



A Global Imperative

*A Progressive Approach to U.S.-China
Relations in the 21st Century*

August 2008

ABOUT THE CHINA TASK FORCE AND THIS REPORT

To read the unabridged report, visit:
www.americanprogress.org/issues/2008/08/china_report.html

The Center for American Progress recognized the need for an updated and forward-looking approach to China—one that understands the challenges as well as opportunities of China’s dynamic rise. We needed to develop a China policy that adapted to the realities of the 21st Century and would leave Americans safer and more prosperous.

To this end, the national security team at the Center assembled a list of top China specialists from around the country and reached out to experts from a variety of backgrounds—academia, policy, business, and journalism, as well as advocates in the field. Participants ranged in their experiences and ideological positions. Under the leadership of then Senior Vice President for National Security Robert Boorstin, and with the support of Rebecca Schultz, the national security team at the Center convened a series of meetings with the task force over the course of a year and numerous consultations thereafter.

The meetings covered issues ranging from China’s economic development and military modernization to human rights and climate change. Many of the insights, ideas, and recommendations that emerged from these meetings came to serve as the foundation of this report. We would also like to thank our task force members, presenters, and reviewers, whose insights, ideas, and oversight were critical to the formulation of this report. Task force members participated in many of our meetings and several rounds of reviews of this report. They generously lent us their valuable thoughts; many of them offered significant personal time and energy.

This report could not have been written without the sustained assistance of Liz Economy, Bates Gill, Harry Harding, and Evan Medeiros, who were present from the

genesis to the conclusion of this report, and went above and beyond in their contributions. They provided intellectual leadership, numerous rounds of meticulous edits and comments, and long hours of their personal time to the project. While we are deeply indebted to them, it is important to note that they do not necessarily agree with all the content of the report. The views, findings and recommendations here are the responsibility of the authors and the Center for American Progress.

The task force members included Robert Boorstin, Elizabeth Economy, Erin Ennis, Michael Fuchs, Bates Gill, Andy Grotto, Harry Harding, Sharon Hom, James Mann, Evan Medeiros, Peter Rundlet, Andrew Scobell, Rebecca Schultz, Adam Segal, David Shlapak, Michael Swaine, and Anne Thurston. A number of guests and presenters attended task force meetings, and we would like to thank them for their work. We also benefited greatly from the additional comments, edits, and oversights of our reviewers, including Richard Bush, Roger Cliff, Rudy deLeon, Kenneth Lieberthal, Jim Loi, Andy Nathan, Bill Overholt, Ira Shapiro, and William Schulz.

Robert Sussman, Senior Fellow at the Center and a veteran of the energy and environmental policy fields, was instrumental in drafting the report’s lead chapter on Climate Change and Energy.

The report reflects only the opinions of the authors and the Center for American Progress. The authors take full responsibility for any errors that may appear in it. Participation of task force members and reviewers is not an endorsement of the content and opinions of this report.

MEMORANDUM

To: The U.S. President-elect
From: The Center for American Progress
Re: A Progressive China Policy

The choices you make as the next president will have a defining influence on the contours of U.S.-China relations and, ultimately, China's trajectory as a rising power.

Realizing the potential of the U.S.-China relationship, while guarding against future uncertainties, will constitute a central challenge of your presidency and of American foreign policy this century. Because China's future remains deeply uncertain, we can assume neither that the stability nor the prosperity that have generally characterized U.S.-China relations for the past several decades will continue, nor that conflict is inevitable.

As president, you will have to manage the many national security problems bequeathed to you by your predecessor, especially in Iraq and Afghanistan, alongside a struggling global economy. But China's rise across nearly *every* dimension of power is a central strategic fact of the 21st century, and your choices will shape the geopolitical environment for a long time to come. While the United States cannot determine what path China takes, your administration can help create the global context for China's peaceful rise.

Getting China strategy right *from the beginning of your administration* will be critical to a successful U.S. policy on China. Presidents Ronald Reagan, Bill Clinton, and George W. Bush all entered the White House in the wake of presidential campaigns replete with promises to be "tougher" on China—only to embrace a more pragmatic approach once the realities of the relationship became apparent. All three presidents lost valuable time and political capital.

Today, rapid changes to the global economy, the outsourcing and offshoring of U.S. jobs to China, and overall U.S. economic weakness combine to give unique momentum to the case that you, too, should take a "tougher" stance. To be sure, we have many serious policy differences with China—on human rights, currency exchange rates, and Sudan, to name a few. Yet the urgency of our shared challenges, most particularly on the need for dramatic reductions in global carbon emissions, but also on North Korea and other issues, requires a results-oriented strategy from the beginning.

Thus, you must reject the alarmism that frequently clouds policy debates on U.S.-China relations and take a clear-eyed, practical approach that does not see ruin or victory around every corner, but instead makes steady progress in advancing American interests. Our "risk management" approach to China outlined in this report focuses on real results by recognizing China's growing importance to global problem-solving. We need to engage China's leaders and the Chinese people in the urgent challenges of our time, including global warming. Without a serious commitment by the United States and China, humankind will not be able to avoid the most dire consequences of climate change. We cannot afford to continue with a reactive, piecemeal, and uncoordinated policy. Now is the time to embark upon a progressive strategy toward China.

By Nina Hachigian,
Michael Schiffer,
& Winny Chen

A Global Imperative

*A Progressive Approach to U.S.-China
Relations in the 21st Century*

INTRODUCTION AND SUMMARY

The next four years offer a critical window of opportunity to forge an innovative, durable, pragmatic, and effective approach to U.S.-China relations. A progressive China policy will safeguard U.S. national security interests, encourage the emergence of a China that meets its responsibilities both to the international community and to its own people, and ensure that Americans as well as Chinese are able to enjoy a rising standard of living.

The ultimate goal of our China policy is the emergence of a China that adopts a cooperative and mutually beneficial relationship with the United States, and fulfills its responsibilities as a stakeholder in the global system by addressing the most urgent global challenges, such as tackling climate change, fighting weapons proliferation, and promoting global prosperity. Our China policy aims to encourage a China that develops over time a stable, equitable, and open domestic system—one that guarantees universal human rights, including social, political, economic, labor, and religious rights.

Given China's uncertain future, the United States must always ensure that it retains adequate capabilities to respond to the variety of scenarios that flow from a strong and aggressive China or a weak and unstable one. But our policy toward China must also work toward renewing the international system of multilateral rules, norms, and

institutions that has proven durable and effective in integrating new powers, growing the global economy, preserving the peace, promoting political pluralism, and safeguarding U.S. interests.

Many of these multilateral institutions need reform and adjustment, offering the United States an opportunity to recommit itself to this effort, and to draw China into these processes. The United States should work to include China as a more engaged

and responsible global partner, give China a greater stake in the current system, and further bind China to the global success of these efforts. Working toward this goal is imperative because effective solutions to the most pressing problems of our time—global warming, terrorism, pandemic disease, expanding the global middle class, and nuclear nonproliferation—cannot happen without the full participation of the United States and China.



Chinese Vice Premier Wu Yi, 2nd left, and U.S. Treasury Secretary Henry Paulson, right, with both countries delegates sit during the Third China-U.S. Strategic Economic Dialogue at Grand Epoch City in Xianghe, central China's Hubei province, southeast of Beijing. Source: AP Photo

A PROGRESSIVE STRATEGY: U.S. STRATEGIC GOALS

The next president and his administration must move beyond the current, China policy framework of “engaging but hedging.” Instead, we suggest a practical, forward-looking “risk management” strategy to forge a new phase in U.S.-China relations. Such an approach contains these core elements: embedding

China in the international arena; managing the risk of China’s uncertain future trajectory; understanding and collaborating with China while engaging the rest of the world in dealing with China; and re-establishing U.S. moral authority and global economic competitiveness.

Embed China

The United States should move beyond the engagement strategy we've pursued for 30 years and seek China's integration into the international system as a responsible, engaged, and respected stakeholder so it can address urgent global problems such as climate change. In the long run, this will strengthen the international system and will also help mold China's behavior. The United States should signal to China that it understands China occupies an important place in the existing international order, that its development depends on the preservation of that order, and that the United



A local tour guide walks along the Bund, one of the most visited tourist destinations in Shanghai. In the background is Pudong, the city's new business and finance landmark. Source: AP Photo

States and the world expect China to fulfill its regional and international responsibilities. In return for China's fulfillment of more responsibilities, it will have greater opportunities to shape evolving norms, rules, and institutions.

Manage potential downside and upside risk

The United States must always ensure it retains adequate capacity, militarily and diplomatically, to handle a variety of scenarios that could result from China's

strengths and weaknesses. The uncertainties regarding China's possible future pathways cut across a broad range of issues, from internal governance, to military



Human rights and pro-democracy activists demonstrate outside the venues for the Olympic equestrian competition in suburban Sha Tin district, Hong Kong Friday, Aug. 8, 2008. Source: AP Photos

modernization, to consumer protection, to nationalism, and to Taiwan. Indeed, the likeliest scenarios for the foreseeable future is a China with a "mixed record," meeting U.S. expectations and requests in some areas, but falling short in others. We must be prepared for every contingency.

Better understand China

The United States must devote greater resources to understanding China, especially its leaders' thinking and their priorities in foreign policy, domestic and economic policies, and military planning. Greater diplomatic, intelligence, and military assets should be devoted to this important task.

Collaborate with China

Common challenges, such as sustaining and broadening global economic growth, curbing climate change, staunching the proliferation of weapons of mass destruction, and combating infectious diseases,

will require the United States and China and the international community to cooperate on large-scale, long-term policies. While we must be clear when we have differences, the next president and his administration should seek to establish a collaborative relationship with China where possible, and dispel notions that the United States seeks to inhibit China's peaceful development.

Cooperate with other nations to influence China

Persuading China to consider its global responsibilities has not been easy, but working through multilateral channels and building international pressure has effectively induced China to modify its stance, at times, on certain controversial issues, among them nonproliferation and dealing with North Korea. The United States must strengthen



Dozen of warships of the South China Sea Fleet were deployed in the competitive training to improve combat capability of the fleet, Xinhua said. Source: AP Photo

its ties with other nations and with global institutions when dealing with China on many issues, including global warming, human rights, international economic integration, and China's opaque military buildup. On bilateral issues, prioritizing U.S. demands will be key to effectively eliciting results from China.

Reestablish U.S. moral authority

Key to effective bilateral relations with China is reestablishing U.S. moral authority and leadership around the globe. America's ability to lead by example remains our most powerful asset. The United States must once again provide leadership and direction based on our nation's fundamental values.

Prepare to compete globally

The United States can neither engage China from a position of strength nor guarantee U.S. competitiveness in a globalized world unless we put our own domestic house in order. To compete successfully amid rapid globalization, the United States must invest in key domestic priorities, among them transforming to a low-carbon economy, feeding our science and technology innovation engine, empowering workers to seize the opportunities of globalization, and ensuring that the next generation is well prepared to thrive.

U.S.-CHINA POLICY PRIORITIES

The scope, breadth, and complexity of U.S.-China relations will require coordination and prioritization within the U.S. government—a critical and daunting task. It will require consistent high-level attention and engagement starting with the president. A commitment to regularized presidential-level meetings between the United States and China are necessary both to further strategic dialogue and consensus between our two nations, and to facilitate decisions on pressing issues that demand resolution. Given the array of issues at play in the relationship, we need coordinated policy making—in digestible portions—that addresses the multiplicity of political, security, and economic issues.

These separate but coordinated dialogues should each be headed by appropriate cabinet-level officials, and will be critical to assure that outstanding issues are addressed and strategic dialogue moves forward. And it is imperative that the next administration consult with Congress early and often to forge a coalition that can support a progressive China policy.

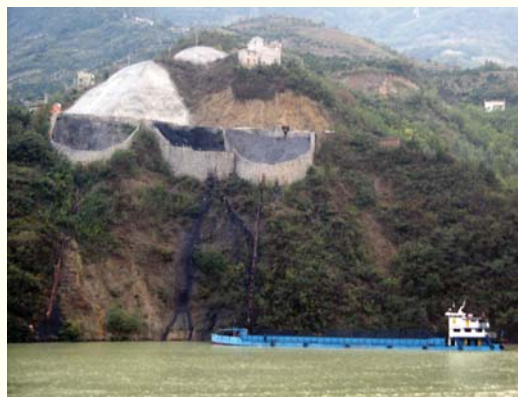
The next president should concentrate on six policy priorities in U.S.-China relations:

- Climate change and energy security
- Balanced and sustainable global growth
- Enhanced security in the Asia-Pacific region
- China's military modernization
- Stability in the Taiwan Strait
- Governance and individual rights

Coordinating U.S. policy on China in these six arenas will demand that senior officials in the next administration manage Sino-U.S. relations across departments and in league with Congress. At the same time, engaging Chinese officials in a coordinated fashion will allow the United States to assess more easily the opportunities and risks inherent in U.S.-China relations at different working levels within China. This pragmatic approach will allow the United States to tackle the tough problems in our bilateral relations while engaging China on our common global interests.

Climate change and energy security

The next president and his administration have an unparalleled opportunity to engage China in a constructive partnership on climate change and energy security—an extraordinary and urgent challenge we face in this new century. The Bush administration's shortsighted energy policies and refusal to commit to reductions in greenhouse gases prevented the United States from exploring and building on our two nations' shared objectives. Tackling climate change in earnest



A loading point for coal barges on the Yangtze River.
Source: Flickr/Rose Davies

offers the opportunity not only to safeguard the future of our environment but also to enhance the U.S.-China relationship by creating common ground on this critical issue. As the two largest emitters of greenhouse gases in the world, both nations must work together to find solutions that will stave off the most severe consequences of climate change. No international effort to address global warming will be successful without the full engagement of both countries.

Consequently, the next president should announce early in his administration that the United States will commit to substantial, mandatory reductions in U.S. greenhouse gas emissions that are not conditioned on the specific actions taken by China. At the same time, the president should make clear that China and other developing countries must assume meaningful, binding commitments to slow and ultimately reverse the growth of greenhouse gas emissions.

To lower its rate of emissions growth, China should commit to ambitious goals for improving energy efficiency, increasing renewable power, and accelerating deployment of advanced clean energy technologies. In addition, China should be pressed to agree to a fixed date by which it would begin reducing emissions in absolute terms. When coupled with the contributions of developed countries, these reductions should be of a magnitude sufficient to achieve an overall global emission reduction of 50 percent below 1990 levels by 2050.

The next president should make clear that, in parallel with far-reaching actions to reduce emissions, our government will protect the interests of U.S. workers in industries that could be placed at risk under a global climate change agreement if unequal cost burdens are imposed on producers in developed and developing countries. The extent of these measures to preserve U.S. competi-

tiveness should depend on how far China goes to reduce its carbon footprint, which will in turn determine whether there is a level economic playing field for our major energy-intensive industries.

To reinforce our efforts to negotiate an acceptable global agreement, the next administration should work directly with China on mutually beneficial initiatives to improve environmental protection, stimulate deployment of clean-energy technologies, and enhance China's technical and institutional capacity to address environmental and energy challenges. The next president should call for the two countries to immediately undertake a program of cooperative research and development on climate change and energy security, including demonstration projects to speed the deployment of advanced energy technologies. The new administration should also support mechanisms in U.S. climate legislation that create project-based carbon-emission credit opportunities for U.S. companies that allow them to offset their carbon emissions by investing in emission-reduction projects in developing countries.

Finally, our next president should signal the seriousness of our nation's commitment to work with China as an equal to combat climate change and boost global energy security by pushing for greater and regular Chinese participation in the International Energy Agency. Successfully partnering with China on climate change and energy security on a bilateral basis and on the global stage holds the potential to create positive interactions between our two governments and our two peoples. This, in turn, could generate positive spillover across many aspects of our bilateral relationship.

Making progress on global warming and energy security could benefit our economy by creating new export opportunities for

American clean energy companies. It would help promote human rights and civil society capacity-building by strengthening environmental nongovernment organizations and the ability of citizens to hold local leaders accountable for environmental degradation. And tackling climate change and energy security together will strengthen Asia-Pacific regional security and stability by highlighting an issue on which greater cooperation with Japan, a leader in energy efficiency, could be beneficial.

Balanced and sustainable global growth



Workers assemble toys at the production line in Dongguan, China. Source: AP Photo

The next administration will need to build a more equitable and mutually advantageous economic relationship with China. It must encourage China to be a more responsible steward of the international economic system, and to accelerate market-based economic and labor market reforms. But the next administration must also improve America's own economic and technological competitiveness so that our country competes in the global economy from a more secure position of strength. An important measure of whether the next administration manages a successful economic relationship with China will be rising standards of living for a greater number of Americans, as well as a greater number of Chinese.

The next administration should use a high-level bilateral dialogue (like the ongoing Strategic Economic Dialogue initiated by Treasury Secretary Henry Paulson) to sharpen the focus on a number of areas, including not just energy and climate but also enforcement of international trade and regulatory standards; institutional reforms including social safety nets and proper enforcement of labor standards; exchange rate policy; and compliance with international rules on foreign aid. The United States must also bring advancement of working conditions and labor rights into those discussions, and push for China to honor its commitments as a founding member of the International Labor Organization.

The United States must be prepared to use both multilateral and unilateral tools, such as the World Trade Organization and the International Trade Commission, to enforce economic agreements and standards. In addition, the United States, in concert with other nations, should propose that in exchange for China gaining a greater voice in international economic institutions such as the International Monetary Fund, the World Bank, and the Group of Eight process, China will take further steps consistent with becoming a responsible steward of the global economic system.

At home, the next administration must renew our domestic competitiveness. America must invest in human capital and create a nimble,



The next administration must work to promote U.S. businesses. Source: AP Photo

innovative workforce at every skill level. The United States must empower workers with the public policy tools they need to become an even more flexible workforce, including universal health care, expanded unemployment benefits, and new jobs training programs, with a focus on the growth sectors of green jobs. We also must seek to restore economic mobility and put ourselves back on a path of fiscal responsibility.

Enhanced security in the Asia-Pacific region

To get national security policy toward China right, the United States needs to get its Asia-Pacific regional strategy right. Stability and security in East Asia is increasingly tied to overall U.S. national security goals; conflict and instability in East Asia



Delegates meet in Singapore at the 15th ASEAN Regional Forum Retreat on July 24, 2008. Source: AP Photo

would undermine a broad range of U.S. economic and security interests. The rise of China complicates the challenge of U.S. policy in the region, but it also affords us a chance to reinvigorate relations with our long-standing allies and partners in the region. U.S. political and diplomatic leverage in Asia depends on greater engagement.

The new administration should reaffirm the U.S. security commitment to allies and partners in the region. The United States should engage diplomatically with consistency at the highest levels to repair, revitalize, and bolster U.S. involvement in regional

security, and economic and political affairs, leveraging traditional bilateral means and new multilateral forums. A first step would be signing the Association for South East Asian Nations' Treaty of Amity and Cooperation, and, in the context of ongoing progress in the Six Party Talks, working with Japan, South Korea, and China to develop a permanent institution dealing with security issues in Northeast Asia. The United States must also work with China on shared regional interests, including rolling back the North Korean nuclear program.

China's military modernization

China's military modernization is focused on developing limited force projection capabilities alongside anti-access and area denial capabilities by leveraging advanced precision strike missiles, cyber-warfare, and anti-satellite weapons. Still, China suffers from very serious weaknesses in its military, including many obsolete weapon systems, a lack of battle experience, and not a single working aircraft carrier or military base outside of China—despite years of double-digit growth in its military budget.

The new president should task the Department of Defense with conducting an in-depth assessment of the ability of U.S. forces to fulfill our security commitments in the Western Pacific in the face of



Military delegates arrive for the opening ceremony of the National People's Congress at Beijing's Great Hall of the People Wednesday March 5, 2008. Source: AP Photo

the Chinese military capabilities over the next decade. Based on that review, and in light of the toll Iraq has taken on the U.S. military, the new administration needs to develop a long-term defense program and strategy for U.S. basing and posture in the Western Pacific, and then make specific recommendations for investment, acquisitions, and procurements.

Greater trust and confidence between the United States and Chinese militaries will help contribute to greater strategic stability in the region. The United States should work with allies in the region to press China for greater transparency in its military modernization. The new administration should also intensify the strategic nuclear dialogue with China, deepen the high-level strategic dialogue on regional security issues, and initiate treaty discussions on weaponization and militarization of space. Additionally, the new administration should increase joint military capacity with allies in the region.

Stability in the Taiwan Strait

Taiwan is the most sensitive issue in the U.S.-China relationship. Despite recent improvements in tone and tenor of relations between Taipei and Beijing, Taiwan still remains an issue that could trigger greater tension and perhaps open armed confrontation between China and the United States. To Beijing, the island of Taiwan is the last piece of Chinese territory not reintegrated back into the nation after more than a century of struggle. But to the United States a thriving democratic Taiwan is linked to U.S. regional credibility and our democratic values.

Maintaining the now standard set of diplomatic assurances that offer a common language for Beijing and Washington and Taipei is an important starting point for any efforts to address cross-Strait issues. The



Taiwan is the most sensitive issue in the U.S.-China relationship. Source: Flickr/davidreid.

United States should encourage Beijing and Taipei to continue building commercial, cultural, economic, and other ties to enhance confidence and trust in their interactions. We should also rebuild a relationship of trust with Taiwan and respond in accordance with the Taiwan Relations Act to appropriate Taiwanese requests to meet their defensive needs.

Governance and individual rights

China's human rights record remains poor. China's economic liberalization has lifted millions out of poverty, but progress toward political openness and pluralistic reform is incomplete, and in some ways regressing. Electoral reform at the local level seems stalled, and organized political dissent not tolerated. In other pockets, though, there is progress—the Chinese government is imposing more accountability on officials and providing



Poverty remains prevalent despite economic growth in China. Source: Flickr/sheilaz413.

more societal input into policy decisions.

Political and social change in China will largely need to come from within, but the United States can influence those developments. China's desire to be treated as a respected member of the international community is a principal point of leverage for political change, as are China's own governance needs and the aspirations of the Chinese people. What is required is a persistent but respectful witnessing to the *universality* of human rights, and encouraging other nations and groups of nations to reinforce concerns about China's human rights, including labor rights practices.

The new administration should work with mechanisms that bring together international opinion to pressure China on human rights. The United States should enhance bilateral U.S.-China and EU-China human rights dialogue, and encourage China to ratify the International Covenant on Civil and Political Rights. The new president should pledge that the United States will join, and thus strengthen, the UN Human Rights Council at which China's record can be reviewed consistently, and support Chinese civil society and rule of law programs and China's engagement with the International Labor Organization.

America must work to increase its leverage in the human rights arena by reclaiming our moral authority and leadership in the

world. Chastising U.S. businesses or the Chinese government will achieve nothing if the United States doesn't live up to its own principles. The next administration must work to re-establish U.S. moral authority and leadership, which has always been one of the strongest and most efficacious tools in the American foreign policy toolbox. Leading by example is a powerful avenue America can take. Without American leadership and authority, convincing China to change will be all the more difficult.

A progressive strategy for U.S.-China relations

The United States cannot determine China's future; that task belongs to the Chinese people. But the United States can forge a relationship with China that delivers on American interests and the global common good by working with China to tackle our shared global problems, addressing our areas of difference in a sober and practical way, and facing up to our own challenges. Peacefully integrating China into the international order will embed this rising power in the web of norms and responsibilities that come with being an active participant in the world stage.

In the pages that follow, the authors of this report will detail the progressive strategic goals and top policy priorities we recommend to the new president and his administration. Our policy proposals are presented against the backdrop of current global and Sino-U.S. environmental, economic, and political realities. We believe the analysis and conclusions contained in this paper will prepare the United States to engage China effectively and assuredly in the decades to come.

An unsustainable environment

China's pollution problems are pervasive and costly

China's environmental problems are enormous and growing worse by the day. China's leadership has an enormous stake in finding sustainable solutions to its environmental and energy challenges for its own well-being. Unchecked global warming could have devastating consequences for China, and the country is already feeling the impact of horrific pollution problems on its people, government, and economy.



China's emissions accounted for two-thirds of the growth in global greenhouse gas emissions in 2007. Source: Flickr

Costs to the economy

Studies conducted inside and outside of China have found that environmental degradation is costing the Chinese economy between 8 percent and 12 percent of gross domestic product each year.¹ Natural disasters, which are up from years past, are said to cost China between 1 percent and 3 percent of GDP annually.² Absenteeism, stemming from pollution-related health ailments, is also eating into the country's productivity levels.

In China's northern and western regions, desertification and water scarcity are slowing economic growth and limiting agricultural and industrial output.³ In a study conducted by the Chinese government, scientists found that China's production of wheat, rice, and corn could decline by as much as 37 percent by the end of the century.⁴ Other countries, including the United States, are growing wary of purchasing Chinese products because of contamination by pollution and chemicals. And global warming is expected to bring severe flooding on China's coastal areas, where 41 percent of China's population, 60 percent of its wealth, and 70 percent of its megacities are located.⁵

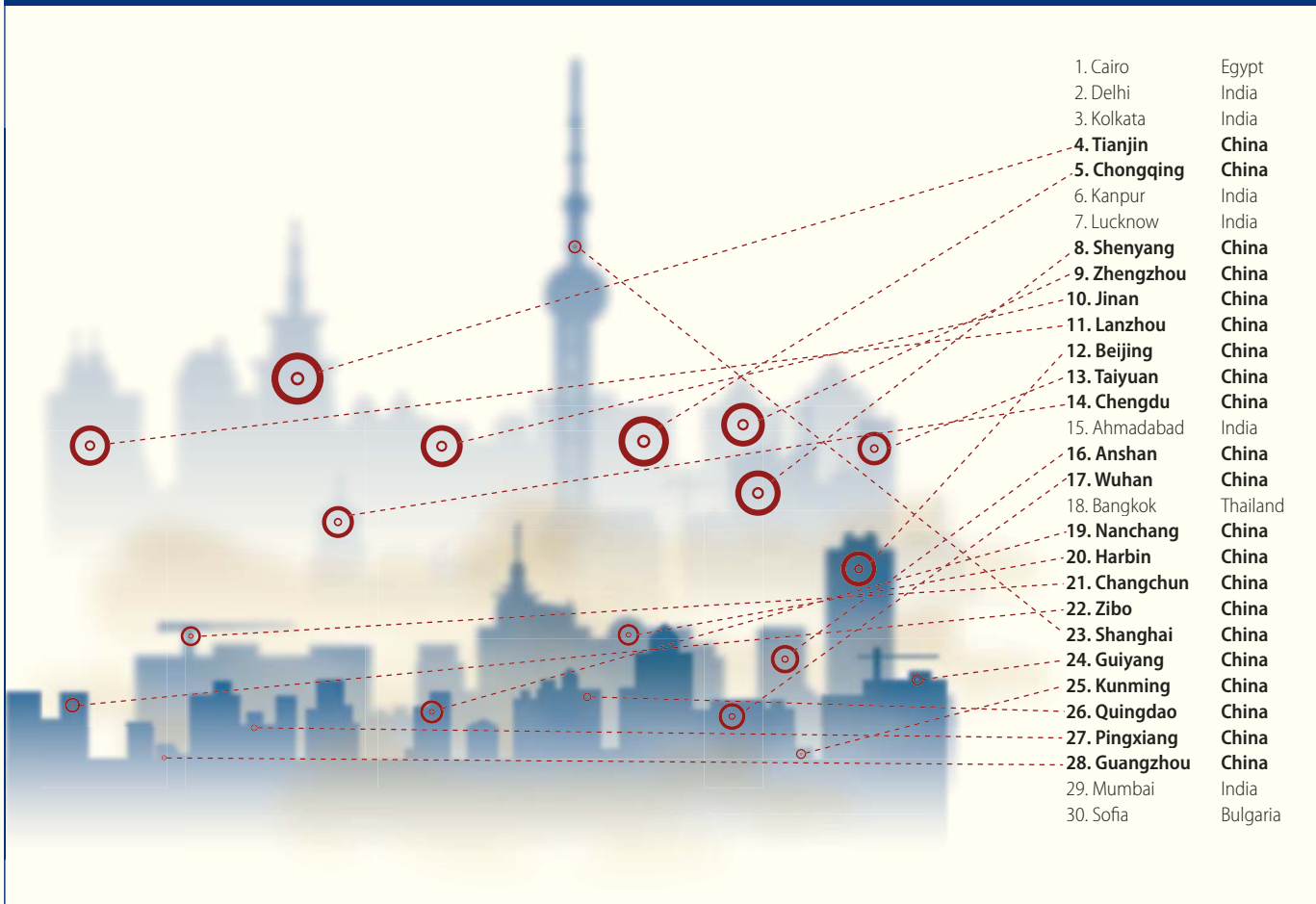
The health crisis

More than 500 million people in China—1.5 times the total U.S. population—live without access to clean water.⁶ Only 1 percent of the Chinese urban population breathes air considered safe by the European Union.⁷ An estimated 750,000 people die prematurely each year in China from breathing polluted air.⁸ And according to state-run media, “China will have the world's highest number of lung cancer patients,” adding at a rate of “1 million a year by 2025 if smoking and pollution are not effectively curbed.”⁹

Global warming will probably lead to higher rates of infectious disease in China. One Shanghai-based study concluded that the lethal H5N1 virus, also known as Avian Flu, will spread as climate change shifts the habitats and migratory patterns

CHINA'S HIDDEN SKYLINES

Twenty-one of the thirty most polluted cities in the world are now in China



The World Bank's study of particulate matter found that 21 out of the 30 most air-polluted cities in the world are in China.
Source: http://siteresources.worldbank.org/DATASTATISTICS/Resources/table3_13.pdf

of birds.¹⁰ Another study, conducted by Harvard Medical School, highlighted the link between extreme weather events and the outbreak of diseases such as malaria, typhoid, cholera, and dengue fever.¹¹ This has serious implications for China, as global warming is expected to result in major flooding on China's heavily populated eastern seaboard. The Harvard study also found that warming climates will lead to the spread of disease-carrying insects such as deer ticks, which spread Lyme Disease and are prevalent in China.

Migration and environmental refugees

Global warming has accelerated desertification of China's northern regions and exacerbated water scarcity. Regions that benefit from more abundant water sources will need to cope with an influx of migrants from water-scarce areas. One study by the United Nations projected that there could be as many as 50 million environmental refugees in China by 2010, many of them fleeing water shortages and sand dunes.¹²

Desertification will also add to the migration of rural Chinese looking for employment in already overcrowded and dangerously polluted urban centers.¹³ China's current rural-to-urban migration constitutes the greatest migration in human history.¹⁴ Overpopulated urban centers will grow in size and population, becoming breeding grounds for disease.



Source: Flickr

Social unrest

In 2007, The Minister of Environmental Protection Zhou Shengxian reported yet another increase in the number of “mass incidents” related to pollution, citing an 8 percent increase in number of petitions submitted to his agency over the same time period in 2006.¹⁵ This is presumably up from more than 51,000 environment-related protests that occurred in China in 2005, or about 1,000 protests a week, according to an independent report.¹⁶



Source: Flickr

Indeed, thousands of protestors took to the streets last year in Xiamen, an economic boomtown in China's coastal Fujian province, to halt the construction of a chemical plant. This past May, hundreds marched against the building of an ethylene plant in the city of Chengdu, the capital of inland Sichuan province. Though this march was

peaceful, the same cannot be said about all of the environment-related demonstrations around the country.

In response, China has elevated the State Environmental Protection Agency into a full-fledged cabinet-level ministry with access to the State Council's decision-making process, more staff, and greater financial support. In March 2008, Zhou announced that the ministry will bolster its law enforcement capabilities with enhanced surveillance, stricter monitoring, regular meetings, joint enforcement, and information-sharing systems between environmental protection departments of all levels, as well as law enforcement and judicial bodies.¹⁷

The severity of China's pollution and climate change problems provide an opening for the United States to collaborate with China on this urgent set of challenges. Both countries have an interest in staving off the most severe consequences of environmental degradation, and both will benefit greatly from a constructive partnership in this arena. It is a global imperative that the next U.S. president work with China and the rest of the world to address China's pollution problems and the world's climate change crisis.

ACKNOWLEDGEMENTS

The writing process for this report drew on the exceptional work of the Center's many policy shops, as well as the invaluable and relentless support of our meeting participants and reviewers. Robert Sussman, Senior Fellow at the Center and a veteran of the energy and environmental policy fields, was instrumental in drafting the report's lead chapter on Climate Change and Energy. Other members of the Center's energy team, including Peter Ogden and Kit Batten also lent the report their time, expertise and, yes, energy.

Under the leadership of the Executive Vice President at the Center, Sarah Wartell, the Center's economic team, including Jonathan Jacoby, David Madland, Richard Samans, Will Straw, Dan Tarullo, Laura Tyson, and Christian Weller, offered their expertise and ideas in shaping the chapter on Balanced and Sustainable Global Growth. And Bill Schulz, a Senior Fellow at the Center, contributed significantly to our chapter on governance and individual rights.

This report could not have been written without the sustained assistance of China experts Liz Economy, Bates Gill, Harry Harding, and Evan Medeiros, who were present from the genesis to the conclusion of this report, and went above and beyond

in their contributions. They provided intellectual leadership, numerous rounds of meticulous edits and comments, and long hours of their personal time to the project. While we are deeply indebted to them, it is important to note that they do not necessarily agree with all the content of the report—the views, findings, and recommendations here are the responsibility of the authors and the Center for American Progress.

We would also like to thank the Center for American Progress and our colleagues for their support, contribution, and endless patience. John Podesta, Sarah Wartell, Melody Barnes, Bob Boorstin, Peter Rundlet, and Rudy deLeon provided leadership and support from the very beginning of this project. The national security team was a vital part of this entire project, from participating in meetings to discussing ideas and helping with research. Ed Paisley's never-ending patience, helpful insights, and infinite talent make him one of the best. Thank you to Ed and his diligent editorial team, including Shannon Ryan, Lauren Ferguson, and Annie Schutte.

We were helped by the excellent research support of Michael Zhang, Justin Slaughter, Tony Wilson, Chris Sedgwick, Bryan Thomas, and John Gans.

ABOUT THE AUTHORS

Nina Hachigian is a Senior Vice President and Director for the California office at American Progress. Based in Los Angeles, she is the co-author of *The Next American Century: How the U.S. Can Thrive as Other Powers Rise* (Simon & Schuster, 2008). She focuses on great power relationships and U.S. foreign policy. Earlier, Hachigian was a Senior Political Scientist at RAND Corporation and, for four years, the director of the RAND Center for Asia Pacific Policy. Before RAND, she had an international affairs fellowship from the Council on Foreign Relations during which she researched the Internet in China. From 1998 to 1999, Hachigian was on the staff of the National Security Council in the White House, serving as special assistant to Jim Steinberg, the Deputy National Security Advisor, and National Security Advisor Samuel R. Berger.

Michael Schiffer is a program officer in Policy Analysis and Dialogue at the Stanley Foundation, where he is responsible for the foundation's Asia programs and a range of other US national and global security issues. He is also a Center for Asia and Pacific Studies Fellow at the University of Iowa. Before joining the foundation, he was a Council on Foreign Relations International Affairs Fellow at the National Institute of Defense Studies in Japan. From 1995 to 2004, Schiffer worked on the staff of Sen. Dianne Feinstein (D-CA), where he was her national security adviser and legislative director. Prior to that, he was director of International Security Programs at New York University's Center for War, Peace, and the News Media, and also managed a bed and breakfast inn in Hawaii.

Winnie Chen is a Research Associate for the National Security and International Policy Team at the Center for American Progress, where she supports the Senior Vice President for NSIP. She also works on the Sustainable Security Project and issues related to U.S.-China policy. Chen received her master's degree with honors from the Security Studies Program in Georgetown University's School of Foreign Service. She graduated *magna cum laude* from Georgetown with a bachelor's degree in English and Government. Prior to joining American Progress, Chen interned with the Congressional and Public Affairs Department in the Millennium Challenge Corporation and at the Henry L. Stimson Center, where she focused on East Asian regional security issues. She has also served as a litigation paralegal in the law offices of Winston & Strawn, LLP.

Center for American Progress



ABOUT THE CENTER FOR AMERICAN PROGRESS

The Center for American Progress is a nonpartisan research and educational institute dedicated to promoting a strong, just and free America that ensures opportunity for all. We believe that Americans are bound together by a common commitment to these values and we aspire to ensure that our national policies reflect these values. We work to find progressive and pragmatic solutions to significant domestic and international problems and develop policy proposals that foster a government that is “of the people, by the people, and for the people.”

Center for American Progress
1333 H Street, NW, 10th Floor
Washington, DC 20005
Tel: 202.682.1611 • Fax: 202.682.1867
www.americanprogress.org