A New Model of Big Power Relations? China–US strategic rivalry and balance of power in the Asia–Pacific

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Exploring the causes of the China–US strategic rivalry and its possible mitigation, this article argues that President Xi’s new model of big power relations represents a challenge to the US primacy in the Asia–Pacific based on China’s rising power and deeply rooted suspicion of the US containment. But neither the US nor China can be the single dominant power in the region. The new model can be built only if China and the US demonstrate a strategic restraint and maintain a delicate balance of power to prevent their rivalry from boiling over into a new Cold War.

Although Presidents Xi Jinping and Obama have agreed on the concept of a new model of big power relations (新型大国关系) to free China and the US from the so-called ‘Thucydides trap’ with the established power and the emerging power colliding inexorably, their strategic mistrust continues to worsen and the rivalry has intensified in the Asia–Pacific. The US and China have both failed to elaborate on an array of implicit and explicit norms and rules of the potential geopolitical engagement that would lead to mutual restraint and help moderate their competition. The new model promotes that China’s rise would not be accompanied by the conflict and war that marred many other moments in history when rising powers rubbed up against the incumbent power. But China has increasingly behaved as a typical muscle-flexing rising power looking to challenge the US primacy in the Asia–Pacific and seek expanded interests by advancing its territorial claims in the East and South China Seas. Criticizing China’s ‘unilateral’, ‘provocative’, ‘coercive’ and ‘escalatory’ behavior as an attempt to change the regional status quo, the US has taken measured counter-actions to check China’s territorial advances, including sending a pair of American B52 bombers flying across China’s newly declared Air Defense Identification Zone (ADIZ) in the East China Sea. Amid rising tension between China and its neighbors, President Obama signed a ten-year defense agreement with the Philippines and became the first sitting US president to state that

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the disputed Senkaku/Diaoyu Islands are subject to Article 5 of the Japan–US Security Treaty. Hedge and even containment have gained momentum among a growing number of American strategists. These developments have raised the question: how, if at all, can China and the US build a new model of big power relations? Exploring the causes of the China–US strategic rivalry and its possible mitigation, this article argues that President Xi’s new model of big power relations presented a challenge to the US primacy in the Asia–Pacific based on China’s rising capacities and deeply rooted suspicion of the US containment. Just as containment is not a viable option for the US, regional dominance cannot be a viable objective for China. Neither the US nor China can be the single dominant power in the region. The new model can be built only if China and the US can work together and maintain a delicate balance of power to prevent their rivalry from boiling over into a new Cold War.

A realist reading of the new model of big power relations

In realist literature international politics is a struggle for power and rising powers seek to maximize their security by expanding their influence and control over their immediate neighborhoods, and in many cases, far beyond. Realism defines power as the general capacity of a state to influence the behavior of others or the ability to get others to do what they otherwise would not do. It seems to prove the realist logic that a rising China has moved from a passive to a proactive foreign policy to seek dominance in the Asia–Pacific. Making foreign policy decisions in a hierarchical world of power structure that is constantly in flux because of variations in relative powers, Chinese leaders have been under pressure to maintain or challenge the status quo, depending on whether they view the trend in the international balance of power or their own strength vis-à-vis their adversaries as favorable or unfavorable. Beijing has avoided unnecessary provocation from an unfavorable position but strived to maximize power and seek dominance from a favorable position by denying regional hegemony of other powers.

Conditioned by China’s circumscribed capabilities and geostrategic isolation immediately after the end of the Cold War, Beijing followed taoquangyanghui (韬光养晦) policy set by Deng Xiaoping to keep a low profile and concentrate on building up its national strength. Seeking peaceful coexistence with the US, the unwieldy superpower holding the key to China’s economic modernization, President Jiang Zemin proposed a 16 characters formula in 1993: increase trust, reduce problems, strengthen cooperation and avoid confrontation (增加信任，减小麻烦，加强合作，不搞对抗). Promoting a multipolar world, China tried ‘learning to live with the hegemon’ and made adaptation and policy adjustments to the reality of the US dominance in the international system.1 China, as one of the weaker poles in the multipolar world, did not want to become the second ‘Mr No’ and repeat the failure of the Soviet Union in a competition for hegemony that exhausted its economic and military capacity. Defending its national interest by conducting shrewd diplomacy,

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President Hu Jintao continued to focus on building China’s comprehensive national strength. Focusing on domestic stability (内政主导), Hu’s foreign policy emphasized the principles of maintaining the status quo (维护现状) and averting crisis (危机规避) in order to extend a period of strategic opportunity (战略机遇期) in which a benign external environment would allow China to pursue its modernization programs. Cherishing China’s rising power status, Chinese leaders were very cautious to hide their big power aspirations. President Hu endorsed the concept of China’s ‘peaceful rise’ originally put forward by his aid, Zheng Bijian, but quickly changed this to ‘peaceful development’ because some Chinese scholars and officials expressed concerns about whether using the word ‘rise’ could intimidate some of China’s Asian neighbors as the word ‘rise’ might imply attaining superpower status. During a visit to Europe in early 2009, some sensitive Western reporters pricked up their ears at Premier Wen’s statement that China would be a peaceful and cooperative big power. When asked for clarification of the phrase ‘big power’, the government news agency, Xinhua, released an English text that translated the word as ‘country’ instead. While many Chinese were initially flattered by the G-2 idea amounting to a Sino–US cooperative, Premier Wen rejected the idea as ‘not appropriate’ and reiterated that ‘China remains a developing country despite remarkable achievements and its modernization will take a long time and the efforts of several generations’.

Narrowing the power gap with the US and weathering the 2009 global financial crisis better than many Western countries, Chinese began to see a shift in the world balance of power in China’s favor. Anticipating a rapid US decline, China’s foreign policy behavior took a notable turn in the wake of the global slowdown. For many years, Chinese foreign policy was designed to serve domestic economic modernization (外交服务于国内经济建设) by creating and maintaining a peaceful international environment. Fused with growing nationalism and wealth, China began to reverse the order and use its rising economic and military power to serve its expanded foreign policy objectives. With the US in financial turmoil and seemingly desperate for cash-rich China to come to its aid, the perception of a troubled US still attempting to keep China down makes Chinese leaders less willing to make adaptations. Although far from a full reversal of what had long been a mixed practice, the center of gravity shifted toward less accommodation. Facing rumblings of discontent from the popular nationalists who saw the global downturn as a chance for China to reclaim its great power status, the Hu leadership began to take an unusually hawkish position to confront the Obama administration in its own neighborhood.

2. 沈骥如 [Shen Jiru], 中国不当不先生 [China Does Not Want to Be Mr. No] (Beijing: Jinri Zhongguo Chubanshe, 1998), p. 62.
In March 2009, just one month after President Obama took office, the Chinese media provided intensive coverage of the interception of an American surveillance ship, the USSN Impeccable, in the South China Sea where the American navy had frequently deployed to monitor China’s military activities. While Chinese always viewed the US surveillance operation close to its national borders as a challenge to its national security and territorial integrity, China had never taken such high profile actions to stop US ships in its EEZ. Following this incident, Beijing took an unusually assertive position against the joint US–South Korean military exercise in 2010. Beijing specifically objected to the USS George Washington aircraft carrier being deployed in the Yellow Sea. Although the US navy had long conducted exercises there, Chinese experts now warned that deployment in the area would place the Chinese capital within the carrier’s striking distance. Between early June when the news was revealed and early July when Washington confirmed the exercises, the spokesman at China’s Ministry of Foreign Affairs issued six official protests with a successively tougher tone, beginning by calling on involved parties to ‘maintain calm and constraint’, followed by expressing ‘concern’ and ‘serious concern’, then morphing into words such as ‘oppose’ and ‘strongly oppose’. 5

President Hu’s forceful and strident stands have been reinforced since President Xi Jinping assumed power. Believing China has never been so close to regaining the glorious position it enjoyed about two centuries ago, President Xi set to achieve a ‘China dream’ of great national revitalization. Calling for a new model of big power relations, Chinese leaders for the first time openly acknowledged China as a ‘big power’ and one of equals with the US. Although the traditional realist definition of a big power includes only economic and military capacities, Chinese leaders talk about the new model of big power relations to include its ties with traditional and emerging powers, 6 yet none of these relations rises to the level of the Sino–US relationship. Only the US and China, as the two largest economies in the world, qualify as big powers that must work together to build the new model.

Chinese leaders have included three essential features in describing the new model: no conflict or confrontation, mutual respect, and win–win cooperation (不冲突不对抗, 相互尊重, 合作共赢). But Beijing has made it clear that ‘mutual respect’ of each other’s ‘core national interests’ is the bottom line. The new model, therefore, is not just another façade on the old rhetoric of peaceful coexistence. Now China and the US can coexist peacefully only if they respect each other’s core interests and make their strategic aspirations compatible. As executive vice president of China’s Central Party School stated, for China and the US to build the new model, these two countries ‘need to understand and respect each other’s bottom line and not challenge or break through the bottom line of the other side’. 7

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Core interest (核心利益), a new term in China’s foreign policy vocabulary, has suddenly become fashionable and appears frequently in Chinese statements. Obviously chosen with intent to signal the resolve in China’s sovereignty and territorial claims that it deems important enough to go to war over, core interest is defined as ‘the bottom-line of national survival’ and ‘essentially nonnegotiable’. While China’s official statements on the sovereignty and territorial integrity used to refer almost exclusively to Taiwan, Tibet and Xinjiang issues, Chinese leaders have expanded the core interest issues to include territorial claims in the South and East China Seas. Taking an unusually strong position to assert its sovereignty in these disputed waters, Beijing repeatedly attempted to prevent Vietnamese vessels from exploring oil and gas while it sent Chinese oil rigs to disputed waters with Vietnam, deployed ships to blockade the Philippines garrison on a contested shoal and rejected Manila’s bid for international court of justice arbitration, and scaled up land reclamation of ‘island-building’ on the disputed reefs in the South China Sea. It also sent law enforcement ships and fighter jets to challenge the status quo of the Japanese administration of the disputed Diaoyu/Senkaku Islands following the Japanese government’s decision to nationalize some of them, and declared an Air Defense Identification Zone (ADIZ) covering the Diaoyu/Senkaku Islands as well as the greater part of the East China Sea, including the Socotra Rock (also known as Ieodo or Parangdo), which has been effectively controlled by South Korea but claimed by China as the Suyan Rock.

Translating its wealth into a stronger military and more assertive regional posture, China’s coercive action to exert its claims over disputed territories is widely seen as a litmus test of China’s broader strategic intentions. This is because Beijing has targeted not only its neighbors in the East and South China Seas but also, and perhaps more importantly, the US in the region. China’s stepped-up claims over the disputed territories are a central part of the growing contest for influence with the US in the region. Hugh White offers simple logic to describe the situation. America’s position in Asia is built on its network of alliances and partnerships with many of China’s neighbors, and the bedrock of these alliances and partnerships is the confidence America’s Asian friends have that America is able and willing to protect them. Weakening these relationships is the easiest way to reduce US regional power and enhance China’s power. This is a strategy known in China as ‘cutting skirt edges little by little’ (剪裙边), meaning that cutting off the left and right arms and legs one by one of the US would eventually isolate and defeat the superpower. China is,

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8. 陈岳 [Chen Yue], ‘中国当前外交环境及应对’ [‘The current international environment and the responses’], 现代国际关系 [Contemporary International Relations], (November 2011), p. 4.
10. An ADIZ is not a claim of sovereignty but to serve essentially as a national defense boundary within which unidentified aircraft can be intercepted and prevented from illegally proceeding to enter national airspace. Over 20 nations have an ADIZ, including the United States and Japan. China’s ADIZ, however, has different rules from the others. While the others require airplanes that plan to fly over and perhaps land to register, China demands the planes of the other countries flying through but not going toward landing identify themselves or risk China’s ‘defensive emergency measures’.

therefore, keen to do anything it can to weaken the US alliance structure in Asia, which it views as a central tenet of the US encirclement strategy.

As a matter of fact, Chinese scholars have debated if China should adopt its own ‘Monroe Doctrine’ to ‘kick America out’ of Asia. De-Americanization (去美国化) has become a popular term in China and has begun impacting on China’s foreign policy. Taking advantage of the so-called ‘Host Diplomacy’ (主场外交) to engage national leaders of Asian countries in summits hosted by China, President Xi has demonstrated clear intentions to drive the US out of the region. At the 2014 Shanghai summit of the Conference of Interaction and Confidence-Building in Asia (CICA), he announced a new Asian security concept in which China is located at the heart of a new Asian diplomatic architecture that offers Asian management of Asian security problems without the US presence. This little-known regional summit had languished for years, but President Xi suddenly invigorated the CICA because its membership includes Russia, Iran and Egypt, but does not include the US and most American Asia–Pacific allies and partners, such as Japan, the Philippines and Singapore. As one observer suggested, ‘part of the real reason for China’s new emphasis on the CICA and its arbitrarily landlocked map of Asia is that, in this post-charm offensive phase, Chinese diplomacy seems comfortable only on a stage it manages’. 12

The deep-rooted Chinese suspicion of the US containment

With enhanced capacities resulting from decades of rapid economic growth and military modernization, China has strived to obtain regional dominance in the Asia–Pacific. Its primary impediment in this endeavor is the US, an offshore power dominant in its own home region. Viewing the US as a significant threat to China’s aims and recalling the traumas of the collapse of the former Soviet Union and other communist regimes after the end of the Cold War, Chinese leaders have not only become suspicious of US intentions to prevent China from rising to its rightful place, but have also been convinced that the US and the other Western countries have come together to encircle China and undermine the Chinese regime. They have interpreted key international events such as the US wars in Iraq and Afghanistan and the US military presence in the region, particularly its security alliances with Japan and the Philippines, from this understanding, in a mirror-reflection of its own realist perspective.

One survey of more than 4,000 articles published in two mainstream Chinese scholarly journals and one popular magazine of international affairs during 2001–2004 found that Chinese interpretations of the US strategic intent behind the Iraq and Afghanistan wars and prediction of the occupation’s strategic ramifications, all adopted realist theories in sync with alternation of offensive and defensive realism (清一色的现实主义理论，进攻性现实主义与防御性现实主义交替出现). After the wars started, there was almost no Chinese scholar who predicted that the US would eventually withdraw from Iraq and Afghanistan because, from an offensive realist perspective, they believed that the US would stay and establish pro-American governments to consolidate its position in Eurasia in an attempt to maintain American

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global hegemony and complete the encirclement of China from China’s Western fronts. A conspiracy-minded 100-minute film produced by the PLA National Defense University that was circulating widely on the Internet in late 2013 accused the United States of actively working to sabotage the Chinese government and to impose American values on China in an attempt to contain China’s rise. Seeing an inevitable structural conflict between China as a rising power and the US as the sole superpower, many Chinese have seen containment as not just one of many arguments in the US China policy debate, but the real US policy.

President Obama’s strategic rebalance strategy toward the Asia–Pacific is thus easily interpreted as US determination to curtail China’s influence in the region. This includes the use of all the elements of its power, particularly military force, to perpetuate a future for the region framed by American values and interests. In Beijing’s view, deeply embedded in the rebalance is Washington’s profound concern about China’s rise. Under this overarching theme, Beijing sees a comprehensive policy by Washington to block China’s rise through strengthened military alliances with Japan and other allies and partners, ‘sabotaging’ China’s ties with ASEAN, and undercutting China’s effort to lead the regional economic integration by pushing for a US-centered and China-free Trans-Pacific Partnership. Although President Obama has repeatedly assured Beijing that ‘we welcome China’s peaceful rise and a strong and prosperous China is one that can help bring stability and prosperity to the region and the world’, many Chinese have remained skeptical about the US rationale behind the strategic rebalance.

Although China is a major component, the strategic rebalance is not all about China. The US has been a Pacific power with significant economic, political and security interests in the Asia–Pacific since the nineteenth century. Yet the US involvement in the region has not been consistent and has included frequent shifts in focus and fickle commitments, depending on its ability and will to set policy priorities and define US interests. The US has regularly rebalanced and adjusted its involvement in the region. At least three rebalances can be identified since the end of the Cold War. Investing heavily in regional security to contain the Soviet expansion during the Cold War, the US was compelled to rebalance its policy priorities at the end of the Cold War by downplaying military commitments, pursuing economic interests and promoting democratic transition in the region. The first rebalance led the US to pursue multiple, often contradictory, policy objectives, resulting in public disputes with many countries in the region. This included disputes with China over most-favored-nation trade status, human rights, weapons proliferation and the Taiwan issue; with Japan over trade; and with Myanmar over political legitimacy. When President George W. Bush came to office in 2000, he promised a reinvigorated engagement with Asian allies. The terrorist attack on September 11, 2001, however,

14. The film is available on http://www.youtube.com/watch?v=XhHvhm3Ey_0.
forced the US to rebalance its priorities and turn its attention almost exclusively toward the Middle East. As a result, the Asia–Pacific never found its place on the Bush agenda and Washington’s influence in the Asia–Pacific waned because of the divergences of interests between the US and its various allies. The start of the Obama administration began the third rebalance. Winding down the wars in the Middle East, the Obama administration decided to ‘pivot’ toward the Asia–Pacific, an emerging economic hub and a geostrategic center critical to US national security and the health of the US economy. In this case, ‘This reshuffling of priorities represents an acknowledgment of the changing geopolitical realities of the twenty-first century—not simply a response to China’. 16

China, however, still holds a central place in the rebalance because the US has to respond to the call by many Asian Pacific countries to provide a constructive counterweight to China’s rising influence that has altered the power balance in the region. In the late 1980s, China designed a睦邻政策 (good neighboring policy) to emphasize shared economic and security interests and improved relations with many periphery countries. The success of China’s good neighboring policy coincided with the era of American relative inattention to the region during the George W. Bush administration. In a 2005 article, Elizabeth Economy predicted three possible scenarios for the US in the region. The best scenario was that China would share leadership with the US, helping to forge consensus within the region to address its political, security and economic challenges. The less attractive scenario suggested a traditional balancing act, in which Asian nations use China to ignore the US on selective issues, developing alternative approaches to security, political and economic affairs. The worst case scenario was that China would assume a dominant role in the region and Asian nations would become less likely to respond favorably to US security initiatives and less dependent on US economic leadership. 17 None of the three scenarios, however, came true because China embarked on a new pattern of asserting its sovereignty claims in the territorial disputes with its neighbors in the wake of the global financial crisis. Confronting a changing geopolitical environment, the US strategic rebalance was thus welcomed by and came at the invitation of many countries that were either worried about China’s muscle flexing or that tried to exacerbate regional tensions in order to stoke fears of a rising China.

Believing that America’s military and diplomatic efforts in the region are aimed at limiting China’s ability to pursue its expanded interests, Beijing is particularly suspicious of the highly visible US military force redeployment to the region. President Obama’s announcement in November 2011 of the deployment of 2,500 US marines and aircraft on a rotational base to Darwin, Australia garnered a lot of attention because the deployment could help the US military, traditionally concentrated in Northeast Asia, to increase its influence west and south to contribute to the security of sea lines in the South China Sea. Following the announcement, US Defense Secretary Leon E. Panetta stated in June 2012 that the US navy would


redeploy its forces from a roughly 50–50 split between the Atlantic and the Pacific to about 60% of the navy’s assets assigned to the Pacific Ocean. In addition, the US military developed a new military strategy, known as Air–Sea Battle (ASB), to punch through the increasingly-formidable defenses of nations like China’s anti-access/area denial (A2/AD) capacities. Although the ASB concept did not specifically target China, it predominantly focused on mitigating the strategic and military effectiveness of the PLA’s asymmetric military capabilities.18

China’s suspicion also resulted from the US improving its relations with ASEAN states in the face of shared concerns over China’s willingness to demonstrate its enhanced military capabilities in the disputed waters. Beijing considered this to be interfering with a bilateral issue with its Southeast Asian claimant states. Beijing felt “the US ambushed China in its backyard” when Secretary of State Clinton declared in July 2010 that freedom of navigation, open access to Asia’s maritime commons and respect for international law in the South China Sea were in the US national interest and offered to help foster multilateral negotiations as a US leading diplomatic priority. China was particularly upset that the remarks were made in Vietnam, a country that has territorial disputes with China, and was seeking to exploit its turn as ASEAN chairman to keep the South China Sea dispute on the boil. Beijing became even more suspicious when the US accepted an ASEAN invitation to participate in the East Asia Summit (EAS) and, taking a result-oriented approach, set an ambitious goal for the EAS to develop into a foundational security and political institution. Attending the EAS for the first time in November 2011, President Obama brought up the contentious issues of the South China Sea and North Korea. While most Asian countries aligned with Washington at the summit, Chinese Premier Wen Jiabao was grouchy and responded that ‘outside forces’ had no excuse to meddle in the complex maritime dispute, which was a veiled warning to the United States to keep out of the sensitive issue at multilateral venues.19

China’s suspicions only increased as it witnessed the Obama administration’s efforts to re-energize America’s bilateral ties with Japan. Beijing was very upset by the US reconfirmation of the Diaoyu/Senkaku Islands under the effective administration of the Japanese government covered by Article 5 of the US–Japan Treaty of Mutual Cooperation and Security, which authorizes the US to protect Japan in the event of an armed attack. Beijing was further dismayed with the US support of the Abe administration’s attempt to revise its interpretation of the Japanese Constitution to exercise the ‘collective self-defense’ right, which would enable Japan to support US military activities when it comes to Asian security. Regarding Japan as a proxy for US power, Beijing is convinced that the United States would try to benefit from territorial disputes in the East China Sea. China perceives that Japan’s continuing impertinence to defy a rising China is because of its US alliance. China also considers Philippine activities in the disputed waters, including the Scarborough Shoal, to have been influenced by Washington. The US efforts to strengthen its diplomatic and military relations with its allies in the region thus fueled China’s fears...
about the US attempt to contain China’s rise. ‘Consequently, when China attempts to
gain control over disputed islands in the China seas, it does not only target at those
claimants, but also sends a signal of disapproval to the US.’

Containment of China is not a viable policy option

China’s suspicion is not entirely groundless. Rising to great power status in a region
that is not only militarily dominated by the US, but is also replete with US allies and
strategic partners, China would have still exhibited considerable insecurity even in
the absence of the rebalance. The rebalance only compounds such anxieties because
it sends conflicting messages, reflecting ‘the strategic confusion that bedevils the US
approach to China and the region’. Indeed, there are some Americans who are
afraid of being pushed out of Asia and who have argued for containment of China’s
assertive behavior. They are willing to do whatever it takes to maintain US global as
well as regional primacy in spite of the fact that, as Mearsheimer argues, the result of
this great power rivalry is a tragedy.

Although China looms large over the new geopolitics of the region and there are
questions as to how China’s rise will eventually challenge US interests, the zero-sum
containment of China is not a viable option for the US. As the sole superpower after
the end of the Cold War, the US has to make a strategic response to the challenge of
China’s rise. Historically, incumbent powers have taken one of the following three
options. One is to ignore it as imperial China did in the nineteenth century.
The Chinese empire collapsed after it was defeated by Britain in the Opium War of
1840–1842 and by Japan in the Sino–Japanese war of 1894, and China experienced a
century of stagnation and humiliation after it refused to face the rise of these powers.
The second is to contain it as exemplified by eighteenth century imperial France’s
attempt to contain the emergence of rising power, England. It led not only to a long
series of battered and bloody wars but also ended with Napoleon’s defeat by
Wellington at Waterloo. The third is to accept it as the British Empire did in the late
nineteenth century. Allowing a rising US to assume increasingly large
responsibilities for global governance, the UK not only avoided unnecessary
bloodshed but also maintained its institutional legacy in the post-British world.

The US is not willing to ignore China’s rise or simply cede the dominant position
to China. Containment is thus left as the only desirable option for many Americans.
But these Americans have to realize that any unilateral US attempts to contain China
are likely to be sporadic or self-defeating due to the following reasons. First, although
the US successfully carried out a containment strategy against the Soviet Union by
‘minimal social or economic interactions’ during the Cold War, the US–China
relationship is much more complicated. As Henry Kissinger indicates,

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The economy of the Soviet Union was weak (except for military production) and did not affect the global economy. China, by contrast, is a dynamic factor in the world economy. It is a principal trading partner of all its neighbors and most of the Western industrial powers, including the United States. A prolonged confrontation between China and the United States would alter the world economy with unsettling consequences for all.23

Indeed, as each other’s second-largest trading partners, their trade in goods in 2013 reached US$562.2 billion while the trade between the US and the former Soviet Union was only about US$4 billion at its best. China holds more than US$1 trillion in US treasury bonds. Chinese students are the largest international student source—more than 200,000 students—in US universities and the Obama administration launched a program of sending 100,000 American students to China. This is a very different economic and security landscape than that confronted the architects of a strategy to contain the Soviet Union. The current landscape will make it more difficult, if not impossible, for the US to contain China.

Second, while none of China’s neighbors want to live under China’s shadow and most regional powers have been publicly or privately pleased to see the stronger US commitment to the Asia–Pacific region, very few of them can afford to antagonize a rising China. They recognize that an escalation of the geopolitical rivalry between the US and China could destroy the regional stability and prosperity. Their interests are better protected by maintaining good relationships with both powers so that they can continue to trade freely with China while benefiting from the US security umbrella. For example, while most of the ASEAN states ‘have welcomed America as a hedge against growing Chinese power, their economies have become increasingly dependent upon China and they don’t want to be a party to any potential conflict between these two giants’.24 Even countries, such as the Philippines and Japan, that believe it is in their best interests to make the US a rival to China, have tried to engage China in their own ways. Taking a tough position in the territorial dispute with China, Japanese Prime Minister Shinzo Abe has repeatedly requested meetings with Chinese President Xi to talk about their troubled relations in spite of China’s rejection. Therefore, the US is not in a position to forge a strategic coalition in concert with Asian countries to contain China.

Third, facing a world that is becoming increasingly diffused in power distribution, American power ultimately depends on the health of its own domestic performances. The US has yet to overcome the political gridlock that has prevented meaningful governmental action and needs to get its fiscal house in order if it is to sustain its Asian presence over the long run. The impact of sequestration in the summer of 2013, which fell disproportionately on defense spending, already affected regional views of American credibility. The budget battle that led to a government shutdown in October 2013 and forced President Obama to cancel his Asia trip to attend the three most important regional summits—the APEC Leaders Meeting, US–ASEAN and


East Asia Summit, and the US–ASEAN Summit—became an indication of the United States’ incapability of sustaining high-level engagement in the region, further diminishing US credibility. The no-show at the important summits because of political paralysis at home not only highlighted the long-predicted limitations of Washington’s rebalancing to East Asia, ‘it gives China, amid its insecurities about the continuing American presence in China’s “backyard”, a golden, perhaps unwanted, opportunity for further assertiveness in its region and in the world at large’.  

Fourth, the strategic rebalance is under-resourced on the military front. Having fought two wars in the first decade of the twenty-first century that led to sharply contracting defense budgets, the US is hardly prepared to step into another major conflict in the Pacific. In spite of China’s concerns regarding American military deployment, it is far from clear whether the Obama administration could afford its forward deployment in the region for the long term to deliver on its promises. Assessing the budgetary constraints, a Congressional Research Service report pointed out that plans to restructure US military deployment in Asia and minimize cuts in the navy may run up against more restrictive funding constrains than plans yet assumed. A January 2014 US Defense News Leadership Poll found that 62% of respondents said ‘no’ when asked if the rebalance was affordable. Reflecting this concern, Katrina McFarland, Assistant Secretary of Defense for Acquisition, said that, due to cuts to the defense budget, the Pentagon’s plans to pivot to Asia ‘can’t happen’.  

Fifth, the US cannot afford to play a larger role in Asia and severely reduce the resources necessary to maintain America’s global role. The Obama administration has preferred to use the term ‘rebalance’ over ‘pivot’ because of the unintended consequence of the initial use of ‘pivot’, which suggested ‘a complete movement away’ from the Middle East and other parts of the world and therefore caused concerns.  

Although the administration may not want the Middle East to continue dominating American foreign policy to the extent it did over the past decade, the
second-term Obama administration has been sucked back into Middle East conflicts, including Israeli–Palestinian peace talks, nuclear negotiations with Iran, Syria’s civil war and the Iraqi sectarian war. Secretary of State John Kerry’s first overseas trip after taking office in February 2013 was to Europe and the Middle East to reassure that the rebalance did not mean US disengagement from these regions. He visited the Middle East three times before visiting Japan, Korea and China in April 2013. Moscow’s annexation of Crimea in 2014 that attracted global attention on President Vladimir Putin’s trial of strength with the West added another urgent problem to a burgeoning global list of distractions from the intended ‘rebalance’ to Asia. With ongoing crises in Ukraine and the Middle East, there has been a sense that Washington’s rebalancing strategy is losing its momentum, despite strong pledges from the administration that the US remains committed to the region.

Sixth, after more than a decade of wars in Iraq and Afghanistan, isolationism has gained ground in the US. A Pew poll in 2013 found an unprecedented lack of support for American engagement with the rest of the world. The most striking poll result was that, for the first time since it began to measure US public opinion in 1964, a staggering 52% of respondents said they agreed with the statement that ‘the US should mind its own business internationally and let other countries get along the best they can on their own’. That number had historically ranged between about 20 and 40%. When asked if they agreed that the US should ‘not think so much in international terms but concentrate more on our own national problems’, 80% surveyed said they agreed, an all-time high. More than half of Americans, 53%, said that the United States was ‘less important and powerful as a world leader than it was ten years ago’, the highest proportion of respondents to say as much since Pew started asking the question in 1993. The rising American isolationism already had a real impact on US foreign policy. In the fall of 2013 President Obama planned to launch limited strikes against Syria as punishment for its use of chemical weapons against civilians, yet overwhelming public and Congressional opposition ultimately killed the plan. Reinforcing Americans’ views that the country shouldn’t be active abroad is the growing impression that the United States just isn’t as capable.30 One observer found that while a bullish US economy was a hot topic at the 2014 Davos World Economic Forum, the most important emerging theme was America’s slow retreat from its role as global policeman because of the concerns over the emergence of American isolationism and reluctance to use its military muscle. The US went through similar, inward-looking periods after the First World War and Vietnam War. In both cases, international events compelled America to plunge back into global affairs shortly thereafter. But this observer suggested that ‘it is also possible that, this time, the shift towards non-intervention is structural rather than cyclical—reflecting a US that is quietly adjusting to the rise of other major powers, in particular China’.31

These issues together would make containment extremely difficult, if not impossible. It may also partially explain why a very small portion of Americans had

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feelings of antagonism against China in a 2013 poll. Although some analysts in the US have been reluctant to accept President Xi’s lofty rhetoric of a new model of big power relations and have preferred to work with China on concrete issue-areas because it may lead to an implicit acceptance of China’s conception of core interests, the Obama administration has responded positively to President Xi’s call because it resonates with the long-standing US effort to integrate China into the existing international system.

In fact, during the very first year of the Obama administration, Deputy Secretary of State James Steinberg proposed a similar vision, known as ‘strategic reassurance’, i.e. while the US must make clear that it is prepared to welcome China’s arrival as a prosperous and successful power, China must reassure the rest of the world that its development and growing global role will not come at the expense of security and well-being of others. His rationale was that ‘History shows that actions by established powers to resist or contain rising powers often contradict their stated purpose of preventing conflict, and cause what they are trying to avert’. Therefore, ‘we have an especially compelling need to work with China’. While the concept of ‘strategic reassurance’ was dropped quickly in Washington because it caused confusion about whether the US policy toward China was changed toward one-sided engagement at the time, the Obama administration has continued to look for ‘a comprehensive vision of the two nation’s respective regional and global roles in the era of interdependence and growing Chinese strength, a vision that hopefully can advance cooperation’.

As a direct response to President Xi’s call, Secretary Hillary Clinton urged Beijing and Washington ‘to find an answer, a new answer to the ancient question of what happens when an established power and a rising power meet’. Tom Donilon, Obama’s national security adviser, answered that the Obama administration joined Beijing in rejecting the premise ‘that a rising power and an established power are somehow destined for conflict’ and would work with China ‘to build a new model of relations between an existing power and an emerging one. Xi Jinping and President Obama have both endorsed this goal’. Making her first major speech on US Asian policy in November 2013, Susan E. Rice, the successor to Donilon as


Obama’s national security adviser, confirmed that the United States was seeking ‘a new model of major power relations. That means managing inevitable competition while forging deeper cooperation on issues where our interests converge’.38 Amid criticism that the administration was overvaluing the need to ‘reassure’ China at the expense of American and allied interests, President Obama, speaking to the 2014 US–China Strategic and Economic Dialogue, still stated that ‘We are committed to the shared goal of developing over time a “new model” of relations with China defined by increased practical cooperation and constructive management of differences ... we remain determined to ensure that cooperation defines the overall relationship’.39

A delicate balance of power in the Asia–Pacific

To move from strategic distrust to strategic reassurance and build a new model of big power relations, the US and China have to maintain a balance of power and oppose the attempt of any single power at domination in the region. Balance of power requires both countries to demonstrate a strategic restraint and eventually adopt the strategy of Mutually Assured Restraint (MAR), which means that

both powers adopt measures that would allow China to take the steps it holds are necessary for self-defense, without extending them to the point that they threaten other nations or the international commons. It allows for the United States to take the steps it holds necessary for self-defense, while living up to its obligations to its allies in the region and maintaining the international order.40

The two largest Asia–Pacific powers have to develop a clearer understanding and a greater mutual acceptance, or at least acknowledgement, of each other’s legitimate interests and role in the region. They must also manage their relationships with their regional partners in mind.

The balance of power, however, is very delicate. For the US, ‘the aim is to constrain rather than contain China’.41 The US has to engage with a collaborative China alongside the hedge against a belligerent Beijing to unilaterally change the status quo while avoiding getting trapped in escalatory behavior. On the one hand, the Obama administration has to demonstrate that the US is willing to lay down markers when China infringes on US interest and causes regional instability. While military balance is important, this effort should focus on participation in multilateral institutions and interactions with emerging powers, refurbishing old alliances and building new ones to help shape a regional multipolarity and avoid China primacy.


after America primacy. China is rising as one of multiple powers and balanced in a way that fits into the emerging international and regional order.

On the other hand, the US has to demonstrate self-restraint and work with China to construct a regional order based on rules and norms, allowing China to grow and be secured but not use its new might to force neighbors’ hands. Through self-restraint, the US may demonstrate the long-term benefits Beijing would enjoy from a Chinese regional posture that ‘eschews egregious pressure, intimidation, and zero-sum competition and embraces existing world norms that hold promise for uninterrupted Chinese development’.42 One example is the Chinese acceptance of the US invitation to participate in Rim of the Pacific (RIMPAC) 2014, the world’s largest international maritime exercise, hosted biannually by the US navy. As two American naval analysts indicated, in spite of US critics arguing against China’s inclusion based on its assertiveness in the East and South China Seas, ‘it represents progressive cooperation amid persistent tensions’ and the US willingness of ‘encouraging China to participate more actively in global governance by integrating it into existing maritime governance mechanisms’.43

Taking a rules-based approach, the US has to respect China’s reasonable concerns involving its core interests in light of established international norms. Although the US holds the stronger military power capacity, the balance of interests in the region strongly favors China because the various diplomatic and territorial quarrels roiling East Asia are of much greater salience and concern to China than to the US. Their outcomes more profoundly affect the national security of the much closer China than the more distant US.

In this case, US involvement in regional conflicts must fall within certain limits to allow tensions between China and its neighbors to subside. The US has to discourage both China and its neighbors from adopting provocative acts in an attempt to invite a hostile response. It is impossible for the US to referee the welter of legal, historical and emotional arguments that accompany each of these disputes, so the US has to be careful to avoid being entrapped by regional allies in their territorial disputes with China. As US security commitments to its regional allies could embolden them to harden their bargaining positions toward Beijing, the US should not encourage its regional allies to pursue their territorial claims to the extent of increasing the risk of conflict with China and escalating into larger international conflicts. China is rapidly becoming too strong for the US to maintain an unquestionable capacity to intervene successfully in regional conflicts. America has to decide if it can afford the cost of taking on China in an effort to back its Asian allies in a fight they pick.

Talking about the territorial disputes in the South China Sea, Jeff Bader, former Asian policy advisor to President Obama, made a good point:

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The US does not wish to see China gain control over the area through coercion. But at the same time the US does not have an interest in making the South China Sea venue of confrontation or conflict between the US and China. Frontal challenges to Chinese claims, if not founded on international norms and consistent with US principles, run the risk of inciting heightened Chinese nationalism and paranoia over US intentions and producing more aggressive Chinese behavior in the region that would victimize the other claimants without an effective US response.44

Following this advice, the Obama administration has taken a position of neutrality on sovereignty disputes and encouraged all countries concerned to adhere to international law. As the Deputy Assistant Secretary of State for East Asian and Pacific Affairs stated, ‘International law, not power or an ambiguous sense of historical entitlement, should be the basis for making and enforcing maritime claims in the South China Sea’.45

Although the US is ill-positioned to promote international law based solutions because of its own failure to ratify UNCLOS and to take the International Court of Justice seriously enough historically, it has taken the position that international law, rather than force and the threat of force, should be employed to resolve maritime claims disputes in the increasingly-tense region. At the ASEAN Regional Forum in July 2010, Secretary of State Hillary Clinton laid out the legal principle that claims to water could only be based on legitimate land-based claims.46 Supporting the drafting of a broad and robust code of conduct for the claimants in order to establish rules and clear procedures for peacefully addressing disagreements, the US made clear its objection to China’s ‘nine-dash line’ because it is not based on international law. Assistant Secretary of State Danny Russell testified in February 2014 that

Any use of the ‘nine-dash line’ by China to claim maritime rights not based on claimed land features would be inconsistent with international law. The international community would welcome China to clarify or adjust its nine-dash line claim to bring it in accordance with the international law of the sea.47

The management of its alliance with Japan is also a challenge to Washington. Whereas the US would want to deter China from taking aggressive actions against Japan, it cannot afford to blindly endorse everything that Tokyo does and, if necessary, should restrain Japan from taking provocative actions. Conflict between China and Japan has increased as vessels from both countries patrol the waters around the disputed Diaoyu/Senkaku on a daily basis, raising the likelihood of unintended escalation. The US, as Tokyo’s principal ally, risks being drawn into a military confrontation. The challenge to the Obama administration increased after Shinzo Abe

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came to office because the Japanese government has risked alienating not just China but also the US by ‘foreign policy gaffes that seem designed to give maximum offence to its Asian neighbors while causing maximum embarrassment to its western allies’.\(^{48}\) For example, after Prime Minister Abe’s visit to the controversial Yasukuni Shrine on 26 December 2013, a *New York Times* Editorial Board article suggested that ‘the United States needs to make it clear that Mr Abe’s agenda is not in the region’s interest. Surely what is needed in Asia is trust among states, and his actions undermine that trust’.\(^{49}\) Abe’s aggressive remarks and actions, coupled with Japan’s waning military power, could put America in a dangerous position.

China has to make a strategic choice too. It may either seek regional hegemony and drive the US out of Asia in a potentially violent power rivalry as some Chinese hawkish commentators advocated, or work with the US to maintain a balance of power in the region to prevent unwanted strategic rivalry and ensure that competition between them is peaceful. The first choice is appealing to Chinese popular nationalists but is extremely costly, if not unrealistic at least in the foreseeable future because the size of the Chinese economy may eventually overtake that of the US but China can never replace the role of the US. While it has become difficult for the US to hold its primacy in the region, it is equally, if not more difficult for China to step into America’s shoes as a regional hegemon. Whether or not achieving dominance in the region is an ultimate objective in the long run, it cannot be a serious Chinese objective in the early twenty-first century because of the presence and influence of the US, Japan and other regional powers. The US strategic rebalance may have lost steam, but China is still far from the position to dislodge American power any time soon. While China is rising, many surrounding states are also on the rise and may not be keen to accept a Chinese-dominated regional order. China’s rising power itself, therefore, has motivated some of its neighbors to pursue balancing activities, including realignment with the US and with each other. It doesn’t serve Chinese strategic interests to have tensions with so many neighbors simultaneously. China has to find ways to win the support of its Asian neighbors in order to balance the US influence, or at least pre-empt the balancing motives of its neighbors by pursuing strategic restraint. China’s long-term interests are to have a relationship with its neighbors as well as the US based on trust, mutual respect, cooperation and the rule of international law.

Beijing should work with the US and its neighbors to construct a regional order based on norms and rules because China benefited immensely from the international system created under US leadership after WWII, underpinning stability and economic growth in the region. As one Chinese commentator admitted, although China did not participate in setting the rules of international economic engagement built by the United States and its Western allies over many decades, ‘China became the largest beneficiary by taking maximum advantage of globalization’. According to him,


A large part of the world has prospered under such an arrangement (American global leadership) ... These nations are essentially free riders, of which China is the biggest and most successful one ... China’s most notable accomplishment in the past three decades is, perhaps, its success in engaging, and in many cases mastering, the international economic system setup and maintained by the US-led West without being absorbed by it.50

Although it is uncomfortable with the United States becoming more militarily and strategically engaged in its home region, Beijing has also benefited from the security role that the United States has played in the Asia–Pacific. Residing in a neighborhood with complicated power competition and historical animosities, Chinese leaders have to be measured and judicious. While the San Francisco system of US bilateral alliances in the region is viewed as an arrangement that reeks of Cold War dynamics, this system has to a great extent helped ensure regional countries’ security and stability. China often expresses concern over the US–Japan alliance to contain China. Yet the US–Japan alliance is part of the regional security architecture that has underpinned the stability in East Asia and prevented a potential remilitarization of Japan. Without the US nuclear umbrella, Japan would have developed nuclear weapons a long time ago, prompting South Korea and even Taiwan to develop their own nuclear weapons. It is from this perspective that one observer asked Chinese leaders to ‘imagine what the regional security picture would look like to China if Japan were strategically independent from the United States’.51 As one Chinese scholar suggested ‘Chinese policymakers and analysts should not believe their own jingoistic rhetoric about a US in decline. Even if it’s true, a weak America isn’t good news for China’.52 Although Beijing may not like some of the rules and norms made under the US leadership, Beijing’s interests will be served best by participation in the making and remaking of the rules rather than by challenging the rule-based regional order.

As realists, Chinese leaders ultimately have to come to the power reality, i.e. while it is increasingly difficult for the US to maintain primacy, China cannot be the single power of domination in the region either. In addition to the external challenges, China faces immense internal huddles in its rise. Self-preservation, stability and continued economic growth are its primary concerns. As Kishore Mahbubani suggested, the internal challenge ‘is a far bigger issue for China’s leaders than sovereignty over some barren rocks in nearby seas’. Mahbubani, a well-known Western-basher and long-time friend of Beijing, became anxious about the possibility of an upcoming conflict sparked by China’s increasingly assertive behavior in the territorial disputes. He warned that ‘China is on the verge of destroying a geopolitical miracle’ because ‘with little warning, three decades of careful management of its external challenges have been replaced by three years of assertive and occasionally reckless actions’.


leading to ‘an emerging Western media consensus that China has become an expansionist military power, threatening its neighbors and the world’. 53 A leading scholar of China–US relations expressed a similar view that

China must transform the traditional way of thinking and strategic outlook and shift the national security defense priority from partial external military conflict risk to overall internal system reform. This is the key for China to successfully meet the current strategic challenges.54

Although China was a relative bright spot during the global downturn due to the quick and massive stimulation, no economy keeps growing at the same pace forever. As an emerging economy, China faces similar problems to other emerging economies in history, one of which tends to be periods of rapid growth followed by periods of stagnation. Chinese growth would likely be in line with other Asian economies, such as Japan and South Korea, which experienced stagnation following high growth. After about three decades of remarkable growth rates, China’s economic growth has slowed and could come to a pause or even a setback. This is very serious given the increasingly tense domestic environment and problems that breakneck growth engenders, including environmental destruction, rampant corruption, a growing gulf between rich and poor, widespread bad loans, huge local government debt, and looming demographic challenges that are worsened by the fact that it will be the first country to get old before it gets rich. A slowing economy would place huge pressure on Chinese leaders, who are aware that resentment among China’s have-nots has the potential to evolve into a concerted challenge to the Communist Party’s legitimacy and authority. China is a fragile rising power with profound internal causes of concern that have the potential to derail its rise. Pan Wei, a professor at Beijing University, rightfully suggested that ‘Nobody can destroy China if China does not destroy itself first’ (‘中华不自乱，无人可乱华’).55 To ensure its further rise, China must put its own house in order first. Until China can resolve these internal problems, its future rise faces uncertainties.

Conclusion

The Asia–Pacific region has become a test ground to determine whether China and the United States can build a new model of big power relations. The stakes for both China and the US are high but these two countries have failed to agree on how to prevent their relationship from falling into the ‘Thucydides trap’. As for the causes of the failure, there are always those in each country who believe the other country has to make substantial changes. While some Americans have criticized China for become increasingly assertive and have urged China to avoid following the

55. 潘维 [Pan Wei], ‘中华不自乱，无人可乱华’ [‘Nobody can destroy China if China does not destroy itself first’], 环球时报 [Global Times], (25 April 2013).
expansionist road of old imperialist powers, many Chinese believe building this new relationship depends overwhelmingly on the US changing the way it works with China and adapting to the new reality of China’s rise. China has even stated explicitly that to achieve this new model would only require changes on the US side because ‘China has never done anything to undermine the US core interests and major concerns’. In contrast, what the US has done in matters concerning China’s core and important interests and major concerns are unsatisfactory. China is not the maker of these problems, and still less the perpetrator of the harm. Rather, it is a victim on which harm has been imposed.56

Therefore, the principal barrier in building a new model of big power relations between China and the US is on the US side. The ball is entirely in the US’s court. So long as the US can make efforts in the same direction as China does, there is hope. Otherwise, the same situation ‘you are either with us or against us’ will remain. Twists and turns or even tension might emerge in Sino–US relationship from time to time. This is the last thing China would like to see. What would such as consequence mean for the US, which has all along been seeking the maximization of its own interests?57

No country is responsible alone for the problems. Strategic mistrust is unavoidable because the US–China relationship has always been characterized by various degrees of friction that no amount of sophisticated diplomacy can easily solve. Self-righteousness and lack of empathy can only intensify the China–US strategic rivalry. If leaders in both Washington and Beijing do not strive to engage each other on points of mutual interest while working separately to secure their interests by maintaining a delicate balance of power, a mixture of self-righteousness and miscalculations could turn the China–US rivalry into a new Cold War, which, as John Mearsheimer cautioned, would be more dangerous than the previous American–Soviet Cold War because it lacks the singular center of gravity associated with US–Soviet conflict and features more hotspots, including the Korean Peninsula, the Taiwan Strait and the South and East China Seas.58 The Asia–Pacific would thus become one of the most dangerous flashpoints in the twenty-first century.

