

## China's Insecurity and Search for Power

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Sir Winston Churchill once said of Russia that its future actions were 'a riddle, wrapped in a mystery, inside an enigma.' The same can be said of aspects of China's reemergence—in terms of its capabilities and more importantly of its strategic intentions. Chinese literature and history has long emphasised concealment and deception as an important tactic of statecraft. Yet China is much more an 'insider' in the global economic system than the Soviet Union ever was, and its interests are much more compatible with the West's than Russia's have ever been. While many experts sensibly see China evolving into much more of a 'strategic stakeholder' in the existing regional and global economic and political system, suspicions about its longer-term intentions remain.

The Pentagon's 2005 *Annual Report to Congress* on China commented that 'the outside world has little knowledge of Chinese motivations.' Subsequent reports implicitly offered the same conclusion. The ramifications of China's reemergence are sometimes characterised as choices between two polar opposites: 'threat' or 'opportunity,' strategic 'competitor' or strategic 'partner.' Many believe that the truth is somewhere in between. Yet, accurately deciphering Chinese strategic intention has a huge bearing on the way we seek to shape the future of our region.

We remain uncertain largely because of seemingly contradictory Chinese perspectives about its place and standing in the world. For example, while China's leaders and elites tell us that their country wants to integrate peacefully into the existing US-led regional and global order, they also speak about reversing its 'century of humiliation' at the hands of Western and Japanese powers and returning China to greatness.

This paper examines the thoughts of some of China's leading strategic thinkers and policymakers. It shows how China's leaders and thinkers view the world and China within it, and how they view 'power' and seek security within the system. It also shows how their fears and modern goals are deeply conditioned by the interpretation of their own history. Although there is disagreement on some matters, the thoughts of its strategic thinkers are remarkably clear and consistent: the issue of China-US relations dominates current Chinese strategic thinking. Authoritarian China remains a deeply insecure power existing in an American-dominated liberal system, and firmly sees America as a 'strategic competitor.'

However, China is also pragmatic as a rising power. Well aware of its own vulnerabilities and weaknesses, China seeks to rapidly increase what it terms its 'comprehensive national power' (CNP). In doing so, it needs a stable environment and seeks peaceful engagement with the West and especially America in the foreseeable future. This is why it has gone to great lengths to refute the 'China threat' thesis. But China is also a clever, ambitious, and proactive strategic competitor. While avoiding overt

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confrontation, China uses a variety of tactics to circumvent, undercut, bind, and reduce American power and influence.

Future developments might persuade the Chinese that a cautious and measured approach to becoming a great power is not their best option. But for the moment, economic and domestic factors give China an overriding interest in peace—it is a major beneficiary of the current international order. Yet for other reasons, explained in the paper, it remains profoundly suspicious of the West. This explains why China behaves as a largely cooperative rising power but is also a disruptive and subversive one.

In examining the recent evolution of thinking of China's leaders and strategic thinkers, as this paper does, there is a strong case to be made that modern China is the most self-aware and analytical rising power in history.

# China's Insecurity and Search for Power

Let your plans be dark and impenetrable as night, and when you move,  
fall like a thunderbolt.<sup>1</sup>

—Sun Tzu

## Deciphering Chinese intentions

In 1967, Richard Nixon presciently warned that 'taking the long view, we simply cannot afford to leave China forever outside the family of nations: there to nurture its fantasies, cherish its hates and threaten its neighbours.'<sup>2</sup> In 1972, President Nixon became the first US president to visit the People's Republic of China. In the same year, Australian prime minister Gough Whitlam became the first Australian leader to recognise China. America did so in 1979. Since Deng Xiaoping's reforms, which began in 1978, China has become a significant engine of global growth and is being progressively entrenched in the 'family of nations.'

Yet, suspicions about Chinese intentions and capabilities remain. Chinese literature and history has long emphasised concealment and deception as an important tactic of statecraft. During a conversation I had in November 2007, a former Chinese ministry of foreign affairs official commented that the above quote from Sun Tzu typified Beijing's strategic culture. The Pentagon's 2005 *Annual Report to Congress* laments that: 'the outside world has little knowledge of Chinese motivations.'<sup>3</sup> Subsequent reports fail to offer any conclusions on the matter. The ramifications of China's reemergence are frequently characterised as choices between two sets of polar opposites: 'threat' and 'opportunity,' strategic 'competitor' and strategic 'partner.' Almost all agree that the truth is somewhere in between. But accurately deciphering Chinese strategic intention is hugely important if we hope to wisely shape the future of our region.

We remain undecided whether China is likely to become more 'friend' or 'foe.' For some, a rising China will likely cause serious tensions, as other rising powers have in the past. For others, China has become a conservative power that has a huge stake in the current system and consequently plays an increasingly constructive role in global affairs. Both cases can be made persuasively. In the most recent Lowy Institute Poll, respondents were split on the question of whether the United States should give China a greater say in regional affairs: 45% agreed and 48% disagreed.<sup>4</sup> Views of China as a constructive or disruptive force in the future reflect fundamentally different assumptions about what China wants and how 'secure' or 'insecure' it is as an emerging power within the system.

Uncertainty arises largely because of China's seemingly contradictory perspectives about its place and standing in the world. For example, while its leaders and elites tell us that China wants to integrate peacefully into the existing US-led regional and global order, they also speak about reversing its 'century of humiliation' and returning China to greatness. A book released in 1996 criticising America's treatment of China—*China Can Say No*<sup>5</sup>—was followed two years later by *China Does Not Want to be 'Mr. No'*,<sup>6</sup> arguing that China could not afford to oppose the West and would be better off if it was even more closely integrated with it. Both were widely read and well received by political elites. When Samuel Huntington's *The Clash of Civilizations* was published in 1996, many of these same Chinese elites objected to the implication that the 'Confucian' civilisation led by China could be perceived as threatening to the West. At the same time, they showed obvious delight and pride that China was perceived as a great power and rising threat.

More recently, and very publicly, we have seen the apparent Chinese schizophrenia in its approach to the Olympic Games. On the one hand, enormous resources went into trying to impress the world (as well as its own population) with what was a US\$45 billion 'coming out' party. The opening ceremony itself was reputed to have cost around US\$220 million. China's leaders knew very well how important these Games were for

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China's reputation (and the reputation of the regime). According to a Pew Research poll conducted in China in July 2008, 79% of respondents believed that the Olympics 'was important to them personally' and 93% believed that the Games would 'help China's image.'<sup>7</sup> China's people and leaders want to be respected, admired, and even loved by the rest of the world. China wants Western—especially American—acceptance and approval of its status as a great power. Hosting the most spectacular Olympics ever was a key component of its public relations strategy.

On the other hand, when Western media focused on the Tibet riots beginning in March, leading to the controversies that accompanied the longest ever Olympic Torch Relay, there was genuine outrage and a sense that China's time to shine was being disrespected. The majority of Chinese people, as well as the government, felt insulted that commentators dared ask whether it had been a mistake to give China the Olympics. Western outrage did much to unify the majority of Chinese behind the government, which railed against what they believed was a conspiracy between the 'Dalai clique' and Western forces to divide China.

The controversy surrounding the recent Olympic Games is indicative of the ambivalence the China and the West have toward each other. China's ambivalent view of the West, and especially of America, goes to the heart of why and how it attempts to seek security within the international system. To understand why China seeks to accommodate other great powers yet remain disruptive—why it yearns respect from, and yet fears, the West—we need to look at how China views 'power' and its place within the current international system.

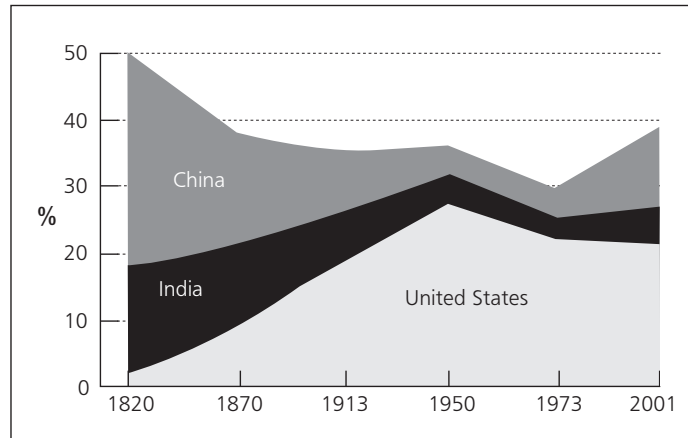
How China's leaders and thinkers view the world and China within it, and how they view power and seek security within the system, is profoundly nuanced, highly developed, and deeply conditioned by their view of China's own recent history. Probably the most quoted phrase of the most quoted strategist, Sun Tzu, is, 'Know the enemy and know yourself; in a hundred battles you will never be in peril.'<sup>8</sup> Substitute 'competitor' or 'America' for 'enemy,' and China is doing just that. The paper shows that the strategic issue of China-US relations dominates current Chinese thinking and China firmly sees America as a 'strategic competitor.' But China seeks to avoid confrontation in the foreseeable future, since it is well aware of its own vulnerabilities and weaknesses.

In examining the evolution of China's leaders' and policymakers' thinking about power and strategy, there is a strong case to be made that modern China is the most self-aware and analytical rising power in history. Perhaps because of this, it remains immensely insecure despite its deepening integration with the outside world.

### **China's modern mission**

Mao Zedong and Deng Xiaoping shared the same view of China's 'cultural exceptionalism' and the country's modern mission. According to the modern Chinese narrative, China's achievements over the past five thousand years give it a 'mandate' to dominate Asia based on its perceived economic, cultural, and moral superiority. Up to the fifteenth century, Chinese technological know-how was the most advanced in the world. It had been the largest economy in the world for eighteen of the past twenty centuries.<sup>9</sup> As recently as 1820, China could boast that it produced one third of global output (see figure 1), and it remained the world's largest economy until around 1885.<sup>10</sup> In many respects, China's perception of itself shares something with America's: they both feel strongly about their moral rectitude, both feel their respective cultures and values have something unique and invaluable to offer the world, and both believe that they are destined to become truly great powers in human history.

**Figure 1:** US, Indian, and Chinese Share of World GDP  
1820–2001



**Source:** Angus Maddison<sup>11</sup>

However, the historical trajectories of the two countries over the last two centuries have been markedly different. While America was rising from the early 1800s onwards, China suffered a series of ‘humiliations’ at the hands of Western and Japanese powers. This began with the two Opium Wars (1839–1842 and 1856–1860), which ended in humiliating defeat for the Chinese and with the government agreeing to the sale of British opium in the country. China was also forced to sign the treaties of Nanjing (1842) and Tianjin (1858), known from the 1920s onwards as among a series of ‘Unequal Treaties.’ Other humiliations included the failure of the peasant-led Boxer Movement, considered by some to be reactionary if not xenophobic, which was put down by a coalition of forces from eight foreign countries in 1901; and the eventual downfall of the 270-year-old Qing Dynasty in 1912. The invasion by the Japanese in 1937 led to the Nanjing Massacre, in which up to 300,000 Chinese were slaughtered. In more recent times, the fact that Taiwan—the renegade province to which the defeated forces of the Kuomintang under Chiang Kai-shek fled in 1949 following its defeat in the Chinese Civil War—remains autonomous only because of US protection continues to grate on Beijing.

While America rose to become the sole superpower over this period of two hundred years, China saw its dynastic and imperial order collapse. China experienced more than a hundred years of foreign occupation, wars, insurrections, and civil wars during this time. Prior to Deng’s reforms, China was responsible for a paltry 5% of global GDP.<sup>12</sup> It now contributes around 10%. It is embedded in the modern Chinese political psyche that China’s modern mission is to remove the stain of these humiliations and return to its rightful place at the seat of great powers. For over five thousand years, China was at the centre of its own universe. In the last two hundred, it has been an outsider staring into a strange and often hostile outside world.<sup>13</sup> In this sense, while we may view China as a rising power possibly eager to transform the status quo, China largely sees itself as an existing great power attempting to restore the equilibrium that existed for all but two hundred years of the past two thousand.

A large part of this narrative is the belief that outside powers have long stood ready to divide China in order to weaken it. Minxin Pei reminds us that ‘Chinese nationalism was actually a creation of Western imperialism.’<sup>14</sup> In the nineteenth century, China saw itself as less a ‘nation-state’ within Asia than as Asia’s dominant ‘civilisation.’ Probably the first discernable surge of modern Chinese nationalism occurred in 1919, when thousands of students demonstrated against the transfer of Chinese territory to Japan as stipulated by the Treaty of Versailles. Many of these students went on to form the Chinese Communist Party (CCP) in 1921. This history has also created a profound suspicion in the Chinese psyche that foreign powers stand ready to carve up China like a watermelon, or at the least to resist its rise. After all, according to China’s narrative of its own history, this is what European powers at the end of the nineteenth century tried to do to China just as

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they did to Africa and the Middle East. Keeping China unified and 'big' is a government obsession. The first 'basic goal' in its 2004 white paper *China's National Defense in 2004* is to 'stop separation and promote reunification.' In a speech to the US Army War College, Chinese lieutenant general Li Jijun explained that China has a 'unifying consciousness' dedicated to 'maintaining the unity of the country.'<sup>15</sup> China's hard line on Tibet, Xinjiang, and Taiwan should be understood in this light. It is no wonder that many historians see the CCP as more a product of nationalism than of Marxism or Communism.<sup>16</sup>

Mao rejected the rules of the international system and its institutions, periodically antagonised both the Soviet Union and the US, and sought to *transform* the overall system through an ideological lens demanding 'war and revolution.' Instead, his bombastic oratory and approach brought turmoil to the country. In contrast, as far back as the early 1980s, Deng had identified 'peace and development' as a strategy to help China develop, and as the emerging driving forces behind international relations. Deng's approach was not only visionary but more practical and cunning, intended to avoid ideological conflicts, develop a pragmatic rather than ideological view of strategy, and maintain good relations with Western countries that could help China develop and modernise. The purpose of reforming China was to make China rich and powerful again, and in doing so to entrench the rule of the Chinese Communist Party (CCP) following the traumas of Mao's disastrous rule. Giving up on ideological warfare and increasingly tapping into the global economy was going to be the new way ahead for the Chinese.

Although Deng's worldview was different to Mao's, Deng still believed that the international environment was in many respects hostile to Chinese interests. After the Tiananmen Square protests in 1989, Deng decided China needed to do four things to build an environment more conducive to its rise. The first was to promote 'anti-hegemonism,' 'anti-power-politics,' and an international environment devoid of great power conflict. The second was to improve China's standing in the world so that it was respected and accepted as a legitimate great power. The third was to rebuild China's sense of self-respect and dignity in the eyes of its own people. The fourth was to **revise the existing political and economic international order.**<sup>17</sup> These will be discussed in more detail shortly.

There is an admirable consistency in Chinese long-term strategy. The third and fourth generations of Chinese leaders (under presidents Jiang Zemin and Hu Jintao respectively) have not deviated substantially from this view, and are in fact implementing Deng's grand strategy. President Hu has more recently put forward concepts such as 'peaceful rise,'<sup>18</sup> 'peaceful development,'<sup>19</sup> and 'harmonious world'<sup>20</sup> to express China's guiding maxims in its foreign policy. Cold, hard pragmatism drives these concepts, not idealism. In light of Chinese perspectives on 'globalisation' and developments within the international system, these concepts are designed to secure China's rise and return to greatness and are derived from a combination of China's historical experiences, perception of its place within the international system, and the security environment it finds itself in. Focusing on these tells us a great deal about why and how modern China seeks power and security.

### **Globalisation and 'comprehensive national power'**

When Deng made the decision to engage with the world rather than rile against it, China gradually accepted the reality and consequences of increased globalisation. Consequently, China's view of 'power' is shaped enormously by its changing view of the impact of globalisation and what it means for China. In the early 1990s, it was a common view that globalisation would actually accelerate the spread of global power, not concentrate it. As Li Jijun, a former vice president of the Academy of Military Sciences, wrote, 'Because of the fast development and globalization of science, technology and economics, the dispersion of world power will speed up.'<sup>21</sup>

The 1990s increasingly convinced the Chinese that because of superior Western technology, know-how, and access to capital, globalisation actually exacerbated inequality between countries, since it allowed Western organisations with superior technology, expertise, and market position to entrench their dominance over developing countries.



Chinese thinkers tend to view all entities within a country, including businesses, as potential instruments for the state. Once dominance was entrenched, this gave great powers much greater leverage in demanding concessions from developing countries. As two prominent scholars from the Chinese Academy of Social Sciences (CASS) have written,

Entering into the 21st century, economic globalization has not only been accelerating the process of the integration of the world economy but also competition among/between countries, especially that among big powers ... In the development process, which is quite out of balance, some countries have grown in national power while others are losing relatively.<sup>22</sup>

As far as China was concerned, globalisation had the potential to *widen* global inequality and the unequal distribution of power. The only solution was to rapidly develop Chinese power and to increase its role in the shaping of global institutions.

For example, the Asian Financial Crisis of 1997–1998 provided an important lesson for the Chinese on the dangers of engagement with the global economy. It tested and revised what Yong Deng and Thomas Moore viewed as China's somewhat 'romantic' notion of globalisation.<sup>23</sup> Although China was not severely affected by the crisis, the perceived indifference of the US to the economic and political upheavals occurring in East Asia and Southeast Asia fuelled suspicion in China that the US was prepared to seek any strategic gain, even at the expense of trading partners undergoing extensive turmoil. The crisis showed the Chinese that participation in the global economy carried with it significant risks that could jeopardise national economic security. The economic turmoil arising from the current global financial and credit crisis, which began in America, confirms this.

Furthermore, the Chinese began to view the global system not as a neutral environment and level playing field for cooperation, but as a set of institutions within which the great Western powers (particularly the US) sought to entrench their economic dominance. In a sense, this had parallels with the previous Marxist worldview held by Mao. If Asian states benefited from interdependence with the West, this was well and good. But if these same Asian states suffered from what the Chinese saw as 'imbalances' in the international economic system, the West would offer them no quarter. As Xiao Lian, a prominent member of the North American Institute at CASS, argues,

The United States has all along controlled the WTO, the World Bank, and has a bigger say in the IMF to date ... [the] United States has time and again succeeded in consolidating and enhancing its control over the world economy. [This includes] controlling and manipulating the foreign exchange markets the world over to get huge profits by virtue of its economic and financial strength.<sup>24</sup>

The perceived dangers of globalisation and increased interdependence largely explain the thinking behind the Chinese concept of 'comprehensive national power' (CNP), which attempts to take into account all the 'strategic resources' available to a country for the survival and development of a sovereign state. Because the Chinese treat all entities within a country, including private organisations, as potential instruments for the advancement of national objectives, CNP includes factors such as advancements in science and technology, education, innovation capacity, and influence, as well as quantifiable measurements of military and economic power.<sup>25</sup> Because globalisation intensifies competition between countries, developing CNP becomes even more urgent for China because its deficiencies will be exposed and exploited by other great powers. That Chinese thinkers link a country's economic, material, intellectual, and technical powers to its 'survival and development' as a 'sovereign state'—blurring the distinction between private and public purpose and activity within the country—reveals a mindset that goes back to Chinese suspicion of foreign intentions and awareness of its own vulnerabilities. As Li Shaojun, director of international politics at CASS, puts it:

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**The emergence of a multipolar world greatly excited Chinese strategists because it allowed them to revise the rules of the 'world structure.'**

In China's concept of security, there is no doubt that the pursuit of self-strength and strategic independence is an important factor. The concept has developed, fundamentally, as the result of the unequal interactions between the Chinese and Western civilizations since the 1840s ... China will not be able to stand firm in the international world and will be humiliated and threatened unless China has strong comprehensive national power.<sup>26</sup>

Building greater CNP within an increasingly competitive world remains China's overall objective.

### **China's view of the international system**

Chinese thinkers and policymakers tend to begin their analysis of foreign policy with observations about the current 'balance of forces' or 'polarity'—similar to how neorealists think about the 'balance of power' in the international system.<sup>27</sup> Like neorealists, Chinese thinkers assume that competition among states begins in an anarchic environment. However, it is changes in distribution of power that drive developments in international politics and define what is possible. Chinese ambitions, therefore, need to take into account developments in the 'balance of forces.'

#### ***The false hope of a multipolar international system***

Until very recently, the Chinese view of the future security environment had not changed from what Chairman Mao and Premier Zhou Enlai told President Richard Nixon and Henry Kissinger over thirty years ago in Beijing: that there would be a genuine multipolar world emerging, consisting of America, Russia, India, Japan, and China as the distinct 'poles.'<sup>28</sup>

With the disintegration of the Soviet Union in 1991, anticipation was initially strong that a genuine multipolar power structure would soon emerge. In other words, the great powers of the US, Japan, Russia, the EU, and China would have roughly equal CNP. For example, Chen Qimao, former president of the Shanghai Institute for International Studies, believed that the US would remain the sole superpower for several more years before the emergence of a new multipolar structure at the turn of the century, where 'a new balance would be established.'<sup>29</sup> Likewise, Yan Xuetong, director of the Institute of International Studies at Tsinghua University, argued that the end of the Cold War would lead to a multipolar system because states no longer felt the pressure to fall behind either the United States or Soviet Union.<sup>30</sup> The arguments of Chen and Yan reflected a consensus within Chinese circles about the future 'balance of forces.' In fact, since the imminent emergence of a multipolar world was assumed, some of the fiercest debates concerned the *rate* of American decline, as well as strategies that China should use to position itself in relation to other great powers (especially the EU) in this emerging multipolar system.<sup>31</sup>

The emergence of a multipolar world greatly excited Chinese strategists because it allowed them to revise the rules of the 'world structure.' This, in turn, would allow them to reshape unequal global institutions and structures that the Chinese believed benefitted the West. The idea of a 'world structure' is enormously important to how Chinese thinkers seek to understand their existing and future security environment. For the Chinese, the classic definition of a world structure 'is the relatively stable international structure formed by the interrelations and interaction between the main forces in the world during a historical period.'<sup>32</sup> For example, according to Chinese scholars the most recent world structure was the Yalta System, in which the US, the Soviet Union, and Britain carved out spheres of influence in Europe and Asia. The Yalta System established the world structure under which the rules of interaction were basically defined until the collapse of the Soviet Union in 1991.

Since the Yalta System created a kind of stable parity for its two poles (the US and the Soviet Union), the great powers had an interest in preserving the system and lesser powers defied the rules and agreements within the system at their own peril. Importantly,



under the Yalta system, even though the Chinese could skilfully act as a balance between the US and USSR to their advantage, they could never gain parity without challenging its established rules. Even though Deng agreed to engage the developed world in 1978, China was still making its way in a system it did not create or define. Hence, even though it was still a matter of fierce debate as to what kind of system was emerging post-1991, the fall of the Yalta System offered new possibilities.

### ***The resilience of American power***

Paul Kennedy's 1987 book *The Rise and Fall of Great Powers*, which predicted the decline of America, was virtually required reading for all Chinese geo-strategists.<sup>33</sup> However, from the 1990s onward several observations and events eventually convinced the Chinese that assumptions about US decline were premature and that American hegemony would be more resilient than was earlier believed. Indeed, by the turn of the century the consensus view became that China's security environment would be defined by American hegemony for the foreseeable future.

First, it became clear that American superiority in military capacity and technology was overwhelming, and that the gap was actually widening. As early as the first Gulf War in 1991, China was awestruck by the advances in US military technology that decimated the Iraqi army. The American success in the first Gulf War actually led to a rethinking of military affairs within China, away from a strategy of overwhelming the enemy with superior numbers toward an emphasis on technology and force restructuring. From 1991 to 1999, US military spending as a proportion of global military expenditure grew from 28% to 33%, while China's spending hovered around 10% of global expenditure over the same period.<sup>34</sup> By 2007, the US was responsible for almost 49% of global military expenditure, with China responsible for only around 5% (according to Beijing's official figures).<sup>35</sup>

Second, while China's GDP as a proportion of world GDP rose from 3.5% to 10.5% between 1991 and 2007, it became clear that Chinese thinkers had nevertheless been too optimistic about predictions of the US economy's absolute and relative decline. From 1991 to 1999, US GDP grew from US\$6.2 trillion to US\$9.5 trillion, and US GDP as a proportion of global GDP stayed constant at between 22% and 23%. It currently stands at around US\$14.5 trillion, which is around 24% of global GDP.<sup>36</sup>

Even in terms of broader Chinese calculations of CNP, there was little evidence of US decline during the 1990s, even though the decline of America and the rise of a multipolar system had initially been all but assumed. For example, calculations of US CNP as a share of global CNP from 1980 to 1998 actually suggested that America's CNP remained stable at around 22% to 23%, incidentally equivalent to American share of global GDP.<sup>37</sup> By the late 1990s, the Chinese concluded that the US had exploited a 'strategic opportunity' to enhance its primacy at a time when other powers such as Japan, Russia, and even the EU were struggling with their economies. The Chinese pointed to an acceleration of US military expenditure in the 1990s despite an absence of significant threat.<sup>38</sup>

Third, and perhaps most importantly, there seemed less and less evidence that key 'poles' of power were prepared to balance against the US as neorealist theory predicted. No second-order powers looked to explicitly balance against the US through alliances or internal force restructuring, and an increasing number of American thinkers began to accept that its dominance could be enduring.<sup>39</sup> A handful of thinkers such as CASS analyst Yang Dazhou had argued that existing US alliances with major powers would be renewed and that the US would remain the sole superpower for several decades.<sup>40</sup> However, this was a minority opinion until later in the decade. Thinkers such as Huang Zhengji, a former senior general in military intelligence, had believed that frictions were increasing between the US and allies such as Japan and Germany and serious rifts were just around the corner.<sup>41</sup> His views were broadly consistent with Chinese strategic orthodoxy in the early and mid-1990s.

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Yet, by the end of the century it had become almost undeniable that the majority viewpoint represented by thinkers such as General Huang was premature. According to one of China's most eminent foreign affairs scholars, Wang Jisi, most Chinese experts began to realise by then that 'the superpower is more super, and the many great powers are less great.'<sup>42</sup> Yao Youzhi, director of strategic research in the People's Liberation Army's (PLA) Chinese Academy of Military Sciences believed that the US had successfully pursued strategies to 'contain, control, incorporate, and suppress those countries and regions that might become one of the multiple poles.'<sup>43</sup> According to Yao, Europe and Japan had been 'incorporated,' and Russia and China had been contained. Any stubborn illusions that a multipolar world was upon them were finally shattered by the 1999 Kosovo War. After the US-led NATO bombings of Yugoslavia and Milosevic's defeat, Chinese thinkers scoffed at the charade of the 'many great powers' and accepted that multipolarisation 'had slowed.'<sup>44</sup> The US had 'made it more difficult for the international community to build a new political and economic order.'<sup>45</sup> We are now seeing a time of 'single-power domination' amidst 'pluralistic disputes.'<sup>46</sup> As Men Honghua observes, 'The west wind is prevailing over the east wind.'<sup>47</sup>

Since 2000, the evidence has become even clearer. America remains the sole superpower and appears to be getting more powerful. It now has troops stationed in around 130 countries in the world.<sup>48</sup> The NATO alliance (between America and Western Europe) not only remains in place but is looking to expand further eastwards. Neither Europe nor Japan have made serious attempts to become 'independent poles.' America's bilateral military alliances in Asia (with Japan, Philippines, South Korea, Singapore, Thailand and Australia) remain in being, as does its de facto alliance with Taiwan, while American military cooperation with Malaysia and Indonesia remains strong. Much to China's dismay, Southeast and East Asia, with the exception of North Korea and Myanmar, continues to *welcome* American primacy and, critically, continue to welcome American naval supervision of the South China Sea and the strategically critical Malacca Straits.

### ***The threat of American hegemony***

Many Chinese experts believed that the Kosovo action was primarily designed to ensure NATO enlargement and encircle Russia. Likewise, the revitalisation of security alliances with Asian powers was designed to encircle China and the upgrading of arms sales to Taiwan in 2001 (and again in October 2008) was a direct challenge to Chinese interests. Terms such as 'neo-imperialist' and 'neo-interventionist' began to find their way into Chinese depictions of American foreign policy. Their popularity exploded after the American decision to invade Iraq in 2003, which the Chinese viewed as an attempt by the US to gain a strategic foothold in the Middle East rather than as a genuine extension of its War on Terror.<sup>49</sup> Unlike many analysts in Washington, the Chinese do not believe that the 9/11 attacks constituted a fundamental shift in America's longer-term strategic outlook. The Americans were merely distracted by the War on Terror and on-the-ground difficulties in Iraq. As the head of the 'US Foreign Policy Division' within CASS, Zhang Yebai, argues, the War on Terror has merely 'postpone[d] the eastward shift' in American strategy. Moreover, the 'spearhead' of this shift was still undoubtedly China.<sup>50</sup> For Yizhou Wang, a senior fellow from CASS, 'US military presence in Asia remains the principal threat to the state security of China.'<sup>51</sup> Since US–China tension is 'structural,' American policy will invariably seek to contain China's rise as much as possible.

Moreover, beyond geo-strategic goals the Chinese began to realise that the 'enemies' of what they now referred to as the American 'hegemon' were generally authoritarian states such as Russia, Iraq, Iran, Libya, North Korea, and presumably China, which rejected the legitimacy of American hegemony and leadership. In an article written in 2005, influential Chinese scholar Yaqing Qin argued that the 'theoretical problematic' of American international relations (IR) thinking—the ultimate *purpose* of American IR theory—was 'hegemonic maintenance' rather than mere state survival and maintaining the balance of power. According to Yaqing, the US is obsessed with 'the problem of how

to establish, consolidate, and consummate the international hegemonic system ... with its purpose to safeguard America's leading role [and] the order and stability of its hegemonic system.' Moreover, according to influential Chinese thinker Wang Jisi, there is a close link between American hegemony and American liberalism. Quoting American scholars such as Walter Russell Mead, Wang argues that Americans 'worship violence' and have a 'warlike disposition.'<sup>52</sup> Key to their preparedness to use force was the construction of 'a universal collective identity' that upheld liberal (democratic) values and systems.<sup>53</sup> In other words, China believes that America seeks to dominate global material and normative structures.<sup>54</sup> Of further concern to the Chinese is that despite occasional diplomatic spats there appears to be a 'grand alliance' between North America, Europe, and Japan, which is underpinned by common political values. One Chinese commentator, for example, talks about a 'new world order guided by Western values, with the alliance formed with the United States and other developed nations in the West at the core.'<sup>55</sup>

In fact, the Chinese believed they saw early clues of this in the emotional American response to the 1989 Tiananmen Square protests (in which a range of economic, military, and diplomatic sanctions were issued) and in President George Bush Sr's 'new world order speech' following the first Gulf War in 1991 (which spoke about America leading a reorganisation of global rules and norms).<sup>56</sup> The emerging 1990s doctrine of 'humanitarian intervention'—arguing that force could be legitimately used to prevent large-scale humanitarian crises—was an extension of this liberal line of argument. In a world where state survival and balance of power were king, non-liberal and developing countries like China could at least rely on the idea of 'sovereignty' and the principle of non-interference in domestic affairs to protect itself.<sup>57</sup> But in the American hegemonic system traditional notions of 'sovereignty' are invariably diluted, and the US would be prepared to use force to pursue ideological purposes beyond traditional realist balancing objectives. In other words, non-democratic states would always be 'outsiders' and identified as potential threats in this new liberal order.

### **In the shadow of the hegemon: China's search for security**

Just as the West has no option but to engage deeply with China given that country's size and importance, so China has no option but to engage with the West (especially America) and make the best out of the current international situation. Since Deng assumed the leadership in 1978, China has made a decision to be an 'insider' within the American-led international system even as its authoritarian government has struggled with being an 'outsider' in many respects.

In their broad strategy, Chinese thinkers and leaders make frequent references to the ancient lessons of the Warring States Period (from the fifth century BC to the first Qin Dynasty in 221 BC): in particular, that a state that rises too fast suffers 'attack, dismemberment, and even complete extinction.'<sup>58</sup> Chinese experts have warned that this is what occurred to Germany and Japan in the 1940s, and to the Soviet Union in the latter's attempt to take on the Americans in a strategic battle and arms race it could not sustain. Following the accidental bombing of the Chinese embassy by the Americans during the 1999 Kosovo War, the conviction emerged in Chinese think-tank circles that this was a deliberate ploy by the US to get the Chinese to engage in a new arms race that it could not win.<sup>59</sup>

This helps explain Deng's general dictum to 'Hide brightness, nourish obscurity' (which Beijing has now modified to 'Bide our time and build our capabilities').<sup>60</sup> Keen not to repeat history's mistakes, and to avoid direct conflict with a much more powerful competitor, China's grand strategy has not changed since Deng outlined it in the early 1980s. Its essence is to avoid ideological conflicts, develop a pragmatic rather than ideological view of strategy, and maintain good relations with Western countries that can help China develop and modernise. China deviated from this briefly in the 1990s, making several clumsy attempts to extend its influence in the South China Sea and forcing the Taiwan issue. (Some Chinese academics I have spoken to believe that this is precisely the

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mistake Russia is currently making in South Ossetia.) But realising that this only drove neighbouring states closer to the US, China has since developed a much more patient and non-confrontational strategy to deal with the challenge of American dominance.

Since 2000, it has become increasingly difficult for China to 'hide brightness,' when its growing power and influence are so obvious. Furthermore, being patient and non-confrontational never meant merely being passive. On the contrary, over the past decade China's strategy and diplomacy—in light of the country's deep insecurities about the US-dominated system—have been carefully assessed, well conceived, and skilfully executed. Chinese leaders and thinkers are remarkably clear in their appreciation of the perceived dangers of the international environment and its possibilities, and their national interests and how to pursue them. China summarises its foreign policy grand strategy in the idealistic-sounding 'Five Principles of Peaceful Coexistence': mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. However, this set of principles is firmly rooted in hard self-interest: it is designed to buy China time to develop its CNP, gain international acceptance, and even secure approval of its status as a great power and civilisation.

***The strategy and rhetoric of 'peaceful rise' and 'peaceful development'***

The first element of China's strategy is to reduce international fear of its rising power and avoid conflict with the US. Chinese leaders from Deng onwards have realised that Mao's confrontational approach to international affairs left China weak and isolated. China's assessment of its economic and technological weaknesses is remarkably honest. It is, in fact, presently more concerned about the threat of economic containment and diplomatic isolation than it is about military competition. Its leaders recognise that China can only develop its CNP through greater economic and diplomatic engagement with the West, and by gaining membership of Western-backed institutions such as the WTO. To do so, China needs to avoid unnecessary confrontation with the American hegemon.

In this context, 'peaceful rise'—later changed to 'peaceful development'—is a genuinely held strategic goal designed to squarely counter the perception of a 'China threat.' The term 'peaceful rise' was used by Premier Wen Jiabao in a speech at Harvard University in December 2003, and repeated by President Hu Jintao on several occasions.<sup>61</sup> It was changed to 'peaceful development' after other Chinese Politburo members successfully argued that the term 'rise' might cause alarm amongst other states. 'Peaceful development,' which had actually been used by Deng in the 1980s, subsequently became China's official national strategic objective.

To give substance to 'peaceful development,' China's leaders and thinkers are keen to emphasise that China seeks to rise in a way that is different to other powers in recent history and that a globalised market economy means that we are living in different, less warlike times. For example, Ye Zicheng, the director of Chinese studies at Beijing University, argues that

The biggest difference between the now ascendant China on the one hand, and Germany during World War I and Japan during World War II on the other, is that China has no intent to challenge the existing system through military expansion. Nor does it seek to create another system outside the existing system to engage in confrontation.<sup>62</sup>

Moreover,

[While] it was necessary for the powers of the past to resort to military force because they could not achieve the goal of development using peaceful means ... today, even though there are conflicts between China and the powers in the allocation of markets and resources, they can be worked out peacefully.<sup>63</sup>



Furthermore, the Chinese are keen to emphasise that China's strategy of 'peaceful development' leads to 'win-win' opportunities for the rest of the world. There is significant truth to this claim. In 2007, China's economic growth saw it contribute more to world GDP growth than any other country, including the US.<sup>64</sup> Profits for American companies in China have tripled (albeit from a low base) since 2000. Surveys of American- and European-owned businesses operating in China indicate that around 80% of them made profits in 2006.<sup>65</sup>

In a strategic sense, 'peaceful development' is a concept put forward by an insecure power that still feels like an outsider within the dominant system. It is ultimately put forward in order to calm Western fears of, and resistance to, China's acquiring greater CNP. It is a concept put forward to buy China time and space so it can accumulate power without meeting resistance. As its white paper *China's National Defense in 2004* puts it, the first two decades of the twenty-first century offer China a window of 'strategic opportunity' to build its CNP.<sup>66</sup>

Although China's promotion of its economic rise as being a 'win-win' outcome for the world is sincere, building CNP is designed to further its modern mission: to return China to greatness and unify the country including Taiwan. As two Chinese military strategists explain, CNP is 'the source of combat effectiveness' and the 'fundamental base for war preparations.' If CNP is substantial, this serves as a deterrent against other great powers interfering, and exists as a defence against China being 'controlled by hegemonists.'<sup>67</sup> In relation to Taiwan, China's aim is to grow its CNP until Taiwan has no choice but to be incorporated, and so the US will consider the costs too great to interfere.

### ***The strategy and rhetoric of 'multilateralism' and 'harmonious world'***

While 'peaceful development' shows China as a largely *patient* status quo power in its search for security, its advocacy of 'anti-hegemony,' 'multilateralism,' and 'harmonious world' is more proactive. Although deeper political and economic engagement with the region is undoubtedly designed to demonstrate China's seriousness with respect to its 'peaceful development,' the principles of multilateralism and harmony are being used as strategies for 'bargaining, binding and buffering of US Power,'<sup>68</sup> and even to revise elements of the evolving system under American leadership.

### **Multilateralism**

Since the late 1990s, China has changed from promoting 'multipolarity' (a configuration of power in the system) to promoting 'multilateralism' (a process). China uses multilateralism to bind and dilute American power in two main ways.

First, China's advocacy of multilateralism is contrasted with confrontational-style 'unilateralism.'<sup>69</sup> In this context, China refers to the 'democratization of international relations,' meaning that states should agree to make decisions only after these have been agreed upon via a multinational process.<sup>70</sup> This is obviously to China's advantage, since any process that recognises the existence of great powers having an *equal* say in international affairs reduces the advantage of the (American) hegemon. Since the Second Gulf War began in 2003, Chinese thinkers argued that there was 'change brewing in the international order.'<sup>71</sup> One Chinese senior scholar from the China Institute of International Studies accused the US of a 'grim assault on and challenge to the existing international order.'<sup>72</sup> When China talks about 'multilateralism,' it really seeks to promote a de facto 'multipolarity' by gathering allies and restricting US preeminence and freedom of action.

Consequently, from a position of virtual isolation in the 1970s, China's membership and participation in international institutions and organisations has increased rapidly. China is now a member of almost as many formal multilateral institutions as the major powers, including the US.<sup>73</sup> Moreover, China has been the strongest advocate in recent times of the binding authority of the UN Security Council, since it is one of the five permanent members that have a right of veto. China has been equally active in regional

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institutions such as the ASEAN Regional Forum (ARF), and has progressed from being a mere participant to striving for leadership within these forums. The Second Gulf War has illustrated to China what Joseph Nye said about American power in 2002: nothing in the world can be done without the US, but the US can achieve very little by itself.<sup>74</sup> The difference is that China is striving to bind American decision-making to formal multilateral processes and to play a leading role in these processes and institutions. Although China still harbours suspicions that global institutions such as the IMF and World Bank are tools of the US, its leaders now believe that it is still better, both practically and symbolically, to be inside these bodies than to remain outside. At the same time, where possible, China attempts to outflank these global institutions by focusing on regional institutions that it can more effectively influence.

Second, China has proposed *new* security structures and concepts that are designed to undercut the influence of the US and the viability of its hub-and-spokes model of security alliances with states such as Australia, Singapore, Indonesia, Thailand, Japan, and the Philippines.<sup>75</sup> For example, China continually attempts to promote ASEAN+3 (which includes China, Japan, and South Korea but *excludes* America) as the primary regional security forum, and was an enthusiastic backer of the East Asian Summit (which also excluded America) as the preeminent regional forum. It tried to sell its 'New Security Concept' (NSC) to ASEAN, which set out a vision emphasising 'Asian values' as well as cooperative security and dialogue. This was promoted as an alternative to America's bilateral emphasis and the 'hub and spokes' alliance model it uses to underpin regional security.<sup>76</sup> China has co-signed around thirty distinct agreements with ASEAN over the past decade; the US has co-signed around seven. China has signed Southeast Asia's Treaty of Amity and Cooperation (which the US has not) and offered to join the Southeast Asia Nuclear Weapon Free Zone (which the US has not joined) in an effort to outmanoeuvre the Americans diplomatically. China was knocked back in the latter venture, as ASEAN preferred all major powers to join at the same time.

### **Harmonious world**

While China's multilateral emphasis is designed tactically to bind, undercut, and exclude America, its advocacy of a 'harmonious world' is much more ambitious and far-reaching. It is designed to provide China protection against, and reverse the tide of, an emerging liberal international order.

The foreword of China's white paper *China's National Defense in 2004* states that challenges to peace and stability will not be overcome unless 'diverse civilizations, social systems and development models live together harmoniously, trust each other and engage in cooperation.'<sup>77</sup> 'Harmonious world' was mentioned again in the 2005 white paper *China's Peaceful Development Road*.<sup>78</sup> According to prominent Chinese thinkers such as Yu Keping, this concept is about 'the democratisation of international relations.' It is about 'making sure every nation can participate in international affairs.'<sup>79</sup>

No one seriously believes that China genuinely wants every nation to have an equal say in international affairs. Although 'harmonious world' sounds like a utopian term for the transformation of international affairs, it is actually something much more intellectually conservative and self-serving. For the Chinese, promoting a 'harmonious world' really just means a return to commitment to strict principles of absolute sovereignty and non-interference in another state's 'domestic' affairs. It is disingenuous in that the Chinese themselves would, of course, always reserve the right to intervene in the affairs of another state if their national interests were at stake. But it is upheld as an alternative to both the perceived liberalising agenda of American foreign policy and the advancing liberal order, which merely tolerates the existence (much less the legitimacy) of autocratic states.

### **Why China cares about 'soft power'**

One of the most well studied American academics in China is Harvard professor Joseph Nye, Jr, largely for his notion of 'soft power.' According to Nye,

Soft power rests on the ability to shape the preferences of others ... [It] is the ability to get what you want through attraction rather than coercion or payments. It arises from the attractiveness of a country's culture, political ideals, and policies.<sup>80</sup>

But it is the last part of the paragraph that is enormously significant:

When our policies are seen as legitimate in the eyes of others, our soft power is enhanced. America has long had a great deal of soft power.<sup>81</sup>

Former Singaporean prime minister Lee Kuan Yew puts it simply by saying that 'soft power is achieved when other nations admire and want to emulate aspects of that nation's civilization.'<sup>82</sup> While promoting 'peaceful development' is one strategy China uses to rebut the 'China threat' thesis, the accumulation of soft power is another. But by the admission of its own thinkers, while it has made considerable progress in accumulating material power, its 'soft power' remains weak.<sup>83</sup>

When a US plane accidentally bombed the Chinese embassy in Belgrade in 1999, the early response from the Chinese was that 'the great People's Republic of China was not to be bullied.'<sup>84</sup> There was official (and public) anger not so much because the government believed it was intentional, but because it believed the US displayed a lack of contrition that arose from a corresponding lack of respect for China.<sup>85</sup> For China, increasing soft power is not only a matter of national and cultural prestige—it goes to the heart of China's insecurity about its status in relation to Western countries. According to the Chinese historical narrative, part of why the West stood ready to divide China and resist its rise was because it held little understanding of and regard for Chinese culture, society, and civilisation. China's century of humiliation also showed that the world lacked respect for the Chinese. Increasing soft power attracts allies and reduces hostility.

The Beijing Olympics were enormously important to the Chinese not only because they were an opportunity to showcase China's rise, but also because they presented an opportunity to showcase the greatness of Chinese culture and civilisation. The opening ceremony very deliberately honoured China's contribution to human achievement over five thousand years, and carried with it the underlying message that China and its culture was to be loved and admired rather than feared. Consequently, when Western media critically pounced on issues such as Tibet, Chinese 'Olympic torch thugs,' and the problems within Chinese society, the official Chinese response was angry and defensive. The opportunity to image-manage had been sabotaged.

The Beijing Olympics, though huge, were only one step in China's quest for soft power. The setting up of Confucius Institutes for the teaching of Chinese language (Beijing's preferred version, rather than Taipei's) and culture around the world is another. China currently has over 260 Confucius Institutes in seventy-five countries<sup>86</sup> and is aiming for 500 by 2010<sup>87</sup> (teaching 100 million foreigners) and 1,000 by 2020.<sup>88</sup> China has actively encouraged foreign students to study in China, especially those from countries in Asia that it seeks better relations with. There are now almost 200,000 foreign students, up 20% from 2007. The government has allocated over US\$70 million for scholarships, an increase of 40% from the previous year.<sup>89</sup> Foreign students are actively encouraged to learn about Chinese culture and (China's version of) history. Beijing's CCTV international broadcasting initiative, which airs positive images of China (and also censors negative ones) is expanding. The Chinese have explicitly learned lessons from the closed and inward-looking attitude of the Japanese, who in many respects have made poor progress in soft power despite the country's economic rise.<sup>90</sup>

China has also gained unexpected leadership status amongst many developing countries, who are tired of Western efforts to link economic reform with political

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reform (democratisation). China's experience has led to the rise of the so-called 'Beijing Consensus,' a term coined by Joshua Ramo to indicate a flexible, ad hoc model of development that secures a greater 'independence of action' from the West and especially America.<sup>91</sup> Importantly, the 'Beijing Consensus,' although not a consensus in any strict sense, sees nothing wrong with the absence of political reform while the economy is reforming. China's perceived defiance of the West and reluctance to offer judgment against the policies of other states is becoming an inspiration of sorts for governments of developing countries. Governments in former Soviet republics (such as Kazakhstan, Uzbekistan, and Turkmenistan), South America (Argentina, Bolivia, and Brazil) and Asia (India and Vietnam), and Russia have joined with 'pariah' states such as Cuba, Iran, North Korea, Myanmar, and Venezuela to express admiration for the Chinese political and economic approach. For example, reformist Indian prime minister Manmohan Singh famously asked in 2004 why Mumbai could not be more like Shanghai.<sup>92</sup> Brazilian president Luiz Inacio Lula da Silva even declared that China's approach should 'serve as a paradigm for South-South cooperation.'<sup>93</sup>

All these concepts and initiatives take place alongside an active bilateral strategy to counter the 'China threat' thesis. For example, China has settled or at least stabilised almost all border disputes with its neighbours. Although it has not given up its claim to them, China is working to peacefully manage territorial disputes over several islands in the South China Sea with other Southeast Asian states. China sends more diplomats to more countries than any other state. Their diplomats come from the cream of Chinese talent and undertake extensive foreign language and cultural training—they are arguably the best trained in the world.

These initiatives have so far achieved mixed success. Taking a long-term view, China has had great success in improving its image. Views of China in the 1970s were almost universally unfavourable. In more recent times, the developed world's view remains undecided. According to a recent 2008 Pew Global Survey, majorities in seven out of twenty-three countries surveyed viewed 'China' positively, down from nine out of twenty-three countries the previous year. Significantly, the majority of people surveyed in Western powers such as the US, Britain, France, and Germany viewed China unfavourably, when in 2005 only the majority in the US did so. The view of China in major Asian powers such as Japan, South Korea, and Indonesia has also declined since 2005.<sup>94</sup>

Although such polls are subject to the usual inaccuracies and popular surveys are inherently superficial, we can draw from them that major global and regional powers remain ambivalent about China, which quite rightly still feels insecure about how these powers perceive it.

## **Conclusion**

Chinese insecurities stem from interpretations of its traumatic history and its continued perception of itself as an 'outsider,' from its perception of the evolving international system, and from a realistic appraisal of its own weaknesses. Although China is an integral part of the global economy, it believes that it exists in an international political and normative order that is hostile to authoritarian regimes. It is wary of outside powers that stand to contain and even carve up China should the opportunity arise. As President Hu wrote in an editorial in the *China Daily*, 'hostile foreign forces have not abandoned their conspiracy and tactics to Westernise China and to divide the country.'<sup>95</sup> China is aware of its own domestic and strategic vulnerabilities: it remains a poor country despite its gross output. Its GDP per capita is ranked 105th in the world, sandwiched between Swaziland and Morocco.<sup>96</sup> It has huge domestic problems that could yet render it unstable;<sup>97</sup> its eastern and south-eastern borders are encircled and surrounded by the forces of a potentially hostile superpower (and its multiple allies) with superior military capacity. America is also capable of strangling the flow of resources China needs to continue its development; and it remains militarily weak compared to strategic rivals.

For economic and development reasons, China has an overriding long-term interest in peace, and is a major beneficiary of the current international order, yet for the other reasons mentioned in this paper it remains profoundly insecure. This explains why China is largely a **cooperative rising power, but still a disruptive and occasionally subversive** one. It explains why China has made significant compromises in areas such as territorial disputes and trade negotiations, yet displays a defensive and angry posture toward Western powers at other times.

China has made great strides in its search for security through economic integration with the outside world and Western powers. Except for a handful of countries such as Japan, no Asian state would publically admit to wanting to restrain or contain China's rise. Some commentators have speculated that Beijing seeks to implement a 'Chinese Monroe Doctrine' for East and Southeast Asia, in which China holds sway in the region and far-flung powers cease to meddle.<sup>98</sup> There is no doubt that China would welcome such an outcome, as this would guarantee its territorial integrity and supply routes while offering Beijing the political and diplomatic clout that it believes it needs. However, as argued earlier, modern China may well be the most analytical rising power in history and Beijing certainly knows that a Chinese Monroe Doctrine is certainly not possible in the foreseeable future. Even suggesting it would immediately revive the 'China threat' thesis throughout the whole region. The economic costs of explicitly pursuing anything like it would be enormous, and would severely impact China's accumulation of CNP.

However, it is important to note that there are also strong domestic forces working against the measured and restrained conduct of Chinese foreign policy. China's social elites tend to be more impatient than its leaders where China becoming more assertive in the world and 'standing up to' America is concerned. Encouraging Chinese nationalism for political purposes (since it serves as a unifying force uniting the Chinese people under CCP leadership) while constraining and taming its expectations remains a challenge for the government. Should there be another Taiwan crisis, for example, it will be difficult for the CCP to back down because it will fear appearing weak in the eyes of its own people. Losing Taiwan could fatally undermine the regime's legitimacy.

There are also possible developments that could persuade the Chinese that a measured strategy is the better one. Significant economic disengagement from the West would cause many within China to become impatient with a more measured foreign policy—for example if Western economies become less important to Chinese development, or if American and European Union governments move toward erecting significant trade protectionist policies against China (which would certainly play out badly with Chinese elites). The prospect of significant tension with neighbours to its north (Russia) and southwest (India) should also be taken seriously, and this will influence China's Pacific and South China Sea strategies.<sup>99</sup>

Western policymakers need to accept that China sees itself as a vulnerable rising power, not a secure one. This makes it more difficult to predict how it will behave. However, China's current tactic is to remain a patient and largely **cooperative power** in the next couple of decades. But it will also continue to be opportunistic and disruptive. The CCP's desire to resist political reform will continue to feed its insecurities about its position in relation to the Western world, and therefore its foreign policy strategy. Likewise, the West will continue to remain suspicious of Chinese intentions until there is political reform. There is no doubt that China intends to eventually supersede American power and influence in the region. This is its primary long-term strategic goal. But its own appreciation of domestic and external vulnerabilities is realistic. Until the current environment changes, China will continue with its present strategy: attempt to accumulate CNP over the next two decades and increase its influence *at the expense of other powers* without unnecessarily antagonising America and the West.

**There is no doubt that China intends to eventually supersede American power and influence in the region.**



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99. Discussions with senior officials in the respective countries suggest that scenario planning for a future Sino–Russian or Sino–Indian war is taken extremely seriously in Beijing, Delhi, and Moscow.

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