object to China's authoritarian regime and mistreatment of human rights, their policies began to shift away from that point of view. Although Clinton shifted away from unilateralist imposition of liberal internationalism on China, he still attempted to impose American rules China through the multilateralist global order under American leadership.

Chapter 3

Sino-American Relations During the Bush Jr. Presidency

3.1 Electoral Utopia Revisited

One year, [China] is said to be run by "the butchers of Beijing." A few years later, the same administration pronounces it a "strategic partner." [...] China is rising, and that is inevitable. [...] China's government is an enemy of religious freedom and a sponsor of forced abortion [...]. All of these facts must be squarely faced. China is a competitor, not a strategic partner

-George W. Bush's campaign speech (Bush '99)

Much like Clinton during his 1992 campaign against George H.W. Bush, George W. Bush criticized Clinton for his administration's soft approach on China's mistreatment of human rights. During his presidential campaign in 1999, Bush claimed in a speech that China was a strategic competitor, not the strategic partner that Clinton made them out to be (Wang 11). Ironically, his repetition of Clinton's 1992 critique was the first signal of Bush' continued approach in relation to China (Bacevich 202). Moreover, Bush was aware of the economic implications of the Sino-American relations, which he also demonstrated in this speech. Much like Clinton, he insisted that "economic freedom creates habits of liberty" (Bush '99). Although his policies toward China were generally along the same lines as those of Clinton, his liberal internationalist rhetoric was more adamant and unilateralist.

3.2 The Bush Quest for American Primacy

Bush signaled a toughened stance on foreign policy in Washington. Whereas Clinton was known for his close-knit economic team, Bush found his place in a group ominously called "the Vulcans" (Cohen B. 125). This group consisted of Donald Rumsfeld (as Secretary of Defense), Condoleezza Rice (as national security advisor), Paul Wolfowitz (as deputy Secretary of Defense) and Dick Cheney (as Vice-President) (Cohen B 125). Largely neoconservative, the members of this political inner circle were outspokenly in favor of American primacy.

Until recently, the word empire was carefully avoided in association with American foreign policy, but the presidency of George W. Bush changed this (Maier 24).

It is difficult to imagine the words of a Bush advisor in an earlier administration: “we’re an empire now, and we create our own reality” (Maier 22). However, references to Bush’s quest for empire are related to his “War on Terror”, his crusade against the terrorists responsible for 9/11. While the 2003 invasion of Iraq could certainly be labeled under the physical extension of U.S. territory and thus as empire “old style¹⁷” (Ryn 32), outside of the Middle East Bush actually continued the grand strategy of his predecessor in his Bush Doctrine¹⁸.

The American grand strategy of creating a liberal international order with American leadership to protect U.S. security interests, remained the same as under Clinton (Bacevich 206). Furthermore, Bush was a proponent of the idea that free trade leads to more freedom. Much alike Clinton, Bush thus perceived free trade as an accelerator for democracy (217). He argued that “a strong world economy enhances our national security by advancing prosperity and freedom in the rest of the world” (NSS 2002 17). Bush, like Clinton, thus argued that a global network of free markets would be in the national security interest of the United States. He invoked the democratic peace theory, on which liberal internationalists like to rely, to argue that nations with democracies and free trade relations are less likely go to war with one another (Layne 94/Ikenberry 55).

However, as Smith argues, the Bush doctrine differed on one aspect from the Clinton doctrine: instead of insisting on a multilateral cooperation on a global level, Bush pressed for American unilateral leadership in both a political and economic global dimension (Ikenberry 56). Yet, within the Sino-American relations, Bush is a proponent of the integration of China in the WTO.

Although the grand strategies of Bush and Clinton were both grounded in liberal internationalism, Bush and his administration were more rhetorically adamant in pursuing American primacy. In the introduction of the 2002 *National Security Strategy*, Bush declares that freedom is a basic human right and that: “we will actively work to

17 The U.S. occupied Iraqi territory

18 Grand strategy created by Bush: aimed to ensure the continuation of American primacy in the global world order (Atwoord 216).

bring the hope of democracy, development, free markets, and free trade to every corner of the world” (ii). Bush invokes both the grand narratives of exceptionalism and manifest destiny in his introduction. In addition, Richard Haass, Bush’s director of policy planning in the State Department, claimed that the US was an informal empire that structured the world along these exceptionalist principles (Bacevich 219). The Bush administration was thus the first American administration to admit that liberal internationalism had an imperialistic agenda.

3.3 “Xiao” Bush and China

Seen as the Bush administration had an admittedly imperialistic global agenda, how did the relation between China and the United States fare?

The Chinese initially assumed that the son of their ally George H.W. Bush, who they called Xiao (little) Bush, would continue the legacy of his father in Sino-American relations (Cohen A 266). However, Bush and his Vulcan team were of the opinion that the two previous administrations had been too soft on the Chinese in regards to their lack of democracy and mistreatment of human rights (267). When in June of 2001 a Chinese and an American plane collided above Chinese land, the Chinese took the Americans by surprise. China refused to let the American passengers go from detainment and demanded an apology from the Americans (267). Bush made good on his statement to harden his stance toward China and tried to intimidate Beijing into returning the American passengers. He argued that this would send a message that the U.S. would not permit a challenge to American primacy in the global order (Cohen B 129).

However, the Chinese response to Bush’s intimidation underlined the rise of China and its growing resistance to American hegemony. Beijing ignored the demand as point blank as they had ignored Clinton in 1994, when he wanted to link human rights and trade status. The Chinese were adamant that the Americans had violated Chinese rules. Ultimately the crisis ended well with an unofficial apology of Bush and return of the American passengers (Warren A 266). Warren Cohen argued that “[Bush] had

learned his lesson. China was too strong, too important to American business interests to be ignored, and too proud to be dictated by an American superpower” (267). Bush was aware that a dispute with China could have crippled the American economy, but there was one more event that year that influenced his vision upon cooperation with the Chinese.

3.4 War on Terror and the Implications for Sino-American Relations

In September 2001, arguably the blackest day in recent American history occurred when Al Quada hijacked three American planes, flew them into American landmarks and killed thousands of American citizens. While 9/11 was obviously a terrible event, scholars generally agree that the start of the War on Terror signaled a positive turn of events for in the increasingly grim Sino-American relations (Cohen B 182, Sutter 153, Wang 30). The reason for this change in direction, was China’s immediate support towards the American government and its plan for a “Global War on Terror” (Cohen A 269). Moreover, offering support for the American War on Terror could justify their own Muslim oppression (269). When in 2003 Bush invaded Iraq, the Chinese government initially opposed the American action of overthrowing the Iraqi regime. However, they ended up supporting the invasion, which was again not born out of loyalty but strategic self-interest. In that same year, Bush did not support a U.N. human rights resolution against China, which was a first in their communal history since the rapprochement (270).

The War on Terror also decreased public attention and acknowledgement for China’s feeble democratization process, which is apparent in Bush’s eight State of the Union speeches (Bush ’01/’02/’03/’04/’05/’06/’07/’08). From 2001-2005 China is mentioned only once by Bush, as he briefly addresses the cooperation with China in the War on Terror in 2003 (Bush ’03). Yet, the National Security Strategies put forward by Bush demonstrate that the American Grand Strategy in Sino-American relations had not changed course.

3.5 Grand Strategy in Sino-American Relations

Chinese support for the War on Terror and American semi-silence on the human rights situation avoided large conflicts in Sino-American relations during the Bush administration. However, this did not mean that the Bush grand strategy in Sino-American relations had changed in comparison to the Clinton grand strategy.

The National Security Strategies of 2002 and 2006 continued to demonstrate a liberal internationalist approach to China. In 2002, the Bush argued in his introduction of the 2002 NSS that “America will encourage the advancement of democracy and economic openness [in China], because these are the best foundations for domestic stability and international order” (ii). Furthermore, the 2002 NSS asserted that “we welcome the emergence of a strong, peaceful, and prosperous China. The democratic development of China is crucial to that future” (27). The 2002 NSS thus underlined that China has to accept the American rules in the international order to become a real member of it, while also stating that American national security is only secure with a democratic China.

The 2006 NSS was even more persistent on this point, while it also pointed out that the United States has been largely responsible for the Chinese growth and participation in the global economy (41). Furthermore, Bush relied on the liberal internationalist argument rooted in exceptionalism, as he showed in the NSS:

The United States encourages China to continue down the road of reform and openness, because in this way China’s leaders can meet the legitimate needs and aspirations of the Chinese people for liberty, stability, and prosperity. [...] Continuing along this path will contribute to regional and international security [...] Only by allowing the Chinese people to enjoy these basic freedoms and universal rights can China honor its own constitution and international commitments and reach its full potential. Our strategy seeks to encourage China to make the right strategic choices for its people, while we hedge against other possibilities.

Bush, alike Clinton in his first NSS, claims that China denies its citizens legitimate and universal rights¹⁹, which ultimately harm international security and thus American security. This statement not only portrays American exceptionalism, but also invokes the

19 Freedom of speech, press, religion, and assembly

democratic peace theory which assumes that democracies will not go to war with one another. Finally, this statement contains a warning towards China: if China does not make the “right strategic choices” by assuming a democratic society, the United States will have no other choice than to work against China. Thus, the United States only accepts the rise of China if democratization is in its future. Effectively, this grand strategy required China to accept American primacy in the international world order, as the rise of a none-democratic China would not be welcome in the international order under American leadership (Layne 71).

Furthermore, Bush also insisted on China adopting the American principles of democracy and freedom, in order to fully integrate in the American-led international order. Moreover, American manufacturers would profit from a China that respected intellectual property rights and would abstain from currency manipulation (Moosa vii) . Furthermore, a China that would adopt open market capitalism would benefit the American economy more than a China that practiced state capitalism and currency manipulation (viii). It thus remained in American economic interest to keep insisting on change in China.

3.6 Economic Dimension of Sino-American Relations

Trade was an important factor in the continuously ambivalent tone in regards to Chinese mistreatment of human rights. While the American grand strategy in Sino-American relations persisted on increasing the flow of American values into China, the American government was hesitant to act upon their beliefs. This became clear in 1994, when Clinton sacrificed his commitment human rights for a normal trade relation with China. This also occurred during the Bush Presidency: although Bush took a hard stance toward China in his NSS and speeches, he had to be careful not to overstep his boundaries (Bacevich 210). The American private sector had equally to lose from trade sanctions and disruptions in the Sino-American relation as did China (211).

Reagan registered and created trade opportunities in China to give the American economy an impulse during an economic downtime. While the Sino-American economic relation was not significant during the Reagan reign, the value of this relation steadily

increased since his presidency. By the time that Bush became president, the American economy had become dependent on Chinese trade (Layne 21). In 2000, the trade imbalance was \$83,039.0 million compared to the trade imbalance of \$6.0 million during the first year of normal trade relations in 1985 (census.gov). Moreover, when Bush left the presidency in 2008, the trade deficit had almost more than tripled to - \$268,039.8 million (census.gov).

Another sign of the growing dependence of the United States on China to sustain its empire of consumption, was the growing dependency on the credit extended by the Chinese government to sustain their own debts. By 2007, the largest share of American debit was in the hands of Chinese creditors (Layne 21). Furthermore, by the end of Bush's second term, the debt in hands of the Chinese was \$1 trillion, ten times more than at the start of Bush's presidential eight years (Bader 3). As explained before, in return for extending credit to the United States, China could profit from the consumerist American market to sell its own commodities (Cohen A 230). Furthermore, by extending credit to the United States, the Chinese government ensured a low value of their own currency, which made Chinese commodities more attractive to the American market. This was thus a profitable situation for both countries, in which neither of them felt exploited.

Important to realize is that the mutual dependency of the American and Chinese economies did not increase perceived a security risk to the United States (Sutter 201). The risk in this dependent relationship would be China selling of American bonds, thereby putting the American economy in a spin. However, if China would take this course of action, they would hurt their own economy at least as much as they would hurt the American economy (202). In fact, by continuing to buy American credit, the Chinese government is relatively insured that the dollar would not drop in value. If this devaluation would happen, Chinese imports would increase in price, which results in a slower American consumption of Chinese products, which would cause a slump in the Chinese economy (Layne 21). Moreover, this would also most likely mean a stop of American consumption of Chinese commodities. Correspondingly, such a scenario would hurt the Chinese economy intensely, since by 2007, the American market bought 30% of all commodities produced in China (201).

However, the liberal internationalist insistence on the beneficial effects of the Chinese entry to the WTO, were overstated in hindsight. Both the Clinton and Bush administration had worked hard to get China admitted to the WTO (Cohen A 269). Both administrations had adamantly argued that Chinese entry into the WTO would both create jobs and increase U.S. export to China (Scott 3). They had reasoned that entry into the WTO would require China to open its markets to the global economy, while the growing Chinese economy would also lead to a growing Chinese middle-class, which would increasingly consume American commodities (4).

Unfortunately, this is not what happened in reality. The lower tariffs in China actually created an increased flow of American foreign direct investment (fdi) into the Chinese manufacturing industry. The growing Chinese manufacturing industry was able to provide for the commodity demand of the middle-class, which in turn did not create the expected growth of American export (8). Instead, the Sino-American trade imbalance grew ever larger. During Bush's second term, political resistance against the Sino-American trade imbalance grew (Gross 72). However, the Chinese did use the trade surplus to buy American debt, to ensure a high currency rate of the dollar, which in turn sustained the American empire of consumption. Ultimately, this sustained the American consumption of Chinese commodities.

3.7 Limits of Liberal Internationalism

In his last year as President, Bush visited China for the 2008 Olympics. During a radio address on August 9, he spoke about the modernization of China and how much China has changed since the normalization of Sino-American relations thirty years earlier. While he never explicitly mentioned it, he alludes to the changes that the United States has already brought to the Chinese society, while he also insists that China is not yet the democracy it should aspire to be: "The China of the future will reflect its own culture and traditions, but it will also reflect the universal aspirations of mankind -- and there's no deeper human desire than liberty" (Bush '08). His radio address still reflects liberal internationalist thought, with exceptionalist motives, but his tone has changed significantly since his campaign. During the Olympics, the Chinese treatment of human

rights received myriad of attention from media worldwide, and there was plenty of opportunity for the American government to criticize China.

During the Bush presidency, it became very clear that liberal internationalism in American foreign policy began to find its limits in the world. Although Bush used tough rhetoric toward and about China's process of adopting democracy and the proper handling of human rights, he rarely acted upon them. At the start of the twenty-first century, China and the U.S. had become increasingly intertwined and China had the foremost role in the American empire of consumption.

Chapter 4

Sino-American Relations During the Obama Presidency

4.1 No China Critique in Obama Campaign

In Asia, the emergence of an economically vibrant, more politically active China offers new opportunities for prosperity and cooperation, but also poses new challenges for the United States and our partners in the region. It is time for the United States to take a more active role here.

-Barack Obama (Obama '07)

During his campaign, Barack Obama refrained from criticizing his predecessor for his stance on Sino-American relations. Asia analyst Jeffrey Bader, who became senior director for East Asian affairs on the National Security Council under President Obama, argued in his book *Obama and China's Rise* that the noncommittal tone of Obama on the subject Sino-American relations was a lesson learned from Clinton and Bush (20). In contrast to his two predecessors, Obama ran a campaign which did not focus on the former administrations' handling of Sino-American relations (Mahmud 19). Both Clinton and Bush blamed their predecessors for their soft approach to the human rights situation, yet both men had to nuance their stance on Chinese domestic policies when inaugurated, as China resisted their proposed actions (Cohen A 267). Obama's low key attention to China would signify his tone towards China during his first term.

Furthermore, the above quote from his speech to the Council of Global Affairs in 2007 foreshadows the new policy that Obama would implement in foreign policy in reaction to the rising power of China in the Asia-Pacific: the Asia Pivot.

4.2 Muted Liberal Internationalism

Liberal internationalism remained the main objective in American grand strategy, but was subdued when Obama became president. When he assumed the presidency in 2009, the United States had just gone into a global economic crisis (Sutter 161). In addition, the American image abroad had been tarnished by Bush's unilateral rhetoric and policies in his foreign policy. Obama's 2010 National Security Strategy recognized the damage

that has been done to the foreign perception of American power (Parmar 88). Liberal internationalism seemed not to be as important to Obama's foreign policy as it had been to Bush, but Tony Smith argues in *US Foreign Policy and Democracy Promotion* that Obama was still a liberal internationalist, albeit a somewhat muted one (Cox 27). While Obama was rhetorically milder than his predecessor, he still believed in America as an exceptionalist nation: "Our society is exceptional in its openness, vast diversity, resilience, and engaged citizenry" (NSS 2010 9).

Obama's reflection of liberal internationalism in his foreign policy was significantly more nuanced than that of Bush, but it is still present in his National Security Strategy of 2010. "the very fluidity within the international system that breeds new challenges must be approached as an opportunity to forge new international cooperation" (9). His words are reminiscent of Wilson, and his approach was reminiscent of the efforts of Bill Clinton to stimulate globalization and international cooperation. Furthermore, the 2010 NSS states that the US has to rebuild its capacities, which Parmar understands as a rehabilitation of American leadership (Parmar 88).

Obama thus still seeks a continuation of American primacy in the global order, but seeks to do this more through cooperation with other countries and multilateral organizations, as to avoid the unipolar backlash that the American government experienced after Bush's persistence on America as sole superpower.

4.3 Liberal Internationalism on Hold in Sino-American Relations

During his first term, Obama had demonstrated a sensitivity to the limits of liberal internationalism in American China policy. Unlike Clinton and Bush, he did not chastise China explicitly in his 2010 National Security Strategy:

We will continue to pursue a positive, constructive, and comprehensive relationship with China. We welcome a China that takes on a responsible leadership role in working with the United States and the international community to advance priorities like economic recovery, confronting climate change, and nonproliferation. We will monitor China's military modernization program and prepare accordingly to ensure that U.S. interests and allies, regionally and globally, are not negatively

affected. (NSS 2010)

His words were remarkably different from those of his two predecessors: he did not argue that China has to democratize or give “universal” rights to its citizens. However, he did argue that the United States will keep a close eye on the Chinese military as it progresses in its advancement. Bader argues that the Obama administration had come to the realization that pressuring a weaker China on improvement of its human rights had not worked with a weaker China, and would thus not work with a rising China (Bader 3).

Secretary of State Hillary Clinton was frequently criticized for her remark that the insistence of proper handling of human rights by the Chinese government should not stand in the way of finding a solution to the global economic crisis (Branigan). Yet, efforts of administrations in the past did not have a significant impact on the Chinese human rights situation (Sutter 261). The Obama administration was insistent to not damage the relations with a rising China over ideological differences, as had been done in the past (Bader 3). The increasing dependence on China was related to this choice, as increased attention to the promotion of American values had created various tensions in the past, with negative results on the economy.

4.4 Economic Dimension in Sino-American Relation

Since the end of the Cold War the Sino-American economic cooperation had replaced cooperation against the Soviet Union (Sutter 192). The Obama administration registered the growing importance and influence of China in the international order, on which they sought to play into (Bader 22). They created the annual Strategic and Economic Dialogues between Obama and Chinese president Jintao (22). Stability in Sino-American relations was more important during the Obama administration than in any administration before (Parmar 291). Political or economic pressure on either side of the relation could have triggered a trade war, much alike the one that could have occurred during the Clinton presidency in 1994.

Following the integration of China into the global order, it was more important than in the 1990s to retain stability, as this would now have affected the global economy of which the US was still the leader (Parmar 291). Currently, the American empire of

consumption is more dependent on China than ever before in its history. In 2012, the American trade deficit in the Sino-American economic relation was \$315,110.6 million, while the Chinese holdings of American debt rose to \$1.164 trillion (census.gov/Capaccio).

Important to realize is that China is as much dependent on the US as vice versa. Currently, growth of the Chinese economy is relying on the export of Chinese commodities to the American market (Parmar 290). Would a trade war, tariffs raise, or a growth of the American manufacturing industry occur, this would have far-reaching implications for the Chinese economy. The Chinese role in the American of consumption is thus vital for the Chinese economy.

4.5 Liberal Internationalism in the Asia Pivot

The American empire of consumption is currently sustainable, and the Chinese vital role as both exporter and creditor in this situation is currently not posing a security threat to the American economy. However, since the Obama presidency questions about the sustainability of the American empire of consumption have been raised. Furthermore, Obama is showing restraint in expressing liberal internationalism towards China, but he is demonstrating increased liberal internationalism towards the rest of Asia. How is this growing reluctance of the American empire of consumption then related to the Asia Pivot?

There is an important reason for the relative absence of the attention for China in the *National Security Strategy of 2010*: a strategy called the Asia Pivot was not officially announced until after the NSS was created. In 2012, Obama officially confirmed that the geographical focus of American foreign policy would shift from the Middle East to the Asia-Pacific region (Parmar 219). This would also mean an increase in military attention in the Asia-Pacific. The official reasoning behind the Asia Pivot was the protection of American interests in a region with increasing economic and political weight (Parmar 227). This policy fits into the NSS strategy of an enlargement of international cooperation, while it also counteracts the rise of China in the Asia-Pacific region (Parmer

227).

Obama's liberal internationalism in the bilateral interaction with China may thus have noticeably subdued, his attention to multilateralism in Asia as a whole has been significantly increased through the Asia Pivot. Bush had barely paid visits to multilateral gatherings in the Asia-Pacific region (Bader 2). Obama's foreign policy team decided that in an effective Asia strategy American participation in regional organizations²⁰ was imperative (Bader 3). Important to realize is that China is not part of the ASEAN alliance, but its close neighbors are.

Secretary of State Clinton confirmed the liberal internationalist intentions of the Asia Pivot. She writes in her memoir *Hard Choices* that the U.S. wanted to reinforce the international system of rules to the Asia-Pacific, since China appeared to threaten American interests in the region by showing aggression against neighboring states (134).

Another clear indicator of Obama's liberal internationalist efforts in his Pivot to Asia is an initiative called the Trans-Pacific Partnership, or TPP for short. In the 2012 State of the Union Obama stated that "I will go anywhere in the world to open new markets for American products" (2012). TPP is an extensive trade agreement with Asian-Pacific countries, and makes good on the State of the Union promise. The participating countries are New Zealand, Australia, Japan, South Korea, Brunei, Chile, Singapore, Peru, Vietnam, Malaysia, Canada, Mexico, and Taiwan (<http://www.ustr.gov/tpp>). According to the government website of the United States Trade Representative: "TPP will provide new market access for Made-in-America goods and services [...] By opening these new markets to American products, TPP will help ensure that we are not left behind by our competitors in a vital region of the world" (ibid.). Opening new markets for American goods would decrease the American dependency on their empire of consumption and subsequently of China. Furthermore, TPP would create a regional trade bloc surrounding China (Gross 76). Finally, TPP would create a stronger position for the U.S. in Asia (H. Clinton 137).

20 Such as ASEAN (Association of Southeast Asian Nations), APEC (Asia-Pacific Economic Cooperation), and EAS (East Asia Summit) (Bader 4).

4.6 Questioning the American Empire of Consumption

As has been mentioned in Chapter 3, the liberal internationalist proponents of China's ascendance to the WTO have argued that due to the growing Chinese middle-class, the need for American commodities would grow as well (Scott 9). Instead, a boom in American direct investment (fdi) into the Chinese economy occurred, resulting in growth of the Chinese manufacturing industry (9). This in turn created a job-loss in the United States manufacturing industry, as American production became increasingly outsourced to China (1). A paper created by the Economic policy institute called *The China Toll* estimates that "the U.S. trade deficit with China has cost more than 2.7 million jobs between 2001 and 2011" (Scott 1). According to this research, while the trade deficit is used by China to buy American debt and thus sustain the American empire of consumption, it could be more profitable for the American economy to bring back production to American soil.

However, for the United States to regrow its manufacturing industry, the Chinese economy has to be restructured. In 2011 Treasury Secretary Timothy Geithner described a new stance on the Chinese economic development: "we want to encourage China to move definitively away from the export driven growth model [...] to a growth model driven by domestic consumption" (Gross 74). Geithner reasons that this will create more opportunities for American companies, it will increase American export to China, and will thus by effect stimulate the American manufacturing industry (74).

This is also the message of the 2012 State of the Union, in which Obama addresses the economic crisis of 2008: "Let's remember how we got here. Long before the recession, jobs and manufacturing began leaving our shores [now] American manufacturers are hiring again, creating jobs for the first time since the late 1990s" (Obama 2012). Obama reasons that in order to avoid another economic crisis as severe as the economic crunch of 2008, stimulation of the American economy has to be restructured. The United States has to regrow its manufacturing industry and stimulate U.S. exports by finding new markets for American commodities.

While liberal internationalism pressure in American China policy under Obama has increasingly subsided, this did not mean that the American government stopped

maintenance of American primacy in the international order. Although liberal internationalism in American China policy would have only hurt the economic dimension of Sino-American relations, this did not mean a decrease in liberal internationalist American foreign policy in the Asia-Pacific region. In contrast, through the Asia Pivot Obama has refocused American attention on the countries surrounding China, by both attempting to establish more trade agreements and by increasing military presence in the region.

Furthermore, Obama has stimulated regional multilateral efforts such as ASEAN and now frequently visits regional meetings in the Asia-Pacific (Bader 4). By relocating liberal internationalist efforts from China to the countries surrounding China, the U.S. is more effective in maintaining its primacy. Officially, the U.S. does not exclude China from its regional efforts, nor is its refocus to the Asia-Pacific a form of containment of China. However, if China would want to participate in these regional agreements and associations, it would have to once again adhere to American standards and principles (Bader 7). Moreover, TPP would create new sets of rules and regulation on product standards and export tariffs, which China would have to adhere to if it wishes to join TPP in the future.

While China is the largest and most powerful country in the Asia-Pacific geographically, through multilateral efforts the U.S. has achieved to maintain primacy in the Asia-Pacific regardless of Chinese growth. By allowing China to eventually participate in its own region, the U.S. cannot be accused of containment of the rise of China.

Finally, the aspired trade-bloc that would be created through the TPP agreement would cement a new market for American commodities, which would give an impulse to the American manufacturing industry. This can be seen as counter measures against the still-growing role of China in the American empire of consumption. The decrease in liberal internationalist rhetoric and policies towards China indicate that the U.S. is no longer in the position to criticize China, since China is responsible for a large part of growth in the American economy. However, would the U.S. be able to reinstate a part of

its own manufacturing industry through export of American goods to the Asia-Pacific, the U.S. could decrease its dependency of China in the future.

Conclusion

The world must be made safe for democracy. Its peace must be planted upon the tested foundations of political liberty. We have no selfish ends to serve. We desire no conquest, no dominion.
-Woodrow Wilson in a joint session before Congress (1917).

Almost a century after Wilson spoke these words, they still ring true for the perceived cause of American foreign policy. At the end of the Cold War, American grand strategy had to be reformed in order to conform to a world no longer threatened by communism. This did not lead to a completely new direction in American foreign policy, but instead a reiteration of the principles articulated by Wilson at the start of the twentieth century. Since the end of the Cold War, liberal internationalism has remained a driving factor in American foreign policy. However, the goal of creating a global order of democracies with free markets under American leadership is becoming increasingly difficult to reach.

As is demonstrated in this thesis, liberal internationalism has found its limits in Sino-American relations. During the Clinton presidency, the economic relation between China and the United States really came to blossom, yet this was the same period that China began to show resistance to liberal internationalist intentions of the U.S.

During the Bush presidency China became an increasingly growing part of the American empire of consumption, but demonstrated firm resistance to American intervention in their domestic policies, such as their treatment of human rights within their borders.

Currently China is the biggest foreign stakeholder in the American economy and has an exceptionally large trade surplus in the export relation with the U.S. President Obama acknowledged the counter productivity of forcing liberal internationalist standards on China and has thus scaled back on this intention.

However, while liberal internationalism towards China may have decreased under Obama, does this not mean that Obama has scaled back on liberal internationalism in other areas of American foreign policy. Through the Asia Pivot, Obama has demonstrated his intentions to solidify American presence in Asian multilateral institutions. He now frequently attends regional meetings of institutions in the Asia-Pacific, and is in negotiation to sign a large trade agreement between countries in Asia

and in the Western Hemisphere.

It will be very interesting to see how the Trans-Pacific Partnership is going to develop in the coming years. If the partnership will indeed be signed by the currently involved countries, China will experience the formation of a trading bloc in its own region and it might lose volume in export to the region to the U.S. However, if China decides to join TPP in the future, it will have to do so on American conditions.

Moreover, if the U.S. is successful in signing an agreement that will indeed create a vast growth in markets for American commodities, there might be a slight chance that the U.S. can bring back its dependence on China and instead stimulate its own manufacturing industry. However, further academic research will have to be dedicated to possibilities for the U.S. of returning to an empire of production.

For now one thing is clear: for the near future China and the U.S. will have to cooperate in a way that foregoes both their ideologies, since both their economies are at stake.

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