

THE POTENTIAL FOR INSTABILITY IN THE PRC: HOW THE DOOMSDAY THEORY  
MISSES THE MARK

By

Jessica Perkinson

Submitted to the

Faculty of the School of International Service

of American University

in Partial Fulfillment of

the Requirements for the Degree of

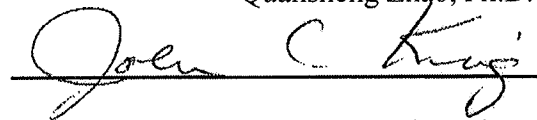
Master of Arts

In

International Affairs

 Chair:

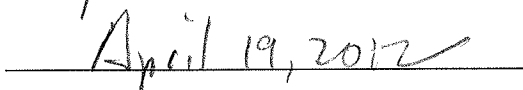
Quansheng Zhao, Ph.D.



John C. King, Ph.D.



Dean of the School of International Service



Date

2012

American University

Washington, D.C. 20016

# **The Potential for Instability in the PRC: How the Doomsday Theory Misses the Mark**

Jessica Perkinson

## **Abstract**

The US, in addition to most major powers and its international allies are increasingly intertwined with China as it continues its rapid economic growth and dominance of East Asia. Should the Chinese Communist Party (CCP) undergo significant political reforms, it would be a potentially destabilizing event for the global community and could cause the weakening or collapse of economic, political, social and security systems worldwide. Although there is a great deal of literature regarding levels of unrest among the Chinese population and hardships and burdens placed on them by their government, there is also a wide body of literature arguing that none of these prevailing factors could lead to any sort of mass unrest or threat to the stability of the CCP in its current form. Examining two critical case studies of interaction between Chinese politics and civil society occurring in China today, and analyzing whether those factors could lead to serious unrest in the region may shed some light on just how likely it is that the Chinese population will remain content with the current status quo or whether Chinese citizens will push for significant political reform in the near future.

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## Abbreviations

CCP	Chinese Communist Party
FDI	Foreign Direct Investment
IAEA	International Atomic Energy Agency
NAFTA	North American Free Trade Agreement
PCC	Production and Construction Corp
PLA	People’s Liberation Army
PRC	People’s Republic of China
SOE’s	State-owned enterprises
UNSC	United Nations Security Council
WTO	World Trade Organization

## Map of China's Provinces



Source: Society for Anglo-Chinese Understanding

## Introduction

The US, in addition to most major powers and its international allies are increasingly intertwined with China as it continues its rapid economic growth and dominance of East Asia. Should the Chinese Communist Party (CCP) undergo significant political reforms, it would be a potentially destabilizing event for the global community and could cause the weakening or collapse of economic, political, social and security systems worldwide. Although there is a great deal of literature regarding levels of unrest among the Chinese population and hardships and burdens placed on them by their government, there is also a wide body of literature arguing that none of these prevailing factors could lead to any sort of mass unrest or threat to the stability of the CCP in its current form. Examining two critical case studies of interaction between Chinese politics and civil society occurring in China today, and analyzing whether those factors could lead to serious unrest in the region may shed some light on just how likely it is that the Chinese population will remain content with the current status quo or whether Chinese citizens will push for significant political reform in the near future.

First, how do episodes of large-scale unrest in Chinese history reflect on the current rule of the CCP and its challenges with unrest? To answer this question, I will compare challenges of the Chinese government today with challenges faced by the Qing dynasty at the turn of the 20<sup>th</sup> century, which was brought down by large-scale unrest by the people of China. Throughout the rule of the Qing dynasty from 1644 to 1912, the country experienced a number of uprisings contesting its form of governance. Particularly toward the end of their rule, the Qing leaders suppressed these uprisings violently, killing

many Chinese and angering larger and large portions of the Chinese population. By comparing closely the manner in which the Qing dynasty dealt with political movements in their country and how the CCP controls for unrest today, we are able to judge more clearly whether or not large-scale movements may eventually culminate in significant political reform of the CCP. Though there are many similarities between the way the Qing Dynasty suppressed uprisings and how the CCP has handled events like the Hundred Flowers Campaign (1957), modern issues such as the Falun Gong movement, and continuing uprisings in Tibet and Xinjiang and Taiwanese desires for independence, my hypothesis is that history shines only minimal light on the potential future of the rule of the CCP in China.

A key question today is to what extent could unrest in China and potential points of instability cause significant *political* instability and/or reform in the government, and what impact that would have on the international community. To clarify, “political instability” is defined as a condition generated by popular political unhappiness and the actual and perceived threat that poses to the power elites. “Political reform” is defined as an altering of the current authoritarian regime to one where its citizens have more freedom of information, movement and voice in the government’s policies and activities.

In order to answer these questions, I will conduct an archival examination including government documents and databases from a number of countries, such as the US, China, a variety of Asian countries and other countries deeply dependent on China’s stability. In addition, I will examine the scholarly work of well-known and respected

China scholars, particularly those who have done significant research on domestic movements in China and instability in the CCP. I will then use social-psychological, Marxist and state-centered international relations theories to examine and analyze two case studies of points of domestic instability in China. Lastly, I will discuss the potential implications of political instability in China for regional and international security.

There are a number of points of instability that have caused large-scale unrest in China in the past, and that continue to threaten the stability of the CCP as the sole governing body of China today. Examined as case studies and analyzed through the lens of IR theory, the issues of economic and environmental instability in China are enlightening as a framework through which to understand specific challenges that the CCP faces to the satisfaction of its people with its governance. Though China continues to grow at an astounding rate (upwards of 10% growth in GDP, annually<sup>1</sup>) there are a number of critical issues facing the economic planners in the Chinese government, including a staggering income gap, a historically unsustainable growth rate, a disagreement between economic and political ideologies and rising unemployment. In addition, as China grows economically, environmental degradation has begun to weigh heavily on the lives of the Chinese people. Among the most pervasive environmental issues are indiscriminate dam building, critically polluted water resources, and waste-dumping by foreign countries into China's loosely environmentally regulated society. If China is unable to correct for these conditions through economic and

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<sup>1</sup> "China," Central Intelligence Agency: The World Factbook, 29 Feb 2012, Accessed 7 March 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>>.



environmental policy reform, it is likely that the country will see increased level of unrest from the Chinese population.

Should the CCP undergo some sort of dramatic transformation – whether that be significant reform or complete collapse, as some radical China scholars predict<sup>2</sup> – the implications for international and US national security are vast. Not only does China and the stability of the CCP play a significant role in the maintenance of peace in the East Asian region, but China is also relied upon by many members of the international community for foreign direct investment, economic stability and trade. China plays a key role in maintaining stability on the Korean Peninsula as one of North Korea's only allies, and it is argued that instability within the Chinese government could also lead to instability in the already sensitive military and political situation across the Taiwan Strait. For the United States, the effect of instability within the CCP would be widespread and dramatic. As the United States' largest holder of US treasury securities, instability or collapse of the CCP could threaten the stability of the already volatile economic situation in the US. In addition, China is the largest trading partner of a number of countries, including the US, and the US is reliant upon its market of inexpensive goods to feed demand within the US.

It is with this in mind that China scholars within the United States and around the world should be studying this phenomenon, because the potential for reform, instability or even collapse of the CCP is of critical importance to the stability of the international order as a whole. For the United States specifically, the potential - or lack thereof - for

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<sup>2</sup> Gordon G. Chang, The Coming Collapse of China (New York: Random House, 2001).

reform of the CCP should dictate its foreign policy toward China. If the body of knowledge on the stability of the Chinese government reveals that the Chinese market is not a stable one, it is in the best interests of the United States to look for investors and trade markets elsewhere to lessen its serious dependence on China for its economic stability, particularly in a time of such uncertain economic conditions within the US.

“China watchers” who predict the complete collapse or fall of the CCP in the near future are likely missing some of the more subtle nuances of the CCP’s rule. My research documents that while China has a number of obstacles to overcome in order to avoid economic, environmental and social crises, there is no evidence that such crises will unequivocally result in the complete collapse or overthrow of the CCP. In addition, a number of persuasive and thoroughly-researched works by preeminent scholars suggest that the CCP has shown a high level of flexibility in the past and has been able to overcome social unrest and political movements through various tactics. However, the CCP must overcome its looming economic and social challenges in the near future, or they may be forced to take on significant reforms in response to more significant domestic crises.

## **Literature Review**

There is a significant amount of research that has investigated how Chinese leadership structures have collapsed in the past, and how unrest and political movements might lead to significant government reform in regard to China’s environmental challenges and points of potential economic instability. Likewise there have been

theoretical speculations about what significant reform of the current Chinese government could mean for the regional and international community<sup>345</sup>. However, there is *very* little – if any – work done that synthesizes the fragmented body of knowledge into one comprehensive work focusing on the potential for environmental and economic instability as ‘triggers’ to unrest and political instability in China, and, thus, to regional and international security.

The first group of materials relates to how Chinese leadership structures have collapsed in the past. The first work, *Holy War In China: The Muslim Rebellion and State in Chinese Central Asia, 1864-1877* by Hodong Kim outlines the events leading up to the fall of the Qing dynasty in 1912. Specifically, the book details the revolutions that began in the Xinjiang city of Kucha, a province that continues to suffer from a great deal of conflict and unrest today, and its spread to neighboring provinces and eventually to greater China. This rebellion compounded with other rebellions across China and culminated in the eventual overthrow of the Chinese Qing government in 1912.<sup>6</sup> These events are also detailed in Jack Gray’s *Rebellions and Revolutions: China from the 1800’s to the 1980’s*. Gray details the rise and fall of Chinese dynasties and government from the 1800’s through the 1980’s, including rebellions that overthrew them and how subsequent governments were put in place. This is a useful work in comparing the rule of

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<sup>3</sup> Hodong Kim, Holy War In China: The Muslim Rebellion and State in Chinese Central Asia, 1864-1877 (Stanford: Stanford University Press, 2004).

<sup>4</sup> Peter C. Sederberg, Fires Within: Political Violence and Revolutionary Change (New York: HarpersCollins, 1994).

<sup>5</sup> Stephen K. Sanderson, Revolutions: A Worldwide Introduction to Political and Social Change (Boulder: Paradigm Publishers, 2005).

<sup>6</sup> Kim.

the CCP today with that of previous rulers (such as the Qing dynasty and the founder of the modern-day CCP, Mao Zedong) as it is inclusive of a number of leading groups and gives the reader a thorough understanding of Chinese political history.<sup>7</sup> There are also scholarly works detailing distinct differences between the way the highly inflexible leadership of the Qing dynasty handled the demands of political leadership and how the CCP has thus far dealt with demands for change outside their control. For example, according to David Shambaugh in his book *China's Communist Party: Atrophy and Adaptation*, though the CCP clearly has many challenges facing the stability of its current form of rule, it has shown a great deal more flexibility than the Qing dynasty did and has committed to some moderate reforms in order to prevent or postpone imminent danger to their rule.<sup>8</sup>

Another set of materials consists of theoretical analyses of how unrest can lead to widespread conflict. One particularly informative and intriguing theoretical work on how unrest and political movements can lead to significant government reform is Peter C. Sederberg's *Fires Within: Political Violence and Revolutionary Change*. This book examines one particular theory that is useful for my analyses, namely, social-psychological theory. His methodology illustrates a particularly intriguing way to theorize about social unrest and government reform, namely interpretive analyses, in which social scientists examine the motives, interactions and expectations of those involved in social movements. This approach often advances the assumption that social

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<sup>7</sup> Jack Gray, Rebellions and Revolutions: China from the 1800's to the 1980's (New York: Oxford University Press, 1990).

<sup>8</sup> David Shambaugh, China's Communist Party: Atrophy and Adaptation (Washington: Woodrow Wilson Center Press, 2008).

movements tend to succeed because a group of people with similar motives gather and interact, and coalesce off each other's zeal for the movement and to work toward a common goal<sup>9</sup> – in this case, reformation of the standing government. A second work, Stephen K. Sanderson's *Revolutions: A Worldwide Introduction to Political and Social Change*, outlines two more theories useful to the analysis of unrest and political change - Marxist theory and state-centered theory. Sanderson argues, for example, that although the last century has essentially disproven fundamentalist Marxist theory (as no advanced capitalist societies have seen full-scale socialist revolution), modern theories continue to draw from the Marxist theme that economic exploitation and class struggle are the primary drivers behind revolution.<sup>10</sup> One example lies in the anthropologist Eric Wolf's *Peasant Wars of the 20<sup>th</sup> Century* (1969), in which he examined social unrest leading to reform in Mexico, Russia, China, Vietnam, Algeria and Cuba. Wolf found that, when economic equilibrium is disrupted, the chance for social movements is increased.<sup>11</sup> This finding is significant when used in examining China's economic situation today because, though the Chinese people are used to growth and development, there are flaws in the Chinese economy that could lead this system to be disrupted in the near future. On the other hand, state-centered theory claims that states or nations cannot be viewed in isolation, and that the international context within which states operate "contributes greatly to revolutionary situations and outcomes."<sup>12</sup> In his book *Revolutions: A Worldwide Introduction to Political and Social Change*, Sanderson references Theda

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<sup>9</sup> Sederberg 67-81.

<sup>10</sup> Sanderson 65.

<sup>11</sup> Id.

<sup>12</sup> Sanderson 74.

Skocpol's *Theory of Great Revolutions*. Skocpol's primary argument is that, when examining the causes and outcomes of revolutions, one must always take into account the state as an actor, and not just the smaller groups driving the revolution.<sup>13</sup> These works lay a solid foundation for my research. Though they do not relate their theories directly to my case studies of the potential for political instability *in China*, they provide a groundwork of theory with which to analyze the case studies.

A third group of materials focuses specifically on the cases of environmental and economic instability in China. There are two works in particular that detail China's environmental challenges. The first book, *When A Billion Chinese Jump* by Jonathan Watts, is a methodical account of the author's travels throughout China as he sought to learn about all the ways in which the stunning rate of growth of the Chinese economy was degrading the environment and harming its people. From indiscriminate dam-building, particularly in Sichuan Province, to the "cancer villages" of Henan, to the recycling facilities in Guangdong and Guanxi, Watts lays out for the reader a sad tale of destruction and suffering in the wake of the Chinese desire for growth.<sup>14</sup> A second work, *China's Dilemma*, edited by Ligang Song and Wing Thye Woo, is a compilation of articles by numerous authors. This book outlines various challenges that China is facing in the wake of its unprecedented economic growth, from emissions, to water resources, to the coal industry. Its focus is on economic effects on the environment, how China has

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<sup>13</sup> Id.

<sup>14</sup> Jonathan Watts, *When a Billion Chinese Jump: How China Will Save Mankind – Or Destroy It* (New York: Scribner, 2010).

responded to them, and what the implications are for the future of Chinese growth.<sup>15</sup>

In addition, there are two works that detail China's economic instability. The first is *China: Is Rapid Growth Sustainable?*, edited by Ross Garnaut and Ligang Song, which is a compilation of articles by preeminent scholars in the field of international economics and Chinese economy studies. The articles contained in this book focus on the rapidity and sustainability of China's growth, detailing such struggles as unemployment levels and the income gap.<sup>16</sup> The second work that details China's economic instability is *One Country, Two Societies: Rural-Urban Inequality in Contemporary China*, edited by Martin King Whyte. These author focus specifically on the income gap in China and its implications for economic and social stability in the country. They discuss a number of factors that lead to this income gap at length, including the *hukou* system in China, which continues to deny some Chinese citizens access to professional and educational opportunities.<sup>17</sup>

A fourth group focuses on the possible implications for regional and international security should the Chinese government undergo significant reforms, during which uncertainty could shift the balance of security in the East Asian region and international community. An article by Geoff Dyer, Jamil Anderlini and Henny Sender of the *Financial Times* titled "China's Lending Hits News Heights," details China's recent push to invest heavily in developing countries. They point out that China signed loans of

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<sup>15</sup> Song Ligang and Wing Thye Woo, eds., China's Dilemma: Economic Growth the Environment and Climate Change (Washington: Brookings Institution, 2008).

<sup>16</sup> Yanrui Wu, "Productivity and sustainable growth," Ross Garnaut and Ligang Song, eds. *China: Is Rapid Growth Sustainable?* (Canberra: Asia Pacific Press, 2004).

<sup>17</sup> Martin King Whyte, ed. *One Country, Two Societies: Rural-Urban Inequality in Contemporary China* (Cambridge: Harvard University, 2010).

at least \$110 billion to other developing countries' governments and companies in 2009 and 2010, more than the World Bank lent to developing nations in those years.<sup>18</sup> This phenomenon is also detailed in Joshua Kurlantzick's *Charm Offensive*<sup>19</sup>, suggesting the importance of the topic – these countries are now significantly dependent upon the stability of the Chinese government and economy for their economic stability and well-being. A second work, *China's North Korea Policy* by Bates Gill of the United States Institute of Peace, does just as its title suggests – it details the China-North Korea relationship, relating it to regional and international security. In general, the author concludes that China's North Korea policy is centered largely on maintaining security in the region by bolstering North Korea's economic growth, based on its experience with economic growth as a stabilizing force.<sup>20</sup> China is also a permanent member of the United Nations Security Council, weighing in on critical decisions related to international security. Without a stable government, its participation in international organizations and the maintenance of international security could be interrupted during times of uncertainty and reform. It is obvious to anyone who understands even the basics of the relationship between China and the international community that the potential for instability of the CCP could mean the potential instability of the entire Asian continent, and of the international structure as a whole. It is therefore critical to have a deep, meaningful

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<sup>18</sup> Geoff Dyer, Jamil Anderlini and Henny Sender, "China's Lending Hits New Heights," *Financial Times* 6 May 2011.

<sup>19</sup> Joshua Kurlantzick, *Charm Offensive: how China's soft power is transforming the world* (New Haven: Yale University Press, 2007).

<sup>20</sup> Bates Gill, "China's North Korea Policy: Assessing Interests and Influences," United States Institute of Peace, 16 Jan 2012, Accessed 1 Feb, 2012 < [http://www.usip.org/files/resources/China's\\_North\\_Korea\\_Policy.pdf](http://www.usip.org/files/resources/China's_North_Korea_Policy.pdf) >.



understanding of what Chinese instability could mean for world order, in order to be prepared for how the CCP may handle large-scale social or political movements that threaten its rule.

A last set of materials focuses on the possible implications for US national security should the Chinese government undergo significant reforms and destabilization. The first work, *America's Coming War With China* by Ted Galen Carpenter, details the debate between Taiwan, China and the US over the status of the island of Taiwan. Specifically, Carpenter claims that the Taiwan debate is so tense that the United States should prepare for an eventual military conflict with China over the issue.<sup>21</sup> This is closely related to my research topic because both China and Taiwan have made statements in the past and taken actions that suggest that they would act to reclaim the other's territory in the event of political instability. Should the U.S. become engaged in some serious conflict with China that disrupts their burgeoning economic partnership, the national security of the U.S. may in turn be in jeopardy. There are a number of resources that detail the United States' dependence on China as an economic and trading partner. The United States Census's database titled "Top Trading Partners – Total Trade, Exports, Imports," shows China as the top trading partner of the United States outside of the North American Free Trade Agreement (NAFTA).<sup>22</sup> In addition, the United States Department of the Treasury has a resource titled "Major Foreign Holders of Treasury Securities," that

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<sup>21</sup> Ted Galen Carpenter, *America's Coming War with China: A Collision Course Over Taiwan* (New York: Palgrave Macmillan, 2005).

<sup>22</sup> "Top Trading Partners – Total Trade, Exports, Imports," United States Census, Feb 2011, Accessed 5 May 2011, <<http://www.census.gov/foreign-trade/statistics/highlights/toppartners.html>>.

lays out the US's continued dependence on China as a lender – the primary holder of US treasury securities funding the federal government.<sup>23</sup> The United States remains dependent upon China not only as a trade partner, but also as a source of stability for international threats such as nuclear weapons and regional concerns which the US is involved in, such as security across the Taiwan Strait. As a scholar of US foreign policy, this section is critically important to me as a framework with which to analyze current and future foreign policy toward China and the Chinese government based on the potential for significant reforms in the CCP.

Overall, there appears to be very little – if any - in-depth literature synthesizing China's specific environmental and economic challenges and how these challenges could in turn lead to conflict and unrest within China specifically. My hypotheses are as follows: 1) that the current level of environmental and economic instability in China could lead to significant conflict and unrest, as it is placing enormous pressures on the population, especially on the poor and rural populations; and 2) that this unrest could in turn place pressures on the CCP to undergo significant reforms that could threaten the stability of the international – and in particular the regional – community.

## **Historical Comparisons**

The history of the People's Republic of China (PRC) is fraught with unrest and revolution. These revolutions have often led not only to reform amongst their leadership, but even to the complete overthrow of the standing regime. The Qing dynasty, the last

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<sup>23</sup> “Major Foreign Holders of Treasury Securities,” US Department of the Treasury, 29 April 2011, Accessed 5 May 2011, < <http://www.treasury.gov/>>.

“dynasty” that claimed rule over the massive territory, fell from power due to a revolution staged by the Nationalists and the subsequent secession of various Chinese provinces from Qing rule. Today, the government of the PRC still suffers from widespread unrest and ethnic tensions. The question facing many China-watchers is whether or not these instances of unrest could eventually culminate in significant reforms in the CCP, which is still a young regime at 61 years.<sup>24</sup>

### *Culmination of Revolution and Fall of the Qing Dynasty*

On the night of June 3-4, 1864, the first of a series of Muslim rebellions in Xinjiang Province began in the city of Kucha.<sup>25</sup> This successful rebellion quickly captured the Manchu fort in the area and killed the Qing officials, spreading news of the rebellion like wildfire as people began to cry for Holy War.<sup>26</sup> This rebellion eventually enveloped all of the major cities in Xinjiang, from the capitol Urumqi, to Yarkand, Kashghar, Khotan, and finally to Ili, where what is now known as the *Kuchean Expedition* ended.<sup>27</sup> Here, the Islamic movement to which the Qing could not adequately respond placed in power their chosen leader, Rashidin Khwaja.<sup>28</sup> Although after this point the government under Khwaja had a difficult time unifying many parts of the

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<sup>24</sup> “China,” Central Intelligence Agency: The World Factbook, 29 Feb 2012, Accessed 7 March 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>>.

<sup>25</sup> Kim 37.

<sup>26</sup> Id.

<sup>27</sup> Id 41-52.

<sup>28</sup> Id 73.

province they had taken as their own<sup>29</sup>, this movement is a clear demonstration of the ability of a people, under a common belief system, to organize and demand serious reform or even bring down a suppressive or inflexible regime.

A second notable rebellion occurred during the Qing dynasty and is known today as the Boxer Rebellion. Originally started in the late 1800's as a group who practiced organized calisthenics, the Boxer movement soon grew into an anti-foreign militia-type organization with the support of the gentry and officials alike.<sup>30</sup> In an attempt to drive foreigners out of the government in Beijing, the Boxers lied to one of the chief leaders left of the crumbling Qing dynasty, telling her that the enemy had placed a protectorate over China, when they actually had not.<sup>31</sup> Beijing then decided to ally with the Boxers in an attempt to drive the foreigners out of the country, ordering the "extermination of all foreigners,"<sup>32</sup> only to be crushed by the advancing Europeans. In his book *Rebellions and Revolutions*, Jack Gray writes, "After a siege of two months, from 14 June to 14 August 1900, allied troops entered Beijing and relieved the foreign legations."<sup>33</sup> Although this rebellion is one that was poorly organized and failed to achieve its goal, it is an example of the possibility of conspiratorial strategies by a weak group such as the Boxers to change a government they felt could not protect them or stand for their interests. While the Boxers failed, their strategy of lying about their strengths and the

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<sup>29</sup> Kim.

<sup>30</sup> Jack Gray, *Rebellions and Revolutions: China from the 1800's to the 1980's* (New York: Oxford University Press, 1990) 138.

<sup>31</sup> Id.

<sup>32</sup> Id.

<sup>33</sup> Id.

enemies' progress is one that could potentially be used in the future by a group attempting to enact change in government.

In October of 1911, the final of the revolutionary uprisings the Qing dynasty suffered occurred in Wuhan, capitol of Hubei Province. After an explosion detonated in Wuhan, the local police discovered that a revolutionary organization was building bombs in the area. Many soldiers implicated in the bomb-making plot seized the Wuhan Arsenal on October 10, 1911, causing mutinies among the army and defection of army commanders.<sup>34</sup> Although this was an uprising the Manchu-controlled dynasty could have immobilized, the provincial governments opted not to engage their peacekeeping forces, due to a culmination of years of mistreatment at the hands of the regime. Therefore, the riots went unchecked, and as word of the rebellion spread, people in the provinces began rioting and declaring their independence. This became the ultimate demise of the Qing dynasty, as up until this time, the provincial governments had been the immediate governing bodies of the populace, and they were no longer willing to govern the people under Qing rule.<sup>35</sup>

Under pressure from protest of the Manchu's attempted nationalization of the railway industry, the first province to riot following Wuhan was Sichuan. The new president of the Republic, Yuan Shikai, came to power in China through the secession of Sichuan, followed by southwestern provinces, which had never truly been reconciled to the Qing dynasty. The Northern provinces soon followed suit, and this is where Yuan's government chose to place their new capitol, Beijing. At this point, the newly rising

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<sup>34</sup> Gray 143-144.

<sup>35</sup> Id.

Nationalist government began trying to find ways to help the Manchus to retreat peacefully to their homeland. This portion of the history of the Qing dynasty is significant because it shows that the dynasty fell by the collective will of a people dissatisfied with their government.

The official proclamation of the Republic came on January 1, 1912<sup>36</sup>, and because the standing emperor of the Manchu-led Qing dynasty was a child, a declaration of abdication was presented on his behalf on February 12, 1912.<sup>37</sup> The emperor (or in this case, those who advised him) chose to step down and return to the Manchu homeland peacefully. Finally, the people under Qing rule had grown weary of the suppression of the dynasty, catalyzed by the attempted nationalization of the railway system, and had risen up in a concerted effort to topple their own government. This demonstrates that a people who suffer suppression at the hands of their government are capable of and catalyzing significant reform – or even overthrow – their government. Taking these historical events into consideration, one is able to compare them with the modern Chinese Communist Party regime and its similar struggles with unrest.

### *Unrest and Suppression, Qing and CCP Comparisons*

Due in large part to forced racial integration between the local Muslim population and Han Chinese since the 1960's, Xinjiang has been the scene of large-scale ethnic tensions in modern China under the CCP.<sup>38</sup> One noteworthy event of unrest that took

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<sup>36</sup> Gray xxxiii.

<sup>37</sup> Id 146.

<sup>38</sup> Donald H. McMillen, Chinese Communist Power and Policy in Xinjiang, 1949-1977

place on January 26, 1967 has been termed the Shihezi Incident.<sup>39</sup> The event began on January 25 during the attempted seizure of a textile factory in Shihezi by revolutionary rebels.<sup>40</sup> In his book *Chinese Communist Power and Policy in Xinjiang, 1949-1977*, Donald McMillen details the chaotic consequences of the incident, as revolutionaries were attacked by the Chinese military and street fighting and guerrilla warfare broke out across the region.<sup>41</sup> Following the outbreak of revolutionary unrest in Shihezi, several other uprisings took place in nearby cities and towns, often resulting in bloodshed and violent suppression by the Production and Construction Corp (PCC), a socio-political military group.

The most recent mass incident to take place in Xinjiang Province took place in Urumqi, the capital of Xinjiang, in July, 2009. The primary catalyst for the event was a clash in Shaogan in Southern China between factory workers and police, where two Uyghurs were killed.<sup>42</sup> Because many Uyghurs in the Northwestern Province of Xinjiang believed the killings to be racially motivated, rioting in the capital quickly expanded to include over 1,000 Uyghur citizens. Rioters burned and smashed numerous vehicles, while riot police and security forces clashed with those involved. In the end, nearly 200 people were killed, and numerous other Uyghur men and boys “disappeared.”<sup>43</sup>

There are similarities between the way the CCP has suppressed these uprisings and the way the Qing dynasty suppressed similar events. The morning after the outbreak

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(Boulder: Westview Press, 1979) 311.

<sup>39</sup> McMillen 202.

<sup>40</sup> Id.

<sup>41</sup> Id 203.

<sup>42</sup> Chris Buckley, “China calls Xinjiang riot a plot against rule,” *Reuters* 6 July 2009.

<sup>43</sup> Michael Bristow, “Many ‘Missing’ After China Riots,” *BBC News* 21 Oct. 2009.

of rioting in Shihezi in 1967, the PCC First Field Army and Independent Regiment brought in over ten truckloads of troops to encircle the rebels who had seized the textile factory. The suppressors took immediate action, both shelling and shooting the rebels, killing scores of them as well as bystanders, including women and children. During the Qing era, government leaders ordered similar retaliations against uprisings. One of these retaliations took place in response to the series of Muslim rebellions detailed previously in this work, in which 2800 were killed or fled to Kucha.<sup>44</sup> Similar to the military retaliation at Shihezi during CCP rule, the local army under control of the governor – who was in turn under the control of the Manchus – retaliated ruthlessly against the revolutionary forces.

There are also similarities that can be drawn between the way the CCP handled the uprising in Xinjiang Province in 2009 and the way the leaders of the Qing dynasty handled the Muslim uprisings. In an effort to contain the spreading violence and conflict between tens of thousands of Uyghurs and Han Chinese in Xinjiang, police blocked off a number of streets in the capital, and followed the blockade with tear gas attacks on any individuals suspected of attempting to pierce the blockade. In addition, around 43 Uyghur men and boys are missing in connection with the 2009 riots, and citizens of Xinjiang have become increasingly dissatisfied with the central government.<sup>45</sup> Though the CCP now has new threats of protest to contend with – including rioters using the internet and social networking sites to organize their protests - this is a second example of the way the

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<sup>44</sup> Kim 59.

<sup>45</sup> Tania Branigan, “Chinese police break up Urumqi protests with tear gas,” *The Guardian* 4 Sept. 2009.



CCP has used its military force to contain large numbers of protestors in a manner similar to that of the leaders of the Qing dynasty. These violent suppressions are important because, as they built toward the massive uprisings that brought down the Qing dynasty, it is speculated that a similar momentum in mobilization could also build up and lead to massive unrest in modern China and spearhead demands among a large percentage of the Chinese population today for significant political reform – potentially leading to rapid reconstruction of the CCP.

A second source of ethnic tension in modern China is in Tibet. One of the most historic events of unrest that took place in Tibet occurred in the county of Nyemo.<sup>46</sup> In Nyemo, a large number of peasants - grain farmers - became upset about recent “democratic reforms,” in which they had to sell a certain amount of the grain they harvested to the state at government-set prices, whether or not the family needed it to survive. This caused massive distaste for the government among Tibetans, making them easy to recruit for a newly rising counterrevolutionary cause.<sup>47</sup> The developments leading up to this event began with a nun named Trinley Chodron, who believed the gods were telling her to lead a group of rebels to attack local People’s Liberation Army (PLA) officials. When this group of counterrevolutionaries (as they were dubbed by the Han Chinese government) rose up against the local officials, they killed “fifteen PLA soldiers, seven cadres, and thirty-two grassroots officials and activists.”<sup>48</sup> This revolt was not

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<sup>46</sup> Melvyn C. Goldstein, Ben Jiao and Tanzen Lhundrup, On the Cultural Revolution in Tibet: The Nyemo Incident of 1969 (Berkeley and Los Angeles: University of California Press, 2009) 1.

<sup>47</sup> Id 60-61.

<sup>48</sup> Id 1.

contained to Nyemo –it spread throughout eighteen Tibetan counties, claimed 54 lives and threatened to envelope Lhasa, the capitol of Tibet, in its wake.<sup>49</sup> However, the movement - termed Gyenlo - was suppressed after a failed invasion of a PLA compound in Bagor, causing a number of those loyal to the group to flee.<sup>50</sup> The rapid development and spread of the movement suggests that, had the Gyenlo group been successful in an organized, united invasion of the Bagor PLA compound, they may have been able to tear down the governing system in Tibet and threaten the CCP's ability to control the region. This is another example of a grassroots movement led by a people disillusioned with their leadership that threatened to destabilize their government.

Today, unrest in Tibet continues to be a source of serious concern for the security and stability of the CCP. On March 10, 2008, five months prior to the opening ceremonies for the Beijing Olympics, a series of dramatic uprisings took place in Tibet and neighboring Qinghai, Sichuan and Gansu Provinces.<sup>51</sup> These protests continue to take place every year surrounding the anniversary of the Dalai Lama's flight to exile, but were more widespread and violent prior to the Olympics, potentially as an emotional response to international recognition of the PRC as a country worthy of hosting the Olympics. In the first two weeks of the demonstrations, 150 incidents of unrest took place, killing over twenty people and injuring over 600.<sup>52</sup> Violence was aimed primarily at the majority ethnic groups in China, exemplifying racial tensions in the region. The

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<sup>49</sup> Goldstein 3.

<sup>50</sup> Id 132.

<sup>51</sup> "China: Witnesses Lift Veil on Abuses by Security Forces in Tibet," Human Rights Watch, 21 July 2010, Accessed 1 July 2011, < <http://www.hrw.org/news/2010/07/19/china-witnesses-lift-veil-abuses-security-forces-tibet>>.

<sup>52</sup> "Official death toll rises in Tibet riots," *CBC News*, 21 March 2008.

Dalai Lama spoke openly about racial tensions in Tibet proper, stating that “Whether intentionally or unintentionally, some kind of cultural genocide is taking place,” referring to the CCP’s policy of diluting the Tibetan race by encouraging Han Chinese to move to Tibet.<sup>53</sup> The CCP blamed the demonstrations on the Dalai Lama and his government-in-exile, claiming that the riots were organized from their remote post in Dharamsala, India. In addition, the situation brought a great deal of international attention to the Tibetan plight, as Chinese authorities staged one of the most brutal crackdowns in the nation’s short history, arresting thousands suspected of being involved in the demonstrations, ejecting foreign journalists, restricting movement to and about the region, and openly firing on groups of demonstrators in Lhasa.<sup>54</sup>

Again, there are comparisons that can be drawn between the way the CCP handled the uprisings in Tibet in the 1960’s and the way the Qing dynasty chose to quell this rebellion during its rule. In 1969, the members of Gyenlo began to become disillusioned with their leader, forcing the group to reconvene to discuss their next steps. A PLA attack finally brought the group’s movements to a halt, as they encircled all of the offending areas, capturing the nun Chodron and a large number of Gyenlo’s loyalists.<sup>55</sup> As Goldstein and Lhundrup write in their book *On The Cultural Revolution in Tibet*, “105 Gyenlo local leaders and activists were punished. Of these, 34 were executed, 28 were sentenced to incarceration, and 43 were placed under public surveillance...and

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<sup>53</sup> “Tibetan riots spread outside region,” *New York Times*, 16 March 2008.

<sup>54</sup> Id.

<sup>55</sup> Goldstein et. al. 143-144.

another 16 committed suicide.”<sup>56</sup> There was also a tendency by the Qing dynasty’s military to suppress revolutions violently, in a manner similar to the way the PLA chose to suppress the 1969 rebellions. As mentioned previously in this study, the Boxer movement was a movement that did not fully succeed, due to the way that it was quelled by the remaining government officials following the Boxer’s defeat in Beijing. In *Rebellions and Revolutions*, Gray writes, “Zai Tian’s concubine ... attempted to keep him in Beijing...for if he could stay in the capital he would be restored to power. Yehenala solved this problem her own way: the concubine was thrown down a palace well and Zai Tian dragged off to Xi’an.”<sup>57</sup> Instead of establishing her leadership through compromise with the remaining non-violent government officials following the Boxer’s defeat, Yehenala decided to simply exterminate those opposing her. This abuse of a people by a government, it is argued, could potentially lead to massive unrest and the potential overthrow of a government such as the CCP.

There are also comparisons that can be drawn between the way the Qing dynasty dealt with Tibetan unrest during their rule and the way the CCP handled the demonstrations in Tibet in March, 2008. Though human rights activists, including the United Nations High Commissioner for Human Rights and UN special reporters, asked to conduct independent investigations into the 2008 Tibetan demonstrations, the CCP refused them access.<sup>58</sup> According to a Human Rights Watch report titled “I Saw It With

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<sup>56</sup> Id 154.

<sup>57</sup> Gray 139.

<sup>58</sup> “China: Witnesses Lift Veil on Abuses by Security Forces in Tibet,” Human Rights Watch, 21 July 2010, Accessed 1 July 2011, < <http://www.hrw.org/news/2010/07/19/china-witnesses-lift-veil-abuses-security-forces-tibet> >.

My Own Eyes: Abuses by Security Forces in Tibet,” Chinese authorities detained “thousands of demonstrators and ordinary Tibetans...without due process and without regard to legal procedures; where the state provided no accountability as to the whereabouts of detainees; and where a politicized judiciary controlled by party authorities conducted proceedings in which defendants had virtually no due process.”<sup>59</sup> In many instances, Chinese authorities acted outside the scope of international law and refused human rights groups access to those detained on suspicion of participation, and openly fired on demonstrators when ordinary methods of deterrence failed.<sup>60</sup> It appears, based on radical crackdowns by the CCP, that they still very much fear an organized opposition to their policies regarding religious and minority issues and are still not fully confident in their ability to handle these issues in a manner acceptable to the international community.

In the 1969 Tibetan uprising, a number of those involved in the Nyemo Incident were detained, and some were executed. This is similar to the way in which the CCP detained demonstrators in Tibet in 2008 without due process, and sentenced a number of the demonstrators to death. The CCP’s chosen method for suppression of the Tibetan demonstrations is also similar to that of the Boxer Rebellion, in that they have chosen to

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<sup>59</sup> “I Saw it With My Own Eyes: Abuses by Chinese Security Forces in Tibet, 2008-2010,” Human Rights Watch, 21 July 2010, Accessed 1 July 2011, < <http://www.hrw.org/sites/default/files/reports/tibet0710webwcover.pdf> >.

<sup>60</sup> “China: Witnesses Lift Veil on Abuses by Security Forces in Tibet,” Human Rights Watch, 21 July 2010, Accessed 1 July 2011, < <http://www.hrw.org/news/2010/07/19/china-witnesses-lift-veil-abuses-security-forces-tibet> >.

either execute the most outspoken members of opposition movements or make them “disappear” forever or for extended periods of time

Another obstacle to full stability in the Chinese leadership in recent years has been Taiwanese desires for independence. Although the Kuomintang fled to Taiwan and claimed it as their own Nationalist land following their defeat in the Chinese civil war, the CCP has refused to acknowledge independence for Taiwan, or any tendencies toward a “two-Chinas” situation. This has led to low levels of unrest in recent years, as Taiwan continues to democratize and China continues to oppose desires from the island for independence. Possibly some of the most marked reactions from Beijing regarding pro-independence rhetoric from Taiwan were the events that made up the Taiwan Strait Crisis.<sup>61</sup> This crisis began when US President Clinton granted the President of Taiwan, Lee Teng-Hui, a visa to visit his alma mater, Cornell in 1995, where he gave an address to an assembly of students and faculty. In her book *Strait Talk: United-States Taiwan Relations and the Crisis With China*, Nancy Tucker writes, “Lee referred to the Republic of China fifteen times, repeatedly talked about nation and country, and urged China to follow Taiwan’s model of political development.”<sup>62</sup> These remarks caused the Taiwan Strait Crisis, in which China staged military exercises and fired missiles into Taiwanese waters.<sup>63</sup>

For the time being, the issue of Taiwanese independence sparking serious conflict across the Taiwan Strait seems to have been quelled. Though there were fears of

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<sup>61</sup> Nancy Bernkopf Tucker, Strait Talk: United-States Taiwan Relations and the Crisis With China (Cambridge: Harvard University Press, 2009) 213.

<sup>62</sup> *Id.* 214.

<sup>63</sup> *Id.*

increased aggression prior to the recent elections in Taiwan, a moderate candidate – the incumbent Ma Ying-jeou – won the Presidency. Though the pro-independence Tsai Ying-wen garnered a large base of support, it seems that for the moment this threat to the stability of the CCP has been shelved.

Finally, the territorial sanctity of mainland China is threatened by desires for independence by another province, Tibet. Though Tibet's plight is well known internationally, the historical justification for its desires for independence is not. Though the CCP insists that Tibet became a part of China during Mongol rule in the 18<sup>th</sup> century, the historical record seems to be somewhat at odds with this stance. While the commonly held view among Chinese is that Tibet was part of China during the Yuan and Qing dynasties, Tibetans claim instead that the lamas leading Tibet at that time served only as spiritual mentors to the leaders of the Yuan and Qing dynasties without compromising Tibet's independence in any way. According to Elliot Sperling of the *New York Times*, Tibet was, in fact, subject to laws and regulations under both the Yuan and Qing dynasties, but was never fully reconciled as a part of mainland China. Instead, he says, the CCP's claim that Tibet became a part of mainland China during the 18<sup>th</sup> century is based largely on the CCP's desires to believe it so, when in fact Tibet did not officially become part of China until Mao Zedong sent troops into the province to conquer it for China.<sup>64</sup> Therefore, the struggle for Tibetan independence is based on Tibetans' beliefs that they were forced, against their will, to become one with mainland China, and were never fully reconciled to Chinese rule. Tibetan desires for independence, based on these

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<sup>64</sup> Elliott Sperling, "Don't Know Much About Tibetan History," *New York Times*, 13 April 2008.

deeply-held beliefs and feelings, continue to fester today as the CCP struggles to maintain peace in the Tibetan region, under intense pressures from unrest, demonstration, and uprising over China's religious and cultural suppression of the province.

There are intriguing comparisons that can be drawn between the way the CCP has handled these growing desires for independence and the way the Qing dynasty responded to the secession of their provinces in 1911. Yuan Shikai, the future President of the Republic following the fall of the Qing dynasty, managed to work his way up through the ranks in the Manchu-controlled government to a powerful position in the military.<sup>65</sup> The court murdered Yuan's only remaining military rival not under his direct command and replaced him with a prime minister of their choosing in an attempt to stop him from becoming more powerful.<sup>66</sup> This is where the comparison with the modern cross-strait situation is drawn. While the Manchu-controlled Qing government attempted to subvert the power of the leader of the revolutionary government on a micro level, the PRC is attempting to subvert the power of the Taiwanese leadership on a macro level. This subversion is manifesting itself in the creation of anti-secession laws, preventing any Chinese province from "legally" seceding from mainland China. By creating this law, the CCP is making it a direct violation of Chinese law to attempt to gain independence from the mainland, in turn making the leadership of Taiwan and Tibet legally subordinate to the CCP leadership.<sup>67</sup> These subversions, both on the part of the Manchus and of the CCP, are attempts at indirectly diminishing the power of the rebellious leadership. The

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<sup>65</sup> Gray 145.

<sup>66</sup> Id.

<sup>67</sup> Ted Galen Carpenter, America's Coming War with China: A Collision Course Over Taiwan (New York: Palgrave Macmillan, 2005) 109.



question is, will the recent anti-secession laws put in place by the CCP deter Taiwanese and Tibetan from lobbying for independence, or drive them toward it, as the Qing subversions ultimately did?

These events are particularly significant to the stability of the CCP because it is argued that the loss of Taiwan could mean their ultimate demise. Because the CCP has founded so much of their rhetoric and support among the Chinese people on the strong Chinese sense of nationalism<sup>68</sup>, a separation of an embattled territory could mean severe backlash from the people of China. In his article *On the issue of Taiwan Independence*, Wei Jingsheng writes, “Whenever the CCP wants to use the extreme nationalism to resists the unprecedented democracy movement, it always pointed the democracy wing as ‘the secessionists of Taiwan’”.<sup>69</sup> The CCP has used the sense of nationalism that they have ingrained in the Chinese people to gain support for a policy they wanted. In this case, they are using the nationalistic fervor amongst the Chinese people to prevent desires for Taiwanese independence from becoming acceptable to the Chinese people. This is all important to note because, should Taiwan declare independence, it would likely throw the PRC into war. In turn, the US would be drawn into the war as well as an ally of Taiwan, and the CCP’s stability in its own country could be threatened, and the economic, military and strategic balance between the US and China would be in jeopardy.

The fact that there are similarities to be drawn between the way that the Qing dynasty suppressed unrest and the way the CCP has thus far controlled similar situations

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<sup>68</sup> Wei Jingsheng, “On the issue of Taiwan Independence,” Wei Jingsheng Foundation, 12 Dec 2002, Accessed 14 July 2011, < <http://weijingsheng.org/wei/secession121202en.html>>.

<sup>69</sup> Id.

is notable because the downfall of the Qing dynasty was brought on largely as a result of government suppression. A speculation could be made that, if government suppression caused a massive uprising in the Qing dynasty, another government that suppresses its people in a similar way could potentially be forced to reform significantly. Gray writes, “The inhabitants of Guangdong and Guanxi had never been wholly reconciled to Manchu rule...there were also folk memories, now revived, of the bloody massacres with which the conquerors had revenged themselves for the stubborn resistance of certain Yangzi cities.”<sup>70</sup> The memories of past suppressions by the Qing were taken overseas with Chinese citizens, and these citizens brought back knowledge of Western rule, ready to begin revolution in their country to gain the government they desired.<sup>71</sup> Today, a situation where this argument is exemplified is that of Taiwanese desires for independence. Even by simply espousing pro-Taiwan rhetoric in a speech, Lee Teng-Hui raised a violent reaction among the CCP in the Taiwan Strait Crisis.<sup>72</sup> Could memories of these suppressions of the Taiwanese people eventually come back and cause a revolution as it did during the Qing dynasty? It is likely that the CCP will need to formulate a diplomatic way to handle Taiwanese or Tibetan desires for independence and avoid massive confrontation or war across the Taiwan Strait or with Tibetans wary of religious and cultural suppression in their region.

However, it is important to temper this argument based on a subtly nuanced understanding of some critical differences between the CCP’s governing style and that of

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<sup>70</sup> Gray 142.

<sup>71</sup> Id.

<sup>72</sup> Tucker 214.

the Qing dynasty leaders. Since 1949, events in the international environment have prompted the CCP to reexamine their ruling structure or style on a number of occasions. Upon the collapse of the Soviet Union in 1989, the CCP began a series of debates internally over the necessity of internal reforms to increase their longevity.<sup>73</sup> Though these debates were lengthy and protracted over a decade, the CCP has, in fact, undertaken a number of small, incremental reforms that have often been overlooked by China-watchers but have served to both strengthen and lengthen the CCP's rule. These reforms have been focused in propaganda and in ideology. Since the onset of the information revolution, the propaganda apparatus in China has eroded and transformed into a process almost entirely centered on information control. While in the past the Chinese propaganda machine consisted primarily of spreading positive, somewhat exaggerated views on the CCP through the media, today it is focused primarily on preventing the spread of negative information, though this is still a powerful and effective tool in itself.<sup>74</sup> The CCP has also changed its ideological tenor a number of times in recent decades, most evidently during the rules of Jiang Zemin and Hu Jintao. These ideological transitions have been from Jiang's Three Represents (promoting advanced productive forces, advanced modern culture and the interests of the vast majority), to Hu's "Socialist Harmonious Society", (a society "featuring democracy, the rule of law, fairness, justice, sincerity, trustworthiness, amity full vitality, stability, orderliness, and

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<sup>73</sup> David Shambaugh, China's Communist Party: Atrophy and Adaptation (Washington: Woodrow Wilson Center Press, 2008) 6.

<sup>74</sup> Id 106-111.

harmony between mankind and nature”<sup>75</sup>), to the most recent “Scientific Development Concept”, (aimed at creating a comprehensive production capability using labor as the driving force).<sup>76</sup> Overall, based on this additional evidence of the CCP’s style of policymaking, it is clear that historical comparisons of the CCP with the Qing dynasty may shed only moderate light on the potential for the complete overthrow of the CCP. The CCP clearly has many challenges facing the stability of its current form of rule, but it has shown a great deal more flexibility than the Qing dynasty did and has committed to some moderate reforms in order to prevent or postpone imminent danger to its rule. Therefore, the evidence shows more accurately that the CCP is more susceptible to movements for significant reform of the current governing style than to complete government overthrow, as the Qing experienced.

## **Theoretical Evidence**

There are plenty of examples throughout world history of revolutions, organized by those whom have grown dissatisfied with their government, that have forced reform in regimes unrepresentative of the people they propose to govern. This wealth of examples of the ways in which large-scale organized unrest can alter the status quo seems to have negated the need for a substantive collection of theoretical literature on unrest and revolution. However, there is a distinct connection between what theory *does* exist on unrest and successful revolution and those revolutions that have succeeded in forcing reform within suppressive regimes. There are a number of approaches to studying the

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<sup>75</sup> Id 115.

<sup>76</sup> Id 111-120.

theory of how the world's most impactful revolutions have developed and succeeded, including social-psychological theory, Marxist theory and state-centered theory.

One theory that has been developed to explain the connection between unrest and government reform is social-psychological theory. A particularly intriguing way to theorize about social unrest and government reform are interpretive analyses, in which social scientists examine the motives, interactions and expectations of those involved in social movements. This approach often advances the assumption that social movements tend to succeed because a group of people with similar motives gather and interact, and coalesce off each other's zeal for the movement and to work toward a common goal<sup>77</sup> – in this case, reformation of the standing government.

In his book *Revolutions: A Worldwide Introduction to Political and Social Change*, Stephen K. Sanderson examines specifically the expectations of those involved in social movements, and how they can foment unrest. Referring to James Davies' theory of rising expectations, Sanderson writes,

People do not revolt when they are at their lowest stage of misery and depression, but only when their lives have improved sufficiently so as to give them hope that further change is around the corner. When people's expectations have risen, but those expectations are newly frustrated – that is the point at which revolution is most likely. For example, if downtrodden people have been experiencing a period of growing economic prosperity, but then this growing prosperity comes to an end and is possibly even reversed, severe frustrations set in that cause people to

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<sup>77</sup> Sederberg 67-81.

become hostile and aggressive.<sup>78</sup>

This particular argument not only relates directly to our examination of the potential for political reform in China, but is intriguing and moving, intellectually. First, it relates in a direct and dynamic way to many of the contributing factors to the potential for economic instability in the PRC, including instability in the GDP growth rate, income inequality, ideological disagreements between a market economy under state control, and a climbing unemployment rate – particularly among college graduates (see section on economic insecurity, page 63). While many Chinese have been valiantly ripped from the clutches of poverty, others have been driven deeper into it during China's great economic boom. Based on this theory, as China's growth rate slows down due to issues with its currency valuation and an increase in unemployment, those Chinese who have seen the potential for economic prosperity may and expect it for themselves will demand more from their government in terms of representation and support.

One example of this theory at work lies in the Mexican Revolution that took place from 1910-1920. Leading up to the initial phases of the revolution in 1910, Mexico had been heavily focused on growing their economy and becoming a major player in the global economic system<sup>79</sup>, much as China is today. However, although the country at first experienced high rates of economic growth and was able to pull sectors of their population out of poverty, growth stagnated as slowing international economic growth

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<sup>78</sup> Stephen K. Sanderson, Revolutions: A Worldwide Introduction to Political and Social Change (Boulder: Paradigm Publishers, 2005) 62-64.

<sup>79</sup> Michael D. Richards, Revolutions in World History (New York: Routledge, 2004) 23-36.

damaged the Mexican economy, leading to high unemployment rates.<sup>80</sup> In addition, poor harvests in 1908 and 1909 led to widespread famine and food riots. This is a clear example of James Davies' theory of expectations because, as the Mexican economy grew, the Mexican people began to expect more out of their government and more opportunities. However, once many aspects of the economy began to see a slowdown, or even reverse, in growth – much as they are, or could, in China today – the people began to demand reform in their government. This theory is a significant one to use as a framework for examining the potential for reform in China because, as happened in Mexico, there are points of instability in the Chinese economy that could lead to unrest based on James Davies' theory of expectations.

A second theory, developed by Karl Marx, to explain social movements has been aptly named Marxist theory. Stephen K. Sanderson argues that, although the last century has essentially disproven fundamentalist Marxist theory (as no advanced capitalist societies have seen full-scale socialist revolution), modern theories continue to draw from the Marxist theme that economic exploitation and class struggle are the primary drivers behind revolution.<sup>81</sup> One example lies in the anthropologist Eric Wolf's *Peasant Wars of the 20<sup>th</sup> Century* (1969), in which he examined social unrest leading to reform in Mexico, Russia, China, Vietnam, Algeria and Cuba. In general, Wolf found that, when economic equilibrium is disrupted, the chance for social movements is increased.<sup>82</sup> This finding is significant when used in examining China's economic situation today because, though

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<sup>80</sup> Id.

<sup>81</sup> Sanderson 65.

<sup>82</sup> Id.

the Chinese people are used to a certain system of growth and development, there are characteristics in the Chinese economy that could lead this system to be disrupted in the near future.

An instance of Marxist theory - or Marxist-based theories - at work, is the Vietnamese Revolution began in the 1940's and 1950's. Elements of Marx's argument that economic exploitation and class struggle lead to social movement against a government were apparent in this revolution. Taxes and oppressive colonialism by the French government had placed vast swaths of the Vietnamese population in poverty and created significant disequilibrium in the Vietnamese economy, driving the rural populations to organize and rise up against the French colonial regime.<sup>83</sup> Exactly as Marx and Wolf would have predicted, policies exploiting the economy of Vietnam and disrupting the equilibrium of its economy drove a social movement against the standing authority. This theory is an enlightening one to use in the examination of China's potential for unrest-driven reform, as Chinese economic policies may, in the near future, cause a slowdown in economic growth that many Chinese cite as the reason they allow their government to continue tightly controlling its people. In addition, should these policies cause increased poverty or disruption of the economic equilibrium the Chinese people have grown accustomed to, we may begin to see these Marxist theory at work in the PRC.

A third theory that can be used as a framework for examining China's potential for unrest-driven reform is state-centered theory. This theory claims that states cannot be

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<sup>83</sup> Sederberg 307-333.



viewed in isolation, and that the international context within which states operate “contributes greatly to revolutionary situations and outcomes.”<sup>84</sup> In his book *Revolutions: A Worldwide Introduction to Political and Social Change*, Sanderson references Theda Skocpol’s *Theory of Great Revolutions*. Skocpol’s primary argument is that, when examining the causes and outcomes of revolutions, one must always take into account the state as an actor, and not just the smaller groups driving portions of the revolution.<sup>85</sup>

According to Skocpol, state-centered theories were at work during the Chinese Civil War that ended in 1949. During this time, China suffered not only from what is more commonly referred to as the cause of the Civil War – the uprising of the peasant class – but also from a serious breakdown of the state governmental system. According to Skocpol, these two phenomena, coupled with “severe international political and military pressures and economic difficulties” are what caused the massive upheaval that China experienced in the 1940’s. This last theory is useful in examining China’s current potential for unrest-driven reform, as the CCP suffers both from frequent unrest and is under international pressure in a number of areas, including environmental pollution, currency valuation, and human rights abuses. Therefore, according to this theory (as well as the others outlined in this section), China shows a certain level of proclivity to suffer from unrest-driven reform because it has just the equation of variables the state-centered theory claims can lead to unrest-driven reform.

Lastly, there exists in the recent events of the Arab Spring a set of examples for

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<sup>84</sup> Sanderson 74.

<sup>85</sup> Sanderson.

the argument that large-scale unrest can drive reform or even complete government revolution, based on these theories outlined above. Comparisons can be drawn between large-scale unrest in the Middle East and social forces taking place in China today, including the role of social media in demonstrations and grassroots democratic movements. While some concern has been expressed in the Chinese government about the possibility of the Arab Spring driving increased levels of unrest in China (while similarities can be drawn between uprisings in both regions) to this point no major unrest has been directly attributed to the democratic movements in the Middle East.

One similarity that can be drawn between the social movements driving reform in the Middle East and social forces existing in China today is the role social media has played in significant unrest events in the last decade. Using social-psychological theories as a basis for analysis, a parallel can be drawn between the Arab Spring and recent uprisings in China, such as in Tibet in 2008 and Xinjiang in 2009.

In Egypt, for example, social media was used as a primary tool for organizing the first demonstrations that eventually led to the overthrow of their government.

By using sites such as Facebook to organize their stances on issues and gather members to their ranks, Egyptian protestors were able to hold revolutionary meetings out of the sight of security forces and police.<sup>86</sup> Though the Egyptian government reacted swiftly, disabling Facebook and mobile phone providers before shutting down internet service in the country altogether, word spread of contingency plans for such an event and information sharing had already taken off in such a way that the government could not

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<sup>86</sup> Anne Alexander, "Internet role in Egypt's protests," *BBC News: Middle East*, 9 Feb 2011.

stop it.<sup>87</sup> This phenomenon has also occurred in China. For example, in 2008, Students for a Free Tibet began organizing a set of protests against suppressive Chinese policies in the province that were scheduled to take place on March 10, 2008. Though the protests originally started out by posting videos and messages to online social networking sites such as YouTube and Facebook, violent uprisings soon began through the province and surrounding areas as emotions became enflamed.<sup>88</sup> The uprisings eventually led to hundreds of arrests and violent crackdowns and the deaths of several monks. What is notable, however, is how social media was used in this case, like in Egypt's case, to spread the message of the revolution that resulted in subsequent uprisings.

The 2009 uprisings in Xinjiang were similarly organized through social media. Organizing through Facebook and Twitter, rioters in Urumqi were able to not only spread the message of the catalyst to the riots – the deaths of two Uyghur workers in Southern China – but information about the riots after the fact, despite the CCP's shutdown of social networking sites.<sup>89</sup> Using social-psychological theory to examine this phenomenon is useful as an analytical tool, and for predicting the proclivity of social media users to incite unrest. Social-psychological theory, by claiming that social movements tend to succeed because a group of people with similar motives gather and interact, feeding off each other's zeal for the movement and begin working toward a

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<sup>87</sup> Id.

<sup>88</sup> Adriana Popa, "Tibetan monks protest Chinese rule (Lhasa protests), 2008," Global Nonviolent Action Database, Swarthmore College, 16 Oct 2010, Accessed 14 July 2011, < <http://nvdatabase.swarthmore.edu/content/tibetan-monks-protest-chinese-rule-lhasa-protests-2008>>.

<sup>89</sup> Ben Blanchard, "China tightens Web screws after Xinjiang riot," *Reuters*, 6 July 2009, Accessed 14 July 2011, < <http://www.reuters.com/article/2009/07/06/us-china-xinjiang-internet-idUSTRE5651K420090706>>.

common goal<sup>90</sup>, would likely predict that the use of social media in organizing demonstrations have added a new dimension to demonstrators' abilities to 'gather and interact', increasing the likelihood and success of demonstrations and making it more difficult for the state to contain these uprisings.

A second similarity that can be drawn between the Arab Spring and social forces existing in China today are the effect that economic woes have had upon the local populations. Using Marxist theories as a basis for analysis, a parallel can be drawn between the Arab Spring and the likelihood of political movements in China.

Again, take Egypt as an example. Major catalysts to the start of the Egyptian protests were concerns about the economy, including low income and rapidly rising food prices that were threatening the livelihoods of average Egyptians.<sup>91</sup> Though the country has posted regular growth in GDP, this has not translated to an increase in wealth for average Egyptians. In addition, Egyptians have suffered from rapid inflation of food prices, as Egypt tends to spend a higher percentage of their income on food than any other emerging economy in the world.<sup>92</sup> China, too, has its share of economic instability, including a lack of sustainability of the growth rate, high poverty levels and income gap, an ideological disagreement between its political and economic systems and rising unemployment (see section on economic insecurity, page 63). Using Marxist theory to examine these phenomena is useful as an analytical tool and for predicting the likelihood

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<sup>90</sup> Sederberg 67-81.

<sup>91</sup> Annie Lowrey, "Protesting on an Empty Stomach: How the Egyptian economy is fueling unrest in Egypt," *Slate*, 31 Jan 2011, Accessed 30 July 2011, < [http://www.slate.com/articles/business/moneybox/2011/01/protesting\\_on\\_an\\_empty\\_stomach.html](http://www.slate.com/articles/business/moneybox/2011/01/protesting_on_an_empty_stomach.html) >.

<sup>92</sup> Id.

that China will have successful political movements similar to those that have occurred in the Middle East. Marxist theories, by claiming that economic exploitation and class struggle are the primary drivers behind revolution<sup>93</sup>, would likely predict that, because China has a number of underlying problems with their economy, the CCP would need to correct them or risk increasing the level of unrest.

A third similarity that can be drawn between the social movements driving reform in the Middle East and social forces existing in China today is the beginnings of an interest in a more democratic style of governance. Using state-centered theory as a basis for analysis, parallels can be drawn between the desire for democracy that spurred the riots in the Middle East and grassroots democracy movements that are taking place in villages in the Chinese countryside today.

In Egypt, for example, demonstrators initiated riots in response to the heavy-handed rule of their dictator, Hosni Mubarak, whose administration had not only suppressed the lives of ordinary Arabs, but had failed to correct for economic issues such as those mentioned above. Though Egypt had been taking part in ‘elections’ for decades, participation at the ballot boxes had slowly waned as people lost faith in the corrupt voting system. In 2005, only 20% of the population turned out to ‘vote’, despite the fact that voting in Egypt is considered compulsory.<sup>94</sup> Egyptians, in response to the rising corruption of their ‘voting’ system and their lack of control over their own government,

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<sup>93</sup> Sanderson 65.

<sup>94</sup> Alex Glennie, “Pro-democracy protests across the Middle East and North Africa have exploded the myth of Arab ‘exceptionalism’,” *The London School of Economics and Political Science Blog*, 2 Feb 2011, Accessed 30 July 2011, < <http://blogs.lse.ac.uk/politicsandpolicy/2011/02/02/pro-democracy-protests-across-the-middle-east-and-north-africa-have-exploded-the-myth-of-arab-exceptionalism/>>.

initiated their government-toppling revolution in order to restore true democracy to their country.

Many Chinese people, too, have a sense of what it is like to be able to choose your own leaders. Particularly in rural areas of China, rural elections for local leaders have developed. Though some levels of corruption exist in varying forms throughout the countryside in China, it is intriguing to note that the Chinese are experiencing small-scale democracy, while Arabs experienced a flawed democratic system that they eventually pressed to restore to its true democratic nature. Using state-centered theory to examine these phenomena is useful as an analytical tool and for predicting whether the Chinese may grow dissatisfied with their government as the Arabs did through being exposed to the democratic process and therefore understanding what it is like to elect your own leaders. State-centered theory, by claiming that states cannot be viewed in isolation and must be viewed as unitary actors within an international context<sup>95</sup> would likely predict that, because the Chinese people could press for democracy – or some more liberal form of governing system – may threaten the current governing system and therefore the state as an actor, itself. In addition, when examining China using state-centered theory, pressure from the international community on China's authoritarian style of governance could make the CCP more susceptible to political reform driven by the people.

According to social-psychological theory, social movements tend to succeed because a group of people with similar motives feed off each other's zeal for a movement

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<sup>95</sup> Sanderson 74

and work toward a common goal.<sup>96</sup> As Chinese people have a number of passionate grievances with their government, this theory would then predict that Chinese people would easily rally successfully toward a common goal. Marxist theory, on the other hand, claims that economic exploitation and class struggle are the primary drivers behind revolution.<sup>97</sup> Because China suffers from a wide income gap, prejudiced social policies and environmental degradation disproportionately harming China's rural poor, these theories would then predict that China contains many "drivers behind revolution". Lastly, state-centered theory, which claims that states or nations cannot be viewed in isolation, and that the international context within which states operate "contributes greatly to revolutionary situations and outcomes."<sup>98</sup> This theory emphasizes the state as an actor, and that pressure from the international environment can weaken their ability to handle their internal affairs, such as unrest. As China suffers from both frequent unrest and international pressure on a number of issues including environmental pollution, currency valuation and human rights abuses, it would then predict that the CCP's vulnerability to political movements might be higher than other countries'. In addition, many of these theories could be used to analyze a recent series of political movements that succeeded in achieving political change in their countries to varying degrees in the Arab Spring. Though it is unlikely that China's potential for unrest will come to violent fruition in the way that it has in the Middle East, it is clear from this example and from an analysis using the theories outlined here that China may fit into the category of countries

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<sup>96</sup> Sederberg 67-81.

<sup>97</sup> Sanderson 65.

<sup>98</sup> Id 74.

susceptible to forced political reform by its people.

## Case Studies

### Environmental Degradation and Its Potential Effects

China is increasingly intertwined with the economic and strategic security of the United States and regional actors: it holds the most foreign reserves of any country in the world<sup>99</sup> at over \$2.45 trillion, and is owed a debt of over \$1.15 trillion by the United States.<sup>100</sup> Its government and security forces also serve as a buffer between the United States and hostile regimes in the region, including an increasingly volatile North Korea. Because of the world's increasing reliance on the stability of the Chinese financial and security apparatuses, foreign governments – including that of the United States – must fully understand any factors that could lend themselves to the destabilization of the Chinese regime. One critically important factor is environmental degradation and its potential for incitement of unrest and violent conflict, a historically critical factor in catalyzing large-scale political movements. The rural and poor populations of China are suffering on a daily basis, often in ways that are life-threatening, from the strain that an

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<sup>99</sup> "Monthly Foreign Exchange Reserves, 2010," The Chinese State Administration on Foreign Exchange, June 2010, Accessed 2 April 2011 <[http://www.safe.gov.cn/model\\_safe\\_en/tjsj\\_en/tjsj\\_detail\\_en.jsp?ID=30303000000000000000,19&4](http://www.safe.gov.cn/model_safe_en/tjsj_en/tjsj_detail_en.jsp?ID=30303000000000000000,19&4)>.

<sup>100</sup> "Major Foreign Holders of Treasury Securities," United States Department of the Treasury, Jan 2011, Accessed 2 April 2011, <<http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/mfh.txt>>.



annual growth in GDP of 10%<sup>101</sup> has placed on the environment. Many of those who have felt the effects of the damage the hardest are shunned from their communities and denied assistance by the CCP, presumably in hopes that, if the problem is ignored and hidden, international actors and organizations will not discover them. This intense, sustained suffering is, according to the available literature, what makes the connection between environmental damage and unrest.

### *Damming Up History in the Name of Growth*

To the outside observer unfamiliar with or unattuned to China's environmental challenges and lack of ethical environmental standards, it would seem that China's recent affinity for dam-building and hydropower is a positive step in the right direction. However, the Three Gorges Dam project has been one of the most internationally controversial projects in the history of the PRC. Although dam projects have been rampant and indiscriminate across the country (totaling 87,000 in 2010<sup>102</sup>), the Three Gorges Dam is by far the largest, most expensive and most environmentally devastating of any dam. This dam alone relocated 1.4 million people, took fifteen years to plan and fifty years to build, cost \$24 billion and was built with 16 million tons of reinforced concrete.<sup>103</sup> The dam – pushed forward by leaders' political desires for fame and recognition rather than by altruistic concerns for energy consumption – caused such devastating landslides and waves upon the filling of the reservoir that the government

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<sup>101</sup> Id.

<sup>102</sup> Jonathan Watts, When A Billion Chinese Jump (New York: Scribner, 2010) 43.

<sup>103</sup> Id 50.

postponed its complete filling.<sup>104</sup> The result was devastating to the once-beautiful landscape of the Yangtze River delta. The water of the Yangtze, a source of diverse marine life and drinking water to over 186 cities, lost its ability to rid itself of garbage and algae and deteriorated to cancerous levels.<sup>105</sup> According to Jonathan Watts' *When a Billion Chinese Jump*, following the building of every dam in China, local governments begin encouraging smelting plants – some of the most polluting industries available – to move near dams for electrical supply. However, because dams cannot supply 100% of the plants' power year-round, smelting plants then build coal plants and mines for those plants to provide them with supplementary electricity. According to Watts, many of these heavily-polluting dams have even qualified for carbon credits under the Clean Development Mechanism.<sup>106</sup>

The cultural loss has been nearly as devastating as the cost to the environment, biological diversity and human health. Of the area of the Yangtze that was flooded by the Three Gorges Dam, 482 square kilometers of the river bank contained historically and culturally significant architecture and archeology dating from before the Han period, which began in 206 B.C. Suffering from lack of government funding, archeologists were only able to save half of those sites they determined to be culturally and historically worth of preservation, 250 of the 1,300 known archeological sites. Included in those sites to be destroyed by the flooding of the Yangtze River are the highest Buddhist temple of

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<sup>104</sup> Chen Jiang, "Three Gorges Dam Risk to Environment, Says China," *Guardian*, 27 Sept 2007, Accessed 16 Aug 2011, < <http://www.guardian.co.uk/world/2007/sep/27/china.international>>.

<sup>105</sup> Watts 52.

<sup>106</sup> Id 58.

its kind, at 56 meters – Shibaozhai, a famous temple complex from the Ming dynasty, whose wooden steps were built by the Jiaqing emperor in the year 1800. The last known Ming town, Dachang, had to be relocated to higher ground to avoid flooding, leaving behind volcanic rock enclosures that were hand-carved and have served to protect the town since the year 265.<sup>107</sup>

There are clearly lessons that could have been taken from this devastation. However, the CCP pushed ahead and built the Zipingpu Dam, completed in 2006. Built on a fault line on the Min River that had been dormant for millions of years, Zipingpu separates 110 million cubic meters of water from the 600,000 Chinese citizens of the city of Dujiangyan. Each time the dam is filled and emptied, over 300 million tons of water rush in and out of the reservoir – and suddenly, Sichuan Province began having the first seismic activity recorded in millions of years, culminating in the 2008 magnitude-8 earthquake that rocked all of Sichuan Province and surrounding areas, killing or causing the disappearances of over 87,000 people.<sup>108</sup> Although disputed by the Chinese government and their senior geologists, who claim seismic activity was “unchanged” after Zipingpu was completed in 2006, dams’ effects on seismic activity are well-documented, and the builders of Zipingpu were warned of the potential for its

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<sup>107</sup> Elizabeth Childs-Johnson and Lawrence R. Sullivan, “The Three Gorges Dam and the Fate of China’s Southern Heritage,” The River Dragon Has Come! The Three Gorges Dam and the Fate of China’s Yangtze River and Its People Dai Qing, ed. (Armonk: M.E. Sharpe, 1998) 200-207.

<sup>108</sup> “Sichuan Earthquake,” *New York Times* 6 May 2009, Accessed 20 April 2011, < [http://topics.nytimes.com/topics/news/science/topics/earthquakes/sichuan\\_province\\_china/index.html](http://topics.nytimes.com/topics/news/science/topics/earthquakes/sichuan_province_china/index.html)>.

earth-shattering consequences prior to its completion.<sup>109</sup>

### *The Human Sacrifice*

As wide-spread as the suffering is for the victims of the Three Gorges and Zipingpu dam projects, there are other victims of Chinese environmental degradation who have to live with the consequences of unrestrained growth to their health every day. Over 150 million people live in the Huai valley along the Huai River in Henan Province, in villages that are home to people suffering from cancer, the number one killer of Chinese citizens. In 1997, cancer accounted for 1 in 5 deaths, an increase of 30% since 1980. Specific forms of cancers are worse than others – for example, compared with the global average, Chinese farmers are four times as likely to die of liver cancer and twice as likely to die of stomach cancer.<sup>110</sup> This is due to pollution of the Huai River, the main source of drinking water for these villages, as well as villages extending out as far as 500 kilometers away in Anhui Province. The cancer rate in general spikes along this river, where cancer rates are twice the national average. Partially as a cover-up for government neglect, these people are not assisted by the government for their tolerance of pollution brought on by heavy industry, and are instead forced to boil the water of the Huai River and skim the scum off the top.<sup>111</sup> The culprits for this devastating pollution are the numerous factories along the river, who dump large amounts of toxic waste into the river every day. According to Watts, the Lianhua (Lotus) Gourmet Powder Company, China's biggest producer of monosodium glutamate food flavoring, dumps 120,000 tons of

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<sup>109</sup> Watts 60-61.

<sup>110</sup> Watts 157.

<sup>111</sup> Id 159.

wastewater into the Huai every day. The exact numbers of those affected by the pollution of Huai are difficult to confirm, as locals are often ostracized or harassed by local officials and the leadership of NGO's and organizations in the area refuse to speak on the record out of concerns for their own safety.<sup>112</sup>

### *International Hypocrisy at Work*

#### The Devastation of Outsourcing: All Buttoned Up

Once a country reaches a certain level of development, their industrial sector begins to have difficulty finding the manpower to continue production. The people in these countries have seen that there are better standards of living; cleaner, more comfortable, healthier, less labor-intensive and more highly-paying jobs. These industries are then faced with a decision – to discontinue production, or to ship their dirty, labor-intensive, poorly paying jobs overseas? The answer is often to outsource these positions overseas – and a great deal of these jobs end up in Jiangsu Province.

Although it is a function of economic self-interest to pursue the cheapest inputs into the manufacturing of goods, standards of safety and ethics are often not accounted for when manufacturing is shipped overseas. This is the case in the zipper industry in Jiangsu Province, China. Although zippers were invented in Germany and were manufactured in Germany, Italy and the US for decades, these countries grew weary of the negative working conditions and low pay these industries offered their citizens. They then chose to ship the manufacturing of zippers to China. The industry ended up in

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<sup>112</sup> Chen Gang, Politics of China's Environmental Protection: Problems and Progress (Singapore: World Scientific, 2009).

Qiaotou, a small town in China that is now the world's #1 producer of buttons and zippers, with 80% of the market share.<sup>113</sup>

Economically, this may have helped the town, as well as the county and province – but the threats to the environment and human life are vast. Two major rivers and one famous lake in the region are now clogged with pollutants. The Ou River, which was once a source of clean irrigation for the province, is now used solely as an outlet for industrial waste. The Grand Canal, once considered as a potential source for the South-North Water Diversion Project<sup>114</sup>, is no longer being considered because it is too heavily polluted. Taihu Lake, a famous tourist destination because of its scenic beauty, is contaminated with nitrogen, causing it become covered in algae and dead fish every summer.<sup>115</sup>

Even more devastating than the destruction the zipper industry has caused to the environment is its cost to human health. According to Stephen Chen of the *South China Morning Post*, the number of babies born in Jiangsu Province with birth defects such as heart murmurs, cleft palates and hydrocephalus (a defect where there is excess water built up inside the skull, causing brain swelling and damage) rose 50% between 2001 and 2006. A fifth of these birth defects were attributed to pollution of sources of drinking

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<sup>113</sup> Jonathan Watts, "The best market in the world," *Salon* 25 May 2005, Accessed 2 April 2011, < [http://www.salon.com/2005/05/25/china\\_boom\\_2/](http://www.salon.com/2005/05/25/china_boom_2/)>.

<sup>114</sup> The South-North Water Diversion Project is a project undertaken by the Chinese government to siphon water from the Yangtze River in the South to the Yellow and Huai Rivers in the North, to ease drought in the Northern Provinces. This project is expected to cause cultural disruptions, millions of relocations and environmental catastrophe similar to that of the Three Gorges Dam project.

<sup>115</sup> Jeremy Goldkorn, "Taihu lake pollution: Net frenzy and government response," *Danwei* 1 June 2007.

water from the zipper industry.<sup>116</sup>

### Water for Oil, Garbage for Lives

As landfills filled all over the world, developed, wealthy nations – such as the United States and Britain – began encouraging their citizens to recycle. Behind the scenes, these countries – many signers of the Kyoto Protocol – would begin contributing to the environmental crisis in China on a massive scale. By sending their waste overseas to be “recycled,” developed nations could rid themselves of the expense incurred during the recycling process, as well as rid themselves of the pollution caused by landfills. While it may seem to outside observers to be the perfect solution, those involved in the study of Chinese environmental crises know differently. One intriguing case of this recycling-outsourcing is the city of Guiyu in Guangdong Province.

Guiyu is where the world’s most powerful countries send their computers when they are no longer needed, where citizens of Guangdong Province sit on the ground, separating plastic parts by color for about 40 Yuan (\$6) a day. Women and children make even less for stripping motherboards and printers for their reusable plastic – around 20 Yuan (\$3) a day. This particular type of work – breaking down the waste of countries – has exposed these workers to lead, mercury, and cadmium poisoning. Lead poisoning in children living in Guiyu is “50% higher than limits set by the U.S. Centers for Disease Control and Prevention, which could result in retarded mental development.”<sup>117</sup> In

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<sup>116</sup> Stephen Chen, “Birth Defects Caused by Environmental Pollution: First Large-Scale Study Exposes Poisoning Risks,” *South China Morning Post* 9 Jan 2009.

<sup>117</sup> Watts 89.

addition, the other chemicals workers in this field expose themselves to (mercury, chromium, polyvinyl chlorides, and brominated flame retardants) are linked to higher rates of brain damage, cancer and liver failure.<sup>118</sup>

It is actually illegal under international law to ship e-waste overseas, even for the purpose of recycling. However, studies have been conducted in the UK, the US and China that have revealed an industry that is dedicated to the illegal smuggling of e-waste. Discovered by Interpol, e-waste smuggling appears to be conducted primarily through the veins of organized crime, generally under the guise of companies in Hong Kong and Singapore. Because the Chinese government lacks the ability to fully control this illegal import of waste into their country, and foreign governments have been noticeably lax in their attempts to stem the flow of e-waste overseas, this phenomenon seems to be one that will continue without formal international cooperation on the issue.

In the past, the CCP's sacrifice of the well-being of their citizens to the dogged pursuit of economic growth has led to unrest and instability in the country, and at times to violent uprisings with high death tolls. Until this point, the CCP has managed to suppress these demonstrations (albeit through violent and oppressive means), but what happens when the dissatisfaction of the Chinese people becomes too great, too organized, and too passionate for the government to quell through force or oppression?

### *Environmental Security and Unrest*

Behind the study of what is commonly referred to as international

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<sup>118</sup> Id.



environmental security, there lies a great deal of scholarly literature. Particularly in the past three decades, researchers in the field have begun to develop the theory behind how pollution and environmental degradation lead to conflict between countries, the types of environmental damage that lend themselves most predictably to large-scale uprisings and violent conflict, and what factors contribute to the intensity of unrest among local populations suffering at the hand of overzealous economic growth.

Over 20 years ago, the World Commission on Environment and Development identified the problem of international environmental conflict and issued a report titled *Our Common Future*, detailing how environmental damage affects relations between countries and its potential for causing cross-border conflict. According to the report, because nations are intent upon protecting their own national (and therefore natural) sovereignty, political tension over resources often occurs between countries. Resources such as sea passages, land, rivers, energy supplies and raw materials have often been the source of such conflict, and these conflicts are expected to increase as natural resources become scarcer and competition increases.<sup>119</sup> As the report states, “‘The Earth is one but the world is not.’ We all depend on one biosphere for sustaining our lives. Yet each community, each country, strives for survival and prosperity with little regard for its impact on others’.”<sup>120</sup> China’s pervasive air pollution is likely to cause this type of cross-border conflict in the future: in 2008, South Korean schools were forced to close as a cloud of polluted air so thick it prevented simple social functions from continuing

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<sup>119</sup> World Commission on Environment and Development, “Our Common Future,” 1987, Accessed 20 April 2011, 290, <<http://www.un-documents.net/wced-ocf.htm>>.

<sup>120</sup> Id 27.

crossed the Yellow Sea.<sup>121</sup>

Of particular interest to those attempting to anticipate the likelihood of unrest arising from environmental degradation are what types of environmental damage are most likely to lead to conflict. There is a predominant argument among researchers in this field that depletion of physically visible resources will be most likely to cause unrest or conflict in the near future: that too much emphasis is placed on concern for ozone and atmospheric depletion, that these resources will not likely lead to unrest or conflict for another 100 years, as they cannot be seen and felt. They argue instead that pollution of waterways critical to the daily lives of local populations is more likely to lead to immediate violent conflict between groups. In the article “Environmental Scarcities and Violent Conflict,” Thomas Homer-Dixon argues, “Water is a critical resource for personal and national survival. Conflict is most probable when a downstream riparian is highly dependent on river water and is strong in comparison to upstream riparians. This situation is particularly dangerous if the downstream country also believes it has the military power to rectify the situation.”<sup>122</sup> The theory behind the pollution of waterways as a source of interstate conflict is easily adaptable to the situation in Henan and Anhui Provinces in China. Because Henan Province is so dismally polluted already, heavy industry continues to flock to Henan and dump toxic waste into the Huai River, which flows downstream to Anhui Province, an economically and socially stronger province.

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<sup>121</sup> Richard Spencer, “China’s Pollution closes South Korea Schools,” *The Telegraph*, 4 March 2008, Accessed 16 Aug 2011, < <http://www.telegraph.co.uk/earth/earthnews/3334700/Chinas-pollution-closes-South-Korea-schools.html>>.

<sup>122</sup> Thomas F. Homer-Dixon, “Environmental Scarcities and Violent Conflict,” *International Security* 19:1 (1994) 5-40, 23 March 2011.

According to the theoretical literature, as this waterway becomes more polluted and scarcer, unrest should be expected in the region.

There is also an argument in the literature that the intensity of potential unrest or conflict caused by environmental damage is driven by three factors: the severity of environmental damage, the immediacy of the damage to human lives, and whether or not the damage is reversible. In his article “International Conflict and Environmental Degradation,” Michael Renner argues that the higher the severity of the environmental damage (and therefore the more aware the local population is of the damage), the higher the likelihood of conflict.<sup>123</sup> A piece of graffiti depicted in Watts’ book demonstrates the Chinese people’s awareness of the damage and its root causes: “We have filthy officials and filthy water. For clean water, we need clean officials.”<sup>124</sup> It is also evident throughout the Watts book that citizens of Henan and of other provinces are aware of the effects of the pollution in Henan Province, as well as the high cancer and birth defect rates.<sup>125</sup>

This leads to the second factor that Renner argues would lend itself to a higher intensity of unrest or conflict over environmental degradation: the immediacy of the effects on human lives. As detailed previously in this paper, the effects on human health are particularly prevalent in Guangdong and Jiangsu Provinces, where cancer rates, liver failure, brain damage and birth defects are higher than most anywhere else in the

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<sup>123</sup> Michael Renner, Mario Pianta and Cinzia Franchi. “International Conflict and Environmental Degradation,” New Directions in Conflict Theory: Conflict Resolution and Conflict Transformation Raimo Vayrynen, ed. (London: Sage, 2010) 108-126.

<sup>124</sup> Watts 160.

<sup>125</sup> Id 151.

world.<sup>126</sup> Finally, Renner argues that, if the environmental damage is considered irreversible, violent conflict among those affected will be more likely. On the first page of her book *The River Runs Black*, Elizabeth Economy details the immensity of the damage to the Huai River, and the inability of the Chinese leadership to get the situation under control. Despite a six-year campaign to rid the river of polluting factories, the water of the Huai in Henan and Anhui Provinces was still full of garbage, yellow foam, dead fish and 38 billion gallons of polluted water in 2001. Although the CCP had proclaimed the situation “under control” seven months before, the situation continues to deteriorate.<sup>127</sup> All three of the factors that lend themselves most predictably to violent conflict according to Renner are present along the Huai River.

### *Environmental Unrest in China*

Compounding the theory behind the potential for environmental degradation to lead to unrest are actual occurrences of unrest among the populations in China over environmental concerns. According to Watts, in 2005 alone “environmental concerns sparked 5,000 mass incidents involving at least 100 people, 128,000 small disputes, and more than half a million letters and complaints.”<sup>128</sup> This means that, in 2005, nearly 4,000 people were involved in environmentally-related disputes or unrest *daily*. Although the government has since ceased reporting on cases of violence caused by environmental

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<sup>126</sup> Lee Liu, “Made in China: Cancer Villages,” *Environment Magazine*, March/April 2010, Accessed 14 April 2011, < <http://www.environmentmagazine.org/Archives/Back%20Issues/March-April%202010/made-in-china-full.html>>.

<sup>127</sup> Elizabeth C. Economy, *The River Runs Black: The Environmental Challenge to China's Future* (Ithaca: Cornell University Press, 2010).

<sup>128</sup> Watts 110.

concerns, two particularly dramatic occurrences took place in 2005 and 2007. A riot over a power plant in 2005 in Dongzhou, Guangdong Province ended when police killed at least three participants. In 2007, thousands of rioters successfully stopped plans for the building of a petrochemical plant in Xiamen, Fujian Province.<sup>129</sup> These incidents of environmental unrest, the fact that the CCP has since ceased reporting conflicts caused by environmental stress, and the vast body of literature on the theory behind environmental degradation and violent conflict and unrest, all make a strong argument for the possibility of intense, protracted, and acute unrest in China as resources become more polluted and more scarce.

### *Conclusions*

The issue of environmental security is one that every nation should pay attention to. Although environmental damage is occurring in some form in nearly every nation in world, China is a particularly harsh case that researchers have examined closely. The problem of environmental degradation and the potential for environmental conflict and unrest in China are pervasive.

Three cases within China are of particular value when considering the potential for conflict over environmental damage and its cost to human lives. Indiscriminate dam-building in the pursuit of economic growth has not only cost China historical and cultural architecture dating as far back as before the Han period (which began in 206 B.C.), but has also caused massive flooding, waves and seismic activity, killing tens of

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<sup>129</sup> Ma Tianjie, "Environmental Mass Incidents in Rural China," *China Environment* 10 (2008/9), Woodrow Wilson International Center for Scholars, Accessed 20 Aug 2011, <[http://www.wilsoncenter.org/sites/default/files/ma\\_feature\\_ces10.pdf](http://www.wilsoncenter.org/sites/default/files/ma_feature_ces10.pdf)>.

thousands of people. The inundation of heavy industry around critical waterways has wreaked a devastating toll on human health, particularly along in the Huai River in Henan Province, where the cancer rates are twice the national average and up to four times the global average.<sup>130</sup> Finally, outsourcing from developed countries whose citizens can no longer stand to work in dirty, low-paying industries such as the zipper- and button-manufacturing and waste-recycling industries have shipped their manufacturing overseas to Jiangsu and Guangdong Provinces, where the number of babies born with birth defects spiked between 2001 and 2006.<sup>131</sup>

The scholarly literature behind how environmental damage becomes a catalyst for unrest makes crucial connections between China's environmental challenges and the potential for widespread unrest in the future. Because nation-states are each interested in controlling their own resources and competing for the resources of other nations, as resources become scarcer the potential for a cross-border resource war increases. Certain types of resources lend themselves more predictably to conflict, however: those that are physically tangible and whose depletion is visible to the naked eye, such as water and agricultural land resources. There are various factors that make environmental unrest more likely, as well: Unrest over environmental concerns is more likely if the damage is severe, the cost to human life is immediate and the damage to the environment is irreversible.<sup>132</sup> In many villages and provinces, all three of these factors are prevalent; in some cases, the degradation has already led to various types of conflict.

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<sup>130</sup> Watts 157.

<sup>131</sup> Chen.

<sup>132</sup> Renner.

All of the scenes of environmental decline in China, coupled with the theory surrounding violent environmental conflict and instances of mass incidents related to environmental concerns in recent years lend themselves well to a prediction that environmental decline could lead to true conflict in China in the near future. Should this violence lead to true instability in the region, there would be serious implications for the international security structure, as China is deeply integrated into the global economic and political order as a primary trading partner and a buffer between Western nations and an increasingly-hostile North Korea. As such, this will be a critical issue for those trying to anticipate scenarios of international imbalance and threat to the global order to observe and monitor in coming years.

### Economic Insecurity

Also key among issues threatening political stability in the PRC is an undercurrent of economic instability. For a number of reasons – including the appeasement of its more than 1.3 billion people – the CCP places great emphasis on maintaining its nearly 10% average annual growth in GDP. It has been argued that one of the *only* reasons that the Chinese people endure the CCP's governing style is that they have been able to deliver on their promises of economic growth and elimination of poverty. However, the intense economic boom that the PRC has experienced in recent decades could be suffering from a quiet undercurrent of instability due to a number of factors including instability in its GDP growth rate, a staggering income gap, ideological disagreements between a market economy under state control, and a desperate need to

maintain a low unemployment rate. Should the governing bodies in power in China today fail to maintain this unprecedented economic growth rate and achieve the aforementioned economic goals, the dissatisfaction of its people could lead to unrest.

### *Questioning the Stability of China's Growth Rate*

The PRC has one of the fastest-growing economies in the entire world, with GDP growing at an average of 9% a year, cresting at 10% in 2010.<sup>133</sup> Between 1978 and 2002, GDP per capita in Shanghai grew by an astounding 19,000 Yuan, Beijing by 9000 and Tianjin by 7,000 (Table 1).<sup>134</sup> These growth rates have improved the ability of the CCP to effectively govern their people, as they regularly use it to justify their authoritarian style of governance and placate the masses that may otherwise be dissatisfied with the level of suppression in a country as developed as China.<sup>135</sup> However, the sustainability of these growth rates has recently come into question.

### **Table 1**

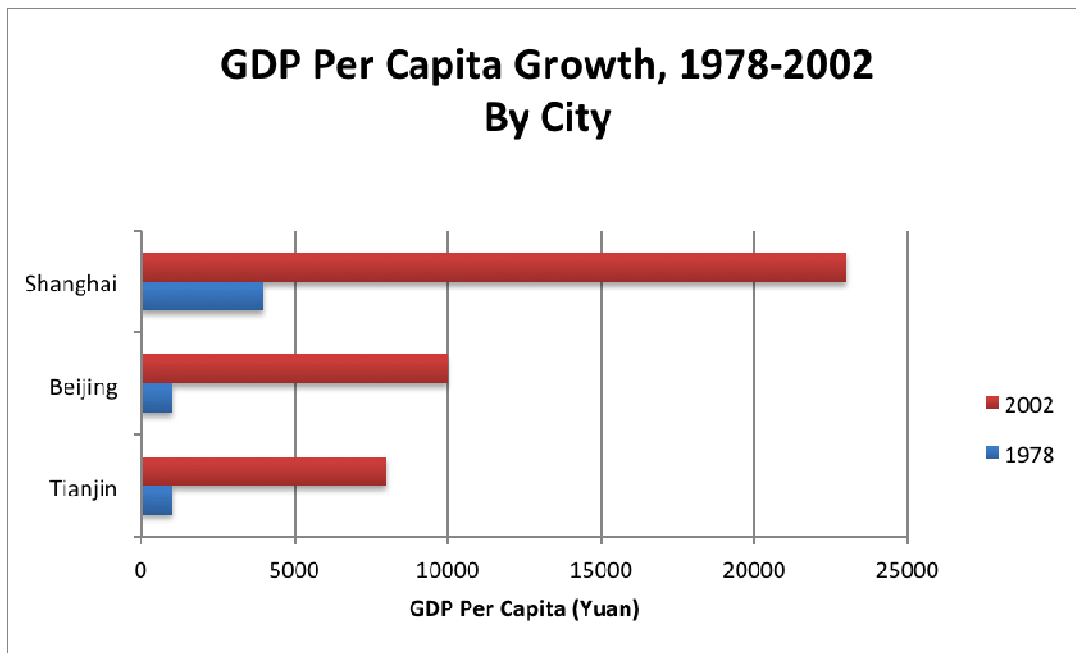
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<sup>133</sup> "China," Central Intelligence Agency: The World Factbook, 29 Feb 2012, Accessed 7 March 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>>.

<sup>134</sup> Yanrui Wu, "Productivity and sustainable growth," China: Is Rapid Growth Sustainable? Ross Garnaut and Ligang Song, eds. (Canberra: Asia Pacific Press, 2004) 181-196.

<sup>135</sup> David Logan, "Paths to Modernity," *Foreign Affairs* 2007.





Source: Yanrui Wu, “Productivity and sustainable growth.”

In the past, China’s rapid growth has been driven largely by a rapid increase in population, and therefore an abundance of labor inputs into the economy. In the pre-reform period in China (1953-1977), the sources of economic growth in the Chinese economy were concentrated heavily in physical labor and human capital. At that time, human capital accounted for 5.3% of economic growth. However, during the reform period (1978-1999), human capital inputs decreased dramatically to 2.69% as a result of the “one-child policy.”<sup>136</sup> Much fewer children have been born since the implementation of the “one-child policy,” so as Chinese citizens born at the onset of the policy were

<sup>136</sup> Yan Wang and Yudong Yao, “Sources of China’s economic growth 1952–1999: incorporating human capital accumulation,” *China Economic Review*, 14 (2003) 32–52.

entering the age of the labor force, the share of labor as a source of economic growth dropped precipitously. This is concerning for those that study the sustainability of economic growth in China for a number of reasons, primarily because China has been so reliant on cheap, abundant labor in the past. A decrease in that labor share could be hazardous for the sustainability of the massive growth rate that has been seen in the PRC in recent years, which could spell disaster for the stability of the CCP.

A second issue that could damage the sustainability of the Chinese economic system is recent conflict between the CCP and the international community with regards to China's currency manipulation. The claim against China by many developed nations is that China, in an effort to make their exports cheaper (and therefore more competitive) in the global market, has been selling their currency for US savings bonds, essentially pegging their currency to the dollar and keeping the value of the Yuan artificially low.<sup>137</sup> By doing this, they make their exports cheaper in the international market, undercutting the competition worldwide and assisting the growth of their economy. The concern among members of the international community is that, although China has allowed the value of their currency to appreciate slightly (roughly 2%), China may be threatening not only their own economic status, but also the economic status of the global community. There are two ways that a lack of sustainability of China's record-breaking economic growth could adversely affect the stability of the global economy: first, by driving up inflation and making the cost of goods spike in other countries that are still trying to

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<sup>137</sup> Tina Wang, "China Resumes Dollar Pegging on the Sly," *Forbes*, 27 Mar 2009, Accessed 20 Aug 2011, <<http://www.forbes.com/2009/03/27/china-yuan-dollar-markets-currency-pegging.html>>.

recover from the recent global economic crisis, and second, by causing overheating in the Chinese economy, causing it to crash and cause a massive slowdown in the world's economic recovery.<sup>138</sup> As China has thus far refused to appreciate their currency in a significant way, it is likely that the global economic system may need to prepare itself for a severe slowdown of the Chinese economy.

### *The Market Economy vs. the Authoritarian Political State*

Another potential threat to the stability of China's economy is the ideological disagreement between their economic and political systems. Though the traditional market economy is based on freedom of competition among companies and industries, and an authoritarian political system rests on centralized control by a minority, China is attempting to force those two competing ideologies to work together harmoniously. Although China is highly interested in the macroeconomic financial benefits of liberalizing and globalizing their economic and financial institutions, the CCP is still uncomfortable with the idea of liberalizing its social, political and cultural institutions. This clash of economic and social interests has come to a head in recent years, as China attempts to globalize and join international organizations, yet maintain its firm grip on control over its populace.<sup>139</sup>

For the most part, an authoritarian governing system contradicts everything a

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<sup>138</sup> Annalyn Censky, "What is currency manipulation, anyhow?" *CNN* 11 Nov. 2010, Accessed 22 Aug 2011, <[http://money.cnn.com/2010/11/10/news/economy/what\\_is\\_currency\\_manipulation/index.htm](http://money.cnn.com/2010/11/10/news/economy/what_is_currency_manipulation/index.htm)>.

<sup>139</sup> Tony Saich, "Globalization, Governance, and the Authoritarian State: China," *Governance in a Globalizing World* Joseph S. Nye, Jr., and John D. Donahue, eds. (Cambridge: Brookings Institution, 2000) 208-228.

market economy is based on, and vastly slows the efficiency created by a truly market economy. In his article “Is State Ownership Consistent with a Market Economy? The Chinese Experience,” Weiying Zhang states that there are four reasons why authoritarian governance is at odds with the core of market economic values, quoted here:

1. In a state – owned economy, ‘full competition’ must be excessive competition, and competitive behaviours of SOEs can be very destructive with regard to social efficiency,
2. Competition under state ownership can result in extremely excessive entry,
3. The reputation mechanism for market orders is not workable under state ownership, and
4. SOEs could not survive long under market competition and competition will eventually lead to privatization of SOEs<sup>140</sup>

To expound upon these points, Zhang goes on to state that Chinese state-owned enterprises (SOEs) compete viciously with one another, to the point of undercutting one another’s prices so that they take massive losses, slowing economic efficiency. Truly market-based economies naturally regulate the entry and exit of firms, as those firms that are less efficient exit the market as new firms enter. However, in a state-regulated economy like China’s, excessive entry occurs, flooding the market and further slowing economic growth. SOEs benefit more heavily from government assistance, creating a

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<sup>140</sup> Weiying Zhang, “Is State Ownership Consistent with a Market Economy? The Chinese Experience,” Market and Socialism: In Light of Experiences in China and Vietnam János Kornai and Yingyi Qian, eds. (New York: Palgrave MacMillen, 2009) 66-87.

lack of information transparency between markets, companies, and consumers. This in turn creates a lack of trust in the economy, which is essential for building the foundation of a market economy – division of labor, specialization and cooperation. Lastly, SOEs cannot last long in the market economy and will eventually become privatized themselves. Non-state owned sectors of the Chinese economy, including “foreign-owned, joint-ventures, mixed ownership and domestic private enterprises” have begun to dominate the market economy in recent years, as SOEs become less efficient and are unable to compete.<sup>141</sup>

The ability of the Chinese government to make the transition from a state-controlled “market” economy to a true market economy in the near future will be critical to its ability to continue to grow and remain a world leader in economic affairs. This transition period will *have* to occur, as an authoritarian regime and a market economy are naturally at odds with one another. If China were unable to handle this transition gracefully, and was unable to reconcile social, political and cultural suppression with a freer economic system, the international community may be in for a severe interruption of the international financial and economic order. The fact that there exists a level of un-sustainability in the Chinese economy due to a decrease in the labor supply, instability of its currency value and ideological disagreements between its economic and political systems is also concerning because it could lead to unrest as the Chinese government loses its ability to appease its suppressed population by creating rapid economic growth, closing the income gap and keeping unemployment low.

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<sup>141</sup> Id 68-82.

*The Have's and the Have-Not's, and What They Mean For Chinese Economic Stability*

The citizens of the modern-day PRC are suffering from a staggering gap in income between the rich and poor. This income gap could easily lead to unrest in China, as the poor demographic of China's population becomes dissatisfied with their repressive government's inability to close the income gap and make their lives as prosperous as those who live in the upper echelon of China's class system. However, the CCP has been trying to close this income gap in recent years and to bring a vast number of Chinese people out of poverty as their economy continues to boom. While this seems to be an altruistic attempt at bringing their people out of poverty, the lack of sustainability in the Chinese economic system (mentioned above) could lead to a slowdown of the rapid growth rate of China's economy, further fueling the poor demographic's dissatisfaction with their government.

In his book *China at the Crossroads*, Peter Nolan relates the true state of rural-urban inequality in China and its implications for stability and social unrest. In his book, he states that nearly "70 percent of the Chinese population still lives in the countryside,"<sup>142</sup> that employment in agriculture (the rural community's primary source of income) is stagnant, and that there are upwards of 150 million surplus farm workers. This means that there could be as many as 150 million workers in the countryside who are making no money at all, driving them to migrate to the cities to look for work. This has caused a great deal of social conflict that could increase if economic growth slows or

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<sup>142</sup> Peter Nolan, *China at the Crossroads* (Oxford: Blackwell Publishing, 2004) 11.

is unable to close the gap in rural-urban inequality. For example, in Qingdao municipality, “there was a proposal to segregate public buses, dividing them between local residents and migrant workers.”<sup>143</sup> This is reflective of the culture of many societies – such as the pre-Civil War United States and apartheid Africa – that suffered under segregation before unrest lead to massive uprisings and even civil war.

The staggeringly high level of inequality between rural and urban citizens is further illustrated by China’s *hukou* system, a system of household registration left over from the socialist era. This system of household registration marks a Chinese citizen as being from a rural or urban population, and allots them certain rights – such as the right to work in their *hukou* or to attend school. In his article “Boundaries of Inequality,” Wang Feng discusses the inequality that this *hukou* system has placed upon rural citizens, migrant workers and urban citizens in China. Feng states that “urban Chinese on average have twice as many years of education as rural Chinese, are three times as likely to have ever used the Internet...They work fewer days per week and fewer hours per day than the other two groups...They are also better paid and receive a much higher level of social benefits protection.”<sup>144</sup> These inequalities are, in part, due to the *hukou* system – workers have migrated to urban areas in search of work and to better their lives, but are left in limbo as they are not “legally” allowed to work in the cities. They are not officially counted as part of the urban population – throwing off populations numbers in the millions – and their children are not allowed to obtain education in the cities if their

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<sup>143</sup> Id 14.

<sup>144</sup> Wang Feng, “Boundaries of Inequality,” One Country, Two Societies: Rural-Urban Inequality in Contemporary China Martin King Whyte, ed. (Cambridge: Harvard University, 2010) 225-226.

*hukou* is associated with another, rural, province. In cities like Qingdao, social conflict is growing as city leaders attempt to segregate these migrant workers from “official” urban Chinese. Unrest has brought down dynasties in China’s past, and China’s leaders today will be expected to eliminate reasons for dissatisfaction among its people to prevent unrest – including class conflict, rural-urban inequality, and the *hukou* system.

### *Unemployment and Its Threat to Economic Stability*

Another source of dissatisfaction that the Chinese government will have to contend with in the near future is unemployment. In the past, the CCP has used its booming economic growth to appease its people, citing low levels of unemployment and rapid elimination of poverty as justification for its sometimes-suppressive actions, “in the name of social progress.” However, since China’s World Trade Organization (WTO) accession, it has had significant difficulty finding jobs for the 100-300 million Chinese citizens who are unemployed as the country evolves into an information- and service-based economy.<sup>145</sup> Though China has been successful, to some degree, in transforming its economy from one based on labor-intensive industries to one more heavily dependent on technology and services, this evolution has caused many people to become unemployed. The CCP’s ability (or lack thereof) to create jobs for these millions of unemployed citizens in the next decade may be the deciding factor in the country’s levels of economically-driven unrest in the near future.

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<sup>145</sup> Douglas Zhihua Zeng, “China’s Employment Challenges and Strategies After the WTO Accession,” *World Bank* Feb. 2005, Accessed 5 May 2011, < [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=667861](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=667861)>.



China's economic system has undergone many transformations, often coinciding with the CCP's latest 5-year plan, which lays the groundwork for the economic goals of the country for the next half-decade. The latest of these developments has been the shift from a labor-intensive, heavy-industry based economy to an information technology and service based economy. A primary reason for this shift is a steadily declining rate of productivity in heavy industry, driving economic planners to seek alternative avenues for economic growth. However, although declining productivity has driven down the need for workers in the heavy industry sector, the size of the workforce has not declined in the short term – leaving China in a state of limbo, with large numbers of workers unemployed.<sup>146</sup> With both rural and urban unemployment on the rise due to declining productivity and redundancy of urban jobs, it has fallen to the CCP to find ways to create jobs and absorb those unemployed as a result of economic evolution.

One of those ways has been the CCP's creation of stimulus packages. Though China has created these packages to boost and maintain economic growth, it appears that China's penchant for statistics manipulation may continue to stand in the way of full employment. According to Gunter Schucher's article "China's Employment Crisis: A Stimulus for Policy Change?" "official" unemployment estimates fail to include every demographic group. The statistics that the CCP uses to quell uneasiness in the population over unemployment only include those *registered* as unemployed, but fail to include unregistered groups such as "unemployed rural migrants, job-searching college

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<sup>146</sup> Wu 184-186.

graduates, laid-off workers and others.”<sup>147</sup> Though the CCP’s most optimistic estimates have stated that the current stimulus packages will create enough jobs to cover those 15 million citizens registered as unemployed, it fails to include the other 27 million citizens who are not *officially* registered as unemployed.<sup>148</sup> While the existence of the stimulus package itself seems to indicate that the government is working to improve the employment situation in their country, it appears that they will have to take much more drastic measures to be able to cover every demographic of the population likely to be unemployed in the next decade.

#### *How Unemployment and Income Inequality Could Lead to Unrest in the CCP*

Economic hardship has been a flashpoint of conflict and unrest in countries around the world for centuries. As people face an inability to feed themselves and their families, to pay for housing and schooling, they come to blame their government for being unable to create jobs. The high unemployment rates in China today raise this concern – should the CCP be unable to provide jobs, it may be a point of widespread unrest and condemnation of the CCP regime.

In the last two decades, incidents of labor-related unrest have been on the rise. As late as 2003, estimates of the numbers of workers involved in individual incidents had risen to 30,000, and were continuing to rise as productivity declined without any decline in the size of the workforce. Unemployed workers involved in these demonstrations cited

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<sup>147</sup> Gunter Schucher, “China’s Employment Crisis: A Stimulus for Policy Change?” *Journal of Current Chinese Affairs* (2009).

<sup>148</sup> *Id.*

their grievances as “layoffs, unpaid wages, and unfair severance packages.”<sup>149</sup> Since 2003, when these estimates were taken, unemployment has continued to rise. Based on this evidence, it appears likely that unrest will continue to grow, and could become a crisis in the future as unemployment and inequality continue to rise.

In addition to unrest that has been driven by grievances with unemployment rates, there has also been an increase in instances of unrest related to income inequality. Further, income inequality not only fuels unrest, but also has an effect on other sectors of the economy, further slowing growth. In their article “Income Distribution, Political Instability, And Investment,” Alberto Alesina and Roberto Perotti relate the ways in which income inequality can lead to widespread unrest, and thus, political instability.

By studying a cross-section of 70 countries between 1960 and 1985, the authors came to the conclusion that not only are countries with large income gaps more politically unstable, but that countries that have a wealthy class (such as China) are actually more likely to suffer from large-scale unrest and political instability. Two key examples of this conclusion are Southeast Asia, in which land reforms have reduced income inequality and raised political stability. In comparison, Latin America has had no such reforms, has a large income gap and continues to suffer from political instability and large-scale violence and unrest.<sup>150</sup> Alesina and Perotti also cite evidence that they collected that, as income inequality, and therefore unrest and political instability increase, investment in the economy tends to decrease. This has a number of implications for

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<sup>149</sup> Charles Wolf, et. al. Fault Lines in China's Economic Terrain (Santa Monica: RAND 2003) 19.

<sup>150</sup> Alberto Alesina and Roberto Perotti, "Income Distribution, Political Instability, And Investment," *European Economic Review* v. 40 (6 June 1996), 1203-1228.

China, which suffers not only have a large income gap, but from difficulties with handling high unemployment levels. Should the CCP be unable to improve their sizeable income gap, political instability resulting from this income inequality could lead to a slowing in the economic growth rate, creating more unemployment, and thus, more unrest.

### *Conclusions*

The PRC suffers from an undercurrent of political instability, due to a number of factors. One of the most prominent factors that could threaten the stability of the CCP in the coming decades is economic instability within the country. Though to an outsider it may appear that China has the growth of their economy under control – certainly, a 10% annual growth rate in GDP may lead one to believe that – upon closer examination it appears that the CCP may be facing serious threats to its economic stability, and thus to its stability as a political force. Factors underlying this instability include the disputed value of China's currency, the disagreement between a market economy and an authoritarian state, massive income inequality and high levels of unemployment. Unrest and political instability as a result of economic insecurity could, in turn, lead to a decrease in investments in the Chinese economy and slowing growth, further exacerbating high unemployment rates. It is apparent from a review of the available literature and statistical analyses that, in order to maintain its grip on power and control over its citizenry, the CCP must find solutions to both income inequality between the urban and rural populations, and steadily rising unemployment rates. Should they be unable to control

both of these side effects of economic evolution, they may find themselves with a crisis of unrest, and lose their seat as the one-party rulers in the PRC.

## **Implications for Regional and International Security**

As I have demonstrated in the preceding sections, China and its sole political party, the CCP, have a number of points of instability that could spur unrest and thus political instability. Beginning with a comparison of the Qing dynasty's suppression of political movements during its tenure and its eventual demise with the CCP's handling of political movements has shed light on patterns of suppression of freedom of speech and movement in China and how they could, in theory, lead to political instability in China today, though the CCP has shown much more flexibility than the leaders of the Qing dynasty did. Using the case studies of environmental degradation and economic instability, I have made the argument that China is suffering from both crippling environmental damage that threatens the lives of broad swaths of its people, and from an undercurrent of economic instability that could, in the near future, cause the collapse or severe slowdown of its "economic miracle." Finally, using international relations theories including social-psychological theory, Marxist theory and state-centered theory, I have analyzed these two case studies and described how existing hard IR theory would predict the consequences of these phenomena.

Next, I will move to examine how political instability in China could affect the international system. Though it is useful to understand on a basest level how China's domestic environment could change in the future, it is more meaningful for a broader

range of people and countries to examine what could happen to the international order if China and the CCP were to undergo a period of instability and reform. In conducting this examination, I will move systematically through regions of the world that have direct, meaningful and substantial relations with and/or dependence on China, beginning with its immediate neighbors and regional security partners, including those on the Korean Peninsula, the island of Taiwan, Japan, and India. Next, I will discuss European interests in the region, focusing on their trade dependency on China. Third, I will examine China's rapidly increasing foreign direct investment (FDI) in Africa, which has been a point of controversy and intrigue in recent years among China scholars. Last, I will discuss in detail how Chinese political instability could affect the United States, including the US-South Korean alliance, deterrence of aggression from North Korea, the US-Taiwan alliance, the US-Japan alliance, denuclearization issues and cooperation on Iran, and economic implications for the United States.

### *Regional Security*

There are a number of areas of concern among China's immediate regional neighbors and partners, including those on the Korean Peninsula, Taiwan, Japan, and India. Though China currently adheres to a strict foreign policy regime based on the Five Principles of Peaceful Coexistence<sup>151</sup> and has been able to significantly advance their own interests internationally using this method, the potentially destabilizing effect that

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<sup>151</sup> The Five Principles of Peaceful Coexistence consist of mutual respect for the sovereignty and territorial integrity of other nations, mutual non-aggression between China and other nations, non-interference in each other's internal affairs, equality and mutual benefit in bi- or multi-lateral relations, and peaceful coexistence.

forced political reform could have on the country may derail their relations and security with their neighbors. Chief among these regional concerns are North Korea's dependence on China's exports, South Korea's dependence on China's North Korea deterrence and trade, the security and stability of the Taiwan Strait, Japan's reliance on Chinese trade and message consistency regarding territorial disputes, and stability of the Sino-Indian border area.

First, the stability of the Korean Peninsula rests in large part on the stability of China's political system. Both North and South Korea have vested interests in the continued stability of the CCP for their own security. As is generally well-known in the international community, North Korea relies in large part on China superseding international trade sanctions not only for luxury goods, but for basic needs such as food and oil. For example, the United States led the charge and enacted its first set of sanctions against North Korea over two decades ago in response to the existence of fissile material on the Korean Peninsula and its risk for proliferation.<sup>152</sup> Over time, these sanctions have been expanded upon and have attracted the support and participation of the United Nations Security Council (UNSC). Specifically, these sanctions have included blocked property and interests in property, banned transactions involving North Korean vessels and bans on reception of imports originating in North Korea.<sup>153</sup> Though these sanctions have not encouraged the North Korean regime to change its policies (and in some cases

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<sup>152</sup> "North Korea: An Overview of Sanctions With Respect to North Korea" *Office of Foreign Assets Control*, United States Department of the Treasury 6 May 2011, Accessed 18 Feb 2012, <<http://www.treasury.gov/resourcecenter/sanctions/Programs/Documents/nkores.pdf>>.

<sup>153</sup> *Id.*

have made them more militant), they have unfortunately had a devastating effect on the North Korean people, including depravation of access to critical resources such as medication, food and water and energy supplies such as oil.<sup>154</sup> In addition, due to a succession of floods and droughts and the refusal of the international community to intervene in a country violating international laws, pervasive malnutrition has led to “up to one million excess deaths since the 1990’s.”<sup>155</sup> In order to maintain stability on the Peninsula and prevent the North Koreans from becoming desperate, China continues to export both luxury goods and basic commodities into North Korea. For example, in 2005, China accounted for 53% of North Korea’s international commerce. However, this has increased rapidly since sanctions have become stricter and have increased pressure in the country. In 2009, China accounted for 79% in North Korea’s international commerce and as of 2010 was up to 83% of North Korea’s \$4.2 billion in trade<sup>156</sup> in order to ease the effect of the existing international sanctions.

In addition, China has been a facilitator of the Six-Party Talks, the primary international diplomatic forum for handling tensions on the Korean Peninsula. Countries involved in the Six-Party Talks include China, North Korea, Russia, the United States, South Korea and Japan, and the first round of talks was initiated and hosted by China,

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<sup>154</sup> Sanghyuk S. Shin, “Economic Sanctions Towards North Korea,” *Korea Policy Institute*, 9 Oct 2009, Accessed 18 Feb 2012 < <http://www.kpolicy.org/documents/policy/091023shinchoinovotnysanctions.html>>.

<sup>155</sup> Id.

<sup>156</sup> Bomi Lim, “North Korean Dependence on China Trade Rises as Sanctions Worsen Isolation,” *Bloomberg News*, 27 May 2011.



taking place in Beijing in August 2003.<sup>157</sup> During the talks, China served as a moderator between the US and North Korea during tense times of debate, also insisting on certain thresholds of success before members could leave the talks, such as the drafting of diplomatic agreements<sup>158</sup>. Though the talks have remained in an on-and-off pattern over the last decade, China still makes consistent efforts to bring North Korea back to the diplomatic negotiations over their nuclear regime.<sup>159</sup>

South Korea's dependence on China's continued stability is twofold. Not only does South Korea rely on China's continued deterrence of North Korean aggression both through diplomacy and satisfaction of their trade needs, but they also rely on China as a trade partner. For example, on November 23, 2010, North Korea fired dozens of missiles onto the South's Yeonpyeong Island, killing two South Korean soldiers, significantly escalating tension on the Peninsula as South Korea threatened military retaliation for the attack.<sup>160</sup> In response, China focused their energy on deterring an armed response by the South Koreans, which could have potentially led to protracted civil war between the two countries. Though the international community has expressed deep disagreement with China's soft-line approach toward North Korea, it appears their understanding, 'big-brother' style of handling North Korean aggression toward South Korea has at least prevented a violent, protracted conflict, though not necessarily further North Korean acts

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<sup>157</sup> Christoph Bluth and Chunyao Li, "China and the Future of the Korean Peninsula," Crisis on the Korean Peninsula (Dulles: Potomac Books, 2011) 177-198.

<sup>158</sup> Id 183.

<sup>159</sup> Id 182.

<sup>160</sup> Mark McDonald, "'Crisis Status' in South Korea After North Shells Island," *New York Times*, 23 Nov 2010.

of aggression.<sup>161</sup> Not only does South Korea rely on the continued intervention of the Chinese in North-South relations, but they have a deep economic integration and dependence on Chinese trade. For example, in 2010, South Korea was China's fourth-largest trading partner, exchanging goods of \$207.2 billion, up 32.6% over 2009.<sup>162</sup> In other words, both North and South Korea rely heavily on China not only for their continued economic prosperity, but also for the survival of their people and territorial security. Should the Chinese government undergo a period of reform and instability great enough to interrupt these benefits to the Korean Peninsula, the international system may be faced with a serious nuclear and conventional military conflict between North and South Korea.

A second region that relies heavily on the continued stability of China's government is the island of Taiwan. Because China and Taiwan have a long history of conflict over the status of Taiwan's sovereignty, maintenance of stability in the Taiwan Strait continues to be an issue of critical interest to the international community as a whole. For example, in 1995, the third Taiwan Strait Crisis occurred in response to what may seem like a small event to the international community, but what was viewed by the Chinese as a grave threat to their sovereignty. In 1995, then-US President Bill Clinton allowed Taiwanese President Lee Teng-Hui to come and visit his alma-mater at Cornell University. Though the visit alone sparked some controversy between the US, China and

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<sup>161</sup> Scott Snyder and See-Won Byun, "Cheonan and Yeonpyeong: The Northeast Asian Response to North Korean Provocations," *The Rusi Journal*, The Asia Foundation, 156 No. 2, (May 2011): 74-81.

<sup>162</sup> "U.S. China Trade Statistics and China's World Trade Statistics," *The U.S.-China Business Council*, Accessed 18 Feb 2012, <<https://www.uschina.org/statistics/tradetable.html>>.

Taiwan, the remarks made at Cornell by Lee Teng-Hui during an address tipped the security balance on the Taiwan Strait. In his address, Lee referred to Taiwan as the “Republic of China” on multiple occasions, and made references to “nation” and “country”.<sup>163</sup> These events led the Chinese leadership to believe that the US was making overtures toward Taiwanese independence from the mainland. The following year, the PLA fired missiles off the coast of Taiwan, nearly drawing the international community – including the US – into a conflict on the Strait.<sup>164</sup> Some scholars argue this was to deter the US from developing closer ties with Taiwan.<sup>165</sup> However, since that incident, the Strait has remained relatively calm and stable, as the Taiwanese leadership under Ma Ying-jeou has remained very moderate in their stance on China-Taiwan relations and has been very careful not to make any inflammatory statements that could set off conflict on the Strait.

However, a period of significant reform within the CCP could lend itself to instability on the Taiwan Strait. There is no guarantee that pro-independence factions within Taiwan would not take advantage of the CCP and PLA’s distraction with their own transformation to take dramatic, perhaps militaristic, steps toward independence. For example, during Taiwan’s most recent election cycle, the pro-independence candidate Tsai Ing-wen, though she lost the election, garnered enough support to make the

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<sup>163</sup> Ted Galen Carpenter, America’s Coming War with China: A Collision Course Over Taiwan (New York: Palgrave Macmillan, 2005) 109.

<sup>164</sup> Suisheng Zhao, “Making Sense of the 1995-96 Crisis in the Taiwan Strait,” Across the Taiwan Strait: Mainland China, Taiwan and the 1995-1996 Crisis Suisheng Zhao, ed. (New York: Routledge, 1999) 1-20.

<sup>165</sup> Robert S. Ross, “The 1995-96 Taiwan Strait Confrontation: Coercion, Credibility and the Use of Force,” *International Security*, vol. 25, no. 2., Fall 2000, 87-123.

government in mainland China nervous about her rise in support.<sup>166</sup> The potential destabilization of the Taiwan Strait could spell disaster for the entire region, as other countries and allies could be pulled into a protracted conflict between the two regions.

A third region that has a deep interest in China's political stability is their neighbor Japan. Not only is Japan deeply integrated economically into the Chinese trade system, it also has a number of ongoing territorial disputes with the country. For example, in January 2007, total trade between China and Japan was \$18.1 million. That amount spiked to \$344.9 million in December, 2011 (an 1808.1% increase)<sup>167</sup>, a clear indicator that China and Japan are growing their trade dependence at an astounding rate.

In addition, Japan and China continue to disagree over the status of some hotly contested territories, including the Diaoyu/Senkaku Islands. Not only do both countries have a territorial claim to the islands, but the area contains vast amounts of oil and natural gas resources that both countries want to develop. For example, it is estimated that the Japanese side of the disputed East China Sea area contains up to 500 million kiloliters of crude oil volume.<sup>168</sup> As China is the world's second-largest consumer of oil and Japan third, with Chinese demand for oil expected to rise 14% by 2025, these oil deposits are of crucial national security interest to both countries.<sup>169</sup> Tension in the region has been

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<sup>166</sup> Andrew Jacobs, "President of Taiwan is Re-elected, a Result That Is Likely To Please China," *The New York Times*, 14 Jan 2012.

<sup>167</sup> "Japanese Trade and Investment Statistics," JETRO: Japanese External Trade Organization, January 2007 – December 2011, Accessed 20 Feb 2012, <<http://www.jetro.go.jp/en/reports/statistics/>>.

<sup>168</sup> Reinhard Drifte, "The politics of the East China Sea gas dispute: ongoing discussion between China and Japan," Peace in Northeast Asia Thomas J. Schoenbaum, ed. (Northampton: Edward Elgar, 2008) 8.

<sup>169</sup> Id 8-9.

rising as China has continued to press closer to the median line that Japan has drawn around the islands, at one point coming as close as five kilometers from the line.<sup>170</sup> The consistency of the Chinese message on the status of these disputed territories, though tense and combative for the Japanese, have at least lent a level of predictability to China's stance and actions. However, should the CCP undergo a period of instability and reform, and if their message or actions were to change regarding the status of these islands, it could cause a significant conflict over these territories between China and Japan, and could severely destabilize an already weakened Japanese economy. Much like the potential destabilization of the Taiwan Strait, the destabilization of the East China Sea region could draw the countries' regional neighbors and international partners into a protracted conflict between the two nations.

A fourth region that would be negatively affected by political destabilization in China is their southern neighbor, India. Though China and India are becoming increasingly reliant on one another economically, they still suffer from a number of serious areas of conflict, including a hotly contested border area and India's support of the Dalai Lama and the Tibetan government-in-exile. In 1962, the PLA invaded India through the Arunachal Pradesh region, laying claim to portions of the Himalayas that had previously been under Indian control in what became known as the Sino-Indian War. Though the Chinese eventually called a cease-fire and withdrew from the region<sup>171</sup>, the conflict over it remains tense for a number of reasons, including access to water

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<sup>170</sup> Id 7.

<sup>171</sup> "Timeline: Key Events in Sino-India Relations," *CNN World*, 14 Dec 2010, Accessed 28 Jan 2012, <[http://articles.cnn.com/2010-12-14/world/sino.india.timeline\\_1\\_sino-indian-himalayan-border-india-china?\\_s=PM:WORLD](http://articles.cnn.com/2010-12-14/world/sino.india.timeline_1_sino-indian-himalayan-border-india-china?_s=PM:WORLD)>.

resources, forestry resources and China's enduring theme of territorial integrity. Similar to the destabilization of the two regions mentioned above, the inconsistency of China's message during a time of political destabilization or reform could lead the Indian military to either panic from the unpredictability of China's potential actions or move to take the Arunachal Pradesh region by force.

Not only could political instability in China cause a border conflict between India and China, but it could also cause an influx of Tibetans into the country, as India's government is sympathetic to the Tibetan plight. Though China has labeled the Dalai Lama and his government-in-exile a separatist force working to separate Tibet from mainland China, India has provided the group sanctuary in Dharamsala, India.<sup>172</sup> Abroad, the Dalai Lama continues to draw supporters from around the world, occasionally attracting Tibetans inside Tibet to make the treacherous journey across the Himalayas to Dharamsala. China, in turn, has taken up guarding this area in an attempt to prevent flows of Tibetans out of Tibet and into India to reach the Dalai Lama.<sup>173</sup> However, should the CCP undergo a period of significant political reform, this could encourage Tibetans to either take advantage of the CCP's distraction to seek independence by force, or could cause massive immigrant flows across the Sino-Indian border. Both China and India already have a regional example of destabilization due to

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<sup>172</sup> Arvind Gupta, "“Address Sensitive Issues and Build Mutual Trust during Premier Wen's India Visit,” *Institute for Defence Studies and Analysis* 13 Dec. 2010, Accessed 28 Jan 2012, [http://www.idsa.in/idsacomments/AddressSensitiveIssuesandBuildMutualTrustduringPremierWensIndiaVisit\\_agupta\\_131210](http://www.idsa.in/idsacomments/AddressSensitiveIssuesandBuildMutualTrustduringPremierWensIndiaVisit_agupta_131210)>.

<sup>173</sup> Tim Johnson, *Tragedy in Crimson: How the Dalai Lama Conquered the World but Lost the Battle With China* (New York: Nation Books, 2011).

immigrant flows, as China already suffers from this issue on its border with North Korea.

In addition, any political stability within the CCP would spell disaster for the Indian economy, which is becoming increasingly reliant on China as a trading partner. Partially as a counterweight to the two nations' conflict, India and China have been dramatically growing their bilateral trade in the last three decades. Though this has served to promote peace in the region and between the two giants in particular, it has also made India increasingly reliant on China's continued stability for its economic prosperity. For example, in 1990, trade between India and China had bottomed out at near \$0. However, this figure shot up drastically between 2000 and 2008 to around \$35 billion<sup>174</sup>, with no sign of leveling off. It is obvious from these statistics that the two nations continue to build their trade dependency and that India's economy is deeply intertwined with China's. The consistency of China's message on the contested border area, as well as the fairly stable environment surrounding the Tibetan dispute, lend at least some predictability to the disagreement between the two nations. However, if China were to undergo a period of political instability, this series of predictable messages and actions from China on these disagreements could change, and cause aggression from either side, destabilizing the region and India's economy in the process.

Outside of China's immediate vicinity, there exist a number of countries that would be challenged by political instability in China. Due to intense and growing economic and military integration between China, the East Asian region and the world,

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<sup>174</sup> Douglas H. Brooks and Benno Ferrarini, "Changing Trade Costs between People's Republic of China and India," Asian Development Bank, *ADB Economics Working Paper Series*, No. 23, May 2010.

these other countries have a significant reliance on the continued stability of the CCP. Chief among these global concerns are China's growing integration with European countries and its continued commitment of foreign direct investment (FDI) into developing countries, primarily on the African continent.

### *European Interests*

Europe has as closely intertwined a relationship with China as the United States and continues to rely on the stability of its political system. Not only do the member states of the EU and the region as a whole have economies and trade policies that are deeply integrated with China's, but European nations and China continue to work together closely in international organizations and have a relationship that benefits each other on a number of fronts. The first concern facing the European Union with regards to China's political stability is the two regions' closely integrated economies and trade systems. Germany, in particular, has a highly cooperative relationship with China, and is China's largest trading partner of all the EU member states.<sup>175</sup> For example, in 2010, Germany and China alone traded \$142.4 billion in goods and was China's sixth-largest overall trading partner.<sup>176</sup> China accounted for 8.2% of all German imports in 2010<sup>177</sup>,

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<sup>175</sup> May-Britt U. Stumbaum, *The European Union and China: Decision-Making in EU Foreign and Security Policy towards the People's Republic of China* (Berlin: Auflage, 2009) 84.

<sup>176</sup> "US-China Trade Statistics and China's World Trade Statistics" The US-China Business Council, 2012, Accessed 28 Feb 2012, <<https://www.uschina.org/statistics/tradetable.html>>.

<sup>177</sup> "Foreign Trade Statistics," German Ministry of Economics and Technology, Accessed 18 Feb 2012, <<http://www.german-business-portal.info/GBP/Navigation/en/Business-Location/foreign-trade-statistics.html>>.



exemplifying Germany's continued reliance on China's stability for their economic stability and security.

The second concern that the EU has with potential political instability in China is their cooperation alongside China in international organizations. In her book *The European Union and China*, May-Britt Stumbaum discusses why China's continued cooperation, which is contingent on their political stability, is critical to the continued stability of EU foreign policy and security of the international community. Stumbaum writes, "Having been the source of global pandemics such as SARS and the Avian Flu, China's willingness to cooperate with international institutions and other states will be crucial in order to cope with these new threats. In general, given the enormous scope of 21<sup>st</sup> century challenges, as diverse as terrorism, failing states and the securing of energy, China's cooperation will be crucial for the required concerted responses and financial and physical contributions".<sup>178</sup> However, if China's government encounters a period of instability that interrupted its ability to participate actively in international institutions, other nations such as the EU member states attempting to address the problems listed by Dr. Stumbaum would find themselves without a primary financial and physical contributor to the struggle for international security and peace.

The third concern for the EU with regards to China's continued political stability is that their consistently positive cooperation has produced many benefits for both sides that neither the EU nor China would want to lose. From the argument laid out above, it is clear that the EU benefits significantly both from the low cost of goods produced by

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<sup>178</sup> Stumbaum 117.

China's burgeoning economy and from China's continued financial and physical contribution to international institutions. According to Stumbaum, China also benefits significantly from its continually stable relationship with the EU. Stumbaum writes that there are three primary ways in which China views its relationship with the EU as useful. First, the EU is seen as a crucial pole in a multipolar international system, to be used as a balance against US hegemony. Second, the EU is more liberal in their policies regarding technology transfer with China, which aids China substantially in the process of technology advancement. Third, by receiving FDI and technological innovation from the EU, "China is becoming less reliant on the US and Japan", two nations whose power China wishes to counter.<sup>179</sup> It is clear that the EU and China are reliant upon one another's continued stability for their economic, political and security stability. It is with this in mind that Europe considers the potential for political instability in China and the potential disruption of their economic, political and security reliance on the PRC.

### *African Interests*

A second region of the world that is heavily reliant upon China's continued political stability is the developing world and Africa in particular. A number of books and scholarly works have been written in recent years regarding China's increasing investment into developing economies. These scholars use a term that is becoming increasingly popular in international relations research to describe the trend, "soft power." According to the theory of soft power, China is using its booming economy and

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<sup>179</sup> Stumbaum 82.

financial prowess to invest in developing nations, securing their loyalty to the PRC government for future endeavors.<sup>180</sup> However, while this investment is certainly assisting Africa in its development, it is making the continent and in particular those nations most receptive to Chinese FDI more reliant on China's continued stability for their developmental progress.

China has continued to use its rapidly growing economic prowess to gain foreign policy benefits across the world, and the African continent is no exception. Not only has China been able to commit FDI to a number of African nations in exchange for access to resources and diplomatic favor, but China has been able to gain tangible benefits for itself from providing financial benefits to a number of smaller African nations. For example, the Chinese government provided a below-market rate loan in 2005 to Mozambique to fund a \$300 billion dam project, and assumed some of the cost of the loan themselves to lower the interest rate for Mozambique.<sup>181</sup> China provides these types of loans, known as "concessional financing," to many third-world nations, and in return has received specific, tangible benefits for their financial largess. For example, China was able to leverage this concessional financing to shift African support from Taiwan's to China's entry into the UN in 1971.<sup>182</sup> In addition, "one-third of China's total crude oil imports comes from Angola, Sudan, Congo, Gabon, Equatorial Guinea, Chad, and Nigeria,"<sup>183</sup>

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<sup>180</sup> Joshua Kurlantzick, *Charm Offensive: how China's soft power is transforming the world* (Grand Rapids: Yale University, 2007).

<sup>181</sup> George T. Yu, "China's Africa Policy: South-South Unity and Cooperation," China, the Developing World, and the New Global Dynamic Lowell Dittmer and George T. Yu, eds. (Boulder: Lynne Rienner, 2010) 139.

<sup>182</sup> Id 137.

<sup>183</sup> Harsh V. Pant, China's Rising Global Profile: The Great Power Tradition

all included in nations that China has committed significant amounts of FDI to in recent years.

Africa, as well, has benefitted substantially from China's willingness to provide FDI to fund infrastructure projects throughout the continent. A number of developing nations in Africa that would not normally be able to build large-scale, significant infrastructure projects or improve living standards in their country were able to do so after receiving Chinese FDI. For example, in 2004, China provided \$2 billion to Angola to help them build a transportation infrastructure, and in 2003 \$12 million to Djibouti to develop its telecommunications sector, funding a total of more than 300 projects through mid-2007.<sup>184</sup> These 300 projects that have substantially improved the lives of millions of African citizens may not have been completed had China not committed the FDI to the continent, strengthening and solidifying the relationship between the two regions. In addition, in 2007 China announced its intention not only to commit \$3 billion in preferential credit through 2010, but also to double aid and interest-free loans.<sup>185</sup> This high level of FDI commitment to Africa from China is significant because it is clear that Africa's development in recent decades has been due in large part to the continued consistency and stability of China's financial largess. However, if China were to undergo a period of political instability and this FDI flow were to be disrupted, Africa's growth may slow and the continent's economy could be seriously negatively affected by uncertainty in the Chinese system.

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(Portland: Sussex Academic Press, 2011) 82.

<sup>184</sup> Yu 139.

<sup>185</sup> Pant 84.

As is evident from these two global arenas, the continued stability of the CCP is crucial for the continued stability of the international order and for Europe and Africa in particular. Should the CCP undergo a period of significant reform brought on by a series of effective political movements, European nations could see some serious instability in their economies, as well as in their power to combat rising threats to international security both through international organizations and in their bilateral relationship with China. In addition, Africa could have a number of its critical infrastructure projects stalled as funding ceases to come in from China. Clearly, the continued stability of the CCP is a crucial factor in the continued stability of the world economy and international security order.

### **Implications for US National Security**

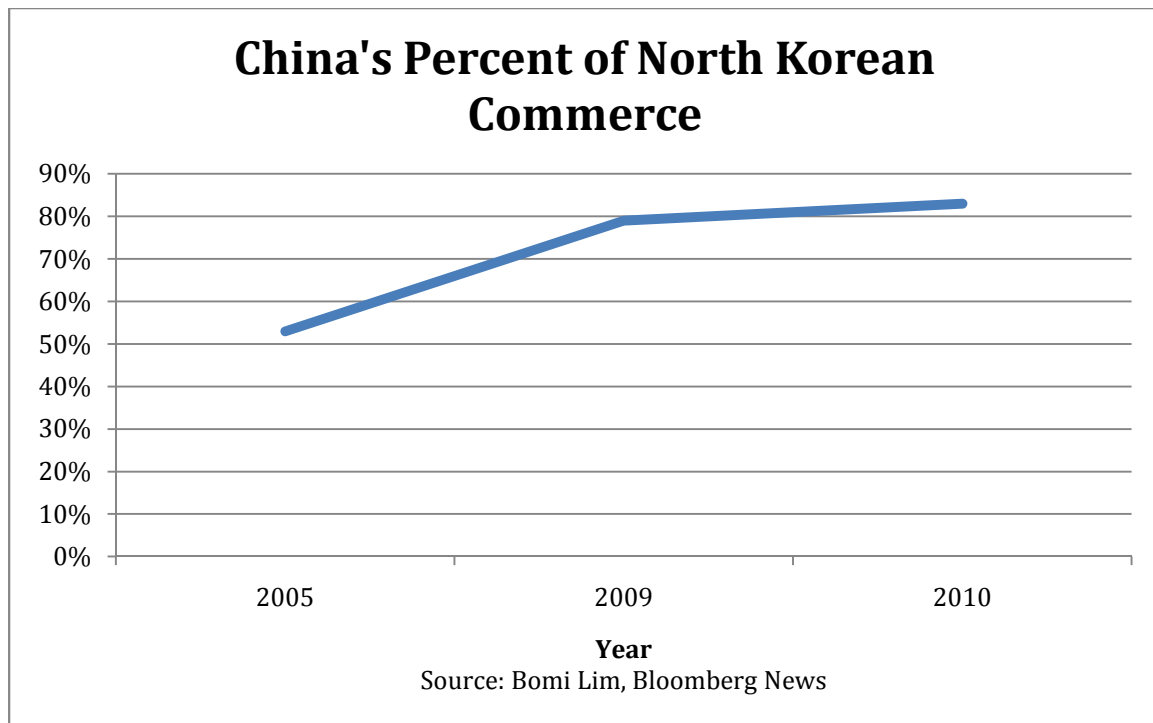
Though the potential consequences of Chinese political instability for the international community are grave and vast, there are few regions of the world whose cooperation with China is more important than that of the United States. The hegemonic leader of the international system and of all major international institutions for more than the last two decades, the stability and continuation of the US's growing cooperation with China are more critical to the stability of the entire global order than any other relationship. Because the United States continues to grow both its economic and security commitment not only with China, but with the entire East Asian region, it is increasingly critical that China's government maintain a stable and secure internal environment. Various aspects of US national security that could be affected by Chinese political instability include its military commitment to East Asian countries such as South Korea,

Taiwan and Japan, its interests in the denuclearization of Iran, and the stability of its already volatile economy.

*Potential Consequences for US Military Commitments in East Asia*

Among the US's three military commitments in the East Asian region that could be affected by political instability in China, one that has grown rapidly in recent years and continues to reap benefits for the US is its alliance with South Korea. China plays a significant role in this alliance, as it continues to balance against North Korea and prevent South Korea from being pulled into a serious conflict with the North that would call for US intervention. In order to maintain stability on the Korean Peninsula, China has continued to grow its trade with North Korea to offset the effects of international sanctions that may drive North Korea to do something drastic. As is evident from Table 2, North Korea continues to rely on China's continued stability for its own stability, which in turn affects the stability, or at least predictability, of the North-South relationship. This is critical to US national security in order to avoid being pulled into a conflict on the Korean Peninsula in which the US would have to defend South Korea from North Korea, and possibly from a China sympathetic to the North Korean plight.

**Table 2**



To demonstrate the US's commitment to South Korea's security on the peninsula, it is enlightening to examine the statistics of the US's military alliance with South Korea. In 1953, the US began its formal alliance with South Korea following the Korean War, vowing to protect it from North Korean or Chinese aggression.<sup>186</sup> Since that time, the alliance has continued to grow, particularly in the economic and military arenas. For example, since the 1970's the US has participated with South Korea in vast numbers of joint military exercises, including Ulchi Focus Lens, an annual computerized exercise of South Korean defense from North Korea.<sup>187</sup> In addition, the US participated in Operation

<sup>186</sup> "Security Assistance in East Asia and the Pacific," United States Department of State, Accessed 4 March 2012 <<http://www.state.gov/t/pm/c17687.htm>>.

<sup>187</sup> John Pike, "Military: Ulchi Focus Lens." GlobalSecurity.org. 2000-2011. Accessed 4 March, 2012, <<http://www.globalsecurity.org/military/ops/ulchi-focus-lens.htm>>.

Team Spirit, which was a periodic exercise between 1976 and 1997.<sup>188</sup> In the last two years, important military exercises that have occurred in cooperation with South Korea have included Operation Invincible Spirit, a variety of North Korean naval deterrence exercises and anti-submarine exercises, war deterrent exercises and scheduled military drills following the shelling of Yeonpyeong.<sup>189</sup> It is clear from these statistics that the US is committed to the defense of South Korea, which does not bode well for the potential consequences of Chinese instability for US national security. Should China experience a period of instability and its deterrence of North Korea aggression falter, the US could find itself pulled into yet another war overseas as it attempts to defend South Korea from a North Korean attack.

A second significant area of interest for US national security officials regarding Chinese political stability is the US's somewhat ambiguous alliance with the island of Taiwan. In 1979, the US government formally recognized the Beijing government in China and broke formal diplomatic ties with Taiwan, but in order to legalize continued arms sales to the island, the United States wrote and passed the Taiwan Relations Act later that year.<sup>190</sup> The Taiwan Relations Act, which is still an active document in US foreign policy today, essentially states that the US is committed to a peaceful Taiwan

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<sup>188</sup> John Pike, "Military: Team Spirit." GlobalSecurity.org. 2000-2011, Accessed 4 March, 2012, <<http://www.globalsecurity.org/military/ops/team-spirit.htm>>.

<sup>189</sup> Luis Martinez. "U.S. to Join South Korean Military Exercise off North Korean Coast." ABCNews.com. 2 June 2010, Accessed 4 March, 2012, <<http://abcnews.go.com/Politics/Media/us-join-south-korea-military-exercise-north-korea/story?id=10807101>>.

<sup>190</sup> United States of America, United States Code, Taiwan Relations Act: United States Code Title 22 Chapter 48 Sections 3301 – 3316 (United States of America, 10 April 1979).



Strait. Officially, the United States has largely maintained a strategy of ‘strategic ambiguity’ toward the island, stating that the United States would defend Taiwan from invasion by the Chinese but would not protect Taiwan if they provoked an attack.<sup>191</sup> Chaos in the Taiwan Strait caused by a period of political instability in China could mean the PLA could take that opportunity to invade Taiwan and officially re-claim it for the mainland. It is because of these formalized and verbal commitments between the US and Taiwan, however ‘ambiguous’, that the US would be forced to intervene in the event of conflict on the Strait caused in part by political instability on the mainland.

A third area that places US national security in a precarious position with regards to Chinese political stability is its long-standing and significant alliance with Japan. Since 1952, the US has had a formal alliance with Japan, committing not only economic resources to the island nation but also maintaining a secure and continuous military relationship with the Japanese government. For the last 50 years, the US has participated in over 100 joint military exercises with Japan every year. In addition, the US led the “Peace-09” naval exercise and a series of naval exercises following the shelling of Yeonpyeong in 2010.<sup>192</sup> The US continues to have this close military relationship with Japan for a number of reasons. Following World War II, Japan took on a new constitution, which included the controversial Article 9. This article basically states that Japan cannot develop an offensive military force, but may only engage its military in

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<sup>191</sup> Kurt M. Campbell and Derek J Mitchell, “Crisis on the Taiwan Strait?” *Foreign Affairs* Vol. 80, No. 4 (Jul. - Aug., 2001), 14-25.

<sup>192</sup> “South Korea-US military exercises stoke tensions,” *BBC News*, November 28 2010, Accessed 4 March 2012, <<http://www.bbc.co.uk/news/world-asia-pacific-11855162>>.

defensive operations.<sup>193</sup> In turn, the US has helped to bolster Japan's military with their own, allying with them in a number of conflicts. One serious point of conflict that could arise between China and Japan includes the Diaoyu/Senkaku Islands, which both nations claim territorially and covet for their rich oil and natural gas resources. The US's continued military commitment and alliance with Japan is concerning with regards to the political stability of China because, if China were to experience a period of political instability that forced Japan and China into a conflict in their adjoining waters, the US would likely be forced to intervene. Not only are the US's national security interests deeply intertwined with continued peace in East Asia, but denuclearization of the hostile Iranian state makes US national security interests with regard to China's continued political stability even deeper and more critical.

#### *Denuclearization and China's Stability*

Another area of grave concern for the United States is the denuclearization of states hostile to the US's goals. North Korea, mentioned previously in this paper, is one of those states. However, in recent months another state with nuclear ambitions that has become a critical part of US foreign policy is Iran. As Iran has continued to pursue nuclear capabilities despite strict opposition from the US, Israel and a number of other nations, the examination of China's potential role in such negotiations has become increasingly important. The consequences for the US of an Iran with nuclear weapons are vast. Not only have Iranian statements of nuclear aggression and regional confrontation

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<sup>193</sup> "Japan: Article 9 of the Constitution," Law Library of Congress, Feb 2006, Accessed 4 March 2012, < [http://www.loc.gov/law/help/japan\\_art9.php](http://www.loc.gov/law/help/japan_art9.php)>.

become increasingly alarming in recent months, but their willingness to allow International Atomic Energy Agency (IAEA) inspectors has remained near nonexistent. China could play a positive role in this situation by discontinuing its support of the Iranian regime and playing the role of a positive international leader.

In recent months, relations between Iran and the US have become tenser, more dangerous and unstable than they were previously. Informed of Iranian continuation of uranium enrichment, and concerned about the possibility of the Iranian government acquiring a nuclear weapon, the international community has begun to more firmly demand that the Iranian regime discontinue its nuclear program. However, this has not gone as planned. Despite verbal agreements to meet with IAEA inspectors regarding access to some of its largest nuclear sites, Iran showed no willingness to compromise or to allow inspectors to visit any sites.<sup>194</sup> In response, Israel has become increasingly aggressive toward the possibility of Iran acquiring nuclear weapons, stating that Israel will decide for itself whether to pursue military action against Iran.<sup>195</sup> The situation has become of critical importance to the US, not only because of Iran's aggressive statements regarding US national security and terrorism, but because Israel is a long-time US ally and a war between the two countries would likely be one into which the US would be dragged. China's consistent and increased cooperation on these issues could help to ease the tension in Iran.

Second, the Iranian situation has risen to the highest point on the US's strategic

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<sup>194</sup> James Blitz and Najmeh Bozorgmehr, "IAEA 'disappointed' by Iran nuclear talks," *Financial Times*, 22 Feb 2012.

<sup>195</sup> Jonathan Ferziger and Margaret Talev, "Netanyahu Takes Iran Nuclear Campaign to U.S. Congress After Obama Meeting," *Bloomberg News*, 6 Mar 2012.

radar out of concerns for energy resources. In response to international sanctions placed on Iran and efforts by the international community to eliminate Iran's nuclear program, the Iranian government has threatened to cut off access to the Strait of Hormuz, a waterway critical to the international flow of crude oil imports and exports in December, 2011.<sup>196</sup> Though the US Navy has made statements saying they would be able to re-open the Strait, this could cause a prolonged naval conflict, yet another war in the Middle East for the United States.<sup>197</sup> In addition, this could lead to an extreme spike in gas prices in the US, a resource that the US relies on for the continued efficiency of its markets and laborers.<sup>198</sup> To avoid these extreme spikes in oil prices in the US that are already a burden on lower-income American families, China's consistent and increased cooperation will be of critical importance.

With China's cooperation, Iranian aggression could be more quickly assuaged. For the last two decades, China and Iran have grown their cooperation, signing not only important agreements and engaging in high-level meetings, but increasing their energy interdependence. China has taken a number of steps, as well, to support Iran in the face of international sanctions in response to their nuclear ambitions. For example, in 2004 the Zhuhai Zhenong Corporation signed an agreement to purchase 110 million tons of Iranian

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<sup>196</sup> Jonathan Marcus, "How Iran might respond to Israeli attack," *BBC News*, 6 March 2012.

<sup>197</sup> Id.

<sup>198</sup> Pierre Bertrand, "Strait of Hormuz: If Iran Closes It, Where Does Price of Oil Go?" *Nasdaq*, 1 March, 2012, Accessed 15 Feb 2012, < <http://community.nasdaq.com/News/2012-03/strait-of-hormuz-if-iran-closed-it-what-might-happen-to-the-price-of-oil.aspx?storyid=124422>>.

natural gas over 25 years, for a total of \$20 billion.<sup>199</sup> In addition, China has continued to oppose crippling sanctions and military intervention in Iran regardless of their levels of uranium enrichment, and have taken steps to gain Iran entry into the Shanghai Cooperation Organization.<sup>200</sup> China's cooperation and reversal of its position on these issues could substantially aid the US and the international community as a whole in bringing Iran into negotiations on retracting its nuclear program. This phenomenon has become of grave importance to regional and international security, and as a major international power China's continued support of Iran has only encouraged this destabilization and aggravated the direct threat to US national security.

The current state of affairs regarding Iranian nuclear ambitions has come to a tense head. Based on a number of Iranian statements regarding its nuclear ambitions, aggression toward US allies in the region such as Israel and Saudi Arabia, and the possibility of the closing of the Strait of Hormuz, it has become increasingly important that the US draw China into negotiations with Tehran, and get the PRC to discontinue its support of the aggressive nation. Should China experience political instability during a reformation period, it is unlikely not only that China would discontinue its support of Iran and purchasing its energy resources, but it may prevent the US from making any sort of progress in gaining Chinese support of Iranian denuclearization and could further exacerbate the US-Iranian relationship. For the good of US national security, it is critical that China remain politically stable so the US is able to continue to pursue its cooperation

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<sup>199</sup> Shireen T. Hunter, Iran's Foreign Policy in the Post-Soviet Era: Resisting the New International Order (Santa Barbara: Praeger, 2010) 123.

<sup>200</sup> Id 127.

on Iranian denuclearization initiatives.

### *China's Stability and US Economic Implications*

The last interest that the US has in China's continued stability is their continuing and growing economic dependence on China's market. Since the opening to China by the administration of Richard Nixon in the 1970's, the US and China have continued to grow their economic interdependence at an astounding rate. Not only have the two countries grown their trade rapidly in the last two decades, but they have also grown their dependence on one another's stability through China's purchasing of US savings bonds. Due to these two important factors, China's political stability is critical to the US's economic stability. The two economies are deeply intertwined, and in order to avoid a global depression, China must maintain its political stability in order to maintain the US's economic stability.

First, the US's economy is highly dependent on China's political stability because of the two country's continually increasing trade commitments. As mentioned previously, since China's opening in the 1970's, US-China trade has continued to grow at record rates, increasing their economic interdependence with the world. The US has been no exception. For example, as is evident from Table 3, from 2001 to December, 2011, US-China total trade grew by 500%, from \$100 billion to over \$500 billion.<sup>201</sup> Though the two countries saw a slight dip in total trade between 2008 and 2009 as a result of the world financial crisis, the growth of total US-China trade shows no signs of slowing in

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<sup>201</sup> "Trade in Goods with China," US Census Bureau: Foreign Trade, December 2011, Accessed 7 March 2012, <<http://www.census.gov/foreign-trade/balance/c5700.html>>.

the near future, increasing the US's dependence on China's continued political, and therefore economic, stability. In the last several months, the US has seen a slight uptick in its growth rate and a slight fall in its unemployment rates.<sup>202</sup> In order to continue this modest but steady climb out of recession, the US's economy will rely on China as a consistent supporter and trade partner.

**Table 3**



Second, the US's economic stability continues to rely on China's purchasing of its treasury securities in order to fund its growing debt. To date, the US government has been unable to significantly reduce its debt burden or to come up with a solution for its fiscal woes. As a result, the US economy has become increasingly dependent on China's

<sup>202</sup> Tim Mullaney, "Jobless rate falling faster than many predicted," *USA Today*, 6 March 2012.

purchase of its treasury securities, which it has continued to do at an increasing rate. As is evident from Table 4, compared with other countries, China is the largest holder of US treasury securities worldwide at \$1.15 trillion, followed by Japan at \$1.06 trillion.<sup>203</sup> This amount has actually fallen slightly since December 2010, when China held \$1.16 trillion in US treasury securities and Japan held \$.88 trillion.<sup>204</sup> Though Japan is clearly closing the gap with China in terms of being the largest holder of US treasury securities, China still remains the US's most important bond market. Therefore, the continued stability of this market is critical to the US's ability to continue funding its debt and to be able to focus on continuing its recent modest, but consistent, growth

#### **Table 4**

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<sup>203</sup> "Major Foreign Holders of Treasury Securities," US Department of the Treasury, December 2011, Accessed 7 March 2012, <<http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/mfh.txt>>.

<sup>204</sup> Id.





The US's economy, which has already been on shaky footing in recent years, requires China's continued economic support and trade to assist the US in recovery from its economic recession. Due to a number of factors, including the US's continued trade dependence on China and its necessity for the Chinese purchase of US government treasury securities, it is critical to US national interests for China to maintain a stable political and therefore economic, system. Due to these two increasingly important factors, China's political stability is of critical importance to the US's economic stability. The two economies are deeply intertwined, and in order to avoid a global depression, China must maintain its political stability in order to maintain the US's economic stability.

## Conclusions

Although today the People's Republic of China is a major player in the international community, its history is not a smooth one. The country's background is pitted and scarred with instances of unrest and revolution, which have not only forced the governments of their time to reform, but often to crumble and collapse under the will of the people. In 1912, the Qing dynasty fell from power as a people who had grown weary of the suppression by their government rose up, staged a revolution and began seceding provinces from the union, one by one. Even in a country as economically powerful as the PRC, there is still large-scale unrest, especially in ethnically embattled regions such as Xinjiang and Tibet, and in regions that do not feel themselves wholly Chinese, such as Taiwan. Based on an analysis of the events that led up to the collapse of the Manchu-controlled Qing dynasty, it is intriguing to draw comparisons between the way the Qing leaders and today's CCP have suppressed uprisings and demand for political change.

Using three existing theories of international relations, an analytical prediction can be made of the likelihood for unrest in China to lead to political reform. Social-psychological theory would predict that, because Chinese political movements are centered around are issues that the people feel very passionately about, and that directly threaten their lives, that their uprisings may be more effective. Marxist theory would predict that, because a number of unrest events taking place in China today are centered on economic factors, political movements may be more effective in their demands for change. Lastly, state-centered theory would likely predict that, because China is under persistent pressure from the international community to reform, a factor such as unrest

could be an effective catalyst for change.

Two case studies of unrest catalysts in China are enlightening when examining their potential effects on demands for political change. These case studies are environmental degradation and economic insecurity. Due to the Chinese government's overzealous push for economic growth, China's environmental damage has risen to extreme levels, threatening the everyday lives of average Chinese citizens. Factors affecting the environment in China include rapid and reckless dam building, dirty recycling practices and high levels of water pollution, among others. In addition, China has a number of points of economic insecurity that it must correct in order to keep its people content through economic prosperity as it has in the past. These points include an unstable growth rate, a disagreement between its political and economic freedoms, high income inequality and unemployment, among others. All of these factors have been studied extensively by international relations scholars as potentially serious catalysts for unrest and political movements in China.

For the United States and China's regional neighbors, such an event could be crippling, as the US national security structure and regional and international security are closely intertwined with China both strategically and economically. China has become a major player in international organizations, is a primary player in regional security and disagreements and continues to integrate itself more intensely with the international economy every day. Many of the US's allies in the region depend on China for their continued prosperity and security, including South Korea, Japan and Taiwan. The US, in turn, relies on China not only for the maintenance of regional security, but for its own

national security on issues such as nuclear nonproliferation and economic interdependence. Although only time will tell, the prediction of such events is critical to the protection and survival of the United States and its regional allies.