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Transcript

CHINA IN THE WORLD PODCAST

Host: **Paul Haenle**

Guest: **Dennis Wilder**

Episode 68: U.S.-China Relations Past and
Present, Part II

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Haenle: Today we're delighted to welcome my old colleague and good friend, Dennis Wilder. Dennis previously served as the special assistant to President George W. Bush and senior director for East Asian Affairs and previous to that as the China director on President George W. Bush's National Security Council. Dennis just recently retired after close to four decades of public service as a leading China expert in the intelligence and diplomatic communities and has now taken on a new role at Georgetown university as an assistant professor of practice in the Asia studies program and senior fellow at the University's new initiative for U.S.-China dialogue on global issues. Dennis is here this week being hosted by the Carnegie-Tsinghua Center and will participate in Tsinghua University's fifth annual World Peace Forum, the premier security forum here in China for global affairs and international security issues, and that will take place July 16 and 17 here in Beijing. Today we're going to speak to Dennis about several timely issues which he has been working on and following frankly for decades, including North Korea—both the Nuclear issue and the cyber dimension of that issue—as well as U.S.-China relations more broadly. Dennis, I want to thank you very much for joining us here in Beijing and thanks for joining the podcast this morning.

Wilder: Well Paul it's a great pleasure to be here in Beijing and I thank Carnegie for giving me this opportunity. It's been a long time since I was in China. I came to the Olympics with President Bush in 2008 and this is my first visit back to Beijing, so I'm delighted to be here and delighted to have a chance to chat.

Haenle: Let's look at the U.S.-China relationship more recently. You mentioned the trip that you took with President Bush in 2008 as part of the U.S. delegation—which I was, as well—and I remember President Bush had a wonderful time, he wanted to watch the sports events and that was his big focus. But he did meet, of course, with President Hu Jintao and Xi Jinping, so he did some work while he was here but he really was here to see the games. But it came at the end of the Bush administration, it was August of 2008, of course he was out of office four or five months later. And so it was at a time period where you could sort of look back and see how the relationship, what had taken place, and where things were and I think at that point there was a feeling that it was in a pretty good place. And I remember when at the end of the Bush administration you and I were both working in the Asia directorate—you were my boss as the head of Asia—and I think we had a sense that President Bush left the relationship in a more stable footing in many ways than he had found it early on, especially how you mentioned things like the EP3 incident. Now we're coming to the tail end of the Obama administration, you've got seven plus years—it's almost exactly at the point where we were with President Bush and the Olympics—and so we can look back now and see how things have developed. And I want to sort of get some of your insights and see how you assess the legacy of the Obama administration's China policy. And stepping back, given that you have studied the U.S.-China relationship for close to four decades and seen it go through ups and downs during that time-period, how would you characterize the state of the relationship today?

Wilder: Well, first of all, can you stop talking about four decades? I started work in the U.S. government at age 12 and that's how I managed four decades.

Haenle: Alright so more than three decades.

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Wilder: More than three decades would be nicer. 客气话。

I think that the Obama administration faced a very different set of circumstances because right after the Olympics—you will remember—we had the financial meltdown in the United States... a very scary moment for Americans, one that could have ended in another depression, one that the steady hands of Hank Paulson and Jim Geithner and others—and President Bush—really got us through. But it changed the dynamics of U.S.-China relations, because from then on where we had been the model for China before that, the Chinese had a lot of concerns about the American economic model. And I think the balance in the relationship shifted to some degree. So in that sense they have in the Obama administration confronted a new set of circumstances and I think both sides have struggled to figure out how in this new period we engage each other constructively, and it's been tough. So, at the end of the Obama administration, I would have to say that mistrust—strategic mistrust—is a real problem. And it is a problem that I don't think we had at the end of the Bush administration. I think at the end of the Bush administration—partially because President Bush was so good at explaining the American position, he was very candid with the Chinese side, he had built excellent relations—I think we had lowered the mistrust. I think that unfortunately there's been a misreading of the American pivot to Asia, I think there's been some misreading of China's intentions, and I think the next administration is really going to have to work on this area of strategic mistrust, and when I use that phrase I use it in the sense of a fundamental distrust of the strategic intentions of both sides.

Haenle: One of the things that President Bush—when we worked for him—put such a premium on was personal diplomacy. Of course, this is one way to work through that mistrust is for the leaders to establish that personal relationship. I remember President Bush tells the story—when he was president—when he would meet with his counterparts for the first time and their big question they would ask him was, “What keeps you up at night? What keeps you awake at night?” And he would of course say, “911. Another 911—a second 911—is the kind of thing that keeps me awake at night. What keeps you awake at night?” And he would do this to get a sense of what really focuses this leader's attention on a daily basis so that he can better understand him and really work with him, and I think President Bush and his father, George Herbert Walker Bush, were very, very good at that. President Obama has tried to develop a personal relationship with the Chinese president. After his reelection in 2012 in the spring of 2013 the two leaders met at Sunnylands, for really the specific intention of building that personal relationship, having blue sky discussions, to try to work through some of the strategic issues from a more personal standpoint. Has that worked and if not, why?

Wilder: I think that I commend the president for working at that level to build the relationship. I think there have been, though, a couple of issues that we can take away as lessons for a new administration. First of all, one of the things that was successful in the Bush administration was President Bush putting certain cabinet officials in charge of, let's say husbanding, the relationship. So you'll remember at the end of the administration Hank Paulson was brought in for the specific purpose in many ways as treasury secretary of husbanding the economic relationship because it'd become so important that this work well. And you will recall that he established this economic dialogue with Madame Wu Yi and then with Wang Qishan. I think that the Strategic and Economic Dialogue as it exists today is a much more technocratic process—a very important

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process—but involves hundreds of people on both sides. What is needed—I think in a new administration—is a return to point people on key issues in the U.S.-China relationship, who build the ties, who can build on the meetings between the senior leaders because there's no way that periodic meetings between the presidents can work on all the issues. It's just not realistic. So they need to appoint trusted people close to them to work these issues. Let me give you an example from the Obama administration: I think the fact that the president put the climate change in the hands of his counselor at the time, John Podesta, was an extremely effective way of getting those negotiations to a win-win solution.

Haenle: Of course, Podesta had a direct line to the president.

Wilder: He was right in the office next to the president at that time. He had his own gravitas as a senior member of the Democratic establishment, he had his own ties on Capitol Hill, he was able to deliver a historic climate change agreement for the president, and I think that shows how personal diplomacy at the very top can be tremendously useful.

Haenle: So following on to that, one of the many things I learned from you, working for you back in 2007 and 2008 on China, was that despite the fact that we have a laundry list of issues that we want to solve with China, you really have to set priorities and you have to pick out those two or three or maybe four issues that are really critical. And then use that personal diplomacy—like in the case of climate change with President Obama and John Podesta—to really drive it through and make progress. Looking to the next administration in January of 2017, if you were advising that new president, what would be on the list of two, or three, or maybe four issues that the next administration should really try to make some progress on with China? What would you put on that list?

Wilder: I think that list is actually easy at this point. I think it comes out every day at us. And there are three that I would put on it. Number one is improving the economic relationship between the United States and China. There is a protectionist sentiment in the United States that is very real today represented by the campaign of Mr. Trump. There are many Americans who are unconvinced that globalization, free trade, and the way that we have handled China relations has been to their benefit. In fact, they are quite convinced that it has been to their detriment. Not dissimilar by the way, to many people in the UK having the same reaction to trade with the European Union. And I think that the new administration will have to find a way to engage China constructively on these questions, and China will have to find a way to engage the American side constructively on these questions in order to avoid a trade war. And I know that sounds rather stark but my vacation home is in an area of the United States where I can tell you these people are angry. The blue collar in the United States are disillusioned with their own politicians, they're disillusioned on China, and I think this has got to be the number one issue if we're going to improve the relationship.

The second area that comes through to me—because I think it is a national security danger of the first order—is North Korea. The North Koreans—despite the best efforts of the United States and China—refuse to negotiate on their nuclear capability. If North Korea actually possesses nuclear weapons with capability to [be in the] range [of] the United States, this sets up a whole set of parameters in North East Asia that are not good for the relationship, and are not good for China's

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strategic position. Already you see the Chinese reacting strongly to the decision by the South Koreans to work with the United States on a THAAD defense system. That system is not designed to deal with Chinese missiles and yet, from the Chinese point of view, they feel it endangers their national security. That is a failure of the United States and China to work together constructively to find an answer to this question. We have got to get back to a position where we are moving the North Koreans in the right direction, not the wrong direction.

And then the third area is what I discussed a little earlier and that's strategic mistrust. We have got to find a way to get away from megaphone diplomacy over strategic issues, and what I meant is on the U.S. side you have American defense officials making some very strong statements and strong inferences about China's intentions, and on the Chinese side you have PLA officers—some retired, some serving—who make equally inflammatory statements about U.S. intentions in the region. I think the diplomats have got to return to center stage on this issue. I think that it is not insoluble. I think there's been a lot of misunderstanding on the pivot and I think on the U.S. side a lot of misunderstanding of China's military growth and posture.

Haenle: Well I'm glad those issues are key issues, and I'm glad to know that the Carnegie–Tsinghua Center is working on each and every one of those.

Wilder: I knew you would be.

Haenle: But in fact, we have a U.S.-China Trust Initiative, which is specifically aimed at this issue of strategic mistrust and trying to identify many of the root causes and how we can work to build greater trust. But you're working on a new initiative at Georgetown...

Wilder: I am.

Haenle: ...which is called the Initiative for U.S.-China Dialogue on Global Issues and I think it's also an effort to select a number of issues that are important to China but also important to the United States. It's a university-wide platform for research, teaching, and high-level dialogue among U.S. and Chinese leaders, and it will address many of those common challenges that the United States and China face today. I'd like to hear just a little bit more about the project if you'd be willing to talk about it and why do you think it's important and how is it different from others in this space that we're talking about?

Wilder: Absolutely. Thank you. First of all, let me say what it is not. We think that Carnegie and others do a tremendous job on the think tank side working on China issues. You produce excellent policy papers, research on the main issues of the day, and we are leaving that ground to the think tanks. Ours is an academic endeavor. We are very pleased that we received a very generous gift from a donor of \$10 million dollars to begin this new effort at Georgetown. What we are trying to do is use our unique space. Why are we unique? First of all, we're only miles from the White House, from the centers of U.S. government. That's very different from some of the other major university centers in the United States. Secondly, we have a long tradition in China. If you take Matteo Ricci as a Jesuit at the beginning of the Jesuit relationship with China—in 1600—we are the premier Jesuit University, the first in the United States, and so our roots in China go very deep. What we hope to do is this: We want to find those areas—particularly on global engagement—

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where U.S. scholars and Chinese scholars can contribute...their academic credentials, their academic expertise, to helping to solve problems. The two areas we've chosen first are not surprising. One we've already mentioned: climate change. There are a lot of issues beyond just the Paris Agreement that need to be discussed. There are issues of how do we fund third-world, green energy. How do the United States and China work to help the third-world become greener in their production of energy? They're all going to have to have new energy sources. How do we assist that process? And we have a very, very exciting new dialogue that I've just sat in on the first meeting of, that we're doing now. The second area is global health and pandemics. It's no secret that we all now in a globalized world have to think about this...that it is both a global issue and a domestic issue, for both of our countries. And we have some of the best scholars on both the Chinese side and the American side who are beginning some very exciting projects in this area as well.

Haenle: Well we wish you the best of luck. Glad to know that you're not leaving the U.S.-China realm altogether as you leave government.

Wilder: Absolutely not.

Haenle: We wish you the best of luck and I hope there's a way—potentially—that this new initiative at Georgetown and the Carnegie–Tsinghua Center, frankly, can find some ways to collaborate and we certainly hope—at least—to get you back to come visit us in the future.

Wilder: Well thank you very much, Paul, and of course we are ready, willing to partner with everyone interested in moving this forward, and Carnegie is one of the finest, and so naturally Georgetown is interested in your efforts.

Haenle: Appreciate that. Well thank you very much for spending time with us today. That's it for this edition of the Carnegie–Tsinghua China in the World Podcast. I encourage you to explore our site and see the work of all our scholars at the Carnegie–Tsinghua Center. Thank you for listening. Be sure to tune in next time.