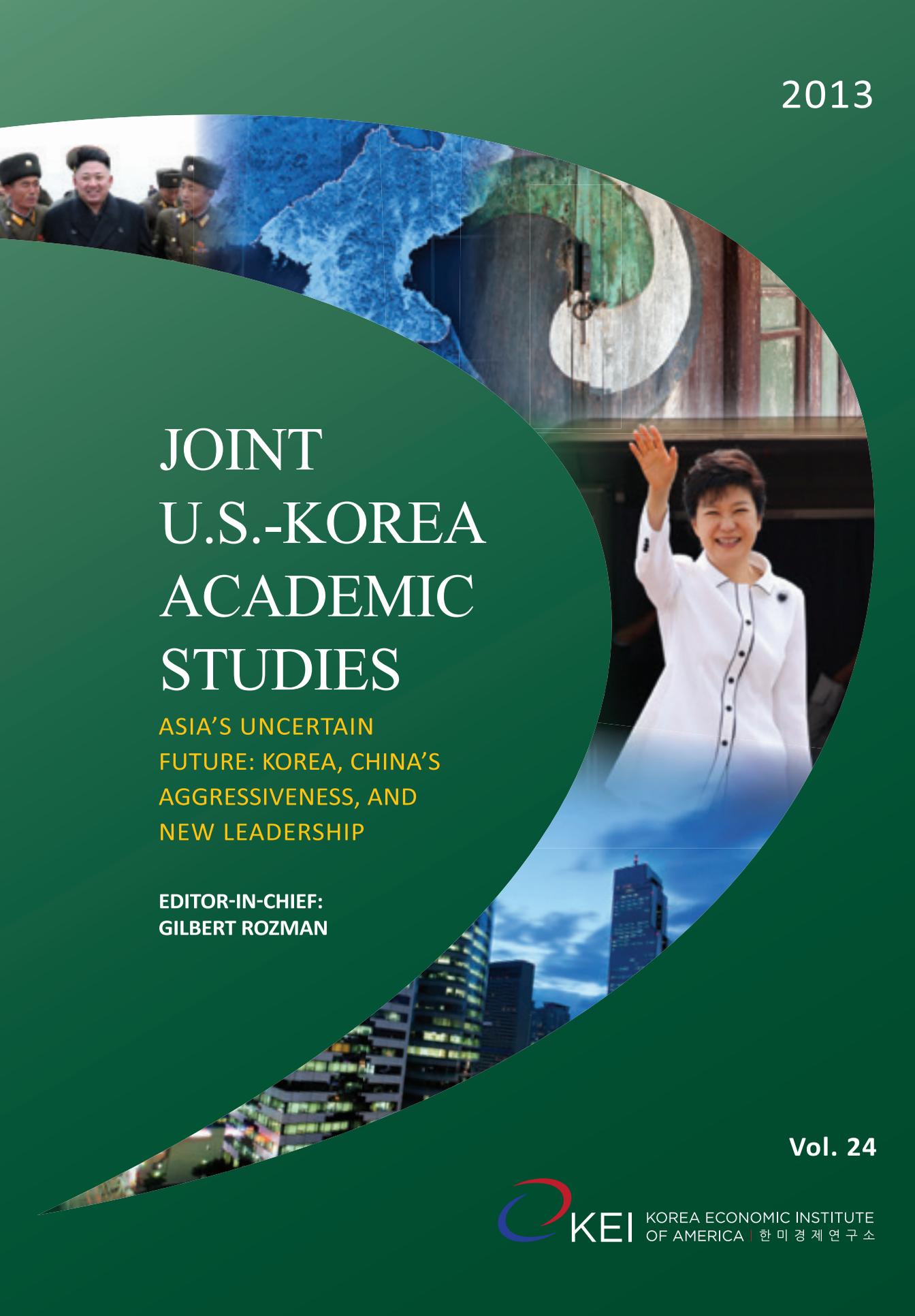


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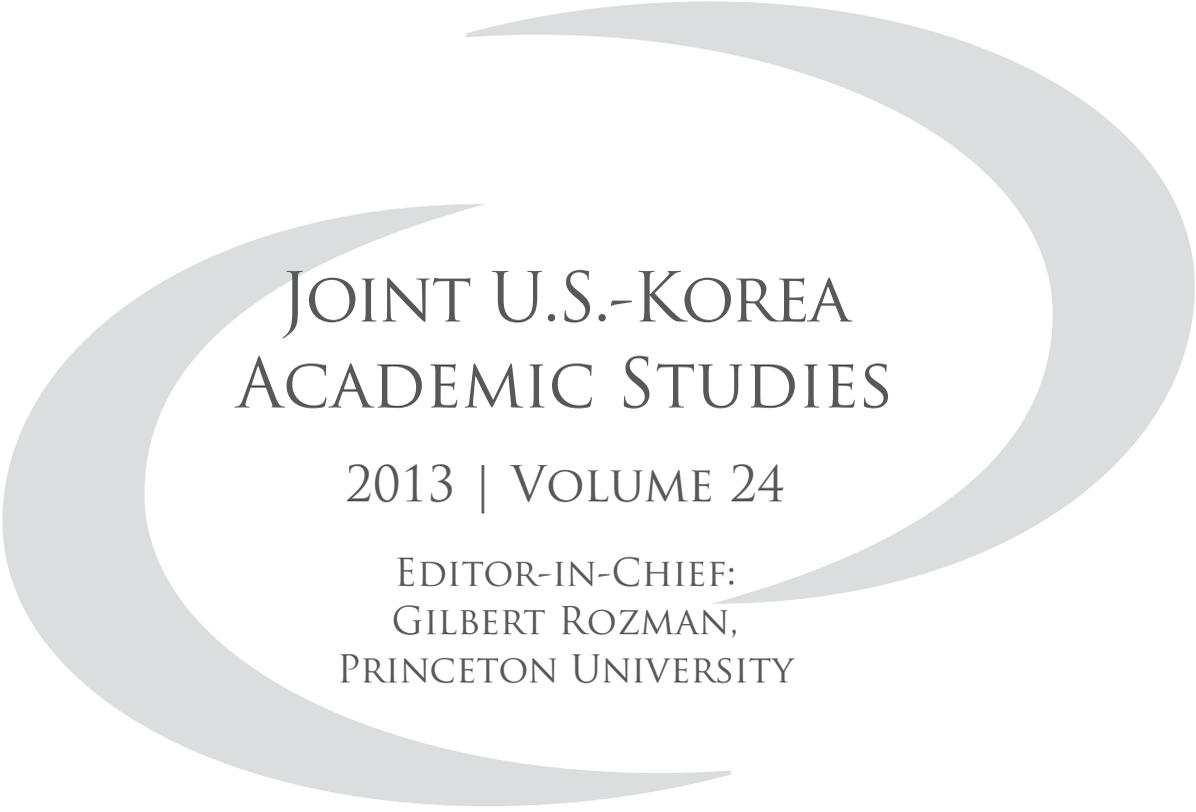


JOINT U.S.-KOREA ACADEMIC STUDIES

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FUTURE: KOREA, CHINA'S
AGGRESSIVENESS, AND
NEW LEADERSHIP

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BILATERAL COMPETITION AND
COOPERATION UNDER NEW LEADERSHIP



The United States and China

Robert Sutter

2012 was a year of leadership transition in China and a presidential election in the United States. At the 18th Congress of China's Communist Party in November, Hu Jintao passed party and military leadership positions to Xi Jinping, who was named president during the National People's Congress meeting in March. Barack Obama ended a long and acrimonious presidential campaign, defeating Republican nominee Mitt Romney. Meanwhile, North Korea's leadership succession following the death of Kim Jong-il in December 2011 and elections in such key regional governments as Taiwan, South Korea, and Japan influenced circumstances along the rim of China—the main arena where China and the United States are encountering one another in increasingly competitive ways.

The PRC has always exerted its greatest influence in nearby Asia, and this area has always received the lion's share of Chinese foreign policy attention. The region is essential to China's national security; it contains the disputed sovereignty issues that remain of top importance to the leaders as well as to the strongly patriotic Chinese popular and elite opinion. Nearby Asia is more important than any other world area to China's economic development; it determines the peaceful international environment seen by post-Mao Chinese leaders as essential in pursuit of economic development, the primary source of legitimacy for continued Communist Party rule in China.

The long record of the policy and behavior of the PRC in the Asia-Pacific region shows repeated maneuvering to keep China's periphery as free as possible from hostile or potentially hostile great-power pressure. Among the sovereignty and security issues that have been at the very top of foreign policy priorities in most years is the longstanding goal of reunifying Taiwan and the Chinese mainland. Also included are such security issues as opposition to U.S. containment in the 1950s and 1960s, followed by opposition to perceived Soviet use of military force and alignments with Vietnam, India, and others to "encircle" and constrain China during the 1970s and 1980s, followed, in turn, by renewed public opposition to U.S. alliances and military deployments in the 1990s and into the early 21st century.

Chinese efforts to keep this periphery free of potentially hostile great-power presence and pressure shows persistent wariness and sometimes overt hostility toward such large outside powers, notably the United States. China has used offensive and defensive measures to thwart the perceived great-power ambitions in the region. This trend has continued, along with the growing Chinese economic integration, increasing political and security cooperation and active engagement with various multilateral organizations in the region since the 1990s. Thus, as Chinese officials in recent years declare greater confidence as China rises in influence in Asia, they work assiduously in trying to ensure that the United States and its allies and associates do not establish power and influence along China's periphery that is adverse to Chinese interests.

For its part, the United States has long regarded East Asia, and especially Northeast Asia, as among the most important international areas in American foreign relations, on a par with Western Europe. Since the end of World War II, the United States has expended enormous resources and lost many tens of thousands of lives in wars in Korea and Vietnam and other military confrontations to sustain stability and promote economic and political access and openness along lines favored by the United States. America's post Cold War role as regional

security guarantor has not gone unchallenged by North Korea and, to a degree, China. The Obama administration has undertaken recent efforts to broaden and deepen U.S. security, economic, and diplomatic engagement throughout the region, giving special new emphasis to ties with Southeast Asia, Australia and regional multilateral organizations.¹

GROWING DIVERGENCE AND COMPETITION

Growing divergence and competition in Asia headed the list of issues in 2012 that tested the abilities of American and Chinese leaders to manage their differences, avoid confrontation, and pursue positive engagement. Senior U.S. and Chinese leaders stayed in close contact with one another in an avowed effort to search for a “new type of great power relationship” which would avoid conflict and manage tensions as China’s rising power and expanding interests rub against American interests, policies, and practices. Nevertheless, competition for influence along China’s rim and in the broader Asia Pacific region exacerbated an obvious security dilemma in this sensitive region featuring China’s rising power and America’s reaction, shown notably in the two sides’ respective military build-ups. These problems and differences on a wide range of international issues and domestic pressures led to what leading specialists Kenneth Lieberthal and Wang Jisi characterized as pervasive and deeply rooted distrust between the two governments.²

The Republican presidential primaries saw sharp and often hyperbolic attacks on Chinese economic and security policies. Romney emerged from the pack as the party’s nominee, supporting tough trade and security measures to protect U.S. interests against China. Obama joined the fray with harsh rhetoric not seen in his presidential campaign in 2008. In the third presidential debate on October 22, veteran China specialist Donald Keyser noted that the president publicly referred to China for the first time as “an adversary” though the president added that it is a “potential partner in the international community if it follows the rules.” Highlighting his administration’s reengagement with countries in the Asia-Pacific region as a means to compete with China in security, economic, and other terms, he went on to emphasize “we believe China can be a partner, but we’re also sending a very clear signal that America is a Pacific power, that we are going to have a presence there...And we’re organizing trade relations with countries other than China so that China starts feeling more pressure about meeting basic international standards.”³

Obama’s reengagement policy toward the Asia Pacific indeed underlined a stronger American determination to compete more broadly for influence in the region.⁴ The security aspects of the so-called pivot to Asia received high-level attention by the president, secretary of defense and secretary of state. They explained in speeches throughout the Asia-Pacific region and in the release of a defense planning document in January 2012 the purpose and scope of U.S. redeployment of forces from the Middle East and other areas to the Asia Pacific and the determination of leaders to sustain and advance U.S. security relations and power despite anticipated cuts in overall defense spending. Actual advances in force deployments remained modest though the scope, tempo, and intensity of U.S. military interactions with the region continued to grow.

American diplomatic activism in support of its interests was registered with an impressive advance in senior U.S. leaders headed by Obama traveling to the region and participating actively in bilateral relations and in existing and newly-emerging regional groupings involving

the United States. Problems impacting U.S. interests in regional stability, freedom of navigation, and relations with allies and partners saw leaders take an active role in discussing ways to manage and hopefully ease tensions over sensitive sovereignty and security concerns in disputed maritime territories along China's rim.

As Obama indicated in his remarks in the October debate, the United States also was more active in competing in support of its economic interests as part of the reengagement with Asia. A highlight of U.S. interest has been the proposed Trans-Pacific Partnership FTA involving the United States and countries on both sides of the Pacific in an arrangement seen moving forward American interests in regional and international trade liberalization. The proposed agreement is viewed as competing with groupings favored by China that require less trade liberalization and that exclude the United States.

Chinese media and officials condemned the so-called China bashing seen in the American presidential and congressional election campaigns. Chinese leaders remained firm in deflecting American pressure on the value of China's currency and broader trade practices and strongly rebuffed U.S. efforts to get China's cooperation in dealing with some sensitive international issues, notably the conflict in Syria. China continued to give priority to nurturing close ties with the new North Korean leadership despite repeated provocations such as long-range ballistic missile tests in April and December 2012 and U.S. calls for greater pressure on Pyongyang. It remained to be seen what significant changes, if any, would come from North Korea's third nuclear weapons test in 2013.⁵

Concurrent with the increased competition between the United States and China for influence in the Asia Pacific, China resorted to extraordinary demonstrations of state power, short of direct use of military force, in response to perceived challenges by U.S. allies, the Philippines and Japan, regarding disputed territory in the South China Sea and the East China Sea. Chinese commentary accused the United States of urging neighboring countries to be more assertive in challenging China's claims as part of alleged efforts to contain China under the rubric of Obama's reengagement with the Asia-Pacific region. Top Chinese leaders countered American supported efforts for dealing with the disputed claims and also highlighted regional trade arrangements that excluded the United States in order to undermine American-led efforts to advance U.S. interests through the TPP.⁶

Against this backdrop, David Shambaugh joined other commentators in concluding at the end of the year that the overall U.S.-China relationship has become "more strained, fraught and distrustful." Intergovernmental meetings meant to forge cooperation are becoming more pro forma and increasingly acrimonious, he said; the two sides wrangle over trade and investment issues, technology espionage and cyber hacking, global governance challenges like climate change and Syria, nuclear challenges like Iran and North Korea, and their security postures and competition for influence in the Asia-Pacific.⁷

THE TROUBLING MIX OF TERRITORIAL DISPUTES AND CHINESE DOMESTIC POLITICS

The reengagement in Asia ran up against rising Chinese assertiveness and coercive and intimidating actions to protect and advance Chinese sovereignty and security interests in

disputed territories along China's rim. The Chinese actions have been influenced and strongly supported by broad and patriotic elite and public opinion that viewed the U.S. activism as a justification for China to take more coercive actions to protect and advance its interests. In effect, the U.S. and Chinese initiatives represented the most important challenge or test of the durability of cooperative Sino-American engagement during 2012. The testing has continued into 2013.

The roots of China's recent assertiveness and expansion in disputed parts of nearby Asia go back to 2009. In general, the assertiveness seen in 2009-2010 focused on disputes regarding Korea, Japan and Southeast Asia and on the United States for its role in the region and key issues in U.S.-China relations including Tibet and arms sales to Taiwan. There appeared to be divergence of opinion in Beijing on how forceful or not China should be in dealing with various disputes. Those arguing against assertive Chinese behavior, which disrupted China's continued emphasis on peaceful development in foreign affairs, seemed to attain the upper hand in the debates by late 2010. President Hu Jintao's visit to the United States in early 2011 came amid some moderating signs in recent Chinese assertiveness.

Nevertheless, the pattern of assertiveness resumed and showed remarkable features in defending Chinese disputed claims in the South China Sea and the East China Sea.⁸

Round One

The first round of Chinese assertiveness over territorial issues in 2012 involved the South China Sea. Authorities used extraordinary demonstrations of security, economic, administrative, and diplomatic power to have their way:

- China employed its large and growing force of maritime and fishing security ships, targeted economic sanctions out of line with international norms and WTO rules, and repeated diplomatic warnings to intimidate and coerce Philippine officials, security forces, and fishermen to respect China's claims to disputed Scarborough Shoal.
- China showed stronger resolve to exploit more fully contested fishing resources in the South China Sea with the announced deployment of one of the world's largest (32,000 ton) fish processing ships to the area and the widely publicized dispatch of a fleet of thirty fishing boats supported by a supply ship to fish in disputed areas.
- China created a new, multifaceted administrative structure backed by a new military garrison that covered wide swaths of disputed areas in the South China Sea. The coverage was in line with broad historical claims depicted in Chinese maps with a nine-dashed line encompassing most of the South China Sea. The large claims laid out in Chinese maps also provided justification for a state controlled oil company to offer nine new blocks for foreign oil companies development that were far from China but very close to Vietnam. Against this background, little was heard in recent Chinese commentary of the more moderate explanation of territorial claims made by the foreign ministry spokesperson on February 29, 2012 who said that China did not claim the "entire South China Sea" but only its islands and adjacent waters.
- Chinese authorities later prompted some alarm when provincial authorities announced that maritime police patrols would board and hold ships carrying

out illegal activities in the claimed Chinese areas of the South China Sea. And Vietnam and the Philippines as well as Taiwan joined India and other countries in condemning new Chinese passports that showed the South China Sea and other disputed areas along the rim of China as Chinese territory.

- China advanced cooperative relations with the 2012 ASEAN chair, Cambodia, thereby ensuring that with its cooperation South China Sea disputes did not receive prominent treatment in documents in the annual ASEAN Ministerial Meeting in April and later ASEAN related meetings in November. A result was strong division on how to deal with China that resulted in unprecedented displays of ASEAN disunity at those meetings.

Chinese officials and official media commentaries endeavored to bind and compartmentalize the South China Sea disputes. Their public emphasis remained heavily on China's continued pursuit of peaceful development and cooperation during meetings with Southeast Asian representatives and those of other concerned powers including the United States. What emerged was a Chinese approach having at least two general paths:

1. One path showed South China Sea claimants in the Philippines, Vietnam, and others in Southeast Asia, as well as their supporters in the United States and elsewhere how powerful China had become in disputed South China Sea areas; how China's security, economic, administrative, and diplomatic power was likely to grow in the near future; and how Chinese authorities could use those powerful means in intimidating and coercive ways short of overt use of military force in order to counter foreign "intrusions" or public disagreements regarding Chinese claims.
2. Another path forecast ever closer "win-win" cooperation between China and Southeast Asian countries, ASEAN, and others including the United States. It focused on burgeoning China-Southeast Asian trade and economic interchange and was premised on treatment of South China Sea and other disputes in ways that avoided public controversy and eschewed actions challenging or otherwise complicating the extensive Chinese claims. China emphasized the importance of all concerned countries to adhere to efforts to implement the 2002 Declaration of the Conduct of the Parties in the South China Sea (DOC). It duly acknowledged recent efforts supported by ASEAN to reach the "eventual" formulation of a code of conduct (COC) in the South China Sea, implying that the process of achieving the latter may take some time.

In sum, China set forth an implicit choice for the Philippines, Vietnam, other Southeast Asian disputants of China's South China Sea claims, ASEAN, and other governments and organizations with an interest in the South China Sea, notably the United States. On the one hand, based on recent practice, pursuit of policies and actions at odds with Chinese claims would meet with more demonstrations of Chinese power along the lines of the first path, above. On the other hand, recent leaders' statements and official commentary indicated that others' moderation and/or acquiescence regarding Chinese claims would result in the mutually beneficial development seen in the second path. The Philippines, Vietnam, and other disputants of Chinese claims did not seem to be in an advantageous position in the face

of Chinese power and intimidation. ASEAN remained divided on how to deal with China. And options of the United States and other concerned powers to deal effectively with the new greater muscle, short of military use of force, in Chinese practices regarding the South China Sea remained to be determined.

Round Two

The second round of Chinese assertiveness on sensitive sovereignty and security issues came with the more widely publicized and still ongoing dispute with Japan over the Diaoyu/Senkaku Islands.⁹ Even more so than in the recent case in the South China Sea, China's response to a perceived affront by Japan involved a variety of extralegal measures sharply contrary to international norms. They included, in particular, trade sanctions and failure to provide security for Japanese people and property in China. As large demonstrations emerged in over one hundred Chinese cities fostered by well-orchestrated publicity efforts of authorities, the security forces tended to stand aside as agitated demonstrators destroyed Japanese properties and manhandled Japanese citizens. The displays of violence were eventually mildly criticized by Chinese official media commentary but the publicity organs were full of support of Chinese peoples' "righteous indignation" against Japan as the violence spread throughout the country. Meanwhile, the authorities deployed maritime security forces and took legal steps that showed Japan and other concerned powers that the status quo of Japan's control of the islands had changed amid continued challenge from China employing security forces and other means short of direct use of military force.

Popular and elite opinion reacted positively to the Chinese actions in the South China Sea and the East China Sea. Some Chinese officials and media also viewed approvingly the reaction of the United States, which was seen as less willing in 2012 to confront China on such assertive actions than in the period of disputes in 2010.

Chinese media flagged with prominent headlines Obama's reassurance to Prime Minister Wen Jiabao in Phnom Penh on November 20, 2012 that the United States "will not take sides on disputes" in the seas bordering China. They noted positively the president's voiced conviction that China's peaceful rise and success is in the interests of the United States as it is "crucial to world security and prosperity." A commentary by a specialist in the Chinese foreign ministry affiliated think tank said that the "smarter" reengagement with Asia features a change in favor of China, a "more cautious" U.S. approach toward territorial disputes in the region, whereas it was said in the recent past to have been "active and even aggressive in interfering in the regional territorial disputes."¹⁰

In sum, Chinese elite and public opinion saw China triumphing with effective use of often extralegal coercive measures to advance territorial claims and show firm resolve against perceived challenges. Some foreign and Chinese specialists also observed that unlike the debates and various policy options stressed in Chinese commentary during the period of assertiveness in 2009-2010, the actions and commentary regarding the South China Sea and the East China Sea in 2012 showed effective coordination and little sign of debate even though the Chinese actions involved extraordinary use of coercion, intimidation, and extralegal means well beyond the pale of international norms said to be respected by the Chinese government.

COOPERATION AND MODERATION

On the other side of the ledger in 2012 were Sino-American developments arguing for continued pragmatism on both sides in seeking to manage escalating competition without major incident. The overall trend of resilient and positive U.S.-China engagement continued. Among instruments serving to moderate the frictions, the wide range of official exchanges through an array of over seventy bilateral dialogues continued and made significant progress in several areas. An important dialogue initiated in 2011 reportedly at China's request involved U.S.-China relations in the Asia-Pacific region. They also provided mechanisms for dealing with contentious issues and advancing common ground. The on-again off-again pattern of exchanges between the military leaders of both countries—the weakest link in the array of dialogues between the two countries—was on-again with improved exchanges in 2012.¹¹

The so-called Taiwan issue—historically the leading cause of friction between the United States and China—has remained on a recent trajectory of easing tensions. The sharp turn by the Taiwan government from longstanding and often virulent competition to extensive engagement with China came with the election of President Ma Ying-jeou in 2008. The change was strongly welcomed by the Chinese and American governments. In January 2012 the reelection of Ma validated the continued moderate approach to cross strait relations, foreshadowing closer engagement along lines welcomed by both Beijing and Washington. A possible exception to U.S.-Chinese convergence over Taiwan is American arms sales sought by Taiwan, which are always a sensitive issue in China and in recent years have, at times, prompted stronger Chinese reactions than in the past.¹²

Despite pervasive Sino-U.S. distrust, there were also episodes over the past year demonstrating notable cooperation and seeming trust building. On February 6, 2012 Wang Lijun, head of police in Chongqing municipality and a key actor in what would turn out to be the most important Chinese leadership purge in many years, drove to Chengdu and entered the American consulate there, reportedly fearing for his life and seeking refuge. While there he was said to have shared information about abuses of power carried out by Chongqing leader and prominent Communist Party Politburo member Bo Xilai and his wife, notably involving the murder of British businessman Neil Heywood. Wang left the consulate the next day, was arrested and taken to Beijing where he was tried and sentenced in September.

Wang's seeking American help in Chengdu began a major crisis for the Chinese leadership then in the final stages of delicate and highly consequential arranging of leadership succession plans for the 18th Communist Party Congress, which was eventually held in November. The central authorities removed Bo from power in April, and later expelled him from the Communist Party, opening the way for criminal prosecution. Bo's wife was convicted of the murder of Heywood in August. Throughout the crisis faced by Chinese leadership as they dealt with the egregious abuse of power by Bo, his wife and associates, and their wide implications for the leadership succession plans, the American government refused comment and disclosed nothing of what Wang had said during his stay in the consulate. A less discreet U.S. approach could have had complications for the top leaders managing the scandal and its broader consequences. There are few better ways to build trust between two wary states than one side [the United States in this case] choosing to

behave in the interests of the other [China] during a period of crisis when it could easily damage the other in serious ways.¹³

An instance of close and successful cooperation over highly sensitive issues involving sovereignty and strong national sentiment was the Sino-American handling of the case of Chen Guangcheng. The prominent Chinese civil rights activist in April 2012 escaped house arrest and fled from his home province to Beijing, where he eventually took refuge in the U.S. Embassy. After several days of talks between U.S. officials working with Chen on one side and Chinese officials on the other, a deal was reached to safeguard Chen and his family, providing Chen with medical treatment. He subsequently changed his mind and sought to go to the United States with his family. He appealed for American support, notably in a highly publicized phone conversation directed to a U.S. congressional committee hearing. Intensive renewed U.S.-Chinese talks concurrent with the annual Security and Economic Dialogue between leaders then underway in Beijing resulted in a second deal where Chen and his family were allowed to leave on May 19.¹⁴

Meanwhile, the Obama government has endeavored in recent months to stress its interests in sustaining broader and deeper American engagement with the Asia-Pacific region, while playing down emphasis in the recent past on American security and military moves that add directly to the growing security dilemma with China. Obama's trip to Southeast Asia and meetings with regional leaders at summits in November received extraordinary U.S. government publicity. In a notable departure from past practice, U.S. National Security Advisor Thomas Donilon left the White House and gave a public speech at a Washington think tank supporting the president's trip. He stressed sustained engagement in non-security as well as security areas and played down competition with China. The normal press briefing on the trip also broke with past practice by identifying the senior officials doing the briefing in an on-the-record manner, making the transcript more widely used and authoritative. The detailed remarks underscored the National Security Advisor's emphasis on sustained cooperation along a broad array of economic, diplomatic as well as security areas and soft-pedaled competition with China.¹⁵

The president's trip was heralded by visits to the region by the secretary of defense and the secretary of state, both of whom emphasized the broad and multifaceted reasons for strong and sustained American engagement with Asia. Competition with China was not a prominent feature of their trips. U.S. moderation in handling sensitive territorial issues in the South China Sea and the East China Sea, and China's repeated extraordinary use of coercive measures and intimidation short of employing military force in order to make advances were duly noted with approval by some Asian and American commentators, including some in China. The U.S. stance was seen as different from the more direct American statements and interventions during similar high-level U.S. official meetings with Asian leaders including Chinese leaders in 2010 and 2011.¹⁶

Finally, specialists on both sides seemed to agree that effectively managing differences through a process of constructive engagement remains in the interests of both countries.¹⁷ American specialists have noted three general reasons for this judgment:

- Both administrations benefit from positive engagement in various areas. Such engagement supports their mutual interests in stability in the Asia-Pacific, a

peaceful Korean Peninsula, and a peaceful settlement of the Taiwan issue; U.S. and Chinese leaders recognize the need to cooperate to foster global peace and prosperity, to advance world environmental conditions, and to deal with climate change and non-proliferation.

- Both administrations see that the two powers have become so interdependent that emphasizing the negatives in their relationship will hurt the other side but also will hurt them. Such interdependence is particularly strong in Sino-American economic relations.
- Both leaderships are preoccupied with a long list of urgent domestic and foreign priorities; in this situation, one of the last things they would seek is a serious confrontation in relations with one another.
- Prominent Chinese specialists visiting Washington at the end of 2012 underscored the futility of conflict and the need for cooperation in a somewhat different way. They averred that the U.S.-China relationship has become increasingly important to both sides and that three “realities” compel the two governments to seek ways to manage their differences while trying to broaden common ground:
- Each country is too big to be dominated by the other.
- Each country has too unique a political and social structure to allow for transformation by the other.
- Each country has become too interdependent with the other to allow conflicts to disrupt their relationship.

OUTLOOK: CONTINUED PRAGMATISM AMID CAUSES OF CONCERN

In the view of this observer’s experience with the ups and downs of U.S.-China relations since the opening of relations over forty years ago,¹⁸ the balance of competition and accommodation reviewed above argues for cautious optimism that pragmatic considerations will remain primary in both the reelected Obama administration and the incoming administration of Xi Jinping. Both governments will be constrained from harsh actions toward one another by ever-deepening interdependence; and the forecast for both involves a variety of high priority and difficult issues that will reinforce their respective interests in avoiding serious problems with one another. Of course, the competitive aspects of the relations appear to be growing, making forward movement difficult.

American domestic politics also promise to be an overall drag on progress in U.S.-China relations.¹⁹ American public opinion and media coverage that tends to reflect public opinion show a majority of Americans disapprove of the Chinese government and its policies and practices. The majority is a slim one, and younger Americans are seen to have more favorable views of China. There also seems to be a consensus among Americans that the government should eschew serious trouble with China. For example, only a small minority of Americans favors coming to Taiwan’s defense in the face of a Chinese military attack.

Adhering to its mission to protect the United States from present or future dangers, the large U.S. defense, intelligence and overall security apparatus and their supporters in Congress, business and among the public and media reflect a wary view of China's rise as a strategic power. The implications of China's rise for the balance of power in the Asia Pacific and U.S. interests in relations with allies and other countries in the region are high on the list of concerns for these Americans.

U.S. congressional opinion tends to be more negative toward China than overall public opinion. There are two congressional created commissions who see their mission as highlighting various actions of the Chinese government at odds with American interests. Nonetheless, many in Congress reflect the interests of business constituents who are investing in China or otherwise have an important stake in the burgeoning U.S.-China economic relationship. And many members of Congress have been active in several congressional working groups that regularly hold dialogues with Chinese counterparts, often leading to more nuanced views. Meanwhile, congressional attention on China issues has been secondary to more important domestic issues and more pressing international crises such as Iran, Syria, and the broader Middle East. Congress in recent years also has demonstrated a strong tendency to defer to the president and not to assert its prerogatives on China or other foreign policy issues unless there is no serious danger for the United States and particularly for U.S. military service personnel and the president's policies seem to have failed.

Reflecting pragmatism amid continued wariness about China, Obama upon reelection did not follow Romney's injunction to label China as a currency manipulator. Rather the Treasury Department followed past practice in its periodic reports on these matters with muted treatment of China. Following Obama's moderate approach to China during his visit to Southeast Asia, officials at all levels played down the sensitive security and competitive aspects of the reengagement policy that had been featured in public pronouncements in 2011 and early 2012.

CHINA'S UNCERTAIN OUTLOOK

The course of Sino-American relations has always involved serious obstacles, differences, and possible flash points that if not managed effectively could lead to sharp deterioration in U.S.-Chinese relations. The judgment of this assessment is that these obstacles and differences are offset for now by the strong reasons for pragmatic engagement noted above. Nevertheless, prudence requires care in considering the main uncertainty we currently face as to what degree the Xi Jinping government intends to deal pragmatically with the United States. Xi participated in the decision making behind Chinese behavior in 2012 which showed a pattern of exploiting incidents in nearby seas and thereby expanded Chinese control of contested territories and territorial rights through extraordinary use of coercion and intimidation short of direct application of military force. The fact that the United States has done little and others seem unwilling or unable to take strong actions in the face of Chinese advances adds to reasons why domestic decision makers and broader Chinese elites and public opinion are said to see the Chinese advances as victories for China. Their sense of triumph is viewed by some prominent specialists in China and abroad to argue for further Chinese expansion at the expense of U.S. allies and associates.

The rise in international tensions among China and other claimants to disputed territory and natural resource claims in the South China Sea and the East China Sea seems likely to continue. Confrontations between Chinese and other claimants' maritime security vessels, fishing ships, and oil survey vessels have been accompanied by repeated protests, economic and diplomatic sanctions and threats, and popular demonstrations in the respective countries. Such confrontations have occurred in the past and resulted in military clashes with many casualties, notably between China and Vietnam in 1988. Thus far, the recent rise in tension has not escalated to the point of military conflict, though the factors driving competition over the contested territory are increasing in importance.

Among factors driving competition is the perceived growing need to exploit energy and fishing resources in the contested seas. Vietnam and the Philippines see oil exploitation in the South China Sea as particularly important for their development. China views the enhanced oil and gas exploitation of the sea resources by Hanoi and Manila as further unjustified infringement on the very broad and not well-defined Chinese sovereign claim to all South China Sea islands and related resources; China also has demonstrated stronger efforts than in the past to exploit the oil and gas resources in the South China Sea areas claimed by others and in the East China Sea in areas claimed by Japan.

The rising tensions in the nearby seas also have important security dimensions for China involving the United States. Chinese commentators claim that Japan and the Philippines, formal allies of the United States, and Vietnam, a state building closer military ties with the United States, have been emboldened and supported by the United States in their confrontations with China. The rise in protests and disputes over the contested seas is linked with U.S. re-engagement with Asia-Pacific countries that is seen to foreshadow stronger American-Chinese security, economic, and diplomatic competition. Chinese commentators complain that American "meddling" in the disputes is designed to divide China from its neighbors and weaken China's overall influence in nearby Asia as the United States endeavors to strengthen its strategic position along China's periphery. A stronger American strategic position along China's periphery and stronger perceived efforts to compete with China for influence in the Asia-Pacific, to weaken China's position and to divide China from its neighbors, add to a sense of insecurity among Chinese commentators and officials. Meanwhile, popular and elite opinion is seen by Chinese and foreign commentators to compel Beijing to adopt tough positions regarding dealing with the South China Sea and the East China Sea and related issues with the United States.²⁰

Foreign specialists judge that a good deal of the impetus for popular and elite pressure for a tough Chinese approach on these territorial issues rests with the type of nationalism that has been fostered with increased vigor by Chinese authorities. Patriotic discourse emphasizes that since the 19th century, China has been treated unjustly and its territory and related sovereign rights have been exploited by other powers; China remains in a protracted process building power sufficient to protect what China controls and regain disputed territory and rights. On the whole, the patriotic discourse leads to a sense of "victimization" by Chinese people and elites, who are seen having greater influence on decision making on foreign affairs now that strong-man politics have given way to a collective leadership more sensitive to nongovernment elites and popular views.²¹

The strong patriotism fostered by Chinese authorities has included extensive efforts to build an image of China as a righteous actor on the world stage, different from the other world powers seen to follow selfish pursuits of their interests. These efforts have been carried out by: the Chinese foreign ministry; various other government, party and military organizations that deal with foreign affairs; various ostensibly nongovernment organizations with close ties to Chinese government; party and military offices; and the massive publicity/propaganda apparatus of the Chinese administration. They boost China's international stature while they condition people in China to think positively about Chinese foreign relations.

China's foreign policy is said to follow principles in dealing with foreign issues which assure moral positions in Chinese foreign relations. Principled and moral positions provide the basis for effective Chinese strategies in world affairs. Remarkably, such strategies are viewed to ensure that China does not make mistakes in foreign affairs, an exceptional position reinforced by the fact that the PRC is seen to have avoided publicly acknowledging foreign policy mistakes or apologizing for its actions in world affairs. Undoubtedly, some Chinese foreign policy officials and specialists privately disagree with the remarkably righteous image of Chinese foreign relations; but they do not depart from the official orthodoxy, which is broadly accepted by elite and public opinion. Whatever criticism elites and public opinion register against Chinese foreign policy tends to focus on being too timid and not forceful enough in dealing with foreign affronts.

Today, China's image building efforts support a leading role for China in Asian and world affairs, which enjoys broad support from the Chinese people and various constituencies in China. They forecast optimistically that China will follow benign policies emphasizing recent themes stressed by the administration. The themes include promoting peace and development abroad, eschewing dominance or hegemonism in dealing with neighbors or others even as China's power grows, and following the purported record of historical dynasties in not seeking expansionism as China's power increases.

In contrast, many of China's neighbors and foreign specialists see the evidence of a moral, principled and benign foreign approach has been the exception rather than the rule in the zig-zags of often violent foreign relations of the PRC through much of its sixty years. This has been the case particularly in the area surrounding China. Most of China's bordering neighbors have experienced intrusions or invasion by PRC security forces; they and others further away have contended with insurgent armies or armed proxies fully supported by China and targeting them. Such violence and excesses continued after Mao Zedong's "revolutionary" rule. Strong Chinese support for the radical Khmer Rouge increased in the later Maoist years and remained high throughout Deng Xiaoping's rule. During such turmoil, Chinese leaders avowed support for principles and righteousness in foreign affairs, but from the viewpoint of the neighbors and foreign specialists, the principles kept changing and gaps between principles and practice often were very wide.

In the post Cold War period, China has tried to reassure neighboring leaders who well remember the violence and threatening Chinese practices of the past. China's recent behavior in the South China Sea and East China Sea has been seen by neighbors as intimidating and truculent, recalling past intimidation and coercion. Part of the problem in efforts at reassurance is that Chinese elite and popular opinion shows almost no awareness of past

Chinese excesses, and therefore has little appreciation of the reasons behind the wariness of many neighboring governments, and of the main outside power in the region, the United States. Regarding the latter, one other practice noted earlier, seen throughout the history of PRC foreign relations and supported by the strong patriotic discourse in China has been to register strident opposition to efforts by outside powers to establish and sustain positions of influence and strength around China's periphery. Such moves by the United States and the Soviet Union in the past and Japan and India up to the present, are repeatedly seen by Chinese authorities as well as elite and public opinion in grossly exaggerated terms of threat to China, a revival of Cold War "containment."²²

Chinese elite and popular opinion, which is strongly influenced by patriotic discourse emphasizing victimization by other powers, also involves a unique and strong sense of morality and righteousness in foreign affairs. As a result, Chinese opinion tends to see whatever problems China faces with neighbors and other concerned powers including the United States over sensitive issues of sovereignty and security in nearby areas as caused by them and certainly not by China. Accordingly, it has little patience with the complaints of other claimants and calls by some of them and other concerned powers for China to compromise on sensitive issues involving sovereignty and security.

If China continues its assertive advances into disputed nearby territories, such actions are likely to be seen as a direct test of U.S. resolve as a regional security guarantor under the rubric of the Obama reengagement policy in the Asia-Pacific. The Chinese advances would make more likely confrontation between a more assertive China and a reengaging United States. Thus, the willingness and ability of China's leaders to curb recent assertiveness and deflect public and elite pressures for tougher foreign policy approaches represents, perhaps, the most important indicator of whether or not U.S.-Chinese relations will remain on a path of pragmatic engagement with leaders on both sides carefully managing differences to avoid confrontation and conflict. Against this background, it was reassuring that Chinese leaders from Xi Jinping on down took pains to warmly welcome visiting U.S. Treasury Secretary Jacob Lew and visiting U.S. Secretary of State John Kerry during their respective visits to China in March and April 2013. The two sides underlined common ground on Korean denuclearization, broadened the purpose and scope of Sino-American official dialogues, and announced the convening of the high level Sino-American Security and Economic Development Dialogue in the United States in July 2013. In this way, they reaffirmed a commitment to managing differences while both competing and cooperating in important ways.²³

ENDNOTES

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ASIA'S UNCERTAIN FUTURE: KOREA, CHINA'S AGGRESSIVENESS, AND NEW LEADERSHIP

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