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The Fudan Fulcrum

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To the memory of Andrew W. Marshall, a true patriot, intellectual outlier, brilliant strategist, and very fine man.

Themes of “peace” and “friendship” appear to pervade President Reagan’s remarks at Fudan University in Shanghai on April 30, 1984,¹ but beneath the diplomatic surface, the contents were highly strategic. The speech capped a series of activities that propelled the United States to victory over the Soviet Union in the Cold War, while framing the issues that define today’s competition with the People’s Republic of China (PRC). The President’s offer of Chinese access to the scientific and technological (S&T) riches of the United States had the desired effect in Moscow, even as it was paired with a warning not to underestimate the depth of American liberal values and democratic traditions, or the strength that the United States derives from them.

What we now know about how these messages were interpreted in Beijing indicates that the warning was warranted, if not heeded. Since the mid-1980s, the Chinese Communist Party (CCP) has executed a strategy to steal technology, leapfrog over more advanced countries, and thereby win what Chinese strategists identify as the “silent battlefield” contest. Anticipating this contest, Reagan identifies points of leverage for the United States to exploit against Beijing, including the PRC’s asymmetric sensitivity to homeland strikes and to intelligence about elites, as well as its persistent human capital deficit. In retrospect we can see the Fudan speech as a fulcrum from one era to the next, providing a model and a blueprint for competing with another major power in an age of globalization.

This essay proceeds in three parts, drawing where applicable on primary sources from Russia and, especially, the PRC. The first section addresses the role of Reagan’s remarks in sealing the US victory over the Soviets. The second describes Beijing’s strategy for exploiting the opportunity presented by the President’s overtures. The third and final section highlights the insights that Reagan offers about a potential future competition with the PRC.

Fudan as Model: Reagan’s Cold War Strategy

A key purpose of the speech was to publicize US defense cooperation with the PRC at the USSR’s expense, consistent with President Reagan’s instinct to press home American

¹ Variants of the word “friendship” or “friend” appear 19 times, and variants of “peace” or “peaceful” 14 times.

advantages in the Cold War competition.² Reagan believed that the United States could prevail by acting in ways that would demonstrate to an already partly demoralized Soviet *nomenklatura* the hopelessness of their position.³ By the early 1980s, Soviet scholar-officers had identified a “military-technical revolution” (MTR) being pioneered in the United States thanks in part to advances in information technology that the USSR could not replicate.⁴ Later labeled a “Revolution in Military Affairs” (RMA) in the West, the MTR was the result of a deliberate drive to develop operational concepts and technologies in the 1970s to offset the Soviet military’s advantages of mass and proximity to the European battlefield. As President Eisenhower’s nuclear build-up in the face of Soviet conventional superiority had been the original offset strategy, this new effort was called the Second Offset.

When the President took the podium at Fudan University, his administration had just taken a series of steps that reinforced Soviet vulnerability not only in Europe but also in the broader strategic competition. Within the last 12 months Reagan had announced the Strategic Defense Initiative (SDI), begun deploying nuclear-armed ballistic and cruise missiles on the continent, and executed *Able Archer*, a NATO strategic command post exercise. As these indications of American military confidence and technical competence frightened Moscow, the President moved to ensure that developments in Asia provided little solace.

Countering Soviet Expansionism in Asia

The Soviets had invaded Afghanistan in December 1979 expecting to conclude hostilities and install a friendly regime in short order. Five years later, hundreds of thousands of Russian soldiers were still fighting there, amidst growing evidence of cooperation between Beijing and Washington to exploit the quagmire. Moscow had watched with dismay as Reagan’s Secretary of State, George Shultz, and Secretary of Defense, Caspar Weinberger, traveled to Beijing in 1983 – visits during which the Soviets suspected these senior officials had pursued military technology transfer and intelligence cooperation directed at the USSR,⁵ as was reported in Western media outlets.⁶

Nor were these developments a one-off. Rather, the Soviets accurately perceived them as an extension and intensification of policies that had begun more than a decade earlier, in the Nixon administration, and continued through the Ford and Carter presidencies. As the US-PRC rapprochement proceeded, the Soviets stationed increasing numbers of troops along their southern border and deepened ties with Vietnam, signing a friendship treaty with Hanoi and supporting the Vietnamese invasion of Cambodia in late 1978. Then, in February 1979, days after Deng Xiaoping returned from a visit to the United States and little more than a month after

² Gordon S. Barrass, *The Great Cold War: Journey Through a Hall of Mirrors* (Stanford, CA: Stanford U P, 2009), 263-265.

³ Barrass, 255-256.

⁴ Dima Adamsky, *The Culture of Military Innovation: The Impact of Cultural Factors on the Revolution in Military Affairs in Russia, the US, and Israel* (Stanford, CA: Stanford U P, 2010).

⁵ Thomas Perry Thornton, “The USSR and Asia in 1983: Staying the Brezhnev Course,” *Asian Survey*, Vol. 24, No. 1 (1984), pp. 1-16, 4.

⁶ See for example, UPI, “Weinberger Hails China Ties,” *New York Times*, 6 Oct. 1983; Richard Halloran, “Weinberger’s China Visit,” *New York Times*, 30 September 1983; Christopher S. Wren, “Weinberger Hopeful,” *New York Times*, 29 September 1983.

the United States had formally recognized the PRC, Beijing responded by attacking Vietnam. The timing suggested that the United States had at least sanctioned, if not supported, the Chinese strike on a Soviet ally. Moscow chose not to probe the extent of such support by intervening on Vietnam's behalf.

After the Soviets invaded Afghanistan, President Carter's Defense Secretary Harold Brown visited Beijing and stated pointedly: "We must remind others that should they threaten the coinciding interests of the United States and China, we could respond with mutually-complementary actions both in the domain of diplomacy and defense."⁷ A book of contemporary foreign policy analysis authored by Soviet Politburo members, including Foreign Minister Andrei Gromyko, shows that they registered this threat. They also noted that on March 5, 1980, Deng Xiaoping told Hearst newspapers that increased cooperation with the Americans could be used to "contain" the Soviet Union,⁸ and that in the same month, "Sino-American talks were held in Washington on the coordination of moves in Asia, above all, those directed against the revolutionary gains of the people of Afghanistan."⁹ According to the book, in January 1980, the United States approved the transfer to the PRC of dual-use systems, including radars and tracking stations for satellites, a list that was expanded to include military hardware such as transport aircraft in March and aero-engines, diesel engines, helicopters, and radio sets by the end of the year. Over the course of 1980, moreover, "nearly 2,000 Chinese specialists and over 500 university students underwent training in the United States."¹⁰ All of this was before the Reagan administration took power.

US-PRC Technology Transfer and a New "United Front" Against Moscow

Starting in 1981, Reagan both accelerated the pace of engagement and expanded the scope. The same Soviet source observes that the new Secretary of State Alexander Haig traveled to Beijing in June of that year to inform Chinese leaders that the United States would confer on the PRC the designation of a "friendly, non-aligned country," which would enable the transfer of "high technology, equipment, and modern weapons."¹¹ The book also notes that the US Department of Commerce issued 500 licenses for the sale of dual-use systems to Beijing, that Beijing would seek to purchase "tank and aero-engines, certain types of missile and artillery systems, military transport planes and helicopters, radio-electronic and communications equipment" from the United States or NATO allies, and that "the US and other countries' members of the Coordinating Committee on Export Controls [had reportedly] reached [a] secret agreement on lifting restrictions on the sale to China of offensive arms excepting nuclear weapons."¹² By 1984 the Reagan administration was thus upgrading and rendering more concrete a pattern of cooperation that had already caught Moscow's attention.

⁷ O.B. Borisov et al., *Modern Diplomacy of Capitalist Powers*, trans. YS Shirokov and YS Sviridov (Oxford, England: Pergamon P, 1983), 225. See also HML Beri, "Weinberger's Mission in China" *Strategic Analysis*, Vol. 7, Iss. 8 (1983), pp. 609-614.

⁸ *Modern Diplomacy*, 226.

⁹ *Ibid.*, 226.

¹⁰ *Ibid.*, 226-227.

¹¹ *Ibid.*, 228-229.

¹² *Ibid.*, 227.

The Fudan address was clearly written to advance Reagan's Cold War victory strategy – targeting Soviet insecurities around both the nuclear balance and developments in Asia. The first section underscores the American intent to continue to provide access to dual-use technology and to educate Chinese students and professors about US research in sensitive fields. For instance, the President is keen to propound cooperation in space to “create a new frontier of peace,” along with the launch of new satellites for “navigation, weather forecasting, broadcasting, and computer technology.” Similarly, he announces a new US-PRC agreement on “the peaceful uses of nuclear energy,” qualified by a mutual commitment not “to encourage nuclear proliferation nor assist any other country to acquire or develop any nuclear explosive device.” Given the Soviet deficit in computers and the recent history of conflicts around the Sino-Soviet border and areas of Southeast and Central Asia of interest to both Beijing and Moscow, the latter could not have interpreted these overtures as anything less than directly threatening.

The second section of the speech outlines the major political-cultural differences separating Beijing from Washington – differences that “it would be foolish not to acknowledge...., for a friendship based on fiction will not long withstand the rigors of this world.” This section may have been intended as an advertisement for the American model, which, as discussed below, the Chinese opted to reject, but it also deprived Soviet listeners of the ability to reassure themselves that US-PRC strategic cooperation would necessarily be limited by differences of regime.

Toward the end of the address, Reagan gestures at the threat that provides a common target for the United States and the PRC:

Both the United States and China oppose the brutal and illegal occupation of Kampuchea [Cambodia]. Both the United States and China have stood together in condemning the evil and unlawful invasion of Afghanistan. Both the United States and China now share a stake in preserving peace on the Korean Peninsula, and we share a stake in preserving peace in this area of the world.

Neither of us is an expansionist power. We do not desire your land, nor you ours. We do not challenge your borders. We do not provoke your anxieties. *In fact, both the United States and China are forced to arm themselves against those who do* [emphasis added].

With reference to Sino-US cooperation, Reagan also cites the Chinese saying, “*Tong li he zuo*,” a line from the *Analects* of Confucius that means, “Connect strength, and work together.” It would not have been lost on the Soviets that Mao used this phrase when, two days after Germany invaded the Soviet Union in June 1941, he announced the formation of a “Pacific Anti-Japanese United Front” involving Chinese cooperation with the USSR, the United Kingdom, and the United States.¹³ The President was in effect telling Moscow that the USSR had put itself in the position of Nazi Germany, a revisionist aggressor that other great powers would set aside their differences to defeat.

Reagan's Cold War strategy succeeded. Less than a year after he delivered these remarks, Gorbachev became the new Soviet leader, bringing to the role a personal agenda to “stop the

¹³ *Selected Works of the Central Committee of the Communist Party of China*, Vol. 13, (1941-1942), accessible at: cpc.people.com.cn/GB/64184/64186/66644/4490517.html.

arms race, withdraw from Afghanistan, change the spirit of relations with the United States, [and] restore cooperation with China.”¹⁴ By the end of the decade, Reagan and Gorbachev had signed the Intermediate-Range Nuclear Forces (INF) treaty; the Berlin Wall had come down; and the Soviets were well on their way to giving up power. We are now in a position to judge the effects of the address not only on Moscow but also on Beijing, and then to assess, using Reagan’s remarks as a guide, where to go from here.

Cooperation and Difference Through a Chinese Lens: The PRC’s Strategy

Specifically, we can trace the Chinese Communist Party’s (CCP’s) response to both Reagan’s offer of S&T access and his acknowledgment of the deep political and cultural divisions between Washington and Beijing that this access would not mitigate.

For Chinese elites, the address was an opportunity to accelerate the execution of a strategy that they had already been pursuing to use Western capital and technology to boost the country’s international competitiveness, while not ceding – but rather, reinforcing – the party’s domestic authority.¹⁵ When Deng Xiaoping took over as CCP General Secretary, he propounded the goal of using “Four Modernizations” to raise the PRC up to world standards of prosperity by 2000 and into a leadership role soon thereafter.¹⁶ This strategy was rooted in a longstanding Chinese view of the mutualistic relationship between economic and technological wherewithal on the one hand and military might on the other – or between “wealth and power.”¹⁷

Deng and his fellow elites further believed that the party had to use its central, coordinating powers to manage and encourage this relationship. Where most Americans tend to separate the commercial from the defense sphere and to believe that free-market interactions will benefit all participants, the Chinese vision of wealth and power drives Beijing to engage in mercantilist behavior and to assume that all other countries do so as well. The Trump administration is the first in recent memory to confront the challenge that this PRC approach poses to US interests, but as discussed below, Reagan’s speech at Fudan shows that he was not naïve about the Chinese regime. Rather, the President balances expressions of hope for “peace” and “friendship” with insights into the contours of a potential future US-PRC major power competition – insights that are most applicable today.

To spook Moscow and entice Chinese cooperation in that endeavor, the address emphasizes that the American “door is open” for Chinese students to come and learn about “electronics and computer sciences, math and engineering, [and] physics.” The President even offers a prescient vision of real-time high-tech collaboration through connectivity:

¹⁴ Barrass, 317.

¹⁵ As discussed below, this concern about political stability led the party not to include a Mandarin translation in the live broadcast of the Fudan speech to which Beijing must have reluctantly agreed.

¹⁶ The Four Modernizations referred to modernizing the PRC’s agriculture, industry, national defense, and science and technology.

¹⁷ The slogan “wealth and power” dates back more than 2,000 years to the Warring States period of ancient China but was revived by reformers in the 19th and early 20th centuries and then picked up by Communist leaders from Mao and Deng Xiaoping to Xi Jinping. For more, see Jacqueline N. Deal, “Tracing China’s Long Game Plan,” *National Interest*, Iss. 127 (September 2013), pp. 77-88.

We hope to see the day when a Chinese scientist working out an engineering problem in Fudan will be able to hook into the help of a scientist at a computer at MIT. And the scientist in Boston will be able to call on the expertise of the scientist in Shanghai, and all of it in a matter of seconds.

This pitch was well-crafted for Chinese military strategists already following Soviet writings on the MTR and exploring their implications for the People's Liberation Army (PLA). In hindsight, we can track a progression in this PLA scholarship: Recognition of the MTR and an injunction to study its reception in other countries come first. The emphasis is defensive. But these themes quickly give way to an ambition to exploit the MTR for the PRC, enabling the PLA to leapfrog its competitors, and the tone turns offensive. An early key finding was thus that in the context of the MTR, the PLA's relative backwardness could prove to be an advantage. Advanced rivals would remain wedded to legacy systems and modes of operation as the PLA leapfrogged them. Such a future was plausible due to the dual-use nature of the relevant technologies and the possibility of gaining access to them through international trade and academic exchanges.

PRC Views on the Military Technical Revolution

As early as July 1983, the *PLA Daily* published a piece citing "foreign [i.e., Soviet] military academic opinion" on the existence of a new MTR involving "electronic warfare, the spread of missiles and the rise of armed helicopters, large numbers of tactical nuclear weapons, the continuous improvement of conventional weapons, and the perfection of command automation." The author, Qi Zhengjun, who would go on to be a deputy commandant of the PLA Ground Forces Academy, observes:

Actual wars provide us with direct experience in understanding the laws of future warfare. In ... [recent] local wars, not only have some traditional tactics been greatly developed, but many new methods of warfare have also emerged. In particular, the extensive use of precision-guided weapons and new electronic warfare technologies have once again exposed the signs of a historic change in combat methods and given people new revelations.¹⁸

Qi concludes with a plea to study foreign military trends so that the PLA can "free itself from the limitations of its narrow experience" and better anticipate the future battlefield. Following this article's precedent, three days before Reagan's address the *PLA Daily* published another piece on the impact of "the new technological revolution on the military field," citing American, Soviet, and Japanese advances in robotics and cataloguing a range of ways that new technologies from artificial intelligence (AI) to modern reconnaissance satellites would have "a huge and far-

¹⁸ Qi Zhengjun, "To Be the 'Designer,'" *PLA Daily*, 22 July 1983.

reaching impact on future warfare.”¹⁹ Once again, the article concludes with an injunction to study global trends, lest China be “left behind by the times.”²⁰

A few months after Reagan’s visit and address, however, the message shifts in a more confident, even triumphalist direction. A senior officer within the PRC’s Central Military Commission (CMC) argues that “the military circles in various countries are all studying ... the development trend of the new technology revolution and stepping up reforms in the military field.” But he goes on to observe that “military history is in a sense a history of reforms and of victory for reformers... Reformers win. This is a universal historical law...”²¹ In other words, those who are slow or fail to grasp the new way of waging war lose, and from here, the CMC officer takes the next step: The best way for the PRC to secure an edge in this zero-sum contest is to study what leading countries are doing in order to turn this knowledge against them: “It is a prominent feature of military reforms to use the enemy as a teacher to study the enemy’s strength and [thereby] learn how to defeat the enemy.”²² This was not a one-off observation. Rather, it is a theme in PLA writings on the MTR starting from the mid-1980s.

From an American perspective, the ambition behind the PLA’s analysis of the new technology revolution is all the more striking considering how poor the PRC was in the early 1980s. But Chinese strategists viewed the MTR in the context of China’s history as a world-leading power, and as the latest in a string of competitive political-military technological revolutions that Beijing knew better than to ignore. Relative to other, more advanced rivals, the CCP party-state system would be able to exploit the MTR asymmetrically. The international climate was assessed to be conducive to the PRC’s catch-up and resumption of Chinese historical preeminence. Deng Xiaoping himself argued that peace would allow for shrinking the PLA and redirecting military investment from men to materiel, and in particular, to new technology that could be acquired from abroad. He thus announced in 1985 that he would downsize the Chinese military by one million, a change that was explicated in a long *PLA Daily* piece attributed to the General Training Department:

Since the world entered the 1980s, the laws of mutual transformation of war and peace have exhibited many new features. In addition to various constraints, a new ‘Victorian Age’ has emerged in the world – a period of relatively stable peace. Many countries are using this rare opportunity to change their strategic thinking, focusing on the 21st century, complying with the trend of the new technological revolution, and forging ahead with the development of their own national defense forces. The objective situation tells us that whoever can make the best use of this opportunity and select a development strategy that suits his national conditions will win the initiative... Watching, ignoring, and hesitating will only make us lose our opportunity once again... [A] historic opportunity has a direct impact on the history of the rise and fall of a country, a nation, and an army.

¹⁹ Shao Liangmin, “The Impact of the New Technological Revolution on the Military Field,” *PLA Daily*, 27 April 1984. Among the judgments was that advances in intelligence, surveillance, and reconnaissance would complicate concealment, while the speed and accuracy of missiles would render “the geographic concept of the rear obsolescent.”

²⁰ *Ibid.*

²¹ Ge Chumin, “The Path to Victory,” *PLA Daily*, 6 July 1984.

²² *Ibid.*

The historical disparity caused by the Chinese people's failure to grasp the opportunity presented by the first few industrial revolutions that occurred in the world has provoked reflection, enlightenment, and vigilance across the entire nation.²³

Note that “peace” and the “new Victorian Age” do not mean the absence of competition. To the contrary, this article and many other *PLA Daily* pieces from 1985 through the present refer to the world as being home to a contest on the “silent battlefield”²⁴ – a “struggle” rather than a war, but with equally high stakes. The General Training Department piece explains that the Soviet Union and the United States have competed on this silent battlefield for 40 years, engaging in “nuclear intimidation” and a “scramble for space.”²⁵ But the PRC, too, is a participant on this battlefield. More broadly, the article states, the “struggle on the ‘silent battlefield’ is concentrated on the confrontation of military science and technology, military scholarship, and strategic countermeasures.”²⁶ Chinese military strategists thus assign themselves a central role in the struggle, but their self-aggrandizement does not detract from their sincerity.

Updating PRC Military Theory to Win on the “Silent Battlefield”

For more than three decades, across very different international conditions, Chinese military strategists have argued that the contest on the silent battlefield will be won through a combination of theory and new technology, as the former will direct the application of the latter. A 1987 article based on an educational video for PLA soldiers further explains:

Military competition begins with a secret contest of national potential. The real contest is not only in wartime, but especially before the war... There is no rumbling of gunfire and no smoke, but it is the struggle of the country's future and the struggle of national destiny. Some people dubiously call it ‘the war on the silent battlefield.’ The core of the ‘silent battlefield’ struggle is to compete for strategic initiative.²⁷

As recently as December 2018, an active-duty officer from a unit of the PLA recognized for its handling of advanced technology echoed this recognition of the importance of the silent battlefield. The officer writes, “Military reform will never stop, and theoretical innovation will never end. The modernization of military theory is the ‘core’ project of war preparation, and it will always be a strategic game on the ‘silent battlefield.’”²⁸ Both for PLA theorists and for those tasked with procuring new technology, the mission continues.

The Soviet breakdown and the Tiananmen Square massacre in 1989 removed the common enemy linking Washington and Beijing while stoking CCP fear that the United States would use economic ties to subvert its rule – and thus prevail once again on the silent battlefield. But the PLA and the broader PRC were still far from their modernization goals and thus in no position to

²³ “Adapting to Strategic Changes and Accelerating Reform,” *PLA Daily*, 18 Oct. 1985.

²⁴ The term has appeared in *PLA Daily* regularly (every few months on average) since 1985, most recently in December 2018.

²⁵ “Adapting to Strategic Changes and Accelerating Reform,” *PLA Daily*, 18 Oct. 1985.

²⁶ “Adapting to Strategic Changes and Accelerating Reform,” *PLA Daily*, 18 Oct. 1985.

²⁷ “Deep Thinking (Academic Video Commentary),” *PLA Daily*, 20 March 1987.

²⁸ Wang Jianwen, “Carrying Out the Reforms to the End,” *PLA Daily*, 11 December 2018.

disengage. Deng Xiaoping was forced to increase defenses against subversion at home – e.g., through Patriotic Education and other measures discussed below – while launching an international charm offensive to mitigate the impact of post-Tiananmen sanctions and preserve the PRC’s access to foreign high technology.²⁹ Offers of access to Chinese labor and the Chinese market, along with other economic and diplomatic enticements, proved a central component of this international campaign, which, again, endures today.

Meanwhile, successive CCP leaders updated the PLA’s strategy during the 1980s and ’90s in an effort to win the peacetime competition by both acquiring new technologies and devising new ways of employing them. Deng revised the PLA’s strategic guideline in 1985 from defending against a superpower invasion by means of low-tech, “People’s War” techniques (i.e., luring the enemy in deep and then applying guerrilla tactics) to preparing for a regional war “under modern conditions.” By 1993, Deng’s successor Jiang Zemin clarified that the PLA should aim to launch high-tech, “integrated operations and key point strikes” to prevail in regional conflicts.³⁰

Having read the Russian literature on the MTR and having observed the US military’s conduct of the First Gulf War, Chinese strategists were seized with the idea of using a combination of land, sea, air, and space capabilities to launch a series of conventional “informatized” (i.e., precise) attacks on a discrete set of important targets. Or rather, ideally, they could confront the “strong enemy” – i.e., the United States – with evidence of their ability to do so, and “win without fighting,” per the advice of the ancient Chinese strategist Sun Tzu.³¹ This is the theoretical basis of the build-up of Chinese ballistic and cruise missiles, along with associated intelligence, surveillance, and reconnaissance (ISR) systems for precision targeting, that is now more than two decades old.

The PLA’s Dual-Use “Chance of a Lifetime”

Over the course of the 1990s, Chinese strategists were increasingly explicit about the PLA’s prospects for not just catching up to but also surpassing the “world advanced level” – e.g., by exploiting US “strategic weaknesses:” “The more advanced the technology, the easier it is to catch up,” explains a PLA Air Force major general in a 1996 *PLA Daily* piece. “In other words, when technology shifts from ‘heavy, thick, long, big and crude’ to ‘light, thin, short, small and refined,’ third-world countries often have shortcuts in informatization and may reach the same level in less time.” Moreover, the piece continues, “Those more developed in information are more vulnerable to attack. A frail middle school student can paralyze the United States.”³² By 1998, a PLA senior colonel who would be promoted to major general characterized the global spread of information technology and related advances as “swift” and “unstoppable,” convincing

²⁹ Shu Guang Zhang, *Beijing’s Economic Statecraft During the Cold War, 1949-1991* (Washington, DC: Woodrow Wilson Center P, 2014), 295-308; Aaron L. Friedberg, “Globalisation and Chinese Grand Strategy,” *Survival*, Vol. 60, No. 1 (February 2018), pp. 7-40.

³⁰ Zhang Qinsheng and Zhang Guoyu, “The Military Theory Revolution at the Turn of the Century,” *PLA Daily*, 2 September 1997.

³¹ For more on PLA operational concept development and military advances from the 1990s through the early 2000s, see Jacqueline Newmyer, “The Revolution in Military Affairs with Chinese Characteristics,” *Journal of Strategic Studies*, Vol. 33, Iss. 4 (2010), pp. 483-504.

³² Su Enze, “A Logical View of Information Warfare,” *PLA Daily*, 11 June 1996.

him that for the PRC, “the opportunity created by the new military revolution is a chance of a lifetime.”³³

Retrospectively, we can see that this ambition had been formally codified in the “863 Program,” announced in March 1986. Deng’s response to the Strategic Defense Initiative and the Eureka technology program launched in Europe in 1985,³⁴ 863 was thought to benefit from some “unique advantages.”³⁵ Foremost was the ability of the CCP party-state to play a coordinating role and dictate priorities:

...[H]igh technology is a complex scientific and technological system involving many difficult problems of engineering, politics, the military, economics, culture, society, etc., creating a need to carefully plan and optimize the combination of these elements. In other words, high technology itself requires high technology! This is also the common law of all countries in the world: high-tech development must have a plan, and there can be no plan without development... In short, the high-tech plan is like a blueprint that scientifically organizes the development of high-tech; it also acts like a banner to mobilize the whole country scientifically. In this regard, China and our military have unique advantages!³⁶

The PRC’s centralization was considered particularly beneficial in an environment of dual-use emerging technologies, the source of a second advantage: Chinese civilians in business or academia could gain access to such advances from abroad, and then they could be transferred to the PLA for military applications.³⁷

The idea of harnessing foreign-trained scientists for the PLA was as old as the PRC itself and remains operative today. Mao first used such assets in 1949 when he sent a physicist and a radiochemist who had studied in Europe back to the continent to buy nuclear equipment from their old professors, the Joliot-Curies.³⁸ Deng himself had studied in France and Russia; when his father questioned his decision to leave, he placated him by citing what was already an old line in 1920: He was going “to learn knowledge and truth from the West in order to save China.”³⁹

PLA strategists steeped in this tradition accordingly likened the 863 plan to Mao’s “Two Bombs and One Satellite” program, which benefited from the contribution of returnees such as Qian Xuesen.⁴⁰ As discussed below, there is a direct line from 863 and subsequent research initiatives

³³ Wang Baocun, “Military Transformation in the Information Age,” *PLA Daily*, 21 April 1998.

³⁴ “Editor’s Note,” *PLA Daily*, 28 February 2001; Mark Stokes, “China’s Evolving Space and Missile Industry: Seeking Innovation in Long-Range Precision Strike,” in Tai Ming Cheung, ed., *Forging China’s Military Might: A New Framework for Assessing Innovation* (Baltimore: Johns Hopkins U P, 2014), 241-272, p. 248.

³⁵ Su Enze, “‘863’ and the Modernization of the Army,” *PLA Daily*, 28 February 2001.

³⁶ *Ibid.*

³⁷ Zhang Feng, “‘863’ – China High-Tech Development Declaration,” *PLA Daily*, 28 February 2001. This article boasts that Chinese high-performance computing advances have defied US export restrictions.

³⁸ John Wilson Lewis and Xue Litai, *China Builds the Bomb*, (Stanford, CA: Stanford U P, 1998; illustrated edition) p. 36.

³⁹ Benjamin Yang, *Deng: A Political Biography*, (New York: ME Sharpe, 1998), p. 28.

⁴⁰ See, for example, Fan Juwei and Qian Xiaohu, “Technological Innovation: Hope for Progress,” *PLA Daily*, 27 February 2001; Su Enze, “‘863’ and the Modernization,” *PLA Daily*, 28 February 2001.

(such as the 973 program, launched in 1997) to the controversial “Thousand Talents” plan formally adopted in 2008 to identify and recruit leading personnel in high-skills fields abroad to come or return to the PRC. Chinese strategists still see the opportunity to import know-how via foreign-trained scholars, entrepreneurs, and other professionals as a key aspect of the emerging security environment.

This emphasis on overseas talent is borne out in retrospective analyses of the 863 program. For instance, a 2001 *PLA Daily* article published as part of a round-up of pieces celebrating 863’s 15th anniversary stated:

In particular, it should be mentioned that due to the development of the national ‘863’ plan, a group of researchers who have learned a lot from overseas has been attracted to work. According to statistics, among the expert committees and expert groups in various fields of the ‘863’ plan, experts who have studied abroad account for more than 75%.⁴¹

Another *PLA Daily* piece in this anniversary round-up stresses the importance of the international “research and development bases” constructed as a result of the 863 program – bases that promote “international high-tech cooperation.”⁴² Today’s externally oriented PRC talent efforts thus have deep roots.

This tradition explains the PRC’s ongoing espionage, commercial and academic intellectual property (IP) theft, coercion of technology transfer from foreign firms operating in the PRC, and related offenses.⁴³ The Chinese strategy for winning the silent battlefield contest depends on extracting know-how from abroad by all available means, legal and illegal. Because so many of the required capabilities are based on dual-use technologies, Xi Jinping has upgraded a longstanding CCP push for “military-civil integration” to “military-civil fusion.”⁴⁴ The idea of using commercial technological “spin-on” modernization to improve the PLA also has very deep roots. Both spin-on and “spin-off” applications – i.e., using military technology to make the Chinese economy more competitive internationally – are consistent with the aforementioned “wealth and power” outlook that has animated CCP leaders since Mao.⁴⁵

What may be new is the degree of confidence that Chinese sources express about their ability to maintain access to foreign dual-use know-how in the 21st century. For instance, when then-Secretary of Defense Chuck Hagel announced the Third Offset strategy at the Reagan Presidential Library in 2014, a PRC defense industry official recommended countering by leveraging the party-state’s central coordination and exploiting the global spread of technology

⁴¹ Zhang Feng, “‘863’ – China High-Tech Development Declaration,” *PLA Daily*, 28 February 2001.

⁴² Fan Juwei and Qian Xiaohu, “Technological Innovation: Hope for Progress,” *PLA Daily*, 27 February 2001

⁴³ These have been documented by the Commission on the Theft of American Intellectual Property, the US Chamber of Commerce, and the Trump White House, as well as in media stories about investigations conducted by the US Federal Bureau of Investigation (FBI) and cases pursued by the Justice Department.

⁴⁴ Greg Levesque and Mark Stokes, “Blurred Lines: Military-Civil Fusion and the ‘Going Out’ of China’s Defense Industry,” *Pointe Bello*, December 2016.

⁴⁵ For the Mao-era history of these ideas, see Evan A. Feigenbaum, “Weapons and Chinese Development Strategy: The Mao Era Military in China’s Economic and Institutional Debate,” *China Quarterly*, No. 158 (June 1999), pp. 285-313.

and talent.⁴⁶ The official stressed the need to better assess and then replicate foreign advances using “industrial intelligence,” i.e., espionage:

...Carry out comprehensive assessment of the capability level of national defense science and technology industries in major countries of the world; integrate relevant information sources such as the national security department, and military and local intelligence departments; and establish and improve the defense science and technology industrial intelligence analysis mechanism jointly composed by relevant design and development departments and intelligence analysis departments...⁴⁷

The confidence that the PRC will not lose access to advanced technology from abroad may endure despite the release of President Trump’s 2017 National Security Strategy, which clearly identified the PRC as a competitor and articulated the need to “restore our ability to produce innovative capabilities” to retain US military “overmatch.”⁴⁸ For instance, a Chinese expert on the United States was quick to point out a litany of circumstances that would limit the efficacy of such efforts:

...Under the current international situation, the United States is unable to achieve its own interests by acting alone, and must rely on alliances and cooperation among major powers. Trump’s choice lacks international consensus... [T]he determination to compete is difficult. The goal has been set, and yet the strength is insufficient, which directly affects the will of the Trump government to execute the strategic shift. China and the United States are strengthening competition and cooperation in various fields... The United States cannot slow down the Chinese economy without damaging its own interests.⁴⁹

In other words, the CCP can continue to apply its longstanding strategy of using economic engagement to secure access to cutting-edge, dual-use capabilities from more advanced countries. Chinese strategists will be charged with figuring out how to harness these capabilities to maximum effect in the competition with the United States. Despite the bravado of the above statement and others like it, however, a close reading of Reagan’s remarks indicates that this doubling down is not all positive for Beijing.

Fudan as Blueprint: Reagan’s Insights into the US-PRC Competition

The flip side of the PRC’s strategy is that it addresses inescapable weaknesses of the party-state system: Corruption is an inevitable byproduct of the party’s monopoly on power and central direction of the economy; this creates a legitimacy deficit and feeds popular resentment, which in

⁴⁶ Zhang Xiaobin “The Challenge Imposed by the Third US Offset Strategy on the Development of Defense Science and Technology Industry, and Countermeasures,” *National Defense Science and Technology*, Vol. 36, No. 6 (December 2015) pp. 74-76. Zhang is based at the PRC’s State Administration for Science, Technology, Industry, and National Defense (SASTIND).

⁴⁷ Ibid.

⁴⁸ The White House, “National Security Strategy of the United States,” 18 December 2017, p. 28.

⁴⁹ Teng Jianqun, “On the Trump Administration’s Shift of Strategic Focus,” 29 March 2018, accessible at: www.aisixiang.com/data/109192.html.

turn drives the CCP to try to control China's citizens and to be paranoid about its own security. These stability concerns kept Beijing from offering a Mandarin translation during the live broadcast of the Fudan speech, lest local viewers be seduced by the President. Nor was the CCP imagining the risk. Peggy Noonan, Reagan's speechwriter, recalled in her memoir that her instructions were to "Get across to the Chinese through the very vigor of our language what a lifting thing freedom is; take those thirsty minds and pour in cooling draughts of truth."⁵⁰

The fear of instability triggered by what the party calls ideological infiltration persists. Six months into Xi Jinping's tenure as General Secretary, the Central Committee of the CCP issued a communiqué warning against the ideological threat posed by talk of "Western constitutional democracy," "universal values," "civil society," "neoliberalism" (i.e., "attempting to change China's basic economic system"), and "the West's idea of journalism."⁵¹ Document No. 9, as it has come to be known, further complained that "Western anti-China forces and internal 'dissidents' are still actively trying to infiltrate China's ideological sphere..." Reagan's remarks were not anti-China; they were anti-CCP. He subtly highlighted that unlike American leaders, CCP elites stand in a hostile relationship to their own people. The character of the regime creates opportunities for US strategy to focus on Beijing's sensitivities around homeland defense, elite intelligence, and access to talent.

Reagan on Liberal Democracy vs. CCP Rule

Under the guise of facilitating mutual understanding, at the heart of his speech President Reagan offered a tutorial on American political culture – a tutorial that, as mentioned, would have been threatening to his Chinese hosts at Fudan, eager to keep their students from dreams of representative government. Six months before Reagan's visit, Deng had initiated a "Campaign to Eliminate Spiritual Pollution," i.e., the risk that increasing contact with the "bourgeois West" would contaminate the PRC's "socialist spiritual civilization."⁵² The message of the campaign was that foreigners were back in China, as they had been in the 19th century, working to weaken the state from within by promoting decadence and, in the 20th-century version, by subverting Marxism. Less than a month after its launch, the campaign was halted for fear that its anti-commercial, anti-foreign line was scaring off Japanese investors,⁵³ but it had been deemed necessary in the first place due to a trend of popular disaffection with the CCP. To protect the

⁵⁰ Peggy Noonan, who wrote the Fudan address, recalled that her instructions were: "Get across to the Chinese through the very vigor of our language what a lifting thing freedom is; take those thirsty minds and pour in cooling draughts of truth." (Peggy Noonan, *What I Saw at the Revolution: Political Life in the Reagan Era, 20th Anniversary Edition* [New York: Random House, 2010], p. 79.)

⁵¹ The communiqué was leaked and translated into English – see www.chinafile.com/document-9-chinafile-translation.

⁵² Geremie Barmé, "Spiritual Pollution Thirty Years On," *The China Story*, 17 November 2013, accessible at: <https://www.thechinastory.org/2013/11/spiritual-pollution-thirty-years-on/>; Kevin Carrico, "Eliminating Spiritual Pollution: A Genealogy of Closed Political Thought in China's Era of Opening," *China Journal*, No. 78 (2017), pp. 100-119.

⁵³ PRC Premier Zhao Ziyang, who opposed the campaign, warned that Japanese investors were postponing deals because it frightened them, and threatened to resign if the campaign persisted. (Carrico, "Eliminating Spiritual Pollution," cites Richard Baum, *Burying Mao: Chinese Politics in the Age of Deng Xiaoping*, [Princeton, NJ: Princeton U P, 1994], p. 161.)

party, Deng initiated the cycle of post-Mao campaigns of public opinion “management” or “guidance” that Xi continues to oversee today.

This trend began with the Tiananmen Incident of 1976, when a commemoration of Zhou Enlai’s death turned into a gathering of one hundred thousand in Beijing, protesting against the extreme policies of Mao’s Cultural Revolution. Deng had eulogized Zhou and, like him, was associated with the anti-radical wing of the CCP. Having already been sent to do labor in the countryside before being rehabilitated in 1973, he was once again stripped of his party membership as the scapegoat for this demonstration.

Within a year, Mao was dead and Deng was on his way back to power, but once installed, he took a very different line toward dissent. In November 1978, posters began appearing in the Xidan neighborhood of Beijing telling stories of personal suffering during the Cultural Revolution and calling on the post-Mao CCP leadership to adopt reforms. This “Democracy Wall” movement spread to other cities, and Deng initially tolerated it, using the agitation to discredit his last rivals to succeed Mao. But in 1979, reform sentiment gave way to calls for full democratization, which protestors dubbed the “Fifth Modernization.” Amidst warnings that Deng would otherwise become another dictator, he deployed security forces to arrest movement leaders and shut down their publications. The episode presaged the pattern of Deng’s response to “spiritual pollution” in 1983, and to another generation of Tiananmen demonstrators a decade later.

As if weighing in on the Chinese discussion of the party’s post-Mao course, the central lines of Reagan’s speech go right to the fundamental philosophical distinctions between the US political system and that of the PRC: “We believe in the dignity of each man, woman, and child. Our entire system is founded on an appreciation of the special genius of each individual, and of his special right to make his own decisions and lead his own life.” The socialist spiritual civilization that the atheist Chinese Communist party-state began peddling three decades ago and that Xi Jinping still touts today was built on the ruins of a dynastic political system – a system associated with a philosophical outlook in which man does not occupy a special place in the universe. There is no transcendent deity in whose image man was made in the eastern religious tradition; there is no classical Chinese analogue to the Judeo-Christian beliefs that undergird Western human rights and liberal political system.

Given the efforts of Deng and other CCP leaders to cast socialist spiritual civilization as superior, it would have been especially galling that the President’s description of the American creed capped an explanation of how the United States is a nation of immigrants, including the computer magnate An Wang, architect IM Pei, and Nobel-winning physicist Tsung-dao Lee, all of whom left China for greener pastures and succeeded wildly in the American system.⁵⁴ Despite our diversity and our disagreements, expressed openly thanks to free speech, the President went on to explain, “We always hang together as a society.” Reagan thus subtly invited his audience to compare the 200-year-old history of the United States with the CCP regime that was at that time only 35 years old, had come to power after half a century of civil strife and war, and had itself recently stoked violent upheaval during the decade-long Cultural Revolution.

⁵⁴ “We salute you for what you gave them that helped make them great,” was a double-edged line in this context.

Reagan traces this foundational set of beliefs to our system of elected government, as well as to other aspects of the American national character: We are “fairminded” and don’t take what does not belong to us but rather respect the value of hard work. Our system makes us optimistic because hard work by individuals is rewarded by the market. Note the contrast both with the CCP’s insistence on a state-run economy at home and with the record of Chinese intellectual property theft from more advanced liberal states.

Finally, the President describes Americans as generally peace-loving, but also idealistic and prone to fight for freedom, including that of others. This observation directly precedes what must have been the most alarming passage for his CCP hosts:

There is one other part of our national character I wish to speak of. Religion and faith are very important to us. We’re a nation of many religions. But most Americans derive their religious belief from the Bible of Moses, who delivered a people from slavery; the Bible of Jesus Christ, who told us to love thy neighbor as thyself, to do unto your neighbor as you would have him do unto you.

And this, too, has formed us. It’s why we wish well for others. It’s why it grieves us when we hear of *people who cannot live up to their full potential and who cannot live in peace* [emphasis added].

We invite you to know us. That is the beginning of friendship between people. *And friendship between people is the basis for friendship between governments* [emphasis added].

Again, as an unelected single party determined to stay in power regardless of the consent of the governed, the CCP was worried about the impact of Western political ideas even before Reagan’s visit.⁵⁵ His emphasis on the religious principles underlying Western liberalism was especially threatening. It is no accident that Deng used the term “spiritual pollution” to encapsulate the challenge to stability engendered by the PRC’s admission of foreign money, know-how, and ideas. Since the 1980s Beijing has been waging a rearguard action to counter Western notions of individual dignity and rights by emphasizing that the CCP is the defender of a superior Chinese civilization, one that will triumph so long as the party retains its role and stands between “the masses” and chaos.

When high inflation, unemployment, and CCP corruption triggered demonstrations in Tiananmen Square in 1989, Deng first called in troops and then turned to “Patriotic Education” as a longer-term solution to protect the party. The curriculum that he introduced was a lineal descendant of the Anti-Spiritual Pollution Campaign, concentrated for use in textbooks. This ongoing education drive teaches that foreign powers from the West to Japan preyed upon China in its weakened state during the late Qing dynasty through the Second World War; the “century of humiliation” must never be repeated; and the CCP is the bulwark protecting China from such

⁵⁵ Chinese censors had twice excised references to religion and democracy from Reagan’s remarks earlier in the trip. (See Norman Sandler, “President Reagan Winding Up His Six-Day Odyssey in China,” UPI, 30 April 1984, <https://www.upi.com/Archives/1984/04/30/President-Reagan-winding-up-his-six-day-odyssey-in-China/9806452145600/>.)

a fate. Confronted with its own oppression, the party thus seeks to use collective shame and resentment against foreigners to backstop its authority.

In practice, this has required consistent targeting of Chinese dissidents, religious believers, and anyone who dares to challenge party orthodoxy. While Reagan's reference to bellicose regimes that suppress human potential was primarily aimed at Moscow, those lines contained a threat to Beijing as well. The CCP must have been relieved about the decision not to include a live translation when the President hinted that the price of high-tech cooperation was unfettered people-to-people ties. Deng had no interest in popular Chinese access to American society, from politics to faith.

Of course, thanks to Chinese censorship and other efforts at information control that date back to Deng's time and have only intensified since then,⁵⁶ such access has not materialized. Reagan's audience in Fudan probably never heard that, on a stopover in Alaska on his way back to Washington, he met with Pope John Paul II, an ally in the fight against communism who was himself traveling east to meet members of the church in Asia.⁵⁷ The CCP under Deng and his successors has never agreed to allow the Vatican to operate in the PRC. Rather, Beijing has insisted on its prerogative to designate Chinese bishops. This is part of a broader effort to ensure party control over faith in the PRC, lest religion become an inspiration or vehicle for unified dissent across the country.

Xi Jinping is candid about his ambition, echoing Mao, to “engineer the souls” of the Chinese people.⁵⁸ Targets include Han Chinese and ethnic minority believers alike. While the incarceration of an estimated one million Muslims in western China and the continuing persecution of Tibetans have justifiably received more attention abroad, the recent destruction of Hui Muslim mosques and Protestant churches in central and eastern China indicates that no worshippers are safe, as does the bitter experience of Falun Gong practitioners since the late 1990s.

Recent developments offer the clearest evidence of the party's intentions: The CCP has attempted to excise the First Commandment;⁵⁹ Premier Li Keqiang has publicly affirmed the goal of “Sinicizing” religion;⁶⁰ and the head of the state-backed Protestant church gave an address warning that “our movement's surname is ‘China’ and not ‘Western’... Anti-China

⁵⁶ Perry Link described the party-state's censorship in the post-Mao era as an “anaconda in the chandelier” approach – you know that the snake is there watching you but are uncertain about what might set it off, so you police yourself. (Perry Link, “The Anaconda in the Chandelier,” *The New York Review of Books*, Vol. 49, No. 6 (11 April 2002), pp. 67-70. Today, the PRC's new social credit system is a more high-tech, intrusive way of monitoring and shaping people's behavior.

⁵⁷ Sandler, “President Reagan.”

⁵⁸ John Garnaut, “Engineers of the Soul: What Australia Needs to Know about Ideology in Xi Jinping's China,” August 2017, accessible at: <https://sinocism.com/p/engineers-of-the-soul-ideology-in>.

⁵⁹ “An Official Ordered the Henan Church to Change the ‘Ten Commandments’ to the ‘Nine Commandments,’” Radio Free Asia, 4 January 2019, accessible at: <https://www.rfa.org/mandarin/yataibaodao/shehui/gf2-01042019083829.html>.

⁶⁰ “China Recommits to Sinicisation of Religion,” *The Tablet*, 9 March 2019, accessible at: <https://www.thetablet.co.uk/news/11469/china-recommits-to-sinicisation-of-religion->.

forces in the West are trying to continue to influence China's social stability and even subvert our country's political power through Christianity, and it is doomed to fail."⁶¹

These and other official policy statements such as the aforementioned Document No. 9 reveal the CCP's steadfast adherence to a totally different creed from the one laid out in Reagan's speech. Xi even aspires to control Chinese populations living outside the PRC. He has urged the extension of the Patriotic Education curriculum to young people studying abroad,⁶² and to accomplish this and other related missions, he can rely on the party's extensive bureaucratic apparatus for "overseas Chinese affairs work" (abbreviated as "qiaowu").⁶³

Reagan warned that regimes that suppress human potential tend to be belligerent. By the time of his Fudan speech, we were far enough into the competition with the Soviets to understand how to win. According to the Cold War timetable, if we stipulate that the US-PRC competition began when the Soviet Union dissolved, we will be due for a similar level of insight into the CCP regime by the middle of the next decade. Fortunately, the President's speech offers an outline of some of the main areas of competition, areas where the United States has leverage to bring to bear. These include the party's longstanding preoccupation with homeland defense, elite intelligence, and human capital or the competition for talent.

Homeland Defense

Reagan invokes famous Chinese defensive works, the Great Wall and the tomb of the Great Emperor at Xian, guarded by terracotta soldiers, at both the start and the conclusion of his remarks. The terracotta warriors signify elites' concern about their personal, physical security. The Great Wall signifies the fear of incursions into Chinese territory and of unregulated mixing with external populations. The President also went out of his way to call Fudan University's home, the city of Shanghai, "a window to the West," noting, "It is the city where the Yangtze meets the East China Sea, which, itself, becomes the Pacific, which touches our shores." Politically, Deng had already proven to be not so keen on Western windows, and historically, the Yangtze was an avenue of ingress for foreign naval forces. The speech concludes:

The Yangtze is a swift and turbulent river, one of the great rivers of the world. My young friends, history is a river that may take us as it will. But we have the power to navigate, to choose direction, and make our passage together.

⁶¹ Ben Blanchard, "China Official Says West Using Christianity to 'Subvert' Power," *Reuters*, 11 March 2019, accessible at: <https://www.reuters.com/article/us-china-parliament-religion/china-official-says-west-using-christianity-to-undermine-country-idUSKBN1QT03C>.

⁶² Chris Buckley, "China Says Its Students, Even Those Studying Abroad, Need More 'Patriotic Education,'" *New York Times*, 10 February 2016, <https://www.nytimes.com/2016/02/11/world/asia/china-patriotic-education.html>.

⁶³ James To, "Beijing's Policies for Managing Han and Ethnic-Minority Chinese Communities Abroad," *Journal of Current Chinese Affairs*, Vol. 41, No. 4 (2012), 183-221, and Clive Hamilton and Alex Joske, Submission to the Parliamentary Joint Committee on Intelligence and Security, Bill 2017.

Generations hence will honor us for having begun the voyage, for moving on together and escaping the fate of the buried armies of Xi'an, the buried warriors who stood for centuries frozen in time, frozen in an unknowing enmity.

These lines still resonate because they highlight enduring CCP fears relevant to what Chinese strategists call the contest on the silent battlefield.

Reagan's references to the terracotta warriors conjured up the CCP's concern with physical protection of elites. For this purpose, the party relies on multiple, redundant security forces, including a Central Guards Bureau and the People's Armed Police, Ministry of Public Security, and Ministry of State Security, among others. The fact that there is no analogue in the American system suggests that this is an area of asymmetry that may favor the United States in a long-term competition.

The defensive orientation captured by the Great Wall references has already led to a PLA drive to better defend "key points" and cities.⁶⁴ PRC strategists write about the vulnerability of the eastern, coastal regions of the mainland, where population and industry are concentrated. Previous regimes have fallen when they have proven unable to secure such centers, and the CCP historically has been most concerned about its political control over urban areas.⁶⁵ If cities are not protected, then the party itself will be exposed.

In addition to physical defense, the Great Wall represents a social or cultural barrier. The historian Arthur Waldron points out that Chinese dynasties built walls when they were too insecure at home to compromise with frontier populations.⁶⁶ Today's equivalent may be the push for virtual walls and "Internet sovereignty," through which the CCP tries to keep the Chinese people from freely accessing data available outside the country. The aforementioned *qiaowu* bureaucracy, tasked with monitoring and regulating the behavior of overseas Chinese, is another example. Like its dynastic predecessors, the party perceives a requirement to preserve itself by curtailing the ability of the population to mingle freely with foreign ideas or people.

To date and for the foreseeable future, despite the PLA's acquisition of a power projection mission and the tools to support it,⁶⁷ the US-PRC military competition is mostly an "away" game for us and a "home" game for them. This is another asymmetry that, together with the fears highlighted by Reagan's invocations of the Great Wall and the terracotta soldiers, favors the United States. The senior leadership of the US Air Force recently indicated its appreciation of this dynamic, as Chief of Staff General David Goldfein gave his own speech last month the theme of which was, "We're here." This new US military slogan for operations vis-à-vis major power rivals, he said, is meant to convey:

⁶⁴ Major General Shou Xiaosong, chief ed., *Science of Military Strategy*, (Beijing: Academy of Military Science, 2013).

⁶⁵ Jeremy L. Wallace, *Cities and Stability: Urbanization, Redistribution, and Regime Survival in China* (New York, NY: Oxford U P, 2014).

⁶⁶ Arthur Waldron, *The Great Wall of China: From History to Myth*, (Cambridge, UK: Cambridge U P, 1990).

⁶⁷ In 2004, Hu Jintao tasked the PLA with "New Historic Missions" that included protecting the PRC's overseas interests.

...[W]e're here in space, we've been here for a while, we've been watching you, we know what's going on, and we have already penetrated whatever defenses you think you have. You cannot put a block of wood over your country, you can put a block of Swiss cheese over your country, but like Swiss cheese there are holes there and we know where they are and we can exploit them and we can get in, we can hold targets at risk.⁶⁸

While the General's remarks were not quite as eloquent as the President's at Fudan, in light of the current context, they were fittingly more direct.

Elite Intelligence

In addition to worrying about their physical security, Chinese elites have been concerned with concealing their intentions and other secrets judged to be of strategic value. Recent examples include the mystery surrounding Xi Jinping's whereabouts in the weeks before he took power, as well as the opacity surrounding his succession plans. A Taiwanese scholar recently traced the CCP's efforts to protect the medical records of senior officials from Mao's time down through the present.⁶⁹ The article documents how knowledge of an elite cadre's medical conditions could be and has been weaponized in intra-party contestation.

Given this set of sensitivities, it was striking that President Reagan opted to include an excerpt from a poem written by Mao's deputy Zhou Enlai when he was a teenager. The poem, which had only been published for the first time a few years before (in Chinese), is dedicated to a schoolmate who was leaving to study abroad in Japan.⁷⁰ Reagan notes that Zhou "appreciated the responsibilities that separated them, but he also remembered fondly the qualities that made them friends." The President then quotes Zhou's verse:

Promise, I pray, that someday
When task done, we go back farming,
We'll surely rent a plot of ground
And as pairing neighbors, let's live.
Well, let us, as pairing neighbors, live.

Perhaps this was intended as a parable about Washington and Beijing, separated by their respective "responsibilities" as different regimes with competing interests. In the moment, however, those interests and responsibilities were convergent, so it seems more likely that Reagan was either showing Deng Xiaoping that he was a fan of his mentor's poetry, or he was signaling his familiarity with the inner life of Mao's deputy. Either way, the degree of insight on display would have been faintly menacing, as, again, personal details about CCP elites are typically closely guarded.

⁶⁸ Adam Twardowski, "General David Goldfein on Building the Air Force of the Future," Brookings Institution, 22 February 2019, accessible at: <https://www.brookings.edu/blog/order-from-chaos/2019/02/22/general-david-goldfein-on-building-the-air-force-of-the-future/>.

⁶⁹ Wen-Hsuan Tsai, "Medical Politics and the CCP's Healthcare System for State Leaders," *Journal of Contemporary China*, Vol. 27, Iss. 114 (2018), pp. 942-955.

⁷⁰ Zhou ended up studying in Japan as well and briefly roomed with this friend.

US political leaders are less well insulated from public view, and while this means that they are also more exposed, the stakes are lower. Where Xi's rivals have been targeted in an ongoing anti-corruption campaign and dispossessed or imprisoned, politicians who lose elections in the United States typically go on to do well in the private sector. The Zhou section of Reagan's remarks thus highlights another area of asymmetry relevant to the long-term competition.

Human Capital

Reagan speaks regularly about talent in the address. The first and last mentions emphasize that both the United States and the PRC are well-endowed with human capital, while the middle reference is to talented immigrants who enrich the United States. In 1984, this dynamic was not thought to work for the PRC. Two years later, though, as discussed above, Deng would launch the 863 program, which included an effort to lure talented overseas Chinese back to the mainland – an effort that continues, as PLA strategists consider innovation central to the silent battlefield contest. One recent article in a PRC S&T journal argues, “The drive for innovation is essentially a talent drive.”⁷¹

The Chinese approach to attracting talent is very different from the American one, however. Where the US approach may be defined as *laissez faire* at best and negligent or counterproductive at worst, the CCP wields centrally directed incentive – and reprisal – programs to recruit and retain high-skilled professionals. Beijing's hands-on approach to human capital management reflects a more general orientation to try to exert control over people, as discussed above, from the *qiaowu* apparatus to the new social credit score system. The latter exploits the internet and Internet of Things devices to monitor domestic and overseas Chinese people alike, so that desirable behavior can be rewarded and undesirable conduct punished.

Reagan's speech and subsequent developments invite us to ask which system will prevail in the 21st-century competition over talent. Even if we can't yet answer this question definitively, the asymmetry between the US and PRC approaches is suggestive of opportunities that Washington could exploit, as Beijing's dependence on bureaucratic and technological solutions creates vulnerabilities that the United States does not have.

Conclusion

President Reagan's speech at Fudan was a remarkable feat. The overtures to Beijing were sufficient to encourage the Soviets justifiably to despair, even as Reagan lay the foundations for the development of an American competitive strategy to defeat the PRC. It is fitting that variants of the word “know” or “knowledge” appear about as often as “friendship” and “peace” in the text. The cooperative venture that Reagan was propounding was undertaken advisedly. He understood that the key to outcompeting the PRC would lie in knowing their weaknesses. “To many Americans, China is still a faraway place, unknown, unseen, and fascinating,” he observed. His own insights in the Fudan speech helped redress that condition. Thirty-five years later, it falls to us to build on Reagan's legacy.

⁷¹ Wang Yangdong, Zhang Min, and Zhang Jinju, “‘Thousand Talents Plan’ Entrepreneurs Research,” *Science & Technology Progress and Policy*, Vol. 31, No. 23 (December 2014), pp. 161-165.