Beijing’s assessment of the global balance of power, especially American power and the position of China vis-à-vis the United States, is a critical factor in Chinese foreign policy decisionmaking. As long as Chinese leaders perceive a long-lasting American preeminence—even in the face of a temporary decline—averting open confrontation with the United States will likely continue to define Chinese foreign policy. However, if Beijing were to conclude that the gap between Chinese and U.S. power was rapidly narrowing and represented a more enduring geopolitical shift, Chinese leaders might begin to challenge the United States more aggressively in order to take advantage of the opening and make gains on securing their core interests.

China’s Dominant Security Paradigm: Defined by U.S. Power

For several decades the Chinese have characterized the international system as “one superpower, many major powers” (yi chao, duo qiang). This expression connotes Beijing’s consensus position that there is a substantial disparity between the level of the United States as the sole superpower and that of other major powers, including China, and that this is an enduring and defining feature of the security environment.1 Although this is still considered basically valid, the Chinese have also observed a relative U.S. decline that began with the rapid rise of other powers in the international system and accelerated with the global financial crisis and U.S. military involvement in Iraq and Afghanistan. The critical questions for Beijing are how long this trend will last and whether it will fundamentally shift the security environment into another phase.

Chinese researchers have in fact speculated on a U.S. decline for several decades but have repeatedly been compelled to reevaluate their assessment or the time frame for the emergence of a multipolar global order. Even before the end of the Cold War, scholars characterized the world as being in a “new era” of transition that would last several decades. During this period, they predicted, great rivalries would emerge and many local wars would be fought as a “re-division of spheres of influence” and a struggle for world leadership ensues.2 The final outcome, they predicted, would be a “multipolar” world that prevents the United States from achieving world dominance.

After the collapse of the Soviet Union and communism in Eastern Europe, Chinese experts engaged in a thorough reinvestigation of the international security environment. The emergence of Japan and Germany as powerful competitors of the United States in high technology seemed to reinforce the view that a multipolar world order was materializing. This new world order would be characterized by a greater balance among major powers, increasing resistance toward Western values, and a new emphasis globally on economic and diplomatic approaches over military might. These predictions proved overly optimistic, however. The Gulf War (1991) and other high-tech conflicts in the Balkans (1996) and Kosovo (1999) underscored the salience of military power and highlighted the gap between U.S. and Chinese military capabilities. Moreover, the U.S. proportion of the world’s economy increased from 25 percent in the early 1990s to nearly 32 percent at the end of the decade. Beijing subsequently concluded as the new millennium dawned that the United States would maintain its sole-superpower status for the next 15 to 20 years, if not longer.

Chinese security analysts today continue to scrupulously analyze the international situation to identify the slightest shifts in the global balance of power. The role of these scholars is critically important; many of them are housed in government- and party-affiliated think tanks that provide research, analysis, and policy advice to the Chinese leadership. There is no institution that is analogous to the politically independent or nonpartisan think tanks that exist in the United States; all major Chinese research institutions are funded and overseen by the Communist Party or State Council at some level. Moreover, the published writings and views of key Chinese security experts are significant because they often influence and sometimes reflect the judgments of higher-level

---

3. Ibid.
Debates among scholars have occasionally provided advance warning of new directions in Chinese foreign policy.

Analysts are not simply parroting the views expressed by party officials, however. There is considerable diversity of opinion among Chinese scholars, and even those who agree on a general line of analysis may disagree on implications or on the appropriate policy response. The “party line”—official thinking established by the senior leadership—still has a role in shaping scholars’ views but is more likely to define the scope of the debate on a given issue than the conclusion. Although it must be acknowledged that even prominent scholars influence day-to-day policymaking less than bureaucratic institutions like the Ministry of Foreign Affairs or the International Department, the senior leadership has concluded that it needs access to a genuine diversity of opinion in order to properly formulate long-term strategy.

Foreign-policy experts assess the current balance of power on the basis of sophisticated qualitative and quantitative measurements of comprehensive national power (CNP), a concept that includes the sum total of the strengths of a country in economy, military, science and technology, education, resources, and soft power. Various methodologies of calculating the CNP of the major and emerging powers in recent years have continued to identify the United States as considerably more powerful than any other country, with China sixth or seventh in the pecking order. China’s rapid economic growth has boosted its regional and global clout, but the Chinese are keenly aware that their country continues to lag far behind the United States in most indices of national power, including military capabilities and soft power. Moreover, China’s internal challenges are daunting: many believe that if such problems as environmental degradation, water shortages, internal income disparity, and corruption are not addressed, they could pose insurmountable obstacles to China’s reemergence as a great power sometime in this century.

Security Experts: Split on U.S. Downturn

The global financial crisis and China’s relatively strong economic performance in its wake—along with prolonged U.S. engagement in Iraq and Afghanistan—have rekindled discussion among Chinese security analysts about the sustainability of a U.S.-dominated international structure. A close reading of recent articles by leading Chinese experts and discussions with advisers to senior Chinese policymakers suggest an ongoing debate about U.S. power, the contours of the international system, and the implications for Chinese foreign policy. Chinese experts generally agree that the financial crisis has weakened U.S. power and constrained the ability of the United States to unilaterally achieve its regional and global objectives—and that these problems are a result of its own mismanagement. They also hold a common view that the strength of other countries—including China—is on the rise and thus the United States is in relative decline. A recent article


published in the journal of the China Institutes of Contemporary International Relations (CICIR) characterizes the mainstream view in describing the change in the balance of power following the financial crisis:

In terms of the strength of the major strategic forces, the comprehensive strength of the United States remains such that it is still the sole superpower, while the combined strength of the other world powers is increasing, and power is tending to be more evenly distributed. The gap in comprehensive strength between the only superpower and the other powers is steadily narrowing.  

Analysts differ, however, over the resiliency of the United States and the prospects for a near-term shift from a system of one superpower and many major powers to a true multipolar world. One view foresees the rapid decline of U.S. power and the concomitant rise of developing countries such as Brazil, Russia, and India, which, along with China, compose the grouping known as the BRICs. Proponents of this view predict that current trends will inexorably lead to the disappearance of U.S. hegemony and the emergence, perhaps within a few decades, of a world in which there are a number of nations of equivalent strengths. For these experts, the financial crisis sounded the death knell of unfettered U.S. economic predominance and accelerated the emergence of a more inclusive and fair multipolar system. This U.S. economic downturn compounded an earlier blow to U.S. power that was delivered in the September 11, 2001, terrorist attacks on the United States—which, according to Ma Xiaojun, a leading foreign policy analyst at the Central Party School, rendered “the most powerful super-hegemony that has ever emerged unable to deal with global and indeed regional problems by depending on its own strength,” and with “no choice but to depend for support on other relatively weak international forces.”

Li Hongmei, editor and columnist for People’s Daily, the official mouthpiece of the Chinese Communist Party, in early 2009 predicted an “unambiguous end to the U.S. unipolar system after the global financial crisis.” He argued that the financial crisis caused U.S. hegemony to be “pushed to the brink of collapse as a result of its inherent structural contradictions and unbridled capitalist structure” and that “as a result of this decline, the international order will be reshuffled toward multipolarity with an emphasis on developing economies like China, Russia and Brazil.” Gong Li, director of the Institute for International Studies at China’s Central Party School, likewise noted that the U.S. stake in the world economy fell from 32 percent at the beginning of this century to approximately 24 percent in 2009—reversing the gains of the 1990s. He estimated that the “serious recession” in the United States would continue for a long time and the proportion of the U.S. economy in the world economy would further decline. “America’s economic capabilities to maintain its hegemony has been seriously undermined, and subsequently, its capabilities to manipulate the international situation is declining as well,” Gong wrote.

---

In addition, this group of experts maintains that the domestic and global challenges facing the United States—including mounting U.S. debt, economic recovery, terrorism, proliferation, and climate change—have shifted the “balance of need” in U.S.-China relations that has prevailed for decades. In other words, Washington’s need for good relations with Beijing is now greater than China’s requirement for cooperative ties with the United States. Gong Li voiced this view in a February 2010 interview with Wen Wei Po:

...as China’s national strength grows, China and the United States are gradually moving toward balance in the power status pattern, and China’s initiative has increased. In fact, the United States is encumbered by its current problems; domestic unemployment, deficit, toxic assets and other economic problems await solution, while in the international field it is still mired in the Iraq and Afghan wars, and also requires China’s cooperation in the DPRK and Iranian nuclear issues; it can be said that the United States needs China more than China needs the United States.12

Other Chinese experts, however, reject the assessment that the United States is in fundamental, irreversible decline, and contend that the gap between U.S. power and Chinese power is enormous—and will remain so for a long time to come. Moreover, they warn that basing Chinese policy on such a judgment would be dangerous. One leading skeptic of the near-term emergence of a multipolar system is Wang Jisi, dean of Beijing University’s School of International Studies and China’s most prominent specialist on the United States. Wang argued in 2008 that “there really is no reliable basis for saying at this point that the United States has experienced a setback from which it cannot recover.” While acknowledging that the invasion of Iraq damaged U.S. soft power and legitimacy abroad, Wang maintained that he did not see any fundamental change to the global balance of power. “To date,” Wang said, “no country has been able to constitute a comprehensive challenge to the United States, and the current international power structure of ‘one superpower and many great powers’ will continue for the foreseeable future.”13 In 2010, Wang similarly noted that in the early days of the Cold War, the United States had feared being eclipsed by the Soviet Union—but had channeled that angst into forging an ideological consensus that produced breakthroughs in education, transportation, science, and technology, and ultimately led to U.S. victory.14

Discussing the overall effect of the 9/11 attacks, Central Party School professor Zhao Lei assessed that the U.S. response demonstrated the enduring power of U.S. influence:

On the one hand, terrorism displayed its force presence in the most effective way, as they attacked the United States, regarded as the safest country in the world; on the other hand, the United States displayed its own power in the most effective way... only after the United States was attacked did the combat against terrorism formally become the main content of world security affairs. It is evident that the United States, relying on its mighty power, turned its own will into the common global will.15

Yuan Peng, director of the American Studies Institute at CICIR, acknowledges that the power gap between the United States and China is narrowing and describes this process as “irreversible.” He cautions, however, that this process is “absolutely not a short-term one.” Yuan notes that it took the United States nearly half a century to develop from the world’s largest economic power to the largest power in overall national strength. “Even if China develops at the same rate as it did over the past 30 years, it will take China decades to surpass the United States in terms of the aggregate economy. It would take an even longer time to catch up with the United States in the S&T and military areas,” he concludes.16 Citing the Obama administration’s strategies of “smart power” and “multi-partner programs,” Qinghua University professor Liu Jiangyong likewise admonishes the Chinese government to not underestimate the U.S. ability of “social readjustment” and “self-resilience.” “We must not exaggerate the extent of change in the comparison of power between China and the United States, and should be cool-headed in sizing up and handling Sino-US relations and act within our capacity.”17

Economists, Business: Increasingly Confident in Chinese Model

There is considerably less debate among Chinese economists and business leaders about the current level and trend of U.S. influence in the global economy. During the past two years, the mainstream has viewed U.S. economic influence as waning and expressed growing confidence in China’s economic development model. Previously, the stability of the U.S. financial system, new markets gained following the Asian financial crisis, and the U.S. economic boom led the Chinese government to invest significant amounts of export-driven profits into U.S. financial markets and U.S. Treasury instruments. Many Chinese reforms of the economic and financial sector were modeled on the U.S. system—which meant that the U.S. institutional collapses in late 2008 and early 2009 were greeted with alarm in Beijing. At Davos during the 2009 World Economic Forum, Premier Wen Jiabao likely voiced the consensus view when he stated that the U.S. system was culpable for the global financial crisis owing to an “excessive expansion of financial institutions in blind pursuit of profit, inadequate government oversight of the financial sector and an unsustainable model of development characterized by prolonged low savings and high consumption.”18 Among the elites in the finance and corporate sectors in China, the financial crisis has eroded the last vestiges of support and admiration for the “Washington consensus” and U.S.-driven international economic architecture. Reflecting this viewpoint, CICIR vice president Wang Zaibang wrote in early 2009:

The financial crisis is also pushing the international community . . . to profoundly review defects of the US-style neoliberal market economic model, and to review government oversight, regulation and control. The fact that developed countries—including the United States—ally

with one another to bail out the market has already bid farewell to the Washington consensus from the domestic perspective.19

Chinese economists now generally believe that a Chinese model of development based on “state-directed capitalism” makes U.S. economic lessons less relevant. As Vice Premier Wang Qishan pointed out in December 2008, speaking to a forum of U.S. business and government leaders in the midst of the financial crisis: “We have learned that our teacher has some problems.”20 However, even as Chinese economic growth has rapidly resumed and once again approaches double-digit GDP growth levels, Chinese commentators have downplayed the significance of China passing Japan as the world’s second-largest economy. Highlighting its position as a developing economy along with the substantial gap between China and the leading developed economies in per capita GDP, they argue that U.S. overall economic strength will continue to outstrip China’s for many decades.21

The Chinese Public: Complex Views of U.S. Power

The Chinese public today is keenly aware of the perceived shift in the international order, and it has a vested interest in believing that this will lead to a multipolar world—with China as one of the poles. However, Chinese attitudes toward U.S. power are complex. Recent statistics show a high and possibly increasing level of admiration for soft-power factors such as U.S. values, culture, policies, and institutions. The Pew Global Attitudes Project found that the percentage of Chinese responding with an overall favorable view of the United States stood at 58 percent in 2010—the highest in the six years of polling and comparable with results from countries such as Spain, Indonesia, and Mexico.22 Likewise, an impressive 76 percent of respondents averred that the United States considered China’s interests “a great deal” or “a fair amount” in making international policy decisions, from a low a few years earlier of 44 percent.23 The biggest jump was in regard to how much confidence respondents had that the U.S. president would “do the right thing” regarding world affairs—from 30 percent to 62 percent with the election of Barack Obama in 2008.24 Taken together, these would seem to indicate a renewed confidence in the reputation and influence of the United States within the international system.

But perhaps the more dramatic—and relevant—statistics are related to public views of China’s own power. A nearly perfect 97 percent of respondents said they had a “favorable” view of their own country,25 while 87 percent were satisfied with China’s overall direction—an expression of

---

25. Pew Research Center, http://pewglobal.org/database/?indicator=24&country=45. A BBC World Service Poll showed similar results, with 81 percent having a “mainly positive” view of China’s influence; see
self-confidence not matched or even approached in any other country. Chinese respondents expressed similar enthusiasm about their overall economic situation and the benefits of trade. When asked which country is the world’s leading economic power, 45 percent responded “United States”—roughly comparable with previous years—but in 2010, 36 percent responded “China,” up from 21 percent in 2008. A 2009 poll by the Lowy Institute found that of five countries, the United States was still considered the greatest threat to China’s security—respondents cited diverse factors such as U.S. backing for separatist elements, support for Taiwan, and regional alliances with Japan and Korea. At the same time, most Chinese placed domestic and regional concerns—such as environmental issues, food and water shortages, and the prospect of Japan acquiring nuclear weapons—as greater overall threats to China’s security than the actions of the United States. Here we see the other side of the picture: a confidence in China’s rapid growth and influence, tempered by a concern for serious and unresolved problems close to home.

There are valid reasons to be skeptical of Chinese polling—government-owned media are as much propaganda arms as news services—but those polls that have been conducted in China reflect similar trends. In 2005, the government-owned newspaper, Huanqiu Shibao (Global Times) conducted one of the first rigorous surveys measuring how ordinary (urban) Chinese view the United States. Respondents were roughly split between seeing America as a rival and as a partner. More than half (57 percent) believed that the United States was using its power to “contain” China, even as 70 percent expressed satisfaction with overall Sino-U.S. relations. Respondents expressed admiration for America’s culture, science and technology, legal system, and affluence, but many also believed that the true purpose of U.S. engagement on human rights was to destabilize or “demonize” China. Chinese researchers involved with the project characterized the results as demonstrating a complex “love-hate” perspective toward the United States, with stronger affection toward U.S. people, culture, and economic engagement than toward U.S. foreign policy.

Recurring surveys in 2006 and 2007 revealed similar sentiments: despite lingering perceptions of the United States as a rival, most held favorable views of the country and were optimistic about the future of U.S.-China relations. Two trends are worth noting, however. Between 2005 and 2007, the percentage who believed the United States and China would engage in conflict over Taiwan rose 20 points to over 70 percent, while only 16 percent expressed that the United States would continue to maintain its long-term status as a superpower (down from 28 percent). Chinese analysts interpret these seemingly contradictory results as reflecting greater confidence in China’s

BBC World Service, “Global Views of United States Improve While Other Countries Decline.”

26. Pew Research Center, http://pewglobal.org/database/?indicator=3&response=Satisfied. Other regional powers such as Brazil and India come in at 50 percent and 45 percent, respectively.
30. Ibid.
32. Ibid.
33. Ibid.
34. Ibid.
own power, along with a corresponding optimism about Beijing’s ability to achieve gains within the U.S.-China relationship.36 Researcher Ni Feng opined that the Chinese population still holds a basically pragmatic view: a perception of enduring U.S. hard power along with an overall decline in soft power—particularly its “rallying” or “problem-solving” abilities—as a result of problems in Iraq.37 Reading between the lines, we can see an enduring belief in the “one superpower, many major powers” framework: China’s success calls for a more equitable relationship, but China is not yet eclipsing the United States. (No survey results for later years have been recorded.)

Advocates of a more aggressive or critical line can certainly be found, however—and although they are not broadly representative, these voices do signify an important movement within the Chinese public consciousness. Particularly on the Internet—where mostly younger Chinese netizens debate political topics with less decorum and more strident nationalism—a vibrant undercurrent of anger and resentment toward China’s “submissive” posture with the United States is evident. In October 2009, for instance, Huanqiu Shibao reported that 78 percent of those polled in an online survey believed that trade friction with the United States would extend into the future, and 89 percent advocated a policy of “strike back firmly” (versus 10 percent supporting negotiation) when they were questioned about how the Chinese government should respond to U.S. trade protectionism.38 Similar sentiments are expressed about the need for Beijing to more aggressively protect its “core interests”—including on issues of territorial integrity such as Tibet and Taiwan.39

As riveting as such discussions may be, one must be cautious in concluding that they represent broad Chinese public opinion or strongly influence Chinese policy. First, chat rooms and Internet discussions are frequently monitored and controlled; anything considered excessively critical of China or the Chinese Communist Party is often removed, and state-employed “monitors” frequently intervene to shape the discussion.40 Second, the Communist Party has been known to court nationalist sentiment in an effort to bolster its own legitimacy, substituting patriotic fervor for party loyalty. Third, the loudest or most extreme position attracts the most attention but is not necessarily the most representative; just as in the United States, netizens in China are likely to be more critical and express their views more strongly online than in person. Finally, there is sufficient diversity of opinion on the measure and significance of U.S. power in these discussions to conclude that no single view predominates amid China’s online community.

Nevertheless, decisionmakers in China are said to be paying greater attention to public opinion as it is expressed in Internet forums and chat rooms. Xinhua is tasked to inform China’s top leaders daily of the topics that are being hotly debated by netizens.41 In addition, says a report by the Stockholm International Peace Research Institute (SIPRI), new nonofficial actors are successfully vying for influence through informal channels such as personal relationships, Internet media,
and institutional lobbying. Chinese officials at every level insist that public opinion is factored into foreign policy decisionmaking, hinting that the party’s legitimacy could be weakened if public concerns are ignored. It remains unclear, however, how this process takes place and the extent to which public opinion is truly taken into consideration by Chinese leaders. It also must be acknowledged that the top leadership seeks to shape as well as measure public opinion through the party’s propaganda system—which, while far from omniscient, can be described as quietly effective in dictating what the broad majority hears, sees, and considers.

**Scholarly Debate over Chinese Foreign Policy**

Within the top party leadership, consideration of foreign policy or security doctrine is generally restricted to a small nuclear core: very likely only three or four out of the nine members of the Politburo Standing Committee (PBSC) are regularly consulted on strategic foreign policy discussions. Historically, strategic guidance has been the prerogative of the top leader; Mao Zedong dictated nearly all foreign policy shifts during his time, and Deng Xiaoping similarly set the tone or direction during his era after he consolidated power. This role is somewhat less today, and Hu Jintao likely consults with select party leaders, retired cadre, strategic advisers, and substantive experts before bringing a major foreign policy decision to the PBSC for discussion and approval.

The patterns of scholarly debate indicate differences of opinion within the central leadership about how China should seek to secure its interests in the face of a rapid adjustment in global balance of power, and particularly how China should deal with the United States. Among Chinese scholars, a minority continues to advocate that China adhere strictly to Deng Xiaoping’s strategic guideline issued in the early 1990s to “keep a low profile” (taoguang yanghui) and “never claim leadership” (bu dang tou). Special importance is placed on avoiding confrontation with the United States; China’s focus on promoting domestic development while avoiding entanglement in regional and international problems has served Chinese interests well. Older-generation specialists on the United States and other Western countries along with diplomats make up most in this camp.

Most foreign policy experts do not favor completely abandoning this traditional and risk-averse approach to foreign policy; instead they seek to gradually and selectively adopt a more proactive stance in the international arena—emphasizing another of Deng’s maxims that encourages China “to get something accomplished.” Proponents for the most part do not advocate directly confronting the United States and do not challenge the view that foreign policy should primarily serve China’s economic development. Instead, they espouse that Beijing be more assertive on specific issues on which China has both capability and clout—such as shaping a new international financial system—perhaps as a way to test the reaction of other nations to a more assertive China.

Those who favor a more proactive foreign policy are divided over the goal that a more proactive foreign policy should serve. Some analysts argue that China should be tougher in defending its interests, especially to counter perceived U.S. efforts to contain Chinese influence and constrain China’s rise. They make the case that the new situation provides China with leverage over the United States that can be employed to more assertively defend Chinese territorial integrity and sovereignty and other “core interests.” In addition, the shifting balance of power is seen as en-

---

43. In his remarks at the close of the U.S.-China Strategic and Economic Dialogue in July 2009, State Councilor Dai Bingguo defined China’s “core interests” as safeguarding the basic system and national security, national sovereignty and territorial integrity, and sustained and stable economic and social develop-
abling China to reshape the international order in a way that is more beneficial to China and other emerging powers.\textsuperscript{44} Other analysts propose that Beijing adopt a more proactive foreign policy that seeks to cooperate with the United States and other nations as well as provide more public goods, with the primary goal of reassuring other nations that China will emerge as a responsible country and will not pose a destabilizing threat to the international system.

Scholarly support for continuing to observe the conservative advice of Deng Xiaoping while also defending China’s core interests, contributing to international society, and improving China’s international image was demonstrated at the spring 2010 annual meeting of China’s International Relations Association in Lanzhou, which issued the following consensual conclusion:

\ldots do not confront the United States; do not challenge the international system in general; do not use ideology to guide foreign policy; do not be the chief of the “anti-Western camp”; do not conflict with the majority of countries, even when we are right; learn to make compromises and concessions, and learn the game of reciprocal interests; do not compromise China’s core interests concerning unification of the country; provide public goods in needed areas of international affairs; and change China’s international image by taking advantage of important global events.\textsuperscript{45}

\section*{Central Leadership Testing a More Assertive Approach}

Chinese leaders have tended to be conservative and risk averse. Until recently, they resisted both domestic pressure to pursue a more proactive foreign policy to safeguard Chinese interests and pressure from foreign nations to assume greater responsibility regionally and globally. At the 2006 Foreign Affairs Work Conference, an important national high-level Chinese Communist Party conclave where!foreign policy guidelines were discussed, Hu Jintao and Wen Jiabao hewed closely to Deng Xiaoping’s strategic admonition to avoid getting entangled in commitments overseas. In a rebuke of the view that China was rapidly increasing its national strength and should be more proactive in its foreign policy, Wen declared that China would remain in the initial stage of socialism for a long time to come and would persist in “not raising the banner and not taking the lead on the international scene.”\textsuperscript{46} This pronouncement was based on the assessment that U.S. regional and global preeminence would endure for a protracted period, as evidenced by Hu Jintao’s description of the path toward multipolarity as “tortuous.”\textsuperscript{47}


\textsuperscript{47} “Central Foreign Affairs Conference Takes Place in Beijing,” Xinhua Domestic Service, in Chinese, August 23, 2006, available in OSC, doc. no. CPP20060823308001.}
In 2009, however, the leadership’s message was revised. At the 11th Ambassadorial Conference—a meeting convened every five years to discuss the prevailing international environment and the future direction of China’s foreign relations and diplomatic strategy—Hu Jintao enunciated a modified estimation of the global balance of power. He maintained the prospect of global multipolarization had become “clearer” and suggested that damage to the U.S. reputation globally was proving helpful in promoting multipolarity. In addition, Hu urged adopting a more proactive diplomatic posture by stepping up efforts to exert “more influential power in politics, more competitiveness in the economic field, more affinity in its image, and more appealing morality.” Of even greater significance, Hu issued a new formulation for Chinese foreign policy. While continuing to “uphold” Deng Xiaoping’s guideline to “keep a low profile” in international affairs, he called for China to “actively get something accomplished (emphasis added).” The perceived relative decline in the power of the United States as a result of being battered by the financial crisis and overextended in two wars in the Middle East boosted China’s confidence and served as the basis for top-level support for a more vigorous foreign policy. At the same time, however, Hu did not completely reject the traditional course of caution and risk aversion. He warned against getting too deeply mired in overseas commitments, emphasizing that China’s priority remains focused on developments within its borders. Moreover, Hu stressed that maintaining a stable relationship with the United States remained critically important to Chinese interests.

A succession of events since early 2009 suggests that Beijing has been testing the hypothesis that the relative decline in U.S. power and China’s growing strength have provided Beijing with increased leverage over the United States. Although China denies an intention to directly challenge U.S. interests, it has shown a willingness to more assertively defend what it sees as Chinese core national interests. In addition, the definition of China’s core national interests appears to be in flux and may be expanding. Although safeguarding Chinese national sovereignty and territorial integrity has always been the essence, previously Chinese attention was paid principally to Tibet, Xinjiang, and Taiwan. In the spring of 2010, in conversations with U.S. counterparts, senior Chinese officials referred to the South China Sea as one of China’s core national interests although they have not articulated this position publicly. It is also unclear whether such a stance, if embraced officially, would include only China’s territorial claims and exclusive economic zones (EEZs) derived from those claims, or would encompass the entire South China Sea. It is possible that as China grows stronger—and requires more resources from abroad to sustain its march toward superpower status—its list of core interests will grow accordingly.

Evidence of China’s growing assertiveness in areas linked to its core interests can be seen in its rhetoric and behavior in several instances:

- **Beijing’s reaction to the January 2010 $6.4 billion arms sales package to Taiwan.** In keeping with past practice, China suspended bilateral U.S.-Chinese military exchanges and planned dialogues on nonproliferation and international security. This time, however, China also threatened to impose sanctions on U.S. companies that sell arms to Taiwan, although this was not enforced through legal measures. China also rebuffed a visit by Secretary of Defense Robert Gates in June 2010 although subsequently received the Secretary Gates in January 2011.

---

Chinese harassment of U.S. ocean surveillance ships operating in China’s EEZs in the South China Sea and Yellow Sea in the spring of 2009. In a series of incidents, Chinese naval and patrol vessels engaged in dangerous maneuvers in an effort to impede the passage of the USNS Impeccable and the USNS Victorious. China denied U.S. charges and also dismissed U.S. statements that there was no legal basis for restricting activities by other nations’ naval vessels in a country’s EEZ and U.S. protests that Chinese actions violated the requirement under international law to operate with due regard for the rights and safety of other lawful users of the ocean.

Chinese warnings in response to planned U.S.–Republic of Korea joint naval exercises in the Yellow Sea and Sea of Japan following the sinking of the South Korean warship Cheonan. Prior to an official announcement declaring the timing, location, and participating ships in military drills in the waters off the Korean Peninsula, a Chinese Foreign Ministry spokesman stated, “We firmly oppose foreign warships and military aircraft entering the Yellow Sea and other coastal waters of China to engage in activities affecting China’s security and interests.”

Chinese actions to slow the delivery of cargo, including rare earths, being shipped from Chinese ports to Japan after the Japanese arrested and detained the captain of a Chinese fishing vessel that was fishing in waters claimed by Japan near the Senkaku (Diao-yu-tai) Islands. Although Beijing denied imposing an embargo on the exports of rare earths to Japan, Chinese officials admitted reinforcing customs inspections, ostensibly to counter smuggling. The Chinese Foreign Ministry spokesman rejected Secretary of State Hillary Rodham Clinton’s statement to Japan’s foreign minister, Seiji Maehara, that the islands fall within the scope of the U.S.–Japan security treaty.

Chinese response to the statements made by Secretary of State Clinton and representatives from eleven other nations regarding the South China Sea at the ASEAN Regional Forum in Hanoi in July 2010 Beijing viewed the statements as interference in the territorial dispute, which China prefers to manage bilaterally with the various claimants. China’s foreign minister Yang Jiechi warned regional actors against collaborating with outside powers in dealing with the South China Sea territorial disputes. Participants in the meeting reported that Yang told the meeting: “China is a big country and other countries are small countries, and that’s just a fact.”

Chinese actions following the announcement that the Nobel Peace Prize was awarded to Chinese dissident Liu Xiaobo, who is imprisoned in China. Beijing threatened negative consequences for countries whose representatives attended the award ceremony, suspended talks on a free trade agreement with Norway, and canceled two meetings with a senior official from Norwegian Fisheries and Coastal Affairs.

There is insufficient evidence to conclude, however, that new strategic calculations based on an assessment that the balance of power is tilting in Beijing’s favor are behind China’s more assertive pattern of behavior. Other domestic political factors could be at play, including Hu Jintao’s position amid intensified jockeying for power in the run-up to the 2012 leadership succession, tension in civil-military relations, and an insecure leadership unsure of how to react to growing domestic pressure to safeguard Chinese security interests.

Analyzing the U.S. Response

If Chinese assessments of a shift in the balance of power are at least partly responsible for China’s new assertiveness, it is possible that a firm U.S. response will prompt a recalibration of Chinese policy. Beijing appreciates the more enduring elements of U.S. power, and the Chinese are closely observing U.S. steps to strengthen its alliances in Asia and the Pacific, participate more actively in institution building and architecture, and enhance its influence in the South China Sea. For example, Secretary of State Clinton enunciated a new U.S. policy at the ASEAN Regional Forum in July 2010, encouraging ASEAN and China to reach agreement on a binding code of conduct in the South China Sea and offering to facilitate discussion of confidence-building measures. Clinton also stated, “The United States has a national interest in the continued peace and stability, freedom of navigation, open access to Asia’s maritime commons, and respect for international law in the South China Sea.” On October 28, 2010, Secretary Clinton reiterated that the Senkakus fall within the scope of Article 5 of the 1960 U.S.-Japan Security Treaty and indicated that the Obama administration would attach priority to ratifying the UN Convention on the Law of the Sea in 2011. The perception of a renewed commitment on the part of the United States to assert its presence in the region could temper internal support for a bolder Chinese foreign policy. Chinese leaders are also acutely aware of growing wariness in China’s neighborhood about Beijing’s intentions, which has led to efforts by some nations to forge coalitions to defend against Chinese pressure that could undermine China’s decades-long policy of reassuring the region that China’s rise would not have negative consequences.

In what may signal an attempt to revert Chinese foreign policy to its prior emphasis on reassurance, an essay penned by State Councillor Dai Bingguo in October 2010 reaffirmed China’s strategy of “peaceful development” and pledged to never seek world domination. Dai offered this authoritative interpretation of Deng Xiaoping’s guideline: “China should remain humble and cautious as well as refrain from taking the lead, from waving the flag, from seeking expansion, and from claiming hegemony.” But Dai conspicuously avoided indicating whether Deng’s maxim serves as a guideline for current Chinese foreign policy, noting only that it “is consistent with the idea of taking the path of peaceful development.”

It is also possible, however, that this adjustment of Chinese foreign policy is merely rhetorical or tactical. On the basis of judgments that China is rapidly closing the power gap with the United States and that the development of a multipolar world is accelerating, China may continue to pursue a more proactive and assertive foreign policy. Over time, Beijing’s growing confidence could result in China acting more openly in ways that are not always consistent with U.S. interests. Especially if there is a perception that the United States is challenging China’s core interests, how-

---


54. Dai’s article was first published as “zhonggongzhongyangguanyuzhidingguominjingjihehuihefazhandeshiergewunianquhuade jianyi” [Suggestion from the central government to make the twelfth five-year plan on the national economic and social development], People’s Publishing House, October 1, 2010. On December 6, 2010, it was published in People’s Daily and posted on the Ministry of Foreign Affairs website under the title, “Persisting with Taking the Path of Peaceful Development,” available in OSC, doc. no. CPP20101207004001.
ever they are defined, Chinese behavior could become more aggressive in the future. In addition
to showing greater assertiveness on issues that Beijing defines as its core interests, China can be
expected to seek to use its growing economic weight, financial resources, and geopolitical influ-
ence to expand its say in shaping a new international financial system. Even Wang Jisi—tradition-
ally a proponent of U.S. power—recently postulated that as its power grows China will demand
to change the state of affairs and strive for the initiative more often. “In the Sino-US game,” Wang
writes, “China is keeping control of the ball for longer, and the ball will more and more frequently
be kicked into the American half of the field.”

This suggests a central policy dilemma for the United States: the United States needs to show
robust strength and sustained commitment to the region to preempt a Chinese judgment that the
United States is in decline, but actions that the United States might take to remind Beijing of its
resiliency could well be seen by the Chinese as a challenge to their core national interests. This
outcome could significantly increase U.S.-Chinese tensions and, in turn, heighten the anxiety of
regional states that don’t want to be compelled to take sides. The United States must therefore be
careful to demonstrate its power in ways that do not antagonize China but instead provide incen-
tives for Beijing to cooperate. The existence of a zero-sum competition between the United States
and China in Asia should be avoided at all costs.

Regardless of China’s short-term assessments and policies, it remains Beijing’s long-term
objective to increase its comprehensive national power and reinstate the country as a great power.
As China’s military and economic power grows, it is likely that over time Chinese leaders will
conclude that adhering to the strategic guideline of keeping a low profile in international affairs no
longer serves Chinese interests. Chinese foreign policy will almost certainly become more vigoro-
us and assertive. It remains to be seen, however, whether China uses its growing clout to protect
the global commons, provide global public goods, and generally strengthen the existing interna-
tional system, or whether it attempts to enhance Chinese security interests at the expense of other
nations and seeks to modify the international system in ways that run contrary to the interests of
the United States, its allies, and partners.

For at least the next five to ten years, Beijing likely will seek assiduously to preserve good rela-
tions with the United States. Economic ties between the United States and China run deep. China’s
economic growth model relies intensively on exports, and the U.S. market is (with the European
Union) critical in that regard. China is so deeply invested in U.S. securities that any disruption to
the value of the dollar would deal a severe blow to its own financial position. Avoiding a military
confrontation with the United States that could quickly escalate and would likely set back China’s
modernization efforts will remain a key Chinese concern. Even against the background of a rela-
tive decline in U.S. power, the United States will likely remain the only global superpower and the
leader of the Western world for the next decade, and China will be engaged in limited cooperation
with the United States in areas deemed important to U.S. interests and will manage differences so
that bilateral tensions remain under control. Above all, Beijing will seek to ensure that the United
States remains relatively friendly and does not view China as an immediate adversary, which could
result in a policy that aims to inhibit China’s rise and even to undermine Chinese stability and
Chinese Communist Party rule.

55. Wang Jisi, “It Will Be Difficult to Avoid a Major Strategic Trial of Strength between Chi-
na and the United States,” Guoji Xianqu Daobao Online, August 9, 2010, available in OSC, doc. no.
CPP20100830671002.
Implications for U.S. Policy

The high rate of growth forecast for China and several other emerging economies and the slow pace of U.S. economic growth have made it inevitable that the U.S. position in the balance of power will decline relatively. The challenge for the United States is ensuring that China and other nations in Asia do not prematurely conclude that a relative decline in U.S. power means a weakened United States that is no longer able to maintain a forward-deployed military presence and can no longer be the ultimate guarantor of regional peace and stability. The emergence of a multipolar world in a gradual and managed way can play to the advantage of the United States and its allies, as well as China, and there need not be a zero-sum competition between the United States and China.

Preserving a leadership role for the United States in Asia is key to ensuring that China's rise is peaceful and accomplished with as little damage to U.S. interests as possible. The majority of countries in the region want the United States to maintain a strong and active presence in the Asia-Pacific region, in part as a hedge against the possibility that China's rise will pose a threat to their interests. Yet at the same time they are doubtful about the ability of the United States to maintain a high level of attention and commitment to the region. Mitigating the concerns of U.S. allies and friends in Asia while averting Chinese fears that the United States is seeking to strategically encircle and contain China will be challenging tasks for U.S. policymakers. At the same time the United States strengthens and broadens its alliances, builds new partnerships, and enhances the capacity of multilateral organizations in the region, it must continue to encourage China's peaceful integration into the international system, even as China's clout in that system inevitably increases.

Although maintaining U.S. military power and presence is essential, placing excessive emphasis on hard power would be a mistake. The United States should continue to employ a combination of hard and soft power, often referred to as "smart power," to advance its interests. Countries in the region want U.S. military power to be present, but not menacing. Now that fears that the United States and China would comanage the world in a Group of Two arrangement have largely dissipated, they could quickly be replaced by worries of U.S.-Chinese confrontation.

Military power and the attractiveness of U.S. values are unlikely on their own to maintain a primary role for the United States in the greater Asian region. China's potential bullying may be a source of concern to the ASEAN countries, but regional economic integration with China—including through China's active negotiation of attractive trade agreements—is driving the region farther from the United States and closer to China. Without a trade and investment strategy that draws Asian countries to the United States, this trend can only continue. It may be difficult to command U.S. domestic political support for liberalizing trade policies, but without these policies U.S. primacy in Asia is in serious question. The United States should develop a comprehensive interagency trade and investment strategy and policy for the Asia-Pacific region. This will not only benefit U.S. exporters and investors, but will also strengthen relationships with other Asian states that want to trade with the United States, including China. Such relationships will serve to develop greater comity and deepen interdependence in the region. Ratifying the U.S.-Korea Free Trade Agreement, imbuing the Trans-Pacific Partnership process with genuine political capital, and completing the Trade and Investment Framework Agreement with Taiwan are three concrete steps the United States could take to enhance its position in the region over the next five years.

The keys to maintaining peace and stability in Asia and securing U.S. interests are sustaining U.S. leadership and bolstering regional confidence in U.S. staying power. Whether addressing
terrorist threats, proliferation of weapons of mass destruction, climate change, or poverty, the United States must play an active role in helping the countries of the region enhance their capacity to succeed. By doing so, the United States can counter perceptions of a U.S. decline that could lead to a new arms race in Asia, heightened mistrust among regional states, and even possible miscalculation.