

RONALD REAGAN INSTITUTE

A Defining Speech

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Ronald Reagan's visit to the Peoples' Republic of China (PRC) in April 1984, culminating in a speech on April 30 at Fudan University in Shanghai, was only the third time in history that an American President had travelled to China. It came 12 years after President Nixon's historic trip in 1972 and nine years after President Ford had travelled to the PRC. Both Nixon's and Reagan's trips were state visits.

The Reagan trip was fraught with significance, much of it geopolitical. For over a decade, the United States and China had been cooperating more and more closely because of their common interest in deterring the spread of Soviet power. One of the purposes of the Reagan visit was to further and deepen that cooperation. But the trip was not just about international relations. It occurred at a time when both the United States and the PRC were charting a new course in their domestic policies, and the visit had those changes in view as well.

Under President Reagan, the United States was recovering its strength at home and abroad by explicitly recommitting itself to its founding ideals. The President believed in those ideals both for their own sake and also because he saw them as the means to better the human condition in the United States and around the world. His deliberate policy was to reduce the size and scope of the federal government, rely on free markets to return the United States to prosperity, and use the power of America's founding ideals to disrupt the Soviet narrative and prevail in the Cold War.

Meanwhile, China was also taking steps towards injecting a greater degree of freedom into its economic system. But the commitment of the Chinese Communist Party (CCP) to economic freedom was entirely instrumental. The Party wanted China to reassume its place as the leading power in Asia and realized that would only be possible by creating some of the elements of a capitalist economy.

Against considerable opposition from within their own ranks, the CCP leaders were pushing through the reforms that would eventually make the Chinese economy the second largest in the world. But in their view the purpose of economic growth was to serve the ends of the authoritarian State. The CCP was determined to prevent economic reform from creating any momentum for the development of democratic ideals or institutions in China.

The Fudan University speech was Reagan's attempt to cement the Sino/American partnership against Soviet aggression, lay the basis for a mutually productive relationship between the two countries notwithstanding their ideological differences, and -- despite the desires of his CCP hosts -- to nurture and broaden the forces of freedom in Chinese civil society.

The speech can only be understood against the backdrop of the changes underway domestically in both countries as well as the growing informal partnership between the two governments in their mutual opposition to the USSR.

Context: The United States

Ronald Reagan had become President in 1981 after a period of American pessimism and self-doubt, at a time when the United States was reeling from stagflation at home, the hangover of its defeat in Vietnam, doubts about the viability of its political and social institutions, and the pressure of Soviet adventurism around the world.

From the first day of his Presidency, Reagan made both his optimism about the United States and the reason for it clear: he believed that America was exceptional because of its unique belief in the power of freedom, and he intended to rely on that power to renew the fortunes of his country at home and abroad. His inauguration speech in January, 1981 set the tone:

“So, as we begin, let us take inventory. We are a nation that has a government—not the other way around. And this makes us special among the nations of the Earth. Our Government has no power except that granted it by the people. . . .

“If we look to the answer as to why, for so many years, we achieved so much, prospered as no other people on Earth, it was because here, in this land, we unleashed the energy and individual genius of man to a greater extent than has ever been done before. Freedom and the dignity of the individual have been more available and assured here than in any other place on Earth. The price for this freedom at times has been high, but we have never been unwilling to pay that price.”¹

Reagan also made clear that the American ideals to which he subscribed as a bedrock principle, and which he believed would be the basis for a domestic revival, would also be the source of American strength in foreign policy.

“And as we renew ourselves here in our own land, we will be seen as having greater strength throughout the world. We will again be the exemplar of freedom and a beacon of hope for those who do not now have freedom.”²

Meanwhile, change was occurring just as decisively in China. The PRC had emerged from the Mao era, turned against the radical revolutionary ideology that had expressed itself in the cultural revolution, and begun to open itself to the potential of market forces to advance its economic fortunes. But the leaders of the Chinese Communist Party (CCP) were struggling with the

¹ Ronald Reagan, Inaugural address, January 20, 1981: <https://www.presidency.ucsb.edu/documents/inaugural-address-11>

² Ibid.

conundrum that faces them still today: how to give the Chinese people enough freedom to create the wealth which the regime needs to advance its ambitions while still maintaining the CCP's absolute dictatorship over China's political and social life.

There was never a significant faction within the CCP that wanted China to develop democratic institutions. The leaders of the CCP believed in the continued dictatorship of the Party just as strongly as President Reagan believed in the principles of the Declaration. But after Mao's death in 1976, there was within the CCP a major struggle between those who sought economic reform with continued CCP dictatorship and those who believed that economic freedom would inevitably lead to political freedom and the collapse of the Party's authority. The first faction organized under the leadership of Deng Xiaoping. The second was represented by Mao's successor Hua Guofeng and others supportive of Mao's more extremist ideological line.³

Deng and his faction won out and, in classic Marxist fashion, attempted to resolve the tension with a synthesis: that economic reform was not the enemy of the CCP's power but in fact could not be accomplished without the continued dictatorship of the Party. Early in 1979, Deng announced with much fanfare the "Four Cardinal Principles" of reform: "upholding the socialist path, the people's democratic dictatorship, the leadership of the CCP, and Mao Zedong Thought and Marxism-Leninism".⁴ It was his attempt to reconcile the objectives of hardliners within the Party with his policy of reducing State control over the economy.

However, the voices of freedom in civil society were not easily stilled. Taking advantage of the ongoing power struggles at the top of the CCP, Chinese dissidents began advocating for political change. This was the time of the "Democracy Wall" – a wall close to Tiananmen Square where dissenting voices could post critiques of different factions within the CCP and even of the Party as an institution. In December 1978, Wei Jingsheng, an electrician at the Beijing Zoo, posted a long article explicitly making the kind of case CCP hardliners feared the most: that economic modernization was not possible without political reform, and that therefore political reform was necessary.⁵

Wei was imprisoned for his advocacy, but that did not stop the agitation for change. The movement for political freedom, and the CCP's struggle against it, reached a kind of crescendo in the period prior to the Reagan visit. The General Secretary of the CCP, Hu Yaobang, had warned in late 1982 that "capitalist forces and other forces hostile to the socialist cause will seek to corrupt and harm" the PRC and exhorted Party members to remain faithful to communist ideas and discipline.⁶

³ Robert L. Suettinger, "Negotiating History: The Chinese Communist Party's 1981 'Resolution on certain questions in the history of our party since the founding of the People's Republic of China,'" Project 2049 Institute, July 17, 2017.

⁴ Deng Xiaoping, "Persisting in the Four Cardinal Principles," 30 March 1979.

⁵ Wei Jingsheng, "The Fifth Modernization," December 5, 1978

⁶ Hu Yaobang, "Report to the 12th National Congress of the Communist Party of China: Create a New Situation in All Fields of Socialist Modernization," September 12, 1982.

In October 1983, the CCP took advantage of a major Party conference to announce its “Anti-Spiritual Pollution Campaign”.⁷ The object was to mobilize the Party and the organs of the State against the very ideas that Reagan was promoting in the United States and around the world: individualism, “bourgeois liberalism,” mercy, and humanism.

As far as foreign policy was concerned, China had, by the time of the Reagan visit, been alienated from the Soviet Union for close to two decades. The process began with Nikita Khrushchev’s efforts to de-Stalinize the USSR, which led Mao Zedong to believe that the Soviets were abandoning communist orthodoxy and thereby threatening the legitimacy of the CCP’s authority in China.⁸

Over the course of the 1960s, the PRC became more and more critical of the USSR and concerned about the Soviet military threat against China itself, to the point where, in March 1969, Mao ordered an ambush against Soviet forces on China’s northeastern border.⁹ The Soviets responded with a number of small-scale border attacks in the summer of 1969 and even threatened “crushing nuclear retaliation” against the PRC.¹⁰ The threat was taken seriously; Mao removed himself to the interior of China in October of 1969 to survive the expected attack, and throughout the early 1970s the Chinese dug tunnels, moved industry, and stored grain in anticipation of a Soviet invasion.¹¹

Tensions remained high during the post-Mao era. In 1977, the PRC officially judged that “Soviet hegemonism” was the most dangerous source of war and greatest threat to Chinese national security.¹²

Context: A Decade of Sino-American Cooperation

It was mutual interest, not mutual values, that led to the exchange of state visits between the United States and China in 1984. For over a decade before the Reagan visit, the United States and the PRC had been cautiously but steadily forging a closer relationship because of their mutual concern about Soviet provocations.

- Richard Nixon visited China in 1972 and declared “A strong China can help provide a balance of power in this key part of the world.”¹³
- In the same year, the United States began sharing intelligence with China.

⁷ Christopher S. Wren, “China is Said to End a Campaign to Stop ‘Spiritual Pollution,’” *The New York Times*, January 24, 1984.

⁸ Chen Jian, *Mao’s China and Cold War*, The University of North Carolina Press: 2001; pp. 64-66.

⁹ Mark A. Ryan, David M. Finkelstein, and Michael A. McDevitt, *Chinese Warfighting: The PLA Experience Since 1949*, M.E. Sharpe, Inc.: 2003; pp. 203-204

¹⁰ John Wilson Lewis and Xue Litai, *Imagined Enemies: China Prepares for Uncertain War*, Stanford University Press: 2006; pg. 52

¹¹ Lewis and Xue, pg. 62; Ryan et al, pg. 204.

¹² “The Science of Military Strategy,” *People’s Liberation Army Academy of Military Science*; PLA Press: 2013; pp. 45-46.

¹³ John Pomfret, *The Beautiful Country and the Middle Kingdom: America and China, 1776 to the Present*, Henry Holt and Company: 2016; pg. 465

- In 1973 the Paris Peace Accords ended the Vietnam War and eliminated a source of friction between the two countries.
- In December of 1975, President Ford visited the PRC.
- In 1978 the USSR fomented uprising and coups in the Horn of Africa, Angola, and Afghanistan.
- Also in 1978 Vietnam invaded Cambodia; the United States and China both opposed the incursion.
- In January 1979, the United States officially recognized the People's Republic of China. In the fall of that year, the Soviets invaded Afghanistan; again both China and the United States condemned the move.
- Also in 1979, the United States facilitated the export of restricted technology to China and paved the way for China's entry into the World Bank.
- In 1980, the United States granted Most Favored Nation status to China. In the same year, both America and the PRC withdrew from the Summer Olympics in Moscow to protest the Soviet action in Afghanistan, and the two countries began to cooperate in funneling arms to Afghan mujahideen.
- In 1981, President Reagan signed three national security directives authorizing arms sales to the PRC, including support for the PRC nuclear program.
- In 1982, after the United States dropped restriction on the export of dual-use technology to China, the PRC's imports of that technology surged from \$500 million in 1982 to \$5 billion in 1983.
- In January 1984, Premier Zhao Ziyang became the first PRC head of state to visit America.

The Reagan state visit was the bookend to the Zhao visit.

The President arrived in China on April 26, having spent several days in Indonesia en route. He met with Deng Xiaoping, Zhao Ziyang, and Li Xiannian. Deng was still effectively running the PRC, though his only formal office was as head of the powerful Central Military Commission. Zhao was the Premier and Li the President of the PRC.

By the time of the Fudan speech, the trip has already produced several substantive successes. The Chinese wanted American economic investment and technology while American businesses wanted the opportunity to participate in China's economic growth. The trip produced agreements that prohibited double taxation of U.S. companies doing business in China and paved the way for American companies to assist in building Chinese nuclear reactors.

Both governments wanted to use the other as leverage against the Soviets, and they issued joint calls for Vietnam to withdraw its forces from Cambodia and the USSR to abandon its invasion of Afghanistan.

On April 29, Reagan was the first U.S. President to be interviewed on Chinese TV. The interview was friendly, but the President's remarks connecting democratic freedoms with the potential for economic growth and human progress were censored.¹⁴

So the stage was set for the Fudan University speech on April 30. It was a foregone conclusion that the speech would be friendly in tone. Reagan was not there openly to challenge the legitimacy of the CCP, whose cooperation he needed against the Soviets. No one expected the speech to call for Chinese leaders to tear down the walls of oppression around their people, as Reagan subsequently called on Mikhail Gorbachev to tear down the Berlin wall.

But would the President, in deference to the sensibilities of the CCP, censor himself, and fail to discuss the ideals on which America was founded -- the principles of freedom and human dignity on which he had staked his presidency? And if he did discuss them, how could he do it without alienating the regime that he needed and wanted as a balancing factor against the USSR in Asia?

The President resolved the tension by making the tone of the speech deeply personal. He spoke to the Chinese people through the students at Fudan University, and he spoke on behalf of the American people as their elected President. Throughout the speech he offered carrots and sticks to the CCP leaders, encouraging them to open China to the potential of economic freedom and welcoming their cooperation on common geopolitical goals, while making clear that the United States would not abandon its interests, its allies, or its freedom.

The President's remarks were deeply respectful of China's history, culture and people, and optimistic about its future. Reagan did not challenge the CCP dictatorship directly, but he did openly and at length celebrate America's tradition of freedom, thereby powerfully rejecting any idea of moral equivalence between the American and Chinese political systems.

In short, the speech was vintage Ronald Reagan, personal in tone, friendly in spirit, and careful to assert, protect and advance the concrete interests of his country -- while reflecting his faith that the ideals he believed in had power, by themselves, to move the human heart and shake the foundations of oppressive governments.

The Speech Itself

As befitted the occasion, the President began by paying tribute to the past greatness of the Chinese people. He then moved quickly to express his approval of the new spirit of openness in China, and to encourage and deepen the exchange of ideas and people it permitted. Since he was speaking at a university, he focused initially on the rapidly expanding Sino-American educational exchange programs.

I'd like to say a few words about our China-U.S. educational exchange programs. It's not entirely new, this exchanging of students. Your President Xie earned a degree from Smith College in the United States. Smith is also my wife Nancy's alma mater. And President

¹⁴ Michael Weisskopf, "Chinese Students Call Reagan Speech 'Propaganda'," Washington Post, 29 April, 1984.

Xie also attended MIT, Massachusetts Institute of Technology, one of our greatest universities of science, engineering, and technology.

But in the past few years, our two countries have enjoyed an explosion in the number of student exchanges. Five years ago you numbered your students studying abroad in the hundreds. Since then, 20,000 Chinese scholars have studied throughout the world, and more than half of them have come to American schools. More than 100 American colleges and universities now have educational exchanges with nearly as many Chinese institutions.

We have committed more resources to our Fulbright program in China than in any other country. Two of the American professors teaching here at Fudan are Fulbright professors. And there are 20 American students studying with you, and we're very proud of them.¹⁵

The President then pivoted to discussing the possibilities for economic growth if China continued and broadened its experiment with economic freedom. The CCP leaders were even then interested in the potential of space, and Reagan must have caught their attention when he used that as an example of the progress that was possible if they would build on their economic reforms.

With peaceful cooperation as our guide, the possibilities for future progress are great. For example, we look forward to exploring with China the possibilities of cooperating in the development of space on behalf of our fellow citizens.

Our astronauts have found that by working in the zero gravity environment of space, we will be able to manufacture life-saving medicines with far greater purity and efficiency, medicines that will treat diseases of heart attack and stroke that afflict millions of us. . . .

New satellites can be launched for use in navigation, weather forecasting, broadcasting, and computer technology. We already have the technology to make the extraordinary commonplace. 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.

My young friends, this is the way of the future. By pooling our talents and resources, we can make space a new frontier of peace.

Your government's policy of forging closer ties in the free exchange of knowledge has not only enlivened your economy, it has opened the way to a new convergence of

¹⁵ Ronald Reagan, Remarks at Fudan University, Shanghai, April 30, 1984.
<https://www.reaganlibrary.gov/research/speeches/43084e>

Chinese and American interests. You have opened the door, and let me assure you that ours is also open.

The President then began building up to the heart of the speech. Speaking as one American, on behalf of other Americans, he explained the United States to the curious audience of young Chinese.

The President began by discussing the importance of immigration in American history and the ethnic and national diversity it had produced. He emphasized how the achievements of immigrants had added so much value to the United States and the world. That gave him the opportunity to remind his audience – including the CCP leaders -- of what China's own people had been able to accomplish when they emigrated to a free country:

This tradition -- the tradition of new immigrants adding to the sum total of what we are -- is not a thing of the past. New immigrants are still bringing their talents and improving the quality of American life. Let me name a few -- I think you'll know their names.

In America, Wang computers have become a fixture in offices throughout the country. They are the product of the energy and brilliance of Mr. An Wang, who himself is the product of a Shanghai university.

The faces of our cities shine with the gleaming buildings of Mr. I.M. Pei, who first became interested in architecture as a student here in Shanghai.

What we know of the universe and the fundamental nature of matter has been expanded by the Nobel Prize winning scientist, Dr. Lee Tsung-Dao, who was born in Shanghai.

We admire these men; we honor them; and we salute you for what you gave them that helped make them great.

The President then pivoted to the main and most profound part of the speech. He had just discussed the diversity of American society; he now explained what the American people held in common.

What followed was a decisive answer to the question whether Reagan would censor his own remarks in deference to the CCP. In form, he was explaining one people to another people in a spirit of mutual curiosity; but in fact, he was rebuking the dictators who had hosted his visit, while making clear that he, and his country, were squarely on the side of those in China who were seeking political as well as economic freedom.

The President first asked for “special attention to what I’m about to say, because it’s important to an understanding of my country”. He then explained the foundational principle of America’s political system:

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.

We believe -- and we believe it so deeply that Americans know these words by heart -- we believe -- that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among those are Life, Liberty and the pursuit of Happiness." Take an American student or teacher aside later today and ask if he or she hasn't committed those words to memory. They are from the document by which we created our nation, the Declaration of Independence.

We elect our government by the vote of the people. That is how we choose our Congress and our President. We say of our country, "Here the People Rule," and it is so.

The President was about to pivot yet again, to signal that the United States welcomed China's support on the geopolitical goals they had in common and to set forth the parameters of the relationship between the two countries going forward. But before doing that, he reminded his hosts that while Americans loved peace and would not threaten others, they had always been willing to fight for their own freedom and the freedom of others. He used the Second World War as an example, allowing him to remind the audience of the common sacrifice of the Chinese and American peoples, while at the same time sending to their rulers the message that the United States would defend its interests, and keep its alliance commitments in Asia, whatever the cost.

We are a fair minded people. We're taught not to take what belongs to others. Many of us, as I said, are the children and grandchildren and great-grandchildren of immigrants, and from them we learned something of hard labor. As a nation we toiled up from poverty, and no people on Earth are more worthy to be trusted than those who have worked hard for what they have. None is less inclined to take what is not theirs.

We're idealists. Americans love freedom, and we've fought and died to protect the freedom of others. When the armies of fascism swept Europe four decades ago, the American people fought at great cost to defend the countries under assault.

When the armies of fascism swept Asia, we fought with you to stop them. And some of you listening today remember those days, remember when our General Jimmy Doolittle and his squadron came halfway around the world to help. Some of those pilots landed in China. You remember those brave young men. You hid them and cared for them and bound up their wounds. You saved many of their lives.

The speech then took a curious twist. In a section that looks like it might have been added after the rest of the remarks were written, the President referred to the importance of the religious impulse in American life and used the Bible to express America's sympathy with oppressed peoples around the world. At that point, Reagan came as close as he would come to a direct criticism of the Chinese communist dictatorship.

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.

The President closed the first part of the speech by inviting his audience, and through them the Chinese people, to “know us (the American people). That is the beginning of friendship between people. And friendship between people is the basis of friendship between governments.”

At that point the main audience for the President’s remarks changed, as did the role he had assumed in delivering them. For the first three quarters of his remarks, he spoke as one American representing the history, character, and deepest beliefs of his fellow Americans, and he was primarily addressing the Chinese people through the students at Fudan. Thereafter, though in form he was still addressing the student body, the messages he sent were aimed primarily at the CCP leadership. He spoke now as one head of state to other heads of state. His purpose was to delineate the expectations of his government regarding its relationship to Beijing, the limits within which the two governments could cooperate, and the potential mutual benefit to both of a continued partnership based on mutual interest.

In classic Reagan fashion, he began by shining a light on what most leaders would have kept hidden: the vast differences between the fundamental beliefs of the two governments. His tone was frank but not blustering. He maintained the language of friendship, but wanted the authoritarians in Beijing to know he was not afraid to acknowledge publicly what everyone knew was true:

Now, you know, as I do, that there's much that naturally divides us: time and space, different languages and values, different cultures and histories, and political systems that are fundamentally different. It would be foolish not to acknowledge these differences. There's no point in hiding the truth for the sake of a friendship, for a friendship based on fiction will not long withstand the rigors of this world.

Reagan went on to set forth the basis for cooperation between the governments: their common interests, objectives, and adversaries, particularly in Asia. For the time being anyway, neither the United States nor China was a threat to the vital interests of the other, while the Soviet Union -- though not specifically named by the President in his remarks -- was a common enemy:

But let us, for a moment, put aside the words that name our differences and think what we have in common. We are two great and huge nations on opposite sides of the globe. We are both countries of great vitality and strength. You are the most populous country

on Earth; we are the most technologically developed. Each of us holds a special weight in our respective sides of the world.

There exists between us a kind of equipoise. . . .

Already there are some political concerns that align us, and there are some important questions on which we both agree. Both the United States and China oppose the brutal and illegal occupation of Kampuchea. 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.

The President then reminded his hosts that he was rebuilding America's armed forces. The message – one that was especially important in the post-Vietnam era -- was that the United States would be reliable as a partner, but formidable as an adversary.

The United States is now undertaking a major strengthening of our defenses. It's an expensive effort, but we make it to protect the peace, knowing that a strong America is a safeguard for the independence and peace of others.

Finally, the President outlined the basis for a productive relationship going forward. In essence, his policy would be to "trust but verify." He acknowledged that disagreements were inevitable and would not necessarily disrupt the fundamental relationship, but made clear that China could not oppose the United States on important issues, or in extravagant ways, without costs or consequences:

Over the past 12 years, American and Chinese leaders have met frequently to discuss a host of issues. Often we have found agreement, but even when we have not, we've gained insight into each other, and we've learned to appreciate the other's perspectives on the world.

This process will continue, and it will flourish if we remember certain things. We must neither ignore our problems nor overstate them. We must never exaggerate our difficulties or send alarms for small reasons. We must remember that it is a delicate thing to oppose the wishes of a friend, and when we're forced to do so, we must be understanding with each other.

I hope that when history looks back upon this new chapter in our relationship, these will be remembered as days when America and China accepted the challenge to strengthen the ties that bind us, to cooperate for greater prosperity among our people, and to strive for a more secure and just peace in the world.

Conclusion:

Needless to say, in the 35 years since the Fudan speech, the relationship between China and the United States has changed enormously. Space does not permit a full narrative of events, but here is a summary.

1. The CCP has continued to pursue its “socialism with Chinese characteristics” model of economic growth. That model has several elements. It permits a degree of economic freedom sufficient to unleash the energy and dynamism of the Chinese people. At the same time, it exploits the international economic system in a way that allows the Chinese economy to enjoy the benefits of the system while evading many of its obligations.¹⁶ Both the licit and illicit tactics of the CCP have enabled China to jumpstart its economy using value created by the rest of the world. As an example, China continues to misappropriate an estimated \$184 - \$540 billion of intellectual property annually from First World economies.¹⁷ As a result, the Chinese economy has become the second largest in the world.
2. The CCP has used the newfound wealth of its country to engage in an enormous, two-decade buildup of its armed forces.¹⁸ The hard power at its command now overwhelms those of its immediate neighbors and is fully sufficient to challenge the United States and its allies in East Asia and its near seas.
3. At the same time, the CCP has stiffened its determination to prevent the development of the ethos or institutions of democracy in China and to control the political and, increasingly, the social life of its own people. The regime continues to spend an enormous amount of energy and resources ratcheting up the repressive apparatus of the Chinese state.¹⁹ Similarly, the regime invests heavily in influencing governments and public opinion abroad with the object of disturbing and dividing the democratic politics of potential adversaries and perpetuating its narrative of the CCP’s goals and methods.²⁰
4. The external context has also changed enormously. With the collapse of the Soviet Union, and the growing power of the Chinese state, CCP leaders no longer fear aggression, much less invasion, from its neighbors. Beginning about a decade ago, the regime began to adopt an aggressive agenda of its own designed to assert and exploit a paramount place for China in Asia. More broadly, the CCP is seeking to overthrow the norm-based international order and replace it with a system that legitimizes a kind of hegemony in its relationship with other countries, at least in Asia, and potentially anywhere in the world where China has significant interests.

¹⁶ Katherine Koleski and Nargiza Salidjanova, “China’s Technonationalism Toolbox: A Primer,” U.S.-China Economic and Security Review Commission, March 28, 2018.

<https://www.uscc.gov/Research/china%E2%80%99s-technonationalism-toolbox-primer>

¹⁷ “How China’s Economic Aggression Threatens the Technologies and Intellectual Property of the United States and the World” <https://www.whitehouse.gov/wp-content/uploads/2018/06/FINAL-China-Technology-Report-6.18.18-PDF.pdf>

¹⁸ U.S.-China Economic and Security Review Commission, “2018 Annual Report to Congress,” pp. 174-175.

¹⁹ U.S.-China Economic and Security Review Commission, “2018 Annual Report to Congress,” pp. 159-161, 271-272; U.S.-China Economic and Security Review Commission, “2017 Annual Report to Congress,” pp. 452-454.

²⁰ U.S.-China Economic and Security Review Commission, “2018 Annual Report to Congress,” pp. 304-324; U.S.-China Economic and Security Review Commission, “2017 Annual Report to Congress,” pp. 452-454.

For a generation after the Fudan speech, the democratic world, including three American administrations, indulged in the assumption that the CCP was moving towards greater openness and reform, at least on the economic front. That began to change with President Obama's "pivot" to Asia, which was a de facto recognition of the changing balance of economic and military power in Asia.

President Trump has catalyzed the change. His National Security Strategy prioritized great power competition, explicitly featuring China as the main object of that strategy.²¹ His Administration is rapidly executing the strategy, developing a broad range of tools to compete in the economic and diplomatic domains, and beginning to rebuild American armed forces in a way that is designed to restore a secure balance of power in East Asia. There has been bipartisan support for these initiatives, making it unlikely that Trump's successor, whenever he or she takes office, will fundamentally change the basic strategic direction of Sino-American policy.

The question that remains is whether and how the United States will contest the CCP narrative about its own legitimacy. Vice President Pence fired an opening salvo with his speech at the Hudson Institute in October 2018, where he catalogued China's illicit economic tactics and foreign aggression, outlined the ongoing American response, and emphasized the resolve of the United States to protect its interests and those of its allies.²²

It was a powerful and important speech, and no doubt the harbinger of things to come. What was largely missing from it, however, was an answer to the questions Reagan addressed at Fudan University in 1984.²³ What are the deepest values – the animating principles – that underpin the American experience, unite Americans in the midst of their diversity, and shape the approach of the United States to the world? How do those values contrast with the worldview of the current rulers of China? And what are the stakes, not just for the United States, but for the Chinese people, in the struggle between the two visions?

There is a way to answer those questions without shifting the focus away from the concrete national interests that the Trump Administration has correctly made the centerpiece of its Sino-American policy. President Reagan found a way at Fudan University in 1984. In fact, he would have said that the interests of a country are inseparable from its principles, because no nation can define what it wants without first defining what it believes, nor can it prosecute a great national competition without first understanding why it should win.

²¹ White House, "National Security Strategy of the United States of America," December 2017.

<https://www.whitehouse.gov/articles/new-national-security-strategy-new-era/>

²² "Remarks by Vice President Pence on the Administration's Policy Toward China," October 4, 2018:

<https://www.whitehouse.gov/briefings-statements/remarks-vice-president-pence-administrations-policy-toward-china/>

²³ The Vice President did refer to the unfulfilled hope that "freedom in China would expand in all of its forms — not just economically, but politically, with a newfound respect for classical liberal principles, private property, personal liberty, religious freedom — the entire family of human rights." Ibid