



In This Issue:

IN A FORTNIGHT
By Peter Mattis.....1

CHINA'S SHADES OF GREY
By Jonathan Fenby.....3

DIAOYU-SENKAKU CRISIS TESTS RESILIENCE OF BEIJING'S JAPAN DIPLOMACY
By Willy Lam.....6

SINO-JAPANESE RELATIONS: CITIZENS TAKING CHARGE DESPITE GOVERNMENT EFFORTS
By Andrew L. Oros.....9

CHINA'S SEARCH FOR A "NEW TYPE OF GREAT POWER RELATIONSHIP"
By Michael S. Chase.....12



Hong Kong Activists Planting
Flags in the Diaoyutai

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In a Fortnight

By Peter Mattis

ANGOLA OPERATION SHOWS CHINA TESTING OVERSEAS SECURITY ROLE

On August 25, officials from the Chinese Ministry of Public Security (MPS) escorted 37 suspects back to China for violent crimes—including human trafficking, kidnapping, robbery and blackmail—against Chinese émigrés in Angola. The MPS made the arrests in a joint operation with their Angolan counterparts at the request of Luanda and under the aegis of an agreement inked in April (Xinhua, August 25; *Wen Wei Po*, August 25). Although press coverage at the time did not provide the details of the agreement signed by MPS chief Meng Jianzhu and Angola’s interior minister, the MPS dispatched an advance team in May to begin working on this investigation and a working group in July (China News Service, August 29; Xinhua, August 25, April 25). This development—coming on the back of Beijing’s Mekong security initiative and kidnappings of Chinese citizens in Africa—signals China’s intent to take a more active role overseas protecting its citizens abroad.

Official Chinese press noted the MPS operation was the first such joint operation conducted in Africa; however, it is not the first such Chinese law enforcement operation outside China, nor even in Africa (Xinhua, August 25). An MPS team dispatched to the Congo in November 2010 to rescue Chinese tricked into prostitution left empty-handed, because the women reportedly preferred to stay

there—not exactly the outcome one would expect Beijing to tout (*South China Morning Post*, January 1, 2011). More recently, Chinese police last month worked with their Burmese counterparts to take down a drug production facility inside Burma (*The Irrawaddy*, August 16). In May, one report suggested the MPS also conducted a joint operation with local law enforcement inside Laos to arrest Burmese drug kingpin Naw Kham, who is believed to have been behind the murder of 13 Chinese sailors on the Mekong last October (*Shanghai Daily*, May 11). Most reports, however, suggested the investigation was conducted cooperatively under the auspices of the “Mechanism for Law Enforcement Cooperation along the Mekong River” and the final arrest made by Lao authorities before Naw Kham was handed to Chinese police in Vientiane (Ministry of Public Security, May 16; *Beijing News*, May 11; “Mekong Murders Spur Beijing to Push New Security Cooperation,” *China Brief*, November 11, 2011). There are other small but successful examples from the mid-2000s that contrast sharply with Beijing’s botched dealings with fugitive Lai Changxing (*Apple Daily*, July 25, 2006; *Taipei Times*, July 21, 2006).

Between the Mekong incident last October and kidnappings in Africa earlier this year, Beijing has faced public pressure over its seeming inability to protect Chinese citizens abroad (*China Daily*, February 1; Xinhua, January 30; *Guangming Daily*, October 10, 2011). China’s ability to provide physical security abroad—either using government or private security personnel—however, remains relatively limited (“Assessing China’s Response Options to Kidnappings Abroad,” *China Brief*, May 11). Given this situation and China’s rhetorically rigid adherence to the non-interference principle, expanding international law enforcement cooperation and preparing “expeditionary” MPS teams to work with local security authorities probably is Beijing’s best option. Given that previous examples were downplayed, the trumpeting of the success in Angola is a sign that China is committing both to greater international law enforcement cooperation as well as protecting its citizens abroad.

CAMBODIAN VISIT TO CHINA RUBS SALT IN ASEAN WOUNDS

On September 1–2, Cambodian Prime Minister Hun Sen traveled to Urumqi to attend the second annual China-Eurasia Expo and to meet with Chinese Premier

Wen Jiabao about continuing Chinese developmental aid (Xinhua, September 2). Although the significance of close Cambodian-Chinese ties is minimal in a bilateral context for Beijing, the regional implications for the South China Sea made the meeting appear to be the consummation of a quid pro quo as Phnom Penh has acted as surrogate for Chinese interests in the Association of Southeast Asian Nations (ASEAN). Cambodia came away from the trip with agreements in principle for a basket of aid and significant Chinese investment.

Beijing appears to be rewarding Cambodia almost explicitly for its support in stalling ASEAN deliberations. Premier Wen thanked Hun Sen “for [Cambodia’s] important role in maintaining the overall situation of friendly relations between China and the ASEAN” (Xinhua, September 3). Wen also agreed in principle that Beijing would loan Cambodia \$300–500 million for infrastructure and agricultural development, while another \$80 million in loans are expected to be finalized later this year. Wen also added a grant of \$24 million for use where Phnom Penh found appropriate (*Jakarta Post*, September 5; Xinhua, September 3). During the meeting, which was “held in a close and deep atmosphere with the spirit of friendship and close cooperation,” Hun Sen also thanked Wen for China’s support for Cambodia’s bid to be on the UN Security Council for 2013–2014 (*Global Times*, September 3).

Although Sino-ASEAN relations are much more than just territorial disputes—China is now ASEAN’s largest trading partner—regional actors reacted with suspicion to Hun Sen’s China visit (*Jakarta Post*, September 5; *People’s Daily*, August 29). Wen’s expression of appreciation for Cambodia reproduced Manila’s negative reaction to Phnom Penh’s obstruction of Philippine and Vietnamese efforts to coordinate ASEAN pressure on China (*Philippine Star*, September 3; “China Pushes on the South China Sea, ASEAN Unity Collapses,” *China Brief*, August 3). The bad blood this incident engendered overcame diplomatic courtesy. The Cambodian ambassador to Manila was asked to leave the Philippines after he publicly blamed Hanoi and Manila for dirty tricks that prevented an ASEAN joint communiqué in July (*China Post*, August 14). Even if innocent, the timing and statements of the visit feed suspicions of Chinese behavior.

As contentious as Chinese manipulation of ASEAN's consensus might be, Beijing's subtle hand avoids the letter of U.S. and regional accusations of coercion. In rejoinder to U.S. admonitions and during Secretary of State Hillary Clinton's visit, official media editorialized: "if China could really deal with the Philippines and Vietnam through 'coercion,' these two countries would not have acted as provocatively in recent times, and the South China Sea issue would have been much simpler, because the parties involved would have simply prepared for war" (*Global Times*, September 5). It might not be fair but it is peaceful.

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China's Shades of Grey

By Jonathan Fenby

China seems to call out for dramatization. In part this may be the result of its tumultuous history from the First Opium War and the Taiping Rebellion through to the Cultural Revolution and the death of Mao Zedong in 1976. In part it is a reflection of the sheer scale and speed of the country's growth since the late 1970s. In part, it springs from the huge uncertainties surrounding the world's most populous nation and the opaqueness of the governing system of the second largest economy on earth.

The secrecy and lack of secure mooring posts can only fan extreme judgments. So we have, on the one economic hand, the vision of coming collapse of China dating back ten years and reiterated despite the country's stubborn refusal to implode in that period; or China is on "treadmill to Hell"; or, at the very least, it is headed for Japanese-style lost decades. On the other hand is the argument that China will rule the world, and that its leaders can proclaim "We are the masters now" as China owns the 21st century. George Soros, Francis Fukuyama and Thomas Friedman have all lined up on occasion to laud China as being run more efficiently than the United States, despite the major inefficiencies, imbalances, inequalities and logjams that permeate the People's Republic. Politically, a similar

divide exists between those who believe China must democratize if it is to survive and those who believe that competitive elections would bring chaos. On either side of each argument, a decisive quote about where China is heading is sure to make news, the more trenchant the better (Caixin, August 13; *Foreign Policy*, December 29, 2011; *Wall Street Journal*, November 18, 2010) [1].

At least some occupants of the various camps tend to regard anything but cut-and-dried views of the People's Republic as wimpish cop-outs. The fact that events have not born out their forecasts does not stop them pumping away at their chosen lasts, though the historian Niall Ferguson, who envisaged President Obama seeing a "We are the masters now" bubble over Hu Jintao's head when they met in late 2010, did revise his view after travelling through China this year and seeing the fault lines that run through the supposed mastery. Stand up and cast your vote one way or the other is the watchword of those convinced that they have identified the keys to China's future. That certainty grabs headlines but is quite dangerous.

China is too important and too complex to allow for snap judgments. Extrapolation is facile but not very useful—remember the soar-away forecasts by Goldman Sachs a couple of years back that China would hit 12 percent growth and then "the sky's the limit" [2]. The keys to the future seem to lie, rather, in the grey areas, which, by their nature, do not lend themselves to easy conclusions, but will shape the way China evolves in the decade until Xi Jinping hands over the party's leadership to his successor in 2022. A healthy dose of agnosticism is in order, taking into account the realities on the ground rather than the pre-ordained views of observers.

Yes, Yes but No...No

Yes, China is a great power which will grow even more important in the coming years. Yes, in mega-macro terms, its economy will overtake that of the United States in size by the end of this decade. In per capita terms, China, however, will remain far behind the other great power and the crude GDP figures do not say much about how the country will evolve in political, social and human terms or in its relations with the rest of the world given the importance of its domestic preoccupations.

Yes, in micro terms, China's electricity consumption has been falling but it is misleading to draw a straight line from that data to the economy as a whole at a time of rebalancing away from heavy industry. Yes, the banking system is holding huge amounts of non-performing loans and there has been massive over-building of property. Those loans, however, are put officially at only one percent—of course, that number depends on how they are classified and some banks have higher levels. The probability, however, is that they will be absorbed into a special government-funded vehicle if they become a threat to the system and the property bubble shows every sign of having been deflated without provoking a crash (*People's Daily*, September 3; Bloomberg, August 7).

Yes, democracy would give the Chinese rights they have never enjoyed and could involve them in debates about the future of their country, but first there has to be the rule of law and accountability. The Communist Party, however, is unlikely to accept such oversight. Yes, Bo Xilai might have come out as winner of a popular presidential election with disastrous consequences, but that does not mean China can continue with the hermetically-sealed political process of the past ("Bo Xilai's Campaign for the Standing Committee and the Future of Chinese Politicking," *China Brief*, November 11, 2011).

Yes, China's officials are adept at producing sweeping plans, but their rate of achieving targets is rather lower. Why have the environmental measures issued in recent years had so little effect? Why has the plan to consolidate the steel industry drawn up in the mid-1990s still only been partially implemented? What effect do the repeated announcements of the need to eradicate corruption really have? Above all, have the planners been able to control the swings and roundabouts of growth as they would wish? The answer in each case is varying shades of negative. Implementing central policies is a centuries-old problem in China colored by local and sectoral interests and corruption. Xi Jinping had to remind cadres this spring of the need to "firmly implement actions to preserve the purity of the Party." Overall, the picture is not one of the highly-efficient bureaucracy imagined by foreign admirers (*Qinshi*, March 16).

The Regime

Major issues loom for the Chinese system itself. The first is the question of how the party-state is going to cope with the evolution that Deng Xiaoping launched in 1978 with the basic aim of maintaining the Communist regime. Making the party the vehicle by which China grew great was a clever political move enabling it to revive from the near-implosion of the Cultural Revolution and to claim a non-ideological source of legitimacy. The result, however, is a paradox for a regime which puts a premium on control—a point acknowledged even in party circles (*Study Times*, June 18).

The growth the Party needs to sustain its monopoly rule has brought greatly expanded individual liberties. Society has evolved very fast, particularly among younger urban residents whose thought and behaviour patterns develop in ways that escape central control; social media run rings round the censors and public opinion has shown a growing ability to mobilize. The key role that globalization played in China's rapid economic growth subjects it to external influences Beijing cannot regulate.

The China Paradox

Therein lies the paradox. Like all Chinese regimes before it, the People's Republic is based on top-down authority but the means it has chosen to buttress that authority are now sapping its foundations. The first thing to watch in seeking to chart China's future is the interplay between such factors. Observers have, of course, very little idea of how the decision-making process of the outgoing and incoming leadership proceeds and that opacity is likely to continue under Xi Jinping. The paradox that the regime, however, has spawned means it is possible to see the effects as they play out in everything from the membership of the new Politburo Standing Committee to the handling of protests, from the impact of food scandals to the progress of environmental protection measures.

The Economic Conundrum

As regards the economy, analysts face another puzzle. The outgoing administration has made it plain that it wants to get away from saw-tooth growth movements to achieve a more steady and stable state that can be

sustained through the current Five-Year Plan and the next one (Xinhua, March 16, March 5). Li Keqiang, who is likely to become premier next March, told the Boao Forum this spring that China suffered from a “serious lack of balance, coordination and sustainability in its development...and some outstanding structural problems” (Xinhua, April 3). The reforms needed to get on a more even keel, however, mean reducing the rate of GDP growth—that is, tampering with the core factor in Deng’s political power equation. The dangers are evident. Can a floor be put under the decline in the rate of growth or, in mirror image of the boom set off by the 2008 stimulus program, will it take on a momentum of its own? The truth is that nobody can know given the multiple factors and the psychologies of policymakers involved, providing yet another field of grey.

Social Materialism

Socially, China has grown far more complex in recent decades. There is a yawning gap between the sober-suited, buttoned-up leadership and young urbanites. The demographic shock looms, not just economically as China loses the dividend of a flood of young people coming into the labor force but also in human terms as it has to cope with a swelling army of old people without a decent system of pensions or welfare for them. The recurrent scandals in areas such as food and building standards on top of pervasive corruption bred a trust deficit that saps the authority the regime seeks to exercise. Since Confucianism and Communism gave way to materialism, China has become a much more difficult place to govern. Chalk one up for the naysayers.

Chinese Potential

Yet the last three decades have seen more people pulled out of poverty in a shorter space of time than ever before in human history—an accomplishment that allows the party to claim it is right for China’s historic and national circumstances (*Red Flag*, August 23; June 12). Given the repeated traumas and national decline of the century-and-a-half before Deng launched economic reform, this may be the best time to live in China for many of its inhabitants. For all the predictions that the China miracle is over as the country loses its edge in making and selling cheap goods, industry still has plenty of room for productivity improvements. Central state finances are

strong. There are many inefficiencies in the economy—including major excess capacity, misallocations, financial repression of households and a command-and-control financial system—but the regime still has the firepower to ensure the Deng equation holds, even if throwing a mountain of cash at problems as in 2008-9 has negative consequences over the longer term (*21st Century Business Herald*, August 24). The social programs that have been launched—and which will grow in scope in health care, education and welfare—will produce a country that should move out of its low place in successive United Nations Human Development rankings. So chalk one up for the boosters.

What Foreign Policy?

China is a great power but its foreign policy remains muddled. It has won the friendship of poor countries through its big aid programs and cherry-picked investments round the world, but, in general, it has not converted its economic strength into global political clout. It scraps with neighbors over sovereignty claims in the East and South China Seas but also wants to build up regional economic cooperation. It uses its permanent UN Security Council seat primarily to block infringements of national sovereignty and to protect the likes of the Assad regime in Syria (Xinhua, July 19; March 2). It is big contributor of peacekeeping forces to the United Nations, but in general it plays little role in formulating global policies. It calls for reform of the global financial system but puts forward few ideas beyond the unworkable notion of expanding Special Drawing Rights (Xinhua, June 20; February 20, 2011). Some generals make hawkish statements from time to time. The People’s Liberation Army, however, is in no shape for a military confrontation with the other superpower, and Beijing knows it would be ill-advised to ape Germany before World War One, however tempting the parallel may be for commentators (“Shifting Perspectives—Assessing the PLA from the Ground Up,” *China Brief*, January 20).

The Agnostic Case

China has grown too far and too fast to make sense to those accustomed to judging nations by Western orthodox standards, which assume higher quality data than is routinely available on China. Deng had a much longer timeframe in mind than the helter-skelter expansion of the

last three decades. His reforms are only half-completed with matters, such as land ownership, the constraints of the *hukou* registration system, capital markets, the legal system and pricing of water and energy, left unresolved. China remains work in progress, and it is a fair bet that even its new leaders have only a hazy idea of where they are going. Some of them, at least, appear to grasp the need for reform. Reuters last week quoted sources as reporting that Xi Jinping told reformer Hu Deping China must “seek progress and change while remaining steady” in the face of unprecedented problems (Reuters, September 7). With the notable exception of the lame duck Wen Jiabao, they would not include politics in this agenda but focus rather on the economy and society. Still change would be economically costly and challenging for the regime and its strong vested interests (“Storming the Castle of the Status Quo,” *China Brief*, April 26; Xinhua, April 3, March 14; Reuters, March 14; “The Politics and Policy of Leadership Succession,” *China Brief*, January 20).

So progress will be crab-like. China will move by trial and error in response to the balance of forces at central and provincial levels, the interplay of interest groups and the basic equation between political power and economic advance. Given the complexity of the factors involved, predicting a headline-catching outcome—waxing hegemon or failed state—must be a rash undertaking. It is more useful to watch how those factors move and to try to weigh them in agnostic fashion because the world is likely to find itself dealing with shades of grey in the China paradox for some time.

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Notes:

1. Gordon Chang, *The Coming Collapse of China*, New York: Random House, 2001; Martin Jacques, *When China Rules the World*, New York: Penguin, 2012; Henry Kissinger, Nial Ferguson, David Daokui Li and Fareed Zakaria, *Does the 21st Century Belong*

to China?, Toronto: House of Anansi Press, 2011.

2. Jim O’Neill, Goldman Sachs Chief Economist, at London seminars 2010–11.

Diaoyu-Senkaku Crisis Tests Resilience of Beijing’s Japan Diplomacy

By Willy Lam

The late patriarch Deng Xiaoping said famously about U.S.-China relations: “There are limits as to how good—or how bad—Sino-U.S. ties can become.” Can the same be said for China and Japan? While relations between the two most powerful Asian countries have apparently been heading toward a downward spiral since the early 2000s, the on-going row over sovereignty claims over the Diaoyu islets (known in Japan as the Senkakus) also demonstrates a considerable degree of willingness by the Chinese Communist Party (CCP) leadership to keep the altercations within manageable parameters. This is despite the fact that a number of high-profile Chinese commentators—who have cast themselves as the victims of “Japanese neo-imperialism”—have threatened to resort to arms to settle the 40-year-old dispute.

The latest run-in between both countries, which was ignited when several Hong Kong “patriots” landed on the Diaoyu-Senkaku islets on August 15, has proven to be particularly ferocious. Echoing the horrendous anti-Japanese demonstrations in 2005, tens of thousands of nationalists in the last two weeks staged rallies in more than 20 cities throughout the country. Late last month, a protestor in Beijing even ripped off the flag from the Japanese ambassador’s car (*Ming Pao* [Hong Kong], August 27; Sina.com, August 28).

The official Chinese press was replete with hard-line if not war-mongering voices. Major General Peng Guangqian proposed Beijing dispatch personnel to the Diaoyu islets for purposes of conducting scientific and environmentally-related research. “If Japan dares to dispatch soldiers [to stop the Chinese], we’d retaliate with missiles,” wrote General Peng. Renmin University social sciences professor Chen Xiankui went one better by

suggesting the People's Liberation Army (PLA) conduct "regular war games in the vicinity of the Diaoyu islands" so as to better demonstrate Chinese sovereignty. In a similar vein, popular commentator Major General Luo Yuan suggested the Diaoyu islets become a "shooting range for the PLA Navy and Air Force" should Japan dare to boost its military presence near the archipelago (*Wen Wei Po* [Hong Kong], August 30; Sohu.com [Beijing], August 24; *Global Times*, August 24; *People's Daily*, August 21). The usually hawkish *Global Times* even published a commentary, which was soon carried elsewhere, entitled: "If war breaks out between China and Japan, it will be a war that washes away the humiliation that China has suffered the past century" (*Global Times*, August 27; Sina.com, August 28).

The Japanese administration also seems to be displaying signs of unusual combativeness. While Tokyo has stuck to its long-standing policy of not allowing members of right-wing organizations to land on the archipelago, the Democratic Party of Japan (DPJ) administration of Prime Minister Noda Yoshihiko is proceeding with plans to "nationalize" the disputed territory through acquiring it from its private owner. Despite the fact that Japan's public debts are roughly two times its GDP, the Noda government has earmarked extra outlays for maritime defense procurement. Most Chinese commentators have attributed Tokyo's aggressiveness to the fact that the unpopular DPJ administration is gunning for votes from right-wing sectors in the run-up to probable general elections in November (CCTV, September 1; *People's Daily*, September 1).

Yet it is also clear that despite the relentlessly escalating tension, Beijing—and to a considerable extent Tokyo—thinks its national interests are best served if the row over the islets would not degenerate into small-scale naval skirmishes, let alone a full-fledged military conflict. Moreover, both countries seem eager not to allow nationalistic sentiments damage mutually beneficial economic ties. Signs that the CCP administration has been circumspect about the Diaoyu-Senkakus issue are not hard to find. For instance, Beijing has not allowed Chinese NGOs to emulate their Hong Kong counterparts by hiring boats to set sail to the islets [*Ming Pao*, August 17; Radio Free Asia, August 17]. More significant is the fact that the CCP leadership has this year exercised more restraint compared to 2005, when protests were

held against then-Prime Minister Koizumi Junichiro's visits to the controversial Yasukuni Shrine as well as the "whitewash" of Japanese war crimes in the country's history books (CCTV, April 25, 2005; *Ta Kung Pao* [Hong Kong], April 27, 2005).

Immediately upon the outbreak of the first wave of demonstrations on August 19 this year, the CCP Propaganda Department ordered all print and electronic media not to "overplay" the protests. Appeals made by individual firebrands to boycott Japanese merchandises were not allowed to see the light of day. This was despite the fact that a provincial newspaper, the *Wuhan Morning Post*, listed big-name Japanese firms such as Mitsubishi and Kajima Corporation which had allegedly provided funding and other kinds of support to "right-wing Japanese organizations." By contrast, an online petition in 2005 appealing to the public to stop buying Japanese products managed to collect about 2 million signatures before it was closed down by authorities (*Wuhan Morning Post*, August 31; *Wen Wei Po*, August 31; *Ming Pao*, August 21).

Moreover, Beijing has so far refrained from using economic weapons to penalize Japan. During the late 2010 Diaoyu-Senkakus crisis, which was precipitated by the detention of the captain of a Chinese fishing junk by Japanese coast guard in the vicinity of the islets, Beijing curtailed the export of rare earth minerals to Japan and restricted the number of Japan-bound Chinese tourists (Ifeng.com [Beijing], October 15, 2010; Southern Daily [Guangzhou], September 28, 2010). This time around, there has been no evidence of "mixing economics with diplomacy" and, given Beijing's restraint so far, there might not be as the result of this latest incident.

Equally significant is the fact that even at the rhetorical level, the official media late last month ran a number of surprisingly moderate pieces on bilateral ties. For example, the *Global Times* carried an article by Han Xiaoqing, a senior Tokyo-based correspondent of *People's Daily*, that accused the Hong Kong "patriots" who landed on the Diaoyu-Senkakus in mid-August of "having hurt China's national interests." Han argued, given that China still required Japanese investment and technology for modernizing its economy, the most rational course would be to heed Deng Xiaoping's 1978 dictum of "setting aside sovereignty and focusing on joint development."

She offered this advice to pro-Diaoyu nationalists: “Since the time for resolving the Diaoyu issue has not arrived, desist from rattling the sensitive nerves [of both peoples] and desist from challenging the limits of both peoples’ tolerance” (*Ming Pao*, August 28; *Global Times*, August 27).

Indeed, strong symbiotic economic links between the two powerful neighbors may predispose both capitals to adopt rational measures to resolve the sovereignty disputes. The phenomenon of “cold politics, hot economics” has characterized bilateral relations since the Koizumi era—and it is possible that the same rationale will prevent a rupture of relations now that both countries are facing tough economic realities. The Japanese economy seems to be running out of steam. The still-healthy sales of Japanese cars and other products in the China market are one of the few silver linings on the horizon. For the first time in recent memory, the Chinese economy is having problems maintaining taken-for-granted high-growth rates. As exports to the United States and European Union are slumping, major Asian markets, including that of Japan, have assumed added importance. Moreover, Chinese manufacturers are still eager to acquire Japanese know-how in areas ranging from information to green technology (FtChinese.com [Beijing] August 26; Sohu.com, May 13).

Moreover, quite a number of commentators have viewed the Diaoyu-Senkaku imbroglio via the prism of power politics in the region, especially the long-standing involvement of the United States in Pacific affairs. Instead of focusing on ways and means of snatching the Diaoyus from the Japanese right-wingers, these experts have dwelled on the more long-term strategy of dissuading Tokyo from hitching itself onto the bandwagon of Washington’s alleged “anti-China containment policy.” While speaking at an academic conference marking the 40th anniversary of the establishment of ties between China and Japan, former State Councilor Tang Jiaxuan pointed out Washington was behind the Sino-Japanese discord. “If Japan were willing to give up [the policy of] joining the United States in containing China, [tension between] China and Japan will cool down,” Tang said. “Japan should undertake a fundamental strategic make-over,” he added, “Instead of helping the [United States] tackle China, Tokyo should become the bridge between China and the [United States]” (*China Daily*, August 29; *People’s Daily*, August 29).

Similarly, in a commentary on the Diaoyu-Senkaku standoff, the *Global Times* dwelled on the intriguing China-Japan-U.S. triangle. “The era of Japan’s friendliness toward China is over,” wrote the paper. “Japan’s enmity toward China is more entrenched than that of the U.S.... Compared to South Korea, Japan is a lot further away from China; yet it is very tightly bundled together with the U.S.” The paper concluded “Japan’s foreign-affairs strategy has gone awry: this is the underlying cause of the current nervousness in China-Japan ties” (*Global Times*, August 29). The implicit corollary of these views is, once Japan has chosen to disengage itself from the perceived Washington-led encirclement policy against China, the Diaoyu-Senkaku problem will cease to wreak havoc on bilateral ties. Apparently anti-Japan scholars such as Renmin University’s Chen have gone so far as to suggest, if Tokyo were willing to say no to the U.S. containment policy, Beijing should support Japan’s bid to become a permanent member of the United Nations Security Council (Milchina.com [Beijing], August 24; News.21cn.com [Beijing], August 24).

Yet another crucial geopolitical development is Tokyo’s intensifying territorial struggle with Seoul and Moscow over respectively the Takeshima Island (called Dokdo in South Korea) and the Northern Territories (called the South Kuril Islands in Russia). Compared with the Diaoyu-Senkaku row, the Japanese government suffers a disadvantage to the extent that Seoul and Moscow exercise *de facto* control over the islands in question. Hard-line commentators in Beijing have called for some form of an alliance with South Korea and Russia to put pressure on Tokyo. This means Beijing, which has so far displayed neutrality over these disputes, would side with South Korea and Russia in return for these countries supporting China’s claims over the Diaoyu-Senkaku. For example, the *Global Times* indicated in an editorial last month that “China should support the territorial claims of Russia and South Korea so that [the three countries] can jointly deal with Japan” (*Global Times*, August 13; Sina.com, August 13). Beijing seems confident that, despite the Japanese government’s apparent ability to secure U.S. support over the Diaoyu-Senkaku issue, it has in its disposal carrot-and-stick ploys to persuade Tokyo to at least prevent the sovereignty row from escalating into a full-blown bilateral crisis.

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Sino-Japanese Relations: Citizens Taking Charge Despite Government Efforts

By Andrew L. Oros

At time when leaders in China and Japan were expecting to commemorate the 40th anniversary of the normalization of relations between the two states with a series of celebrations across both countries, instead leaders in both states are working to contain the latest nationalist flare-ups over “history issues” and the territorial dispute over the uninhabited Senkaku or Diaoyu islands.

One of the most interesting sub-plots about the most recent deterioration of Sino-Japanese relations is how it is happening despite the strong actions of both national governments. In this way, the recent crisis in Sino-Japanese relations is quite unlike the challenge Tokyo is facing with neighbors South Korea and Russia, and Beijing is facing with the Philippines and Vietnam. In those cases, state leaders are pursuing an intentionally provocative and nationalist agenda that is pushing relations toward a crisis. In the case of Sino-Japanese relations, policymakers in both governments are working to keep a lid on tensions, using state power to hinder the inflammatory rhetoric and actions of their citizens.

The underlying importance of positive Sino-Japanese relations for both sides explains why leaders are willing to expend political capital to calm the tension despite the popularity of nationalist rhetoric. China is Japan’s largest trading partner and an important source of corporate

profit for Japanese firms. Enhanced cooperation with China in the economic sphere is central to Japanese government strategies for further economic growth, such as negotiations over stronger intellectual property protection for Japanese patents in China, partnerships on civilian nuclear power security and development of cleaner energy sources. Such initiatives are scuttled by the rise in nationalist tensions as seen in previous crisis periods in Sino-Japanese relations. More broadly, regional stability is essential for both states in order to allow them to focus on economic growth strategies at a difficult time in the world economy. Japan and China together constitute over three quarters of economic output in East Asia and 15 percent of the world economy [1].

Current versus Past Crises

In the past seven years, there have been three major crisis points in Sino-Japanese relations: spring 2005, fall 2010, and now this summer. All of them have been related to so-called “history issues”—such as perceived shortcomings in apologies by Japan for its wartime conduct, textbook portrayals of Japan’s wartime conduct and visits by Japanese politicians to the controversial Yasukuni Shrine. Additionally, the latest two crises have been sparked by the territorial dispute over the Diaoyu island chain.

The latest crisis began with efforts by activists in Shanghai, Taipei and Hong Kong to sail to the disputed islands to assert Chinese sovereignty by planting a Chinese flag on the anniversary of the end of World War II. To their credit, the governments of China and Taiwan prohibited the activists from sailing, leaving only the Hong Kong activists to carry the Chinese flag. The cautious, status-quo stance of the Chinese government is illustrated by the published views of Han Xiaoqing, bureau chief for the *Ri-Zhong Xinwen* online paper, the *People’s Daily* news partner in Japan, under the headline “Hong Kong Diaoyu activists landed in the Diaoyus—Are they patriotic or harming the country?” Ironically, links to the article—republished in the *Global Times*—were blocked once nationalists in China protested the content (*South China Morning Post*, August 29).

Tokyo also worked to keep a crisis from developing over what it viewed as an illegal landing on Japanese territory. This contrasts with the policies of the newly-elected Democratic Party of Japan (DPJ) government led by

Hatoyama Yukio in September 2010 at the time of the last crisis. The decision by then-Prime Minister Hatoyama to hold a Chinese fishing trawler captain sparked a series of escalations with the Chinese government. In the case of last month's illegal landing, the pro-China activists were immediately deported with some of them allowed to sail away with their vessel. In addition, the Japanese government sought to keep a crisis from escalating by refusing permission sought by nationalist Japanese activists to plant a Japanese flag on the territory in response to the actions of the Chinese "intruders"—and to remove the Japanese activists quickly when they broke the law and swam to the islands to plant a Japanese flag (*Japan Times*, August 21).

In China, Japanese government efforts to purchase the islands from the private landowner who currently leases the largest islands to the central government are portrayed as an attempt to take control of the islands for nationalist purposes—a position also reflected in analysis based on Chinese sources (“Diaoyu-Senkaku Crisis Tests Resilience of Beijing’s Japan Diplomacy,” *China Brief*, September 7). Rather, Japanese central government efforts to purchase the islands—a plan realized this week—should be seen as yet another example of Tokyo’s efforts to maintain the status quo, which is to refuse most Japanese citizens permission to visit the islands for fear of escalating tension with China (*Mainichi Japan*, September 5). By contrast, nationalist activists aligned with Tokyo Governor Ishihara Shintaro had been working to assemble a counter-bid to purchase the islands, so that they can establish a permanent presence on the islands. This past week, a “survey party” organized by this group circumnavigated the islands in an effort to “appraise” the value of the islands for such a private bid. The Japanese government refused the party permission to land on the islands for this activity. Beijing also sought to downplay the actions of this survey party, especially since it did not cross a red line of actually landing on the island (*Daily Yomiuri*, September 2).

In the latest effort to contain the crisis, Prime Minister Noda Yoshihiko reportedly sent a personal letter to President Hu Jintao, delivered by Parliamentary Senior Foreign Vice Minister Yamaguchi Tsuyoshi to State Councilor Dai Bingguo. Reportedly, Noda stressed in the letter both sides should deepen their strategic and mutually beneficial relations: ”To develop relations

further, it is important to have close communications between high-level government officials” (*Daily Yomiuri*, September 2).

By contrast, in addition to the actions of those seeking to visit the disputed territory, the media of both countries have fanned nationalist flames that have exacerbated the current crisis (“Diaoyu-Senkaku Crisis Tests Resilience of Beijing’s Japan Diplomacy,” *China Brief*, September 7). In both countries, activists who visited the islands were celebrated as “heroes,” and politicians derided for not protecting their nation’s sovereignty. In China, moreover, citizen-activists took to the streets to demonstrate the Japanese Coast Guard’s apprehension and deportation of pro-China activists who landed on the disputed islands. Demonstrators overturned a Japanese-brand police car in Shenzhen; days later, several Chinese protestors in Beijing intercepted the car carrying the Japanese ambassador to China, Niwa Uichiro, blocking the car and pulling the Japanese flags off of the vehicle (*Kyodo News*, August 31). The irony is that the ambassador had just been recalled due to his perceived pro-China views at home (*Japan Times*, August 21).

Many Japanese are skeptical that China’s single-party dictatorship could be as driven by public opinion as Japan’s democratic government. In particular, Japanese media and scholarship frequently mention China’s state-controlled education campaign that Japanese argue has contributed to a ratcheting up of tension between the two states (*Yomiuri Shimbun*, September 2).

Analysis of Chinese policy also frequently questions how Beijing is able to control public dissent so effectively, especially street rioting, in a range of other controversial issues but not in the case of anti-Japan sentiment. It is possible that a complicated two-level game is being played by China’s central government to act simultaneously to contain the situation while at the same fanning the flames to a degree—perhaps to provide a safe outlet for Chinese citizens to vent their frustrations. Even if there is such a two-level game taking place, however, the Chinese government—just like the Japanese government—is trying visibly to contain the situation. The actions of both governments this past month thus contrast sharply with those of the 2005 and 2010 crisis points. In those periods, both governments participated in an overt escalation of tensions, but ultimately both worked to diffuse the

tension after it had escalated beyond expectations.

Japanese Negative Views of China Have Diverse Roots

Japanese public views of China dropped sharply after the Tiananmen Incident in 1989, but the trend line for the past several years has been especially negative with 71.4 percent expressing that they do not have a positive feeling toward China in the latest Cabinet Office poll in 2011 [2]. Mass media linkage of Chinese activism over the Diaoyu islands with Korean activism over Takeshima/Dokdo and China's recent assertiveness in the South China Sea with its growing military spending have fueled suspicions of Beijing. Similarly, food safety issues and domestic crime committed by Chinese residents of Japan have exacerbated these suspicions.

In the area of national security, the Defense White Papers issued annually by the Ministry of Defense have placed increased emphasis the threat posed by China's increased military spending in the past several years [3]. Two years ago, the Japanese Ministry of Defense-affiliated National Institute of Defense Studies began to issue an annual *China Security Report* that has further developed the theme of a China threat [4]. Informed by these documents, Japan's latest national security strategy document issued in December 2010, the so-called National Defense Program Guidelines (*Boei Taiko*), also makes prominent mention of China-related security challenges and sets out a re-deployment of Japan's Self Defense Forces southward and westward as well as planning for new military equipment to seek to address the growing sense of threat [5]. Japanese press has further emphasized a need for increased capabilities in light of the latest incursion, such as the *Yomiuri Shimbun's* embrace of the controversial U.S. deployment of the MV-22 Osprey transport aircraft in Okinawa (*Yomiuri Shimbun*, August 18).

Beyond military security, Japanese feel threatened by China in terms of their domestic arrangements as well with concerns ranging from the safety of imported food to fears of crime from Chinese immigrants and of having their jobs out-sourced to China [6]. These concerns can be manipulated by populist politicians seek political advantage in Japan's fractured domestic politics.

A Rocky Path Forward for Sino-Japanese Relations

From the Japanese side, it is impossible to imagine a strong central government leadership emerging that can chart a new course for Sino-Japanese relations in the near future. Elections later this calendar year look virtually certain as does the power of a new, untested, and not-yet-created national political party born from the regionally-based Osaka Isshin no Kai (Osaka Restoration Group or One Osaka) led by Osaka's firebrand mayor, Hashimoto Toru. With the ruling DPJ suffering from approval ratings as low as a 12 percent, and the main opposition Liberal Democratic Party (LDP) also suffering from low popularity around 22 percent, it is almost certain that the next election will once again require post-election coalition building and will once again result in different coalitions controlling the two houses of parliament. Crafting a new consensus on China in this context is almost unimaginable.

China also is in the midst of a leadership transition that most China specialists say encourages status quo policies so as not to risk destabilizing an already uncertain process ("Foreign Affairs a Secondary Priority but Salient Challenges Ahead," *China Brief*, January 20). Thus, a new approach to Japan also seems unthinkable.

Where strong voices are present in Sino-Japanese relations are outside the circle of central government leaders seeking to maintain power. This dynamic also probably will not change in the coming year. In Japan, even if the now-opposition LDP once again takes the reins in a new coalition government, it will not be able to silence nationalist voices within the party and among party supporters. Even in the LDP's hey-day, the party leadership repeatedly was forced to deal with protests from China regarding actions of rogue LDP Diet members and their supporters over such issues as Yasukuni Shrine visits and opposition to official statements related to Japan's war-time conduct. The right-leaning *Yomiuri Shimbun* stirred this pot yet again last month in an editorial calling into the question the official apology related to the "comfort women" offered by LDP Foreign Minister Kono Yohei in 1993 (*Yomiuri Shimbun*, August 15).

What is especially unfortunate about the latest flare-up in Sino-Japanese relations is that it comes at a time when the two countries could greatly benefit from enhanced

state- and private-sector cooperation to manage growing challenges. As reported this past week by the quasi-governmental Japan External Trade Organization, Japan is on track this year to experience its largest-ever trade deficit with. On a yen-basis, two-way trade between the two states declined by roughly two percent in the first half of 2012 (*Business Times* [Singapore], August 29). China's economic slowdown and Japan's evolving policy responses to economic rebuilding in the aftermath of the devastating 2011 tsunami and nuclear accident pose great challenges to economic cooperation for both states, challenges best addressed through coordinated government- and private-sector discussions. Increased suspicions of each other generated in the public sphere through the actions of narrow groups of activists threaten to derail a better future for both states and to pull other states in the region (as well as the United States) into a sub-optimal future of conflict management.

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Notes:

1. Claude Meyer, *China or Japan: Which Will Lead Asia?*, New York: Columbia University Press, 2011, p. 35.
2. For a historical overview of Japanese attitudes toward China, see Rumi Aoyama, "Changing Japanese Perceptions and China-Japan Relations," in Gerald Curtis, Ryosei Kokubun, and Wang Jisi, eds., *Getting the Triangle Straight: Managing China-Japan-U.S. Relations*, Tokyo: Japan Center for International Exchange, 2010. *Gaiko ni kansuru seron chosa* [Public Opinion Survey on Foreign Policy], Cabinet Office, Government of Japan, 2011, available online at <http://www8.cao.go.jp/survey/h23/h23-gaiko/2-1.html>.
3. Japan's annual defense white papers, *Defense of Japan*, back to 2005 are available online at http://www.mod.go.jp/e/publ/w_paper/index.html
4. *NIDS China Security Report*, Tokyo: National Institute of Defense Studies, 2010 and 2011, available online at <http://www.nids.go.jp/english/publication/chinareport/index.html>
5. "National Defense Program Guidelines for FY 2011 and Beyond," Ministry of Defense (Japan), 2011. For analysis of the guideline's implications for regional security, see Yamaguchi Noboru, "Deciphering the New National Defense Program Guidelines of Japan," Tokyo Foundation, March 24, 2011, available online at <http://www.tokyofoundation.org/en/articles/2010/deciphering-the-new-national-defense-program-guidelines-of-japan>.
6. Aoyama, "Changing Japanese Perceptions," discusses the different aspects of Japanese concern regarding China based in surveys conducted by Japan's Ministry of Foreign Affairs and major newspapers. It also includes a chart tracking views on six areas of concern: historical perceptions, maritime disputes, economic/trade issues, Chinese military power, crime by Chinese immigrants and Taiwan.

China's Search for a "New Type of Great Power Relationship"

By Michael S. Chase

When Deputy Chief of the General Staff of the People's Liberation Army (PLA) Cai Yingting spoke with the Chinese media during his visit to Washington in August, he emphasized the importance of building "a new type of military-to-military relationship with the United States" (*China Daily*, August 26). Cai's comments focused specifically on military ties, but they also reflected Beijing's broader search for a "new type of great power relationship" (*xinxing daguo guanxi*) with the United States, which it hopes will allow China to avoid destabilizing competition while protecting China's most important interests. Indeed, Chinese decision-makers are clearly concerned about the implications of China's rise for its relationship with the United States, especially given widespread views that the historical pattern of great

power conflict suggests a rocky road ahead for the U.S.-China relationship. To make matters worse, according to Beijing-based scholars Wang Jisi, Qian Yingyi, Wang Min, Jia Qingguo and Bai Chongen, lack of mutual trust intensifies the challenges of forging a stable and mutually beneficial U.S.-China relationship, and this requires new strategic thinking about how to properly manage U.S.-China ties (*China Daily*, February 13).

Beijing is thus searching for a way to build and maintain a stable and constructive U.S.-China relationship capable of weathering the challenges that will inevitably arise as China's power increases. Specifically, Chinese leaders have stated on numerous occasions that they want to create a "new type of great power relationship" between China and the United States. Related discussions already were taking place among Chinese scholars and officials last year, but the theme of "building a new type of great power relationship" has been highlighted consistently in high-level official statements since Vice President Xi Jinping's February 2012 visit to the United States [1].

During Vice President Xi Jinping's visit to the United States in February, he urged the two sides to "set a good example of constructive and cooperative state-to-state relations for countries with different political systems, historical and cultural backgrounds and economic development levels, an example that finds no precedent and offers inspiration for future generations," and emphasized the importance of building "a new type of relationship between major countries in the 21st century" (Ministry of Foreign Affairs, July 20). In a February 15 speech in Washington, Xi highlighted four areas in which he said the United States and China need to make greater joint efforts to build such a relationship:

- (1) Increasing mutual understanding and strategic trust;
- (2) Respecting each side's "core interests and major concerns;"
- (3) Deepening mutually beneficial cooperation;
- (4) Enhancing cooperation and coordination in international affairs and on global issues (Ministry of Foreign Affairs, February 15).

In May, President Hu Jintao emphasized the importance of forging this new relationship in a speech at the fourth U.S.-China Strategic and Economic Dialogue (S&ED) in

Beijing. Speaking at the opening session, Hu called for the two sides to "build a new type of relations between major countries." Most critically, such a relationship would differ from historic great power relationships in that it would not be dominated by distrust and competition. As Hu stated, "we should, through creative thinking and concrete steps, prove that the traditional belief that big powers are bound to enter into confrontation and conflicts is wrong and seek new ways of developing relations between major countries in the era of economic globalization." Furthermore, Hu said, "Whatever changes may take place in the world and no matter how the domestic situations in our two countries may evolve, China and the United States should be firmly committed to advancing the cooperative partnership and build a new type of relations between major countries that is reassuring to both peoples from China and the United States and people across the world" (Xinhua, May 3). Similarly, State Councilor Dai Bingguo's speech at the S&ED highlighted the "tragic lessons" of history and emphasized the importance of working to build a "new type of great power relationship" with the United States (Xinhua, May 3).

Seeking a "New Type" of Relationship Between Major Powers

President Hu's statement at the May meeting of the S&ED emphasized the importance of mutual trust. "To build a new type of relations between China and the United States, we need to trust each other," Hu said (Xinhua, May 3). Hu also highlighted expanding common ground, and handling differences constructively: We should approach our differences in a correct way, and respect and accommodate each other's interests and concerns." Hu further elaborated on Beijing's vision of the way forward at the June 2012 G-20 meeting in Los Cabos, Mexico. During a meeting between Hu and President Obama on the sidelines of the G-20 summit, Hu put forward what official Chinese media have described as "a four-point proposal on forging a new model of great power relations between the two countries" (Xinhua, June 20). An official media report summarized Hu's four points as follows:

- (1) The United States and China should continue to engage in a broad range of dialogues, strive to enhance mutual trust and continue to maintain high-level communication through senior-level visits, meetings, telephone conversations and

letters;

(2) The United States and China should further deepen “win-win cooperation” in traditional fields—such as commerce, investment, law enforcement, education, and science and technology—while pursuing a similar level of cooperation in emerging areas such as energy, environment and infrastructure construction;

(3) The two countries should “properly manage their differences” and minimize interference or disruption from outside factors, such as by insulating the relationship from the U.S. presidential campaign;

(4) The United States and China should share international responsibilities to better meet global challenges, and maintain “a healthy interaction” in the Asia-Pacific region (Xinhua, June 20).

Perhaps more revealing was a July 2012 essay by Vice Foreign Minister Cui Tiankai and Pang Hangzhao, entitled “China-U.S. Relations in China’s Overall Diplomacy in the New Era: On China and U.S. Working Together to Build a New-Type Relationship Between Major Countries.” The essay places strong emphasis on the importance and implications of China-U.S. bilateral relations, which it indicates occupy “a special and important position in China’s overall diplomacy.” Furthermore, according to the essay, “To maintain and promote a healthy and steady development of China-U.S. relations is a priority in China’s foreign policy.” This is because “the central goal of China’s foreign strategy is to uphold its sovereignty, national security and development interests and seek a generally peaceful and favorable external environment for the great revitalization of the Chinese nation,” and a stable relationship with the United States is still an “important condition and requirement for realizing that goal.” Moreover, according to Cui and Pang, “a major issue to be successfully addressed for China’s peaceful development is for China and the United States to develop a model of their bilateral relationship featuring cooperation not confrontation, win-win results not ‘zero-sum’ game, and healthy competition not malicious rivalry, namely a new-type relationship between major countries” [2].

Cui and Pang see several factors—including numerous high-level contacts, “well-developed channels of dialogue and communication,” closely intertwined economic

interests and growing people-to-people exchanges—as conducive to the development of a “new type” of relationship between the United States and China. They, however also identify a number of potential obstacles to the successful development of such a relationship, including lack of mutual trust at the strategic level, conflicts over some of China’s “core interests,” friction over trade and economic issues and competition in the Asia-Pacific region (Ministry of Foreign Affairs, July 20).

To Cui and Pang, the blame for these problems is quite clear as is what should be done to resolve them. “China has never done anything to undermine the U.S. core interests and major concerns,” they write, “yet what the United States has done in matters concerning China’s core and important interests and major concerns is unsatisfactory.” Indeed, the essay contains a number of statements that appear to reflect an expectation that the United States is the side that must compromise and accommodate China’s interests as part of the “new type of great power relationship.” For example, the essay indicates the United States should stop selling arms to Taiwan and places responsibility for improving the U.S.-China military-to-military relationship solely on the shoulders of the United States. Cui and Pang also indicate Washington should stop criticizing China for its actions in Tibet and Xinjiang and its repression of domestic dissent. In addition, they indicate the United States should stay out of China’s maritime disputes with its neighbors. According to Cui and Pang, “There have been some problems recently in China’s neighborhood. China is not the maker of these problems, and still less the perpetrator of the harm. Rather, it is a victim on which harm has been imposed” [3].

Back to the Future?

Although China’s emphasis on the importance of building a “new type of major power relationship” began this year, Beijing’s search for a stable and constructive U.S.-China relationship is more than forty years old. In the words of Tao Wenzhao, a long-time America-watcher now with the Center for U.S.-China relations at Tsinghua University, “after President Nixon’s groundbreaking journey to China in 1972, especially after the normalization of Sino-American relations in 1979, the two countries began exploring this kind of relationship.” Tao suggests that what has changed is that perceptions of

China's rapid rise and the relative decline of the United States have deepened mutual suspicion. As Tao puts it, some in the United States are concerned that a rising China will challenge its position in the world, especially in the Asia-Pacific region, and some in China are worried that the United States will seek to preserve its influence by containing China and slowing its growth (*China-U.S. Focus*, May 7). As a result of this mutual suspicion, and the historical record of competition between established and rising powers, there is reason to fear the United States and China will become locked in a confrontational relationship that damages both countries.

That China attaches a great deal of importance to its hopes that the establishment of a "new type of great power relationship" will help it avoid repeating the historical pattern of conflict between rising and established great powers is thus relatively clear. It is, however, probably fair to say that exactly how Beijing expects to achieve this goal is still somewhat less so. Chinese scholars appear to be trying to determine which factors will make the greatest difference. For example, according to Zhu Feng of Peking University, "The glue keeping these two nations together is not only pragmatism, but also mutual interest, especially in trade" (*Global Times*, May 4). Similarly, Chen Jian, Dean of Renmin University's School of International Studies in Beijing, argues common interests are vital to the development of "new type" relations between major powers. Chen also suggests the prospects for success are relatively good, because the interrelated trends of "economic globalization, political multi-polarization and social informationization" make major power conflict much less likely than it was in the 20th Century (*Xinhua*, July 9). Yet recent friction over issues like the South China Sea suggests building the "new type of great power relationship" Chinese leaders see as so vital will require more creativity and flexibility [4].

Implications for the U.S.-China Relationship

The United States welcomes China's emergence as a great power with an expanded role commensurate with its growing global interests and influence. Moreover, avoiding a tragic repeat of what is widely perceived as a historical pattern of antagonism between rising and established great powers has been a consistent theme of high-level U.S. statements. For example, at the S&ED in

May, Secretary of State Hillary Clinton said "Together, the United States and China are trying to do something that is historically unprecedented, to write a new answer to the age-old question of what happens when an established power and a rising power meet... what we are trying to do is to build a resilient relationship that allows both of our nations to thrive without unhealthy competition, rivalry, or conflict while meeting our national, regional and global responsibilities" (U.S. State Department, May 4).

For China's part, the broad outlines of the type of relationship its leaders aspire to build with the United States are relatively clear—Beijing seeks a U.S.-China relationship that is more stable than many historic great power relationships and less prone to degenerate into a destabilizing competition or an outright confrontation. Importantly, Beijing clearly sees such a relationship as one that will facilitate China's pursuit of its broader domestic and international interests. What is less certain is precisely how China's next set of leaders intend to pursue these objectives, and how successful they will be in forging a new relationship as China's power grows.

The most problematic aspect of Beijing's vision of a "new type" of U.S.-China relationship is that it appears to require Washington to accommodate China's interests and to do so largely on Beijing's terms—apparently without reciprocal adjustments. Although some of the language that suggests it is the United States alone that needs to change its approach is perhaps intended, at least partly, for domestic consumption, it also seems to reflect China's estimation of its growing leverage in the relationship. Such an approach will make it much more difficult for Washington to embrace the concept in spite of many shared interests. Seeking a stable and healthy relationship and trying to enhance mutual trust are laudable goals, but suggesting this must take place largely on China's terms risks making it much harder to realize the "new type of great power relationship" Beijing has proposed.

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Notes:

1. For example, see the discussion of China and the United States “exploring a new path for coexistence as major powers” in Yue Yucheng, “Shijie dabianjuzhong de zhongguo waijiao” [China’s Diplomacy in the Context of World Change], *Waijiao Pinglun* [Foreign Affairs Review], November 25, 2011, pp. 1-6. Yue is an assistant to China’s Minister of Foreign Affairs.
2. Cui Tiankai and Pang Hanzhao, “xinshiqi zhongguo waijiao quanjuzhong de zhong-mei guanxi [China-U.S. Relations in China’s Overall Diplomacy in the New Era: On China and U.S. Working Together to Build a New-Type Relationship Between Major Countries],” in Beijing University Institute of International Relations, ed., *Zhongguo guoji zhanlüe pinglun 2012* [China International Strategy Review 2012], Beijing: Shijie zhishi chubanshe, July 2012. For the official English translation, see <http://www.fmprc.gov.cn/eng/zxxx/t953682.htm>, and for the Chinese version, see <http://www.fmprc.gov.cn/chn/pds/wjdt/wjbxw/t953676.htm>.
3. Ibid.
4. On August 3, a U.S. State Department spokesperson reiterated that the United States does not take a position on the sovereignty disputes in the South China Sea, but warned that Washington believes the rival claimants “should work collaboratively and diplomatically to resolve disputes without coercion, without intimidation, without threats, and without the use of force.” The next day, China’s Foreign Ministry spokesperson retorted that the U.S. statement reflected a “total disregard of facts, confounded right and wrong, and sent a seriously wrong message.” See “Press Statement: South China Sea,” U.S. Department of State, August 3, 2012, <http://www.state.gov/r/pa/prs/ps/2012/08/196022.htm>; and “Statement by Spokesperson Qin Gang of the Ministry of Foreign Affairs of China on the U.S. State Department Issuing a So-called Press Statement On the South China Sea” PRC Ministry of Foreign Affairs, August 4, 2012, <http://www.fmprc.gov.cn/eng/xwfw/s2510/t958226.htm>.
