

## ONE • Thinking about Power

China is applying the strategy of the long wait to get the big catch [of fish].

VIETNAMESE OFFICIAL,  
Hanoi, March 2006

### A POLICY PROCESS PERSPECTIVE ON POWER

This book is about China's power and its implications for the rest of the world.

During the last three millennia, countless theorists, politicians, and statesmen have spent their lives thinking about power. They have asked how power is distributed within and among societies; how power ought to be distributed; what the practical consequences of various power distributions are; how shifts in relative power positions fuel conflict; what the nature and varied uses of different forms of power are; and how one acquires and uses power. Confucius, Plato, and Aristotle contemplated how power "ought" to be distributed and institutionalized. In Sun Tzu's *The Art of War* (a manual on strategy written in China hundreds of years before the beginning of the Common Era) and in the work of Machiavelli we find sophisticated expositions on how to use power both within and among states. Wielders of power and analysts as varied as Chairman Mao Zedong, sociologist Amitai Etzioni, and political scientist Joseph Nye have been concerned with various kinds of power and their respective uses. In the work of Robert Dahl, we learn about the consequences of power dispersion for policy outcomes, while in the writings of Edward Banfield the politician is portrayed as a venture capitalist whose currency is political influence accumulated and expended in the course of decision making.

Though power has been a ubiquitous theoretical concept and practical concern, its definition has been elusive. For Max Weber, "Power is the probability that one

actor within a social relationship will be in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests.”<sup>1</sup> For Hans Morgenthau, “When we speak of power, we mean man’s control over the minds and actions of other men. . . . In international politics in particular, armed strength as a threat or a potentiality is the most important material factor making for the political power of a nation.”<sup>2</sup> Notably, while Morgenthau emphasized hard, military power, he did not ignore that power also was manifest in the ability to sway the minds of others. In contrast to Morgenthau, John Mearsheimer comes close to equating power with force—“Power is based on the particular material capabilities that a state possesses. The balance of power, therefore, is a function of tangible assets—such as armored divisions and nuclear weapons—that each great power controls.”<sup>3</sup>

Joseph Nye advances a parsimonious, broader, and more productive definition, one most compatible with the usage in the remainder of this volume: “Power is the ability to achieve one’s purposes or goals.”<sup>4</sup> This is a definition to which I would add only two (italicized) words—Power is the ability to *define and* achieve one’s purposes or goals. In complex, mass societies and in the international system, simply *deciding* what to do is often extremely difficult. And once the decision is made, great effort is required to maintain consensus (both domestically and internationally) and to achieve congruence between policy intent and policy outcomes. The congruence between intention and outcome is continually degraded as policy moves through national bureaucracies and civic organizations, across national boundaries, and through international organizations. These difficulties give rise to the concept of efficiency, or what Nye calls “smart power.” *Smart power*, as I use the term, is the capacity to define goals and implement policy with the most efficient use of resources, which means the optimal mix of power types.<sup>5</sup>

Exercising power is to be distinguished from merely having an impact. A mindless brute has impact, but the exercise of power involves the purposeful use of resources to achieve goals efficiently. Power is demonstrated when a leader or national leadership efficiently achieves goals throughout the entire cycle of policy making, from agenda setting to formulation, implementation, and subsequent adaptation. A powerful nation is one that authoritatively sets its own agenda as well as the international agenda over a broad range of issues, wins support for (or compliance with) its policies both internally and externally, influences the implementation process so that there is a high degree of correspondence between initial intentions and actual outcomes, and desists from pursuing policies that prove ineffective or counterproductive.

This policy-process perspective on power emphasizes the myriad points at which potential power resources can be deflected from achieving intended outcomes. The smart-power approach also points to the need for an effective nation to use all forms of power available in an optimal mix to address a problem. This brings us to the three forms of power that are the focus of this book.

## THE THREE FACES OF POWER

In his classic *A Comparative Analysis of Complex Organizations*, Amitai Etzioni notes that “power differs according to the *means* employed to make the subject comply. These means may be physical, material, or symbolic,”<sup>6</sup> or what Etzioni respectively calls coercive, remunerative, and normative power. Coercive power relies on inflicting physical or psychological pain or deprivation. Remunerative power is the realm of material inducement; if one talks of economic sanctions, however, coercion and remunerative power bleed into one another. Normative power relies on the capacity to motivate through the force of ideas and win compliance through creating group norms with which individuals wish to identify. If group norms are used to ostracize, this too bleeds into coercion. Only in the area of normative power will I broaden Etzioni’s concept into “ideational power,” power deriving from human intellect, power expressed in the creation and dissemination of knowledge and compelling ideas. Considerably broader than normative power, “ideational power” explicitly includes leadership, human intellectual resources, innovation, and culture. While close in definition to Joseph Nye’s “soft” or “attractive” power,<sup>7</sup> “ideational power” is broader than “soft power” inasmuch as it explicitly embraces innovation; it is narrower inasmuch as it excludes the attractive aspects of material inducements.

With this typology of power, “organizations [as well as regimes and nations] can be ordered according to their power structure, taking into account which power is predominant, how strongly it is stressed compared with other organizations in which the same power is predominant, and which power constitutes the secondary source of control.”<sup>8</sup> Comparing the national strategies and foreign policies of Mao Zedong and his successors Deng Xiaoping, Jiang Zemin, and Hu Jintao, for instance, one sees a dramatic shift away from strategies relying heavily on coercion and normative (“revolutionary”) appeals both at home and abroad and toward remunerative incentives and strategies relying on specific dimensions of ideational power, notably reassurance. More emphasis is placed on attracting support for China than seeking to compel it, taking advantage of the fact that “seduction is always more effective than coercion.”<sup>9</sup> As one Chinese scholar put it, “For Chinese this is

an evolving process. The first generation [Mao Zedong] paid more attention to military power; the second generation [Deng Xiaoping] placed more emphasis on comprehensive national strength. The third generation [Jiang Zemin], in the late 1990s, began to pay more attention to soft power.”<sup>10</sup>

The power wielder is like a conductor, seeking to employ the most efficient combination of power types to achieve objectives. This is difficult. Organizations relying on coercive power may alienate the objects of the exercise of power, thereby rendering normative appeals less effective. Similarly, organizations liberally employing remunerative incentives may find normative suasion less potent. Nonetheless, organizations, regimes, and nations usually employ all three power types, even when using one degrades the utility of others. Organizations, regimes, and nations can be compared and differentiated by the power they possess in various forms, their preferred “mix,” and the scope and scale of the goals they pursue and actually achieve.

This volume is organized around the uses, effectiveness, and limitations of these three types of Chinese power. The first four chapters deal with defining and then discussing the three types of power. Chapter 5 surveys the reaction of China’s neighbors to its growing power and the various mixes employed by Beijing. Chapter 6 analyzes the challenges that could retard China’s continued acquisition of power or change the mix of power types that Beijing employs. The volume concludes with an exploration of what the three faces of Chinese power mean for America and the world.

## THE INTERNATIONAL POWER CYCLE AND ITS IMPLICATIONS

The growth of a nation’s power is significant in that new achievements become possible, yet mounting power also produces reactions elsewhere in the international system, responses that occasionally lead to cooperation but often lead to conflict. These reactions arise from several phenomena described and analyzed by scholars, including Charles Doran, Hans Morgenthau, Ronald Tammen, and John Mearsheimer. In this volume I draw heavily on the thinking of Charles Doran.

A state’s foreign policy expectations are tied to change on its power cycle, but power and role get out of sync because actors and system do not adjust readily to changes in relative power. On the upside of the power curve, the increase in power tends to exceed acquisition of role. The system is reluctant to yield role

to the ascendant actor, or the rising state may prefer to postpone role gratification and responsibility until it could do so more easily (with greater confidence) and on its own terms (with less competition). On the downside of the curve, there is a tendency for role to exceed power, leading to overextension. Allies and dependent client states do not want the once-ascendant state to step aside, and elites accustomed to the benefits power bestowed do not want to yield role and face a different, more constricted, foreign policy setting. Long latent in statecraft, these power-role gaps are shoved to the fore of diplomatic awareness and priority in critical intervals of suddenly altered security circumstance, greatly escalating the tension. They then abruptly demand adjustment.<sup>11</sup>

To start, an increase of one nation's *relative share* of international power implies a *relative decline in the share* of power held by other actors, a decline that nations try to resist. Second, nations develop *roles* or patterns of behavior that reflect their capabilities and govern their use of power and create preferences for particular power mixes. When a nation's relative power declines (especially when it does so precipitously), its capacity to play its preexistent role diminishes, but its expectations about its own role often change more slowly. This causes dissatisfaction and stresses within and among both the previously dominant power(s) and the "upstart" rising power. The nation in relative decline resents its diminished influence (often equated with reduced security), and the rising power resents the lag between its new capabilities and the respect or role it is accorded in the international system. The Chinese see this problem, both generally and with respect to Sino-American relations. As the scholar Wang Zaibang put it in late 2005, "The United States' continued desire to lead the world based on its own values will inevitably run into bigger problems as its own power falls short."<sup>12</sup>

Contemporary Russia, the United States, China, Japan, Germany, and India all demonstrate various aspects of this phenomenon. It has been painful for a dramatically weaker post(Cold War Russia to adjust to its more modest power position. Long after the Soviet Union vanished, Russia acted as though it were entitled to have disproportionate influence over nearby states that were formally part of that union. Turning to the United States, the resistance to a potentially reduced role in international affairs is nowhere so apparent as in the *National Security Strategy of the United States of America* (September 2002),<sup>13</sup> where the administration of George W. Bush declared, "Our forces will be strong enough to dissuade potential adversaries from pursuing a military build-up in hopes of surpassing, or equaling, the power of the United States." A senior foreign policy analyst in Beijing expressed

Chinese anxieties about whether Washington would ever be reconciled to a strong PRC: “The Bush administration promotes the idea of U.S. primacy, and [China] is so worried that the U.S. will never accept China as an equal or competitor. . . . Some in the U.S. say that the U.S. will not allow another country to challenge it; . . . so it is making a negative impact on China’s grand strategy.”<sup>14</sup> As another Chinese analyst put it, “The major problem is that the U.S. has not solved what is China’s legitimate role under the sun.”<sup>15</sup> At the extreme end of the continuum of Chinese worries is the possibility that the United States would use war to maintain its dominance in the face of a possible relative decline of power.<sup>16</sup>

Speaking more broadly, in this early part of the twenty-first century, economically powerful Japan and Germany and a rising India all want their influence acknowledged by the UN with permanent seats on the Security Council. Yet current Permanent Members generally resist such an expansion of seats (particularly with veto rights) as a move that would dilute their power. Doran’s key point is that it is the function of diplomacy to cushion the disconnect between expectations and roles as international systems change; war is not inevitable in moments of great change, but it is more likely.

John Mearsheimer’s work presents a darker understanding of the origins and implications of changing power relationships among nations: in his view, there is virtually no role for diplomacy or intelligent leadership. For Mearsheimer, military (coercive) capability is the most useful form of power in the junglelike international arena. Growing economic actors have increasing capacity to acquire additional military strength, which Mearsheimer presumes they will do because hegemony is the surest way to survive in the anarchic, predatory international environment. In his view, expanding economies beget growing militaries; the growing interdependence that liberal internationalists hope will moderate conflict is largely a snare and a delusion; and economic interdependence as often as not ignites conflict.<sup>17</sup>

Mearsheimer’s view ignores the potentialities for cooperative security strategies and slights security dilemmas—circumstances in which one nation’s quest for absolute security creates insecurity among others, thereby generating an upward competitive spiral. Despite these considerations, his zero-sum perspective is deeply entrenched among practitioners and analysts of international affairs in China, in the United States, and around the world. Mearsheimer’s theory of “offensive realism” puts his Hobbesian view in stark relief.

In sum, my argument is that the structure of the international system, not the particular characteristics of individual great powers, causes them to think and

act offensively and seek hegemony. . . . I assume that the principal motive behind great-power behavior is survival. In anarchy, however, the desire to survive encourages states to behave aggressively. . . . In international politics, however, a state's effective power is ultimately a function of its military forces and how they compare with the military of rival states. . . . This privileging of military power notwithstanding, states care greatly about latent power, because abundant wealth and a large population are prerequisites for building formidable military forces.<sup>18</sup>

Thus for Mearsheimer the times turn profoundly dangerous when a new, large power begins a rapid ascent in the international system, thereby setting off a relative diminution in the power of previously more dominant actors and whetting its leaders' appetite for global military clout. Such moments are dangerous for the rising power because the dominant nation, along with other less powerful states, may seek to bandwagon against the aspirant. This possibility accounts for Beijing's anxiety about an American-led "new containment strategy" and its fear of a Japan-U.S. alliance aimed at the PRC. Such moments are perilous for other actors as well because the rising power may overestimate what its new capacities enable (or entitle) it to achieve. The latter peril is apparent with respect to Beijing's expectations regarding Taiwan. A rising China no longer feeling supine before others may calculate (or miscalculate) that it can resolve the Taiwan issue unilaterally on terms favorable to itself. Conversely, the United States may seek to maintain security commitments even if its capacities are no longer able to sustain them. Changing power relationships change a nation's interests and capacities, but commitments and sense of role and obligation may change more slowly.

When Mearsheimer visited the PRC in 2003, he found considerable sympathy for his vision of international politics and the causes of war.<sup>19</sup> As one senior Chinese scholar put it, "So [also] in China there are people who think the peaceful rise [of China] is a self-delusion."<sup>20</sup> Nonetheless, the question is being actively debated in China, with others arguing that "we should also not neglect the restraining and regulating effects of international regimes, as well as the directing role played by economic integration and interdependence."<sup>21</sup> In late 2005 one university vice president at an international relations institution in China described the debate as being conducted between the "mainstream" of "cooperative internationalists" and a more insurgent but significant group that believes that war is likely or inevitable as China rises—"the new nationalists." The avenues of expression for the nationalists are more numerous on the Internet and in less establishment publications. The coop-

erative internationalists believe that interdependence, balance-of-power politics in a multipolar world, “win-win solutions,” and wise statesmanship can reduce the chances of conflicts between the major powers. The outcome of the debate, which has its analogue in America, will have considerable bearing on China’s posture in the emerging world order.

I now consider Chinese perspectives on power: the development of this thinking over the centuries and current attitudes and debates about power among leaders, intellectual elites, and the citizenry. I conclude with a discussion of whether, or to what degree, the PRC has a national grand strategy. I believe that there is a widely shared national strategy, with dissenters, to be sure. This strategy places primacy on economic and ideational power. China has made considerable progress in increasing important dimensions of “comprehensive national strength” in the estimation of regime leaders and intellectuals. At the same time, there is deep and abiding anxiety about weaknesses, particularly internal deficiencies; these are discussed in chapter 6.

## CONTINUITIES AND CHANGES IN CHINESE UNDERSTANDINGS OF POWER

### TRADITIONAL THINKING AND MODERN MANIFESTATIONS

When one speaks with Chinese officials, military officers, and academics, they almost universally talk about the use of power from what Alastair Iain Johnston calls the Confucian-Mencian paradigm. This model emphasizes strategy, places importance on deception and manipulation of the opponent, leaves a significant role for accommodation, and employs diversified instruments of power. Brute force is not the most highly esteemed instrument of power in this genre of thinking.<sup>22</sup> However, when one examines actual historical and contemporary Chinese behavior, there is abundant discussion and employment of force. Indeed, contemporary PRC strategic analysts point out that historically China has used force often: “There had been more than 6,000 battles in 4,000 plus years from the twenty-sixth century B.C. when Shen Nong Shi (the Holy Farmer) attacked the Fu Sui Tribes (Tribes of Axe and Flint) to the end of [the] Qing Dynasty (1644–1911). This figure was more than one-third of the total numbers of the battles that had happened around the world during the same period.”<sup>23</sup> The key question is: As China’s power increases, will the use of force and physical intimidation increasingly characterize its international behavior?



Deng Xiaoping's statement made shortly after June 4, 1989, contributes to foreign anxiety about China's true intentions. "Adopt a sober perspective; maintain a stable posture; be composed; conserve your strength and conceal your resources; don't aspire to be the head; do something eventually."<sup>24</sup> Though some Chinese assert that this comment referred to not assuming the mantle of ideological leader as the Soviet Union collapsed, and others assert that it simply was a call to maintain a "low profile," it has reinforced the idea abroad that China will be patient in its assertiveness but eventually will employ newly acquired power to settle old scores, realize new aspirations, and secure new interests. It is reassuring, however, that although China's power has grown significantly since the 1980s its frequency of using force has not increased. As Johnston notes, almost all instances of China's external use of force in the communist era have had something to do with its borders and sovereignty.<sup>25</sup> In the final analysis, however, as Andrew Scobell argues, "Two strands of strategic culture, both shaped by an ancient and enduring civilization, exist: a distinctly Chinese pacifist and defensive-minded strand, and a Realpolitik strand favoring military solutions and offensive action."<sup>26</sup>

Chinese thinking about power has been embodied in discussions of "war" for about two and a half millennia—wars with enemies from within and without.<sup>27</sup> Systematic thinking on the subject goes back to around China's Warring States Period (453–221 BCE), the era when Sun Tzu, the fount of Chinese thinking on war, wrote. Sun Tzu referred to war as "a matter of vital importance to the State; the province of life or death; the road to survival or ruin. It is mandatory that it be thoroughly studied."<sup>28</sup> His core idea is that war is about producing submission, not simply using armed force. Brute force is one means of producing submission but not the most prized. In this tradition, discussion of war focuses on the combined utilization of force, material inducements, and ideas, and the distinction between domestic and foreign conflict is blurred.

Means to produce submission include the integrated use of diplomacy, superior knowledge of the antagonist and his weaknesses (temperamental, social, governmental, and economic), psychological pressure and isolation, undermining of the opponent's bases of domestic support, and hiding of one's own material, psychological, and societal weaknesses (and strengths). War and politics involve the calculated use of strategy to produce submission using normative, economic, and coercive resources, with the greatest skill demonstrated when the employment of raw force is minimized.

Sun Tzu's thinking has been central to discussions of the uses of power throughout the centuries, with his influence most visible in the eleventh century's *Seven*

*Military Classics* (used to prepare military officers and imperial examination takers in the Ming Dynasty), the contemporaneous classic *Unorthodox Strategies*, and Mao Zedong's core military writings of the mid- and late 1930s.<sup>29</sup> Mao's essays reflect his familiarity with Sun Tzu's work both directly and through his reading of Chinese classic stories such as *Water Margin* and *Romance of the Three Kingdoms*.

Dating to the fourteenth century, *Three Kingdoms* is replete with stratagems to produce submission or destruction of opponents. The stronger or weaker party in any given circumstance depends upon context and the use of appropriate strategy as well as tactics, not simply upon a comparison of material balances. One stratagem, "The Chain Plan," is emblematic of the calculating, context-dependent, comprehensive style of Chinese thinking, in which one's assets must be assessed in relationship to the other's weaknesses, whether material, organizational, intellectual, or spiritual. The materially weak can overcome those with greater abundance by being intelligent and inducing the opponent to act in ways contrary to his own interests.

Chapters 8 and 9 of *Three Kingdoms* recount the story of Governor Wang Yun's successful attempt to bring down the self-styled "imperial rector," Minister Tung Cho [Dong Zhuo], a man who sought to overthrow the emperor and who was so brutal that he brought the head of a guest to the dinner table to gratuitously intimidate his remaining retainers. Governor Wang Yun, a keen observer of human frailty, persuaded the "flowering" maiden Sable Cicada to participate in a conspiracy to become romantically involved with Tung Cho's adopted son, Lu Pu [Lu Bu]. Once the son was betrothed to the maiden she would "take every opportunity to turn away their [Tung Cho's and Lu Pu's] countenances from each other, cause the son to kill his adopted father and so put an end to the great evil."<sup>30</sup> Wang and Sable Cicada craftily ignited the conflicting lusts of father and son, manipulating the jealous adopted son to assassinate his father and thereby eliminate the threat to the throne. In the process, Wang Yun expended few of his own resources while accomplishing tasks enormously important to the state.

Just introduce a woman,  
Conspiracies succeed;  
Of soldiers, or their weapons,  
There really is no need.  
They fought their bloody battles,  
And doughty deeds were done;  
But in a garden summer house  
The victory was won.<sup>31</sup>

This may seem an interesting detour through somewhat tangential intellectual terrain, but I often have been struck in the course of my interviews and documentary research with the complexity and indirection of Chinese thought. A Chinese policy analyst recounted, for instance, how Beijing addressed a dilemma it had faced in early 2003 following Beijing's November 8, 2002, vote in support of UN Security Council Resolution 1441 promising Saddam Hussein's Iraq that "serious consequences" would be visited upon it if it did not fully cooperate with UN weapons inspectors. In the wake of 1441's passage, Baghdad was not sufficiently cooperative in Washington's view, and in January 2003 the Bush administration began to press Beijing and others on the UN Security Council to support a second, explicit resolution authorizing the use of force.

Beijing did not wish to explicitly endorse the use of force for a host of reasons, including fear that fundamentalist Islamic groups and states might seek to retaliate by energizing some of China's own nineteen million Muslims. In addition, Chinese leaders simply had an aversion to big-power intervention in sovereign states, reflecting, in part, a sensitivity acquired from China's own past humiliations. However, Beijing had a countervailing consideration: it did not wish to become estranged from Washington. Moreover, PRC leaders calculated that after the presumed victory in Iraq the United States would be sitting on the world's second- to fourth-largest oil reserves, precisely as the PRC was becoming more dependent upon imported energy. Chinese leaders expected America to win the anticipated conflict with Iraq and wanted to be in a position to benefit by being perceived as more cooperative with Washington than Paris, Berlin, and Moscow were.

Beijing therefore undertook a diplomatic stratagem to get Pakistan, a PRC ally and crucial vote (at the time Pakistan was temporarily on the UN Security Council), not to support the American proposal for a second resolution (while downplaying its own opposition to Washington). The hope was that the Bush administration would see that its support on the Security Council was insufficient and decide not to proceed with a vote. This would obviate the necessity for Beijing to vote directly against Washington, permit the Bush administration to argue that the UN already had approved a use of force in 1441 with the phrase "serious consequences," and allow China to say that it had not explicitly authorized the use of force against Iraq. The Chinese policy analyst explained:

China avoided war on its watch as chair of the UN Security Council [November 2002] with UN Resolution 1441—the wording was not based on principle—it didn't reject war, it just postponed it [until China was not chair of the Security

Council]. All this shows China's weakness. We tried to convince Pakistan not to vote for the second resolution; Pakistan was caught between the United States and China and in fact went with China. This was the most successful Chinese policy in a decade. China did not directly hurt the United States and escaped the retaliation faced by France and Germany. China's hard power is not great, but its diplomatic wisdom and implementation were very successful. Because China understands that its hard power will not be adequate for twenty years, we use China's ever-increasing soft power to offset insufficient hard power.<sup>32</sup>

Despite their preference for diplomacy, force is one tool that Chinese throughout their long history have often been willing to use. One need only recall Korea and the Taiwan Strait in the 1950s; Vietnam, the Sino-Indian border, and the Sino-Soviet border in the 1960s; Vietnam again in the 1970s; the South China Sea in the 1970s, 1980s, and 1990s; and the Taiwan Strait in the mid-1990s. Each of these instances in which force was employed had its own rationale and was limited, facts that are in themselves instructive. But one cannot conclude that Chinese foreign policy is averse to the use of force if Chinese leaders believe it is the most effective instrument of state power. As Michael Swaine and Ashley Tellis explain, "The historical record suggests that the Chinese state has frequently employed force against foreign powers but generally followed a pragmatic and limited approach to the use of such force. Specifically, it has employed force against foreigners primarily to influence, control, or pacify its strategic periphery and generally has done so when it possessed relative superiority."<sup>33</sup> In short, when Chinese conclude that force is the most effective way to secure vital objectives, and that the collateral costs of using force are manageable, their inhibitions to its use are not great.

#### SIZE AND NUMBERS MATTER

Because China is such a large country in terms of geography and population, its leaders have long known that power must be considered in both its per capita and its aggregate forms. Size *and* numbers matter.

One of China's most forward-looking contemporary thinkers, Zheng Bijian, often talks of China's "division" and "multiplication" problems. In referring to his country's 1.3 billion population he explains, "The multiplication problem is that no matter how small a problem [is], when multiplied by 1.3 billion [it becomes huge]. The division problem is that no matter how much capital [you have], when divided by 1.3 billion it is a very small amount of capital."<sup>34</sup> Of course, the reverse also is true. Even though financial or other resources and capabilities may be small on a per

capita basis, a government able to extract and concentrate those dispersed resources has at its disposal an enormous aggregate. And here the Chinese have some potential advantages. China's political system is capable of extracting and aggregating resources (with limitations noted in chapter 6), even as its small per capita resource base is a huge impediment to progress.

Mao Zedong always viewed China's geographic expanse and massive population as defensive assets in the face of possible invasion—"Lure the enemy deep." China's masses were seen as an offset to America's technological lead, as demonstrated clearly during the Korean War, when Chinese infantry formations could take an enormous pounding from far superior U.S. artillery but keep coming. This is not to say that Chinese do not value human life or understand the implications of the "revolution in military affairs"—they do. But they also recognize that size and numbers can be assets, particularly if your adversary has a low threshold for pain, as Chinese are prone to think is true for Americans. Numbers and *will* can be a powerful combination.

Enormous aggregates are seen as important not simply in terms of coercive power but also in terms of economic and ideational power. One of the PRC's principal assets in attracting foreign capital is the sheer scale of the potential domestic market to which the investor would have access. Deng Xiaoping once referred to China as a "big piece of good meat" that foreigners might savor,<sup>35</sup> and one senior Chinese official described the Chinese market as "a big cake" over which various foreigners were competing.<sup>36</sup>

Diplomatically, Chinese often sanctify their national demands and policy objectives by invoking the alleged shared sentiments of 1.3 billion people, in effect arguing that China's titanic population size lends moral standing to Beijing's arguments. The implied assertion that what 20 percent of the world's population wants ought to count for something would seem to be based on an ethos of a democratic world order, such as that called for by Jiang Zemin in his statement that the PRC is "in favor of promoting democracy in international relations."<sup>37</sup>

## COMPREHENSIVE NATIONAL POWER

In subsequent chapters I examine each category of power (coercive, remunerative, and ideational) in depth. The focus here, however, is on how Chinese analysts think about their current national circumstances in quantitative terms. Whether methodologically well grounded or not, the idea of "comprehensive national power" (CNP, *zonghe guoli*) shapes the way Chinese understand their national circumstance and strategy. Though the broad conclusions of various Chinese studies of CNP over-

lap considerably, there are also important divergences and debates between those analysts who stress, more than the others, the rapidity with which the PRC's relative share of global power is growing and those who stress, more than the others, the stability of China's growth trajectory. The idea of CNP resonates with the thinking of traditional strategists such as Sun Tzu, whose first chapter in *The Art of War* is entitled "Estimates."

In his work on Chinese conceptions of CNP, Michael Pillsbury emphasizes the degree to which many PRC analyses employ methodologies "unique to China" in addition to more standard internationally employed quantitative approaches.<sup>38</sup> Somewhat in contrast, I have been struck by the degree to which PRC research in the last half of the 1990s and the first part of the new millennium draws on international concepts and categories of data.

For Huang Shuofeng CNP is "the combination of all the powers possessed by a country for the survival and development of a sovereign state, including material and ideational ethos, and international influence as well."<sup>39</sup> CNP, in short, is the sum total of coercive, economic, and ideational power of a nation. The concept, however, is difficult to unassailably operationalize. How is one to measure resources, assess their relative importance, combine economic, coercive, and intellectual indicators into one unified measure, and distinguish between *potential* strength and that which can actually be mobilized for state purposes?

In 2002, two of China's most creative economic and social thinkers, Professors Hu Angang and Men Honghua in Beijing, published a study of China's CNP (updated in 2007). Arguing that "the status (or position) of a country in the international community is in essence associated with the rise and fall of its national power, the increase and decrease of strategic resources," they posed the following questions:

What is comprehensive national power (CNP)? What are strategic resources that make up CNP? What kinds of strategic resources are most important in the twenty-first century? What advantages and disadvantages [does] China enjoy in strategic resources vis-à-vis other great powers? Where [does] China stand in the world with regard to CNP? Has it grown or lost in */sic/* strength over the past 20 years? How is China's CNP changing as compared with the United States, Japan, India and Russia, which are closely associated with China's national interests and geopolitical strategy? How should China raise its CNP and how should it make full use of its advantage[ous] strategic resources and constantly improve its disadvantaged strategic resources? What are the objectives of China's grand strategy? How to put it into execution?<sup>40</sup>

Hu and Men focus on hard power in their quantitative assessments, even though they note that less tangible, soft power cannot be ignored and even though a few of their indicators touch on soft power. Taking their cue from Michael Porter's work, they measure as principal components of CNP physical resources, human resources, infrastructure, knowledge resources, and capital.<sup>41</sup> They further divide these resources into eight categories with twenty-three indicators. To create each indicator, they employ data from the World Bank's *World Development Indicators* and other comparable sources (such as Barro and Lee's global education data bank).<sup>42</sup> Each indicator is developed by calculating China's resource as a percentage of the global resource total.<sup>43</sup> China's ranking is then compared to the rankings of India, Japan, Russia, and the United States along each of the twenty-three dimensions. These separate indicators are then combined according to a weighting index to produce a total CNP measure for various points in time for each nation.

Each indicator is compromised by issues of data accuracy and comparability across nations and time, not to mention questions about what each indicator actually measures or how one should rank their relative importance and then aggregate these weighted indicators into one meaningful measure of CNP. As Hu and Men acknowledge, most of the indicators ignore the problem of "resource quality." Some indicators, like central government spending and military spending, ignore the fact that significant expenditures in China occur outside the budget entirely, in non-transparent corners of the budget, or by organizations not categorized as "military." Data reliability has changed over time; there is also the problem of whether to emphasize per capita or aggregate indicators. Parenthetically, when Chinese wish to emphasize their weaknesses, they speak in per capita terms; when they seek to impress, they speak in aggregate terms.

It is telling that Hu and Men chose to compare China to the United States, Japan, Russia, and India—these are the nations that PRC elites and opinion makers measure themselves against. As one Chinese put it to me, "I always have in mind the United States. Confucius said, 'See the best and do the best.' Aim high and you'll get the middle. If you aim at the middle, you get low. So we have to set high goals."<sup>44</sup>

Hu and Men come to a number of conclusions about China's relative power position that are derived from their data covering the years 1980 through 2003.<sup>45</sup> First, the United States remains far and away number one in CNP, though its global share has declined somewhat. America's share of global power is about 2.2 times China's, though the PRC is narrowing the gap: "[The] CNP of China was only 1/5 (21%) that of the United States in 1980, 1/4 (25.5%) in 1990. But by 2000, it was more than 1/3 (39%) that of the United States."<sup>46</sup> By 2003, it had reached 44 percent. Second, China

TABLE I Comprehensive National Power Index for Five Major Countries  
(% of World Total)

| <i>Country</i>        | <i>1980</i> | <i>1985</i> | <i>1990</i> | <i>1995</i> | <i>2000</i> | <i>2003</i> | <i>Change in<br/>1980–2003</i> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------------------|
| China                 | 4.736       | 5.306       | 5.646       | 7.163       | 8.770       | 9.991       | 5.255                          |
| India                 | 3.376       | 3.615       | 3.735       | 4.008       | 4.543       | 4.868       | 1.492                          |
| Japan                 | 6.037       | 6.337       | 7.317       | 8.535       | 7.729       | 6.998       | 0.961                          |
| Russia                | —           | —           | 3.271       | 2.808       | 2.925       | 2.934       | —                              |
| USA                   | 22.485      | 22.022      | 22.138      | 21.903      | 22.518      | 22.274      | –2.211                         |
| Five-country<br>total | —           | —           | 42.107      | 41.613      | 46.481      | 47.065      | —                              |

SOURCE: Hu Angang and Men Honghua, “The Rise of Modern China (1980–2000): Comprehensive National Power and Grand Strategy,” *Strategy and Management*, no. 3 (2002).

NOTE: This table was updated by Professor Hu in 2007 from the original published version. Correspondence with author, March 3, 2007.

increased its lead over both India and USSR/Russia considerably during 1980–2003. Third, China has surpassed Japan; Hu and Men assert that “China has risen to the second world power.”<sup>47</sup> These broad assessments are shared by other Chinese agencies and scholars: one respected analyst at the China Institute of Contemporary International Relations commented in 1998, “Few people would disagree that China’s overall national strength will still be far behind the United States, but may catch up with Japan and will be sure to exceed Russia.”<sup>48</sup> Another Chinese scholar put it this way: “In the twenty-first century, like it or not, the United States will continue to play a leading role in the world.”<sup>49</sup> By 2006, a multinational survey of public opinion concerning how nations view their own influence in relationship to other nations revealed that Chinese saw their influence as second only to that of the United States, though they felt China “should have more influence than the United States and that they would achieve equal influence with the United States within ten years.”<sup>50</sup>

These conclusions can be assailed from several directions. In the information age, industrial-age measures of strength are somewhat less salient; comparing the head count of various militaries, for example, is less germane given the revolution in military affairs. Moreover, there is the issue of whether to use Purchasing Power Parity (PPP) as a measure of economic performance as opposed to exchange rate calculations. PPP calculations yield per capita GDP figures for the PRC that are about four times those obtained by exchange rate methods.<sup>51</sup> Further, Chinese analysts may be making a mistake by projecting Japan’s sub-par economic performance of



the 1990s into the new millennium in straight-line fashion,<sup>52</sup> and it is similarly unlikely that China will sustain its recent blistering growth rates indefinitely: as an economy grows and matures, growth rates tend to slow. Finally, as underscored in chapter 6, there are enormous economic, demographic, and sociopolitical disruptions that could deflect China from its current path of sustained, high growth. Indeed, an extensive *People's Daily* article in August 2004 reported that ninety-eight foreign and domestic experts had warned of ten major vulnerabilities to stable continued progress and counseled that “one must think of danger in time of peace as the eleventh Five-Year Plan (2006–10) is being drawn up.”<sup>53</sup> One astute Chinese interviewee put it this way: “People in China are less optimistic about its [China’s] future than people outside China. The whole posture is very defensive. They [Chinese] are very worried about food, energy, environment, disease.”<sup>54</sup>

Hu and Men’s policy conclusions and recommendations correspond with widely shared assumptions undergirding policy in China today. They say that China should

1. “Intensify investment in human capital” to maintain economic growth and continue to climb in international power rankings. China must boost workforce quality, improve general citizen education and health, reduce absolute poverty, and so forth.
2. Develop “new energy sources and renewable energy . . . and fully utilize internationally available strategic resources based on [the] market mechanism and environmental-friendly sustainable development model.”
3. Increase the efficiency of capital utilization.
4. Improve the efficiency of the taxation system and increase net government extraction from the economy.
5. “Raise sharply the percentage of defense spending in GDP to enhance the defense capabilities.”
6. Increase China’s ideational power, stressing “international institutions, international prestige, cultural influence, and other soft factors.”<sup>55</sup>

Of course, such objectives and recommendations have embedded within them painful choices and powerful constituencies in favor of divergent paths. Regarding Hu and Men’s first and fifth recommendations, for instance, how can Chinese leaders balance human and defense investment—guns versus *doufu* (tofu)? With a rapidly aging citizenry, not to mention a nation with a far-flung and still massive rural population, how can health care be provided when technology, pharmaceuticals, and

the growth in chronic disease are all rapidly driving up costs? How should health and education expenditures be prioritized, and what level(s) and types of education are most important to emphasize? How can the central government increase revenues without dampening economic incentives at local levels and in the growing private sector? How can leaders balance economic growth with environmental considerations? Similarly, it is easier to call for improving the efficiency with which capital is allocated than to actually produce systemic change in this respect: local officials resist relinquishing power over the allocation of capital, crony capitalism is deeply embedded, and local officials' promotions are based on their localities' growth rates (which creates incentives for making loans locally and misreporting up and down the administrative hierarchy). The very politics of producing change makes it hard to devise and implement a strategy.

## GRAND STRATEGY AND DEBATE

There is disagreement in China about whether the country's leaders have a "grand strategy" to boost CNP and guide its subsequent use. Many Chinese observers speak of their nation's foreign policy from the perspective that the relatively centralized political system creates opportunity for strategic consensus and that the PRC's size entitles Beijing to think globally. As one Chinese scholar put it not so delicately, "It is the privilege of great countries to have grand strategies—not Papua New Guinea."<sup>56</sup> On the other hand, many also recognize that as Chinese society (and its bureaucracy) become increasingly pluralized, consensus is becoming progressively more difficult to achieve and maintain. One respondent heatedly argued: "We have no grand strategy. The basic approach of our government is an instantly reactive approach, though many [Chinese analysts] suggest China should have a long-term objective."<sup>57</sup> Other analysts claim that China has a "camouflaged" or implicit strategy. Still others claim that China has a self-evident and clearly stated goal and a strategy to attain it: "In the coming twenty years the relative gap between China's overall national strength and that of the United States will be reduced to two-fold from three-fold, making the country [China] a world power with dominant ability."<sup>58</sup> In my own opinion, there is an implicit consensus on broad goals *and* the means to achieve them, but debates and conflicts will continually arise along the way over priorities and thresholds of risk. One almost universally shared goal in the PRC—indeed in China for the last 150 years or more, since the Qing Dynasty went into decline—is to make China rich and powerful and to regain the nation's former status as a great power that controls its own fate.



FIGURE 1

In 2006 guards watch the construction site of the National Stadium, “The Bird’s Nest,” the main venue for the 2008 Beijing Olympic Games. China’s leaders and people hope that their hosting the Games will strengthen the country’s infrastructure, spur economic modernization and China’s role in globalization, and mark the nation’s formal re-emergence as a great power. Cancan Chu/Getty Images.

There is a broad consensus strategy for achieving this goal. However, it leaves two decisive questions unanswered. First, will the international system (the United States in particular) resist and seek to retard China’s movement along its chosen path? Second, what domestic and foreign policies will best ensure the levels of economic growth *and* domestic stability that will enable the strategy to proceed and to succeed? These two questions must be addressed as Chinese society and government pluralize, with various elite, opinion-shaping, and popular groups adopting divergent policy preferences. With increasing pluralization, political groups can form to promote their own concerns, thereby creating the risk that political conflict could rip asunder the more general strategic consensus. For instance, as domestic inequality has grown with economic development, more domestic voices are raised about the wisdom of China’s bet on globalization. A final obstacle concerns the general drift toward leaders with less strength in an increasingly bureaucratized system. One Chinese scholar put it this way: “With Mao Zedong and Deng Xiaoping you had leaders with strategic vision; now we have weak leaders and a strong, fragmented society [and] policy structure.”<sup>59</sup>

## CHINA'S CONSENSUS STRATEGY

Swaine and Tellis provide a parsimonious description of what they call the PRC's "calculative security strategy." The security component upon which Swaine and Tellis primarily focus is designed to foster the international conditions under which domestic development can proceed with minimum external interference and maximum external support. "The notion of 'calculative' strategy is . . . a pragmatic approach that emphasizes the primacy of internal economic growth and stability, the nurturing of amicable international relations, the relative restraint in the use of force combined with increasing efforts to create a more modern military, and the continued search for asymmetric gains internationally."<sup>60</sup> Swaine and Tellis anticipate that this strategy will endure until at least 2015–20.

In his political report to the Sixteenth Party Congress on November 8, 2002, President Jiang Zemin put the strategy crisply, saying, "The first two decades of the 21st century are a period of important strategic opportunities, which we must seize tightly and which offers bright prospects. . . . We need to concentrate on building a well-off society . . . in this period. . . . The two decades of development will serve as an inevitable connecting link for attaining the third-step strategic objectives for our modernization drive. . . . A new world war is unlikely in the foreseeable future. It is realistic to bring about a fairly long period of peace in the world and a favorable climate in areas around China."<sup>61</sup> A key component of this strategy has been developing cooperative relations abroad, most importantly with Washington, even as Beijing has tried to find other friends. In making friends elsewhere, Beijing has realized that the frustrations of others with U.S. policy can be an asset. As one senior Chinese scholar put it,

As China's power has grown [it has] wanted to make itself more charming, more effective, to limit counter-reactions. And, as China grew into the international system, it talked more responsibly, played by common rules, got into international organizations—soft power. It started with realism [and changed to neoliberalism]. . . . I have two conclusions: (1) It is important to have economic power, and it should also be converted into military power. In the 1980s and into the 1990s we needed to convert more into military [power]. It is not enough to be rich; be strong too. . . . (2) We need to get soft power and we have seen the failure of George W. Bush as an indication of how important it [soft power] is to being a big power. Regarding soft power, [China's leaders] want China to be seen as a responsible power. How to achieve this? Emphasize the UN's role, and at the regional level promote regional economic integration



FIGURE 2.

Chinese President Jiang Zemin and U.S. President George W. Bush in Shanghai at the October 2001 APEC summit, their first meeting after the September 11 terrorist attacks on the United States. In the attacks' immediate aftermath, President Jiang articulated a PRC policy that opposed terrorism and supported initial American moves. This was a turning point in U.S.-China relations. Reuters/Corbis.

and build regional economic and security institutions. . . . [I]t is not enough to work at these levels; we must also build domestic political civilization—more balanced development and more attention to the needy. . . . There is a general consensus about the direction in which China should move, [a consensus] developed in the mid- and late 1990s. How to be a constructive middle power? [There is] a mind-set of elite/opinion leaders, and with this mind-set [we have] developed policies on different issues.<sup>62</sup>

A clear logic is at work, a logic linking the need to maintain cooperative relations with the external world (particularly the United States), with the requirement to

constrain Washington through multilateral bodies and world opinion and to become an increasingly influential nation with substantial ideational power. The basic concept is that by following a nonconfrontational path in the short and medium term China will become a major force in the world.<sup>63</sup> As one Chinese scholar explains,

Regarding hard power, China is betting that in twenty years things will change. Now we have a \$1.4 trillion GNP, but after twenty years of 7.8 percent annual growth we will requadruple our GNP and reach the level of \$4–5 trillion. The United States is at the level of \$11–12 trillion now, and given 3 percent per annum growth, by 2020 the United States will have a GNP of \$17 trillion—China will be about one-third [the U.S. level]. . . . Today China spends US\$30 billion [official budget] on its military. By 2020, it will be four times higher, and at least for the last decade-plus China's military budget has increased at the rate of GNP increase, about 12 percent. By 2020 our military budget would be \$180 billion at this rate of growth—almost 50 percent of the U.S. military budget of last year [2003]. I don't know where the U.S. budget will go. . . . And these figures don't include [China's] off-budget procurement. . . . Our grand strategy is that by 2020 China matters and China's hard power will appear. If we are premature to meet the challenge of the United States we will lose our chance.<sup>64</sup>

Importantly, however, this scholar did not fall prey to the gravest danger in such thinking—the tendency to project today's performance indefinitely into the future. During the same interview, this respondent argued that many things could deflect China from the path described above and that its leaders recognized the dangers. These considerations argue that China should keep the window of opportunity open and should avoid strategic challenge for as long as possible—well beyond the next twenty years. “Growth will weaken the Chinese Communist Party. . . . Also, the oil supply cannot sustain China's quadrupling GNP again. The world supply cannot do it. And China's ecological and financial system cannot stand a quadrupling of GNP either. No water supply; no electricity. We can't absorb the waste [effluents]. So the grand strategy is very questionable. The competition for energy alone will cause external problems. Energy-scarce countries will hate China.”<sup>65</sup>

Returning to the subject of grand strategy, all of these considerations have led to the development of a widely shared, implicit sense concerning China's goals, the broad steps needed for their achievement, and the obstacles that will be confronted along the way. In the words of another senior Chinese scholar,

We have a camouflaged strategy. There is one world, it is dominated by the capitalist democracies, and we want to join that world. We should be part of this world, join the G-8 and make it the G-9. We already are part of the WTO and most existing regimes. We have no problem. If we want to be rich, adopt norms, and these norms are favorable [to China], so we don't have to be hasty in changing regimes because we are part of the advanced world. So our strategy is this, but we can't say it. Our goal is to become a capitalist country.<sup>66</sup>

The “calculative security strategy” is the cocoon protecting domestic economic and social development, and the principal features of the domestic strategy are increased use of markets and material incentives; modernization of science, technology, education, and management; use of the international economic system to provide skills, capital, information, competition for domestic firms, and export markets; and a growing domestic consumption class that provides stability and can drive internal growth, investment, and innovation so that China is not as export dependent as the earlier modernizing Asian tiger economies and Japan. This strategy acknowledges that there will need to be fundamental changes in the role of the government and Chinese Communist Party (CCP) in the economic system (from economic player to regulatory referee), along with the creation of more predictable legal and judicial institutions. The vision currently does not include extensive political liberalization (see chapter 6). A key aspect of this strategy is to use the resulting urban and industrial growth to absorb the hundreds of millions of surplus rural citizens, and to do all this while avoiding regime-threatening internal instability.

One Chinese scholar described the evolution of China's national strategy as follows:

Mao Zedong and Deng Xiaoping had the same goals—to make China rich and strong. Mao used alliances to do it; Deng pursued interdependence as a way to develop, integration into the world, outsourcing technology and capital. Mao emphasized idea [“normative”] power to mobilize people, and Deng attached more importance to material aspects, incentives. In terms of military strategy, Mao was very defensive—guerrilla or people's war and development of nuclear weapons were for political reasons. Deng placed a lot of importance on economics; after the economy was strong he would spend more on the military. After the fall of the USSR, Deng switched to more emphasis on the military, in part as a reward for June 4. This was a change in strategy, not just an adjustment. The world was more threatening; China was the only socialist country

left, Vietnam and North Korea aside. . . . Also, by then the government felt more able to spend.<sup>67</sup>

Though there is a consensus about Deng's broad national strategy in both its security and its domestic development dimensions, and though this consensus has lasted for a quarter-century and probably will endure for a considerable time into the future, the forces of entropy (the tendency toward disorganization over time) continually put pressure on the strategy. In the course of policy specification and implementation, winners and losers are created. Over time, the losers seek to challenge the strategy or its implementation, at least around the edges. Debate over the strategy becomes more intense as social and governmental pluralization proceeds and greater resources foster divisive debates over how the new strength should be used and distributed. Finally, in the two decades following the chaos of the Great Proletarian Cultural Revolution most Chinese were willing to attach primacy to social stability and postpone fundamental political reform, but as memories of Mao Zedong's depredations as well as the more recent June 4, 1989, violence recede the population increasingly resents the government's authoritarian constraints and grows progressively bolder in confronting them. While Deng Xiaoping, with all his revolutionary and postrevolutionary credentials, had enough clout to make a strategy stick, each subsequent generation of leaders may well have diminished capacities in this respect.

The tendency toward entropy is well described by Chinese citizens themselves:

Modernization has led to a lack of consensus. This is the future—more lack of consensus. In noncrisis circumstances, there is a lack of consensus. . . . In the Politburo Standing Committee, nine votes are important, not just one. You see it in the regional governments like Shanghai, Zhejiang, Fujian, [and] Guangdong having major voices. There is a lack of consensus.<sup>68</sup>

So the positive side is that leaders are keeping a clear mind and they have the capability to keep control, but the negative side is that more people are involved [in the policy process]. We have an independent public opinion, to some extent. With . . . freer media and independent society this is good for the long run, but not so in the short run—it is too emotional.<sup>69</sup>

Consequently, over time three significant modifications have revealed the internal and external pressures to which the strategy has been subject. The first change



was in 1989, when the relative priority of the military rose in the modernization strategy. In every year between 1980 and 1988, the official Chinese military budget had either declined in current Chinese dollars or gone up by a low single-digit percentage. In 1980, official Chinese military spending was 16 percent of total central government expenditure, and by 1988 it had dropped to 8.1 percent. From 1989 through 2005, however, the official military budget on average grew by 15.4 percent annually; this larger expenditure constituted 12.7 percent of total central government budgetary expenditure in 2004.<sup>70</sup> The second change was in 1997, when China moved toward a more active role in global affairs, in part as a result of the Asian Financial Crisis and Washington's relative passivity in that period. The most recent change has been evident under Jiang Zemin's successor, Hu Jintao, who has emphasized promoting economic growth and social welfare among regions and groups left behind by the previous trickle-down domestic development. Looking ahead, a principal question is when and how China's leaders will put accelerated political change on the agenda, a topic addressed in chapter 6.

The first change reflects a military unhappy with its budget as it faced a more capable and assertive United States, a Taiwan seemingly drifting farther from the mainland, and the demise of previous communist brethren regimes. The second reflects the anxieties that a growing Chinese military generates in Asia, the PRC's need to reassure its neighbors, and the opportunity for Beijing to use multilateral organizations and its growing economic clout to restrain a powerful Washington and hem in an independence-minded Taiwan. And the third change reflects the need to maintain tolerable domestic stability in the face of widening economic and social gaps at home and gaping holes in the social safety net. These pressures have resulted in a modified consensus strategy that provides great room for debate, if not conflict. Each of these changes is addressed in greater detail in subsequent chapters.

## TWO GREAT CHALLENGES

Two sets of considerations most worry China's leaders as they seek to implement their strategy. First, how can rising material and political expectations be managed as change proceeds, and can social stability be maintained given these undeniable changes? Second, as China becomes stronger, how can Beijing reduce the likelihood that the dominant power (or powers) will seek to retard, or reverse, China's ongoing acquisition of strength? Will the international system remain comparatively benign, thereby permitting China to remain focused on internal growth and stability? In this vein, a 2003–5 debate in China, over whether to describe China's strategy as that of a "peaceful rise" (*heping jueqi*), is particularly instructive.

The phrase *peaceful rise* was first coined in November 2003 by the chairman of the China Reform Forum Zheng Bijian<sup>71</sup> as a way to reassure the outside world (particularly the PRC's neighbors and Washington) that China's ascendance would not follow the destructive paths of Germany and Japan in the first half of the twentieth century or the Soviet Union throughout much of that same century. The phrase was used by General Secretary and President Hu Jintao, along with Premier Wen Jiabao, the following month and into 2004 and was a rhetorical attempt to reassure skeptics in the United States and elsewhere who had started speaking regularly of a "China threat." After intense debate that may have included discussion in the Standing Committee of the Politburo,<sup>72</sup> President Hu Jintao, in his April 24, 2004, remarks to the Boao Forum on Asia, dropped the term *peaceful rise*, using *peaceful development path* instead.<sup>73</sup> This substitution reflected leadership jockeying between Hu and his predecessor Jiang Zemin and the debate outlined below. The argument leading up to Hu's speech illustrates the forces that both shape China's strategy and continually subject it to pressure. One of several PRC analysts who described the debate summed it up as follows:

Zheng Bijian suggested *peaceful rise*. [But] former ambassador to Russia Li Funing [and many other ambassadors] raised criticisms. It is not a good idea to stress a rising China. *Jueqi*, this is stronger in Chinese than *rise* is in English [the Chinese word conveys the idea of "thrusting up" or "rising abruptly"]. So they [the ambassadors] say [the phrase] is no good for China. Another group of opponents is in academic circles, and they say [the phrase] demonstrates a lack of knowledge. There is no historical base for this [peaceful rise]. No country ever rose peacefully. Consider Japan and Germany. Others in the academic circles say, How can you say China is rising when Chinese per capita GDP is \$1,000? [Another scholar mentioned by name] considers that the idea of a peacefully rising China further reduces China's ability to deal with Taiwan independence because if your strategy focuses too much on "peaceful" then there is a restraint on your power. The third group is from the PLA [People's Liberation Army]—if "peaceful rise" is the stated strategy, they are concerned with the possibility that the PLA will be disadvantaged in the budget. [By way of contrast, the term substituted by Hu Jintao,] *peaceful development*, is a very ordinary term and gradually will become meaningless.<sup>74</sup>

Despite this debate, however, both *peaceful development* and *peaceful rise* remained in usage, showing that Beijing remained dedicated to the task of reassuring the outside world about its intentions, even if it could not reach internal unanimity about

the vocabulary for doing so. Indeed, in the fall of 2005 Zheng Bijian wrote an article for *Foreign Affairs* magazine entitled “China’s ‘Peaceful Rise’ to Great-Power Status”; Deputy Secretary of State Robert Zoellick referred to Zheng’s thinking in a major September 21, 2005, policy address on China; and Zheng responded to Zoellick’s remarks about a month later, saying, “What I want to stress is that it is economic globalization that has created conditions for the peaceful rise of China. Therefore, the Chinese Communist Party doesn’t intend to challenge the existing international order, nor will it advocate undermining or overthrowing it by violent means.”<sup>75</sup> He went on to talk about the need for pragmatism in policy and the conflict-reducing effects of global interdependence. In the conference at which Zheng’s November 2005 address was delivered, a Chinese scholar summarized China’s effort to reassure the world of its nondisruptive intentions and called upon others to accept China’s peaceful rise, saying: “China has spent a lot of time learning from past rising powers like Russia, Japan, and Germany so as to avoid the mistakes of past rising powers. The United States should spend time learning how previous dominant powers dealt with rising powers [peacefully].”<sup>76</sup>

From ancient times Chinese leaders have appreciated the varied forms of power and have understood that its varied forms should be employed in an optimal mix that changes according to internal and external conditions. There is, on the one hand, a role for the decisive use of force, or what Mao called “battles of quick decision” and “annihilation.” Theorists and practitioners from Sun Tzu to Mao Zedong, Deng Xiaoping, and Jiang Zemin have not hesitated to use force when they deemed it necessary. On the other hand, almost all instances of Chinese use of force in the post-1949 era have reflected anxiety about periphery defense—though one must acknowledge that China had little capacity for power projection further afield, so that the PRC’s future actions as it acquires enhanced capabilities are still uncertain. What constitutes the periphery to be defended could change as PRC capabilities and interests expand. For instance, one Chinese scholar noted to a group of U.S. congresspersons that the Middle East had become a part of China’s salient periphery in a way that it had not been when China had been self-reliant in oil prior to 1993.<sup>77</sup>

Leaders and citizens of the PRC generally see themselves as getting stronger along all three dimensions of power (coercive, remunerative, and ideational), although they also recognize that

- China today is considerably weaker than the United States in terms of comprehensive power and will remain so for the foreseeable future.

- China's clout in the Asian-Pacific region is greater than it is in the broader international system.

China has an approximate twenty-year window of opportunity to stay focused domestically.

- Continued national progress remains hostage to both internal and external developments.

China's leaders from Deng Xiaoping through Jiang Zemin to Hu Jintao have adopted and adapted a consensus grand strategy that emphasizes securing the external conditions conducive to internal economic growth and social change. To these ends, the preponderant part of China's elite has moved toward a concept of cooperative, multilateral security. *At the same time*, there is seriousness of purpose in modernizing China's military and using it, if need be, in the Taiwan Strait and in the more distant future to protect the nation's resource lifelines. Moreover, there is a perceptible rift between those intellectuals and leaders in the PRC who subscribe to a more cooperative view of international relations and those who espouse a Chinese form of "offensive realism" in which it is a delusion to believe that the current world hegemon (the United States) will acquiesce to its own loss of power.

The current circumstances require China and the United States to each make a bet—a double gamble. For China, the bet is that America and the outside world will maintain an external environment in which China's growth can proceed according to the evolving development strategy that has worked relatively well since 1978. Washington is expected to maintain such an environment for many reasons, one of which is that it is preoccupied with more imminent global threats to its national security and needs China's assistance (great or small) in addressing them. Another reason is that China's potential market is an economic prize for which the advanced nations of the world are already competing, thereby giving China leverage.

For America, the bet since the 1970s has been that as China grows and becomes enmeshed in global interdependence, the liberal internationalist impulse in the PRC will exert progressively more influence over Chinese policy. The argument is that as China benefits from globalization it will become an increasingly staunch maintainer of the system from which it derives huge gains (a "responsible stakeholder," in the 2005 words of then U.S. Deputy Secretary of State Robert Zoellick). Each nation has made its respective bet because progress to date fosters the hope for progress in the future and because there really is no realistic alternative.

Nonetheless, each nation has embedded within its social, economic, and political

systems individuals and social groups that are uncertain, or openly skeptical, of their own country's bet. Each national leadership hedges its bet by having (and creating more) military capability in reserve and developing allies and friends elsewhere in the international system—what I call “hedged integration.” The hedging strategy of each country understandably creates anxiety (and military counter-reactions) in the polity of the other. China and the United States, therefore, are wedded to strategies that foster continued debate and anxiety at home but to which there currently is no feasible alternative. Politicians in both nations will continue to struggle to maintain internal support for a strategy that has many domestic skeptics.

History and power cycle theory suggest that the moments when relative power begins to change among great states are moments of uncertainty, if not danger. These moments necessitate that there be statesmen in both the ascendant state and the dominant state. In the ascendant state (China), leaders must be careful not to misjudge what their new capacities can accomplish and should not fail to reassure the dominant state and others that they are mindful of others' core interests. In the currently dominant state (the United States), the task is to adapt policies and international structures to incorporate the arrival of the new power in such a way as to preserve for itself as much leverage as possible and to build the ascendant nation into what Ronald Tammen calls the “coalition of the satisfied.”<sup>78</sup> The United States, in this case, cannot cling to peripheral interests that its power is no longer adequate to secure at reasonable cost.