US Says System in China Can't Last

By GEORGE GEDDA, Associated Press WriterWed Sep 21, 6:13 PM ET

The Bush administration urged China on Wednesday to begin a transition to democracy, contending the existing one-party system "is simply not sustainable."

The State Department's No. 2 official also warned about possible economic action by Washington unless the U.S. trade deficit with Beijing shrinks.

In a single speech, Deputy Secretary of State Robert Zoellick assembled all elements — negative and positive — of the U.S.-China relationship. U.S. officials say it is the most complex of any in the world.

Until now, the administration has focused its pro-democracy message on the Islamic world. Zoellick's speech was the most explicit call to date for a transition in China, where the Communist Party will mark the anniversary of its 56th year in power next week.

"Closed politics cannot be a permanent feature of Chinese society. It is simply not sustainable," Zoellick said in remarks prepared for delivery in New York to the National Committee on United States-China Relations. A text of the speech was made available by the State Department.

Zoellick said China "needs a political transition to make its government responsible and accountable to its people."

He did praise the "constructive" role China has played in shepherding international talks on nuclear disarmament in North Korea.

On Monday, the six participating nations reached agreement on a statement of principles that will guide the discussions. The countries involved are China, Japan, North Korea, Russia, South Korea and the U.S.

On China's defense policy, a major sore point with Washington, Zoellick said Chinese authorities have not adequately explained the purpose of their "rapid military modernization"

China could ease anxieties about its intentions, he said, by openly discussing "its defense spending, intentions, doctrine, and military exercises."

On trade, Zoellick said China cannot take its access to the U.S. market for granted.

"Protectionist pressures are growing," he said. "China has been more open than many developing countries, but there are increasing signs of mercantilism, with policies that seek to direct markets rather than opening them."

The U.S. trade deficit with China set a record of $162 billion last year, the biggest imbalance ever with a single country. This year's gap is running 30 percent above the 2004 pace,

Zoellick also took aim at "the rampant theft" in China of American movies, computer software and other products.

These are activities that "a responsible major global player shouldn't tolerate," Zoellick said.

He said that in China's drive to fuel its growing economy, Beijing is acting as if it can somehow "lock up" energy supplies around the world.

"This is not a sensible path to achieving energy security," he said. "Moreover, a mercantilist strategy leads to partnerships with regimes that hurt China's reputation and lead others to question its intentions."

Elaborating on the China's political system, Zoellick said Communist Party rule in China has not been able to cope with the challenges that he said beset the country.

Pressure is building for reform, he said, citing a number of examples:

_China has one umbrella labor union, but waves of strikes.

_A party that came to power as a movement of peasants now confronts violent rural protests, especially against corruption.

_A government with massive police powers cannot control spreading crime.

For all of China's shortcomings under communist rule, Zoellick said it would be a mistake to compare the country with the Soviet Union of the late 1940s.

He pointed out that China does not seek to spread "radical, anti-American ideologies" nor does it see itself in a "death throes struggle" with capitalism.

"And most importantly, China does not believe that its future depends on overturning the fundamental order of the international system. In fact, quite the reverse: Chinese leaders have decided that their success depends on being networked with the modern world," he said.