

## The Rise of China and the Future of America's Asian Alliances

I. INTRODUCTION: It is a pleasure to be visiting Vietnam for the first time, and I am grateful for the opportunity to speak with you. I am going to focus on the strategic implications of China's increasing power, and focus in particular on how it will affect U.S. policy in Asia and alliance relations in the region.

As you all know, there is now a lively debate about the strategic implications of China's emergence as a major power. Optimists tend to think that rivalry between China and the US is not inevitable, and that careful diplomacy and growing economic interdependence can lead to a constructive partnership. Those of us who are more pessimistic—I would say more “realistic”—think that a serious rivalry will be hard to avoid, though we don't think that war is inevitable. How these events unfold will depend on how China behaves, how the United States responds, and especially on how other Asian states react. And it is those three issues that I am going to focus on today.

In brief: I am going to argue that if China continues to grow economically, then the United States and China are virtually certain to be rivals. Security competition between them is likely to be intense, and security cooperation, will be hard to sustain. I am not saying that war is inevitable, but I do think the danger of war will increase. It would be nice if this were not the case, of course, but statecraft should begin not with wishful thinking but with a clear-eyed sense of what is most *likely* to happen. This situation is going to encourage Asian states to seek closer ties with the United States, and encourage the United States to devote more of its strategic attention to Asian affairs. Maintaining an effective balancing coalition is not going to be easy, however, and it will require adroit alliance management and intelligent diplomacy by Washington and by its various Asian partners.

A. Roadmap: To explain why I think so, I will:

1. Explain why we need to apply theory and history to this problem,
2. Consider what theory tells us about future of Sino-US relations.
3. Consider how Asian states are likely to react, and identify some of the dilemmas of alliance management we are going to face.
4. Consider the most obvious counter-arguments to my position, and explain why they don't alter my conclusions.
5. Lastly, outline the policy implications of my arguments.

I'll try to do this in about 40 mins., so there's plenty of time for discussion.)

## II. NEED TO APPLY HISTORY AND THEORY:

- A. First point I would make is that looking at the current state of Sino-American relations tells you very little about our future relationship.
1. Reason is simple: how states define their interests, and how they try to defend them, is largely determined by relative power.
    - a) As states grow stronger, their "vital interests" tend to expand.
      - i. Consider the history of the United States, for example. It was isolationist for much of our early history, but now we think we are the "indispensable nation" with vital interests everywhere, and we tend to meddle all over the world.
      - ii. As relative power shrinks; interests contract (UK)
  2. Akin to trying to determine what you might want to buy if you suddenly won the lottery: you'd discover "vital needs" you never knew you had.

B. Need for history and theory: This means that having lots of facts about the *present* state of Sino-American relations isn't all that useful, b/c the basic nature of the relationship is going to change. To anticipate that change, we need to ask what history and theory tell us about relations among great powers, and especially relations among *potential regional hegemons*.

C. With regard to history: it suggests that two most powerful states in the international system rarely get along very well.

1. Remember Athens-Sparta, Rome-Carthage, England vs. France, or the Soviet Union vs. the United States during the Cold War.
2. Reason is simple: they don't get along because each is the greatest potential threat that the other faces, and neither can be completely sure what the other one might do.

D. This pattern isn't just an accident, of course; it flows directly from a realist view of international politics.

1. All states want to survive and hopefully prosper.
2. Unfortunately, there is no central authority to protect states from each other.
3. No state can know with 100 % confidence what some other state might do, either now or at some point in the future, which makes them sensitive to the balance of power and makes them prefer to be stronger rather than weaker.
  - a) Why? Because the stronger you are, the less likely you are to be conquered, coerced, or otherwise compelled to do someone else's bidding.

Even if relations are tranquil right now, you can't be sure what another state might do in the future, and that means states tend to worry if others start catching up or getting ahead. As a result, the most powerful states in the system tend to be very sensitive about the balance of power between them, and both would prefer to be the stronger rather than the weaker.

**Implication:** if US and PRC are the two strongest states in the system, they are likely to compete for power. Each will look for ways to get ahead, or look for ways to drag the other down. They will compete for allies, for advantage,

for new military breakthroughs, etc. Note: this will happen not because either side's leaders are especially evil or aggressive; they are merely trying to make sure that they don't become vulnerable, in case the other side decides to do something to them.

III. THE PURSUIT OF REGIONAL HEGEMONY: The next question to ask is: what is the best way for a great power to maximize its security in a world of anarchy? One answer, as John Mearsheimer lays out in his book *The Tragedy of Great Power Politics*, is to become a regional hegemon.

A. By regional hegemon, I mean being the only great power in a particular geographic area. This doesn't necessarily mean conquering everyone and establishing a formal empire; it just means having a big enough margin of superiority so that nobody nearby can challenge you.

B. US is only successful regional hegemon in modern history.

1. Started out as 13 weak and vulnerable colonies.
2. Expanded steadily across North America, in what was called Manifest Destiny. Conquered and took Florida from Spain and Texas, NM, Arizona and California from Mexico
3. At same time, it declared the Monroe Doctrine, in effect telling other great powers to stay out of our backyard. We were too weak to enforce this until late 19<sup>th</sup> century, but as US power grew, we gradually shoved other great powers out, including GB.

C. Why is regional hegemony so desirable?

1. If a state achieves regional hegemony, it means there are no major powers in its immediate neighborhood.
  - a) no danger of conventional attack from neighbors
  - b) Rivals can't use your neighbors to contain you.
  - c) blockades or other forms of pressure are much more difficult.
  - d) Also facilitates intervening in other parts of the world, b/c you

don't have to worry about defending your own territory.

e) Look at US: we spend very little on territorial defense

because we have no rivals nearby. And that leaves us free to put troops in Asia, Europe, the Middle East, and lots of other places.

Would be very different if we faced a serious rival in Western hemisphere.

D. 2<sup>nd</sup> American Goal: prevent *regional hegemony* by other states: It has long been a major US goal to keep any other state from achieving regional hegemony in its own area. In other words, US wanted to dominate the Western hemisphere, and keep any other country from dominating Europe or Asia.

1. Entered WWI to prevent German victory.
2. Did the same in WWII, to prevent Germany from dominating Europe and Japan from dominating East Asia.
3. Fought Cold War for essentially the same reason.

Notice, by the way, the fact that Germany, Japan and USSR all tried to achieve hegemony in *their* regions suggests that US isn't only country that understands the logic I am laying out. Also notice that these states all failed in part because they tried to achieve regional hegemony from a much smaller resource base.

E. Why did US oppose these various attempts to do what it had done?

1. If Eurasia divided, great powers there will worry mostly about each other, and not about US. In fact, some of them will want to ally with us, which enhances our influence.
2. If no regional hegemon elsewhere, no concentration of power equivalent to our own. If any single state controlled combined resources of Europe or Asia, in theory it could rival our overall power capabilities.

Bottom line: ever since the US became a great power—more than 100 years ago—it has sought to maintain a position of regional hegemony in the Western hemisphere, and to deny that same status to any other great power, in that great power’s own region. And it did so largely for reasons of power politics: US leaders understood that this arrangement was a great boon to US security.

IV. CHINA’S RISE: Now consider the implications of China’s rise.

A. Assuming China continues to develop economically, it will:

1. eventually have a GDP that exceeds that of the US. (*Economist* magazine recently estimated that this will occur in 2019).
2. As per capita income rises, its government will have more revenue it can use for various goals, including national defense.
3. Industries will continued to modernize, will acquire various forms of advanced technology, including some w/ military applications.
4. China’s dependence on outside world also likely to grow, both in terms of trading outlets but also demand for resources, esp. energy. And this means PRC will want greater capacity to shape world events.

Now the question is: how will this affect Chinese strategy, and how is the United States likely to respond?

B. China’s strategy:

1. China has long history of foreign interference and leaders understand that being weak leaves you vulnerable to all sorts of pressure. China’s leaders see world in terms of “power politics.”
2. Clear interest in establishing position of regional hegemony in Asia. I’m not talking about direct conquest; but rather a position akin to US position in W. hemisphere.
  - a) PRC as strongest power, w/no military rivals nearby.
  - b) Ideally, would also like to exclude other great powers from

having major security commitments in region, just as US did via the Monroe Doctrine.

Logic here is clear: if US can be a regional hegemon in its neighborhood, why wouldn't PRC desire a similar role in its region?

### 3. Implications:

- a) over time, PRC will want to encourage US to remain bogged down in places like Iraq, Afghanistan, Yemen, Sudan, and elsewhere. It's expensive for US, and it keeps us distracted while China builds its power and expands its influence.
- b) PRC not likely to give us meaningful help on issues like Iran's nuclear program, b/c they want to preserve their commercial ties with Iran and b/c they don't want US and Iran to resolve differences.
- c) As economy grows, China will gradually expand military power, and it will focus at first on capabilities that make it riskier for US to confront China in its own neighborhood.
- d) At same time, gradually build up its presence in Indian Ocean, with an eye on ocean routes between PRC and PGulf.
- e) Most important: play "divide-and-conquer" in East Asia. By building economic and diplomatic ties with neighbors in Asia, want to gradually push US out of the region, the same way US eventually pushed UK out of Western hemisphere.
- f) Finally, as Chinese power grows, you might expect it to build relationships with countries in the Western hemisphere, both because this might be profitable, but also because it will force the United States to focus more energy and attention closer to home. And how could the U.S. object, given that it has alliance treaties with Japan, Korea, the Phillipines, and Australia, plus security ties to India, Taiwan, Singapore, and others?
- g) Now, is there any signs that this is occurring? **Yes.**

- i. Since 1989, PRC defense expenditures have increased by an average of more than 10% each year.
- ii. Gradually developing greater power-projection capabilities, including increased naval forces. Already has largest navy in Pacific. Its forces are not as modern or as capable as some other fleets, but this will change w/time.
- iii. Seeking “area denial” capabilities—including anti-ship ballistic missiles--designed to make US forces vulnerable near Chinese homeland.
- iv. As you all know, in recent years has been more assertive in claiming rights on South China Sea and Sea of Japan, and been very heavy-handed in dealing with neighbors, as in its dispute with Japan over a seized Chinese fishing trawler, or its seizures of Vietnamese fishing vessels.

C. US reaction: These developments are fundamentally at odds with US desire to prevent anyone else from gaining regional hegemony, and I am right, then we ought to see US take steps to discourage China from achieving military parity in E. Asia, and to resist any attempt to push us out of our security partnerships in the region. In fact, you would expect the US to be forging *new* security partnerships in Asia, as it is done with India. Indeed, as I will outline in a moment, US has been reinforcing its position in Asia in other ways.

In short, we can already see the first signs of a competition for influence between US and China. We don't yet know how serious it will be or who will win that contest, but the main point is that it is bound to lead to lots of friction between Beijing and Washington. PRC is likely to see US efforts to protect



current position as evidence of “encirclement,” and US is bound to view efforts to push it out of the region as a sign of dangerous Chinese ambitions.

**Bottom line:** History, theory, and recent events all suggest that Sino-American relations are going to get worse, and that the two states are likely to engage in intense security competition. Beijing and Washington will eye each other warily and look for opportunities to advance their own interests and undermine the other side’s, and their efforts to do this will create lots of opportunities for trouble.

The next question is: *what does this mean for other states in Asia, and especially for America’s Asian alliances?*

## V. IMPLICATIONS FOR ASIAN ALLIANCES

A. **Good news:** From a US perspective, there are two obvious pieces of good news.

1. First is that China’s strategic position is not that favorable.
  - a) 14 neighbors on land and eight at sea, w/ at least six serious territorial disputes.
  - b) four of China’s neighbors have nuclear weapons, and several others could get them quickly if they needed to.
  - c) Several neighbors are potential failed states, with could be a real headache for Beijing
  - d) China also faces potential adversaries with large and sophisticated militaries, including US, Japan, India and Russia.
  - e) Finally, China faces some significant internal challenges, including an aging population, corruption, ethnic tensions, and a fear of popular discontent.

Compare that with US position: no GPs nearby, no nuclear weapons states in W. hemisphere, only two states on borders, etc.

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2. Second, and following from the first point, there is considerable potential for a strong *balancing* coalition in East Asia, which means that if China does seek regional hegemony, it is not going to be easy to achieve it.

a) If China's power grows, if its offensive capabilities increase, and if throws its weight around, others will tend to balance against it. The alternative is to go neutral or to bandwagon by allying with China, but that means accepting a position of subordination. So long as allies are available, balancing is what we should expect.

3. Signs of Balancing: And that is precisely what we are now seeing throughout East Asia.

a) As I already mentioned, steady increase in strategic cooperation between US and India. US has also restored military-to-military ties with Indonesia, backed S. Korea strongly in its recent disputes with the North, and moved closer to Malaysia and Vietnam too. And it's not just the United States.

b) Japan's ten year defense plans explicitly identifies China as a "concern" and calls for strengthening Japanese air and naval capabilities and shouldering a greater regional burden. In October 2010, a survey of Japanese citizens found that 90% thought relations with China were "poor," a figure twice as high as the previous year. (Especially striking given that DPJ had previously criticized the LPD for this).

c) According to SIPRI, imports of conventional arms by

China's SE Asian neighbors nearly doubled over past five years. Indonesia increasing arms imports by 84%, Singapore by 146%, and Malaysia by 722 percent (!).

c) Australia's Defence White Paper in 2009 is equally clear in highlighting growth of Chinese power, and Aussies are planning to increase their submarine and Air forces and reaffirming value of alliance with the United States.

d) Vietnam has recently purchased Kilo submarines and long-range aircraft from Russia and is seeking improved ties with the U.S. as well.

Taken together, these trends all suggest that a Chinese effort to establish regional hegemony in Asia will almost certainly be resisted by the U.S. and a growing # of Asian countries.

*So that's the good news.*

C. Bad news: Yet at the same time, there are several features of America's Asian alliance network that are more worrisome.

1. Collective action problem: The first is the obvious dilemma of collective action that affects any large alliance system.

a) allies all share a common interest in preventing Chinese dominance, but they also have an individual interest in having others bear most of the burden. This temptation to "pass the buck" to others also leads alliance members to spend a lot of time posturing:

a) allies will threaten to bandwagon if US doesn't do more.

b) US may threaten to disengage if allies keep free-riding.

This sort of bluffing is normal but if it goes too far, it could fuel resentment within the alliance and reduce its cohesion.

2. Second, America's Asian alliance network covers a vast amount of territory.

a) New Delhi and Taiwan are nearly 3000 miles apart, and the distance from Canberra to Taiwan is over 4500 miles. The distance from Tokyo to Singapore is over 3000 miles too

b) Many of these states are separated by large bodies of water.

c) This situation has several obvious effects:

i) unlike NATO during Cold War, where an attack on one member was an immediate threat to the others, one can imagine different members of this far-flung network not caring as much if one of the others got into trouble. If there were a military crisis between China and Taiwan, for example, would Australia or India feel compelled to respond? Maybe, but maybe not.

ii. Even if they did, the distances involved make it much harder for these states to give each other mutual aid. If Vietnam or Singapore were threatened, what could Taiwan or Australia do to help?

3. Lack of institutions: Third, and again in sharp contrast to NATO, the security environment in Asia is not well-institutionalized, and different states do not agree on how stronger institutions should be built. ASEAN members want to maintain ASEAN's autonomy, some worry that building larger institutions would be seen by China as provocative—and they may be right—and there are lingering suspicions among potential members that will complicate any effort to create more effective alliance organizations.

4. Lastly, the obvious solution to these problems is strong alliance leadership, which in theory the US could provide. Unfortunately, the

United States has been badly distracted by the global war on terror, and the costly occupations of Iraq and Afghanistan. As Singapore's Lee Kwan Yew said late last year, the intellectual resources of the United States had been "sucked away" by the problems in the Middle east, making it difficult for the US to focus on China and Asia more broadly.

So while the ingredients for a strong balancing coalition are there, there is no guarantee that it will achieve sufficient cohesion to achieve its core task. And remember: the issue isn't how well these alliances perform right now; the question is how well they will perform as China becomes stronger and more assertive. But before I consider how to address that problem, let me briefly consider four counter-arguments to the rather pessimistic picture that I've been sketching.

#### V. COUNTERARGUMENTS:

**A. Nuclear weapons:** First counterargument is that the nuclear revolution makes conventional conflict very unlikely, and this will keep Sino-American relations within bounds.

1. I agree that nuclear weapons encourage states to behave cautiously, but remember that both US and USSR had vast nuclear arsenals during Cold War, and this didn't stop them from engaging in a very intense rivalry, including military confrontations and proxy wars.

**B. Economic interdependence:** second counter-argument one often hears is that the US and China are too tightly intertwined economically to fight with each other, and that mutual interests in economic cooperation will dampen any potential for serious rivalry.

1. It would be nice if this were true, but there are good reasons to be skeptical.

a) lots of economic ties between US and UK in 19<sup>th</sup> century,

but we still saw UK as a rival.

b) GB and Germany were each other's largest trading partner in 1913, but didn't stop them from going to war.

2. China's engagement in world economy has created reasons for conflict that didn't exist before, such as the simmering dispute over value of renminbi and China's growing demand for raw materials.

3. For past twenty years, US has sought to bring China into various international institutions, as way of socializing and constraining Chinese power. There's nothing wrong with that, but it won't revert Sino-American competition.

a) SU was involved in plenty of them; still had Cold War.

b) Most institutions too weak to stop GPs from doing whatever they want.

c) As PRC power grows, it will expect institutions to conform to its interests; won't just passively accept a bunch of institutions and norms created by US and West.

**C. Common concerns:** Third, one could argue that PRC and US have powerful common interests, such as climate change and combating terrorism, and these shared interests override the potential for conflict.

There is something to this, but:

1. Terrorism is mostly our problem, not theirs.

2. Climate change = classic collective good, and neither US nor PRC wants to pay lion's share to deal with it. The more China grows and the greater the Sino-American rivalry, harder it will be to reach a cooperative solution.

3. Cold War once again provides cautionary tale: US and SU cooperated on NPT and other matters of common interest, but that didn't stop the overall competition.

D. **Good judgment:** Finally, you sometimes hear people say that Sino-American rivalry would be a disaster for both countries, and that all it takes is far-sighted and mature leadership on both sides. These are the people who talk about the importance of “managing” Sino-American relations. I’m in favor of that, but I am not optimistic about this solution as a long-term strategy. Why?

1. If both sides always have mature, smart, and enlightened leaders during that entire period, probably ok.
2. But all it takes is for one or the other to be led by impulsive, bellicose, or not very competent leaders, and then you could get lots of trouble.
3. So ask yourself: how likely is that at some point in the next thirty or forty years, there will be less-than-competent leaders in Beijing or Washington, or possibly even in both places simultaneously? Based on past record, I’d say the odds are pretty good that you get the wrong sort of leaders at least once, and that you certainly wouldn’t want to base your hope of lasting cooperation on the assumption that there will always be somebody smart and skillful in charge.

VI. WHAT IS TO BE DONE? And that means we do have to think about how we can strengthen America’s existing Asian alliances. Let me close by briefly suggesting what needs to be done.

1. First, United States needs to continue shifting its own strategic focus towards Asia.
  - a) get out of Iraq, and end war in Afghanistan ASAP.
    - i. we have sluggish economy, big deficits, and we are spending \$100 billion a year on Afghanistan, a country whose total GDP is less than \$20 billion (and a lot of that is opium).
  - b) move away from current preoccupation with counter-insurgency, and back toward a strategy of *offshore balancing* that emphasizes air and sea power.
  - c) U.S. presence and engagement is critical in Asia, and our Asian

friends can do us and themselves a favor by reminding Washington that what happens here matters a lot more than who ends up running Afghanistan.

2. US and its Asian allies—and I might add, states such as Vietnam too—need to have candid and cordial discussions about specific security tasks, aimed at establishing an effective division of labor. The US and its Asian and South-east Asian partners have more than enough capability to defend their interests, provided that nobody shirks and provided that we allocate assets efficiently. Doing this also enhances the credibility of deterrence, which will help keep any future rivalry within bounds.

3. At the same time, US should strive to maintain a dialogue with Beijing. This is partly because our two nations do have certain shared interests, but also because we want to avoid exaggerated suspicions.

a) for example: it would be good to get a clearer understanding of each side's "red lines," to minimize the danger of taking an excessively provocative action without even knowing it.

b) This might also be a useful time to ask whether changes in military technology might be creating dangerous first-strike incentives, which could make some future crisis less stable.

i. Chinese anti-ship ballistic missile capability like to be dependent on land-based fixed radars. In a crisis, this means US would have incentive to pre-empt them, and PRC would have incentive to use its weapons before that occurred.

4. Finally, we are going to think seriously about building a more robust security architecture in the region, and moving beyond reliance on ASEAN alone. Given China's economic power and geographic proximity, and given the size and geographic scope of America's Asian alliances, trying to manage this as a set of bilateral relationships with Washington is going to be very inefficient.



Furthermore, it would give China ample opportunity to play “divide-and-conquer.” If I am right and China becomes stronger and more assertive, then it will be necessary to institutionalize America’s Asian alliances in a more robust and multilateral way.

CONCLUDING THOUGHTS: This has been a rather pessimistic talk, but I want to end on a slightly optimistic note. Nothing I have said today suggests that war in Asia is inevitable, or that security competition will be so intense as to undermine the continued economic development of the region. On the contrary, I think that peace and stability is more likely if we recognize that competition is going to happen, and if we take prudent and timely steps to prepare for it.

Thank you.