CHINA: THE STRATEGIC CHALLENGE

To numerous observers, China’s political, economic, and military evolution will largely define the future contours of security and strategy in the Asia-Pacific region. At one level, this belief reflects the inescapable realities of China’s size, geographic location, past history, and inherent power potential. But China’s rapid economic growth of the past two decades, the pattern of China’s military acquisitions during the 1990s, and Beijing’s political-military strategies toward Taiwan and in the South China Sea place these concerns in a more consequential light. Unlike previous decades, when internal preoccupations and military vulnerabilities frequently compelled China to react to pressures from beyond its borders, Beijing’s leaders seem increasingly intent upon shaping their longer-term national security environment and in augmenting the country’s military power. Though China’s military capabilities should not be exaggerated, their enhancement and the strategic purposes they are designed to serve will help define—either for good or for ill—the security environment of Asia and the Pacific in the next century.

The scope and scale of China’s modernization and strategic ambitions have spawned a burgeoning literature on the implications of China’s reemergence as a major power. There is an understandable tendency to characterize China’s political-military development in somewhat portentous terms. To many international relations scholars, China seems the classic rising power dissatisfied with the extant distribution of power and intent on altering its place in it. As a consequence, whether and how China can be accommodated to the existing international order assumes undeniable salience, especially among analysts seeking to identify a new strategic pattern for the post-Cold War world. American strategic predominance following the collapse of Soviet power and the intermittently strident debate within the United States and China on the potential for a longer-term Sino-American strategic rivalry have lent additional momentum to such assessments.

This volume, however, avoids any focus on a presumptive U.S.-Chinese strategic competition, or on U.S. strategic options in relation to the growth of Chinese power. It instead concentrates on the policy dilemmas of the international actors most immediately and profoundly affected by Chinese power--i.e., China’s neighbors. Those in geographic or strategic proximity to China must define practicable policies toward Beijing that simultaneously enhance Chinese incentives to pursue collaboration with their neighbors, while preserving options to protect national security should constructive, stable relations prove elusive or unattainable. Though U.S. policy assumes ample significance in the calculations of different regional actors (especially those who confront major asymmetries in power relations with Beijing), indigenous factors tend to define the prevailing options and contours of policy debate in relation to China. Each actor must define a set of strategic alternatives toward China that reflect: (1) its assessment of Chinese power; (2) how each evaluates the balance between China’s internal and external policy preoccupations; (3) how each defines the optimal mix of
policies toward its larger neighbor; and (4) the power each seeks to hold in reserve should Chinese capabilities prove overtly menacing to its national security.

As the contributions to this volume indicate, however, there is no single preferred strategy being pursued by China’s neighbors. All face inescapable policy dilemmas in relation to China—dilemmas that parallel (albeit in very different terms) those confronted by the United States in its relations with Beijing. All recognize the major uncertainties associated with China’s military modernization, as well as with the evolution of the Chinese political and economic system in coming decades. At the same time, none want concerns about the longer run to constrain nearer-term opportunities (especially in the economic arena) that will also influence Chinese incentives to pursue collaboration with neighboring states. All view the growth of Chinese military power with wariness, even if Beijing’s present military-technical capabilities do not yet pose a comprehensive or compelling threat to regional security.

This said, there is ample and understandable variability in how different actors view the challenge of Chinese power. Each hopes to define more predictable parameters within which relations with China can be structured, hoping thereby to diminish potential vulnerabilities and uncertainties. These parameters are clearly presumed to require a mix of policies, lest individual states find themselves severely disadvantaged in a future crisis, or if Chinese behavior should become more threatening as its military capabilities grow. Few, however, even remotely entertain the possibility of symmetrical ties with China, though for autonomous major powers (notably, Russia and India) any pronounced imbalance in power is deemed unacceptable over the longer run. Thus, with the exception of Hong Kong, where China again exercises sovereignty, all recognize the necessity of maintaining sufficient military capabilities to inhibit, or at least caution, China from pursuing highly coercive strategies.

China’s neighbors, therefore, follow a strategic maxim not unlike one frequently put forward by Beijing: they hope for the best, but prepare for the worst. All have sought to place their bilateral relations with China (whether government to government or in the economic arena) on a more practicable, normalized basis. All hope to see China more fully enmeshed in multilateral institutions that are increasingly prevalent within Asia and the Pacific, thereby providing Beijing with clear incentives and opportunities to curb the unilateral exercise of its power. None seek to provoke China’s leaders, nor do any (with the exception of Hong Kong, which is sui generis) wish a relationship that is overtly deferential or unduly interdependent, given China’s sheer size and strategic weight. But each must tailor its China policies in relation to its particular political and security circumstances and needs. This overall mix of countervailing capabilities does not represent a strategic solution for long-term relations with China. But maintaining an array of capabilities and policy instruments is deemed prudent, realistic, and sustainable in addressing an uncertain future.

MILITARY MODERNIZATION: THE REGIONAL CONTEXT

Major uncertainties and security concerns are evident in characterizations of present realities as well as over the longer term. As discussed at length in Bates Gill’s contribution, the present dynamics of military competition in the Asia-Pacific region have been somewhat exaggerated in recent strategic assessments. Undeniably, the scope and scale of military modernization across the region has accelerated in the 1990s, reflecting both the increased availability of advanced weaponry, and its relative affordability, given rapid economic growth in numerous states. By the same token, the
financial upheavals evident first in Southeast Asia in the summer of 1997 and subsequently spreading to Korea seem almost certain to slow the pace of military modernization programs during the remainder of the 1990s, and perhaps beyond the year 2000. Though the financial crisis and major currency fluctuations were not incorporated in the analyses of the authors, the aftermath of such upheavals—assuming that defense acquisitions slow appreciably—undermines arguments that security uncertainties per se ensure continued momentum in regional defense programs.

However, with the possible exception of the military balance between China and Taiwan, assertions of a regional arms race seem overstated. The underlying dynamics of regional weapons acquisition are highly varied, and by no means exclusively driven by the “China factor.” Numerous states are now in the gestational stages of acquiring and integrating more sophisticated military hardware into their weapons inventories; by its very nature, this will be a protracted, uneven process, perhaps ameliorating some of the possible political and strategic effects.

Characterizations of military acquisition programs (especially those associated with China) that focus exclusively on specific technical comparisons may nonetheless obscure their potential purposes and national security consequences. Even as defense planners must undertake contingency planning on the basis of available capabilities, few voice particular concern about scenarios entailing the extensive use of force. Chinese power projection capabilities, for example, are at present only in their nascent stages of development, and are counterbalanced by Beijing’s political accommodation with its neighbors and its growing integration with the regional economy. But threat perceptions and policy responses are very much dependent on context, circumstance, and relative power balances.

ASEAN AND CHINA: THE SMALLER STATE DILEMMA

The identification of ambitious military modernization goals by China’s national security elite, and the absence of regionwide security norms and understandings to regulate potential rivalries, tend to generate particular anxieties among smaller states. As discussed in Derek da Cunha’s essay, the ASEAN powers confront inherent asymmetries between their own capabilities and those of China. It is less that the ASEAN member states expect to be subject to a highly coercive Chinese strategy, though some defense planners express such concerns. Rather, the very fact of China’s size—and the absolute and relative increase of its capabilities that its economic growth permits—alters strategic realities and power perceptions.

In da Cunha’s view, these dynamics confer strategic advantage to China that ASEAN has no practicable means to counteract. In the final analysis, ASEAN hopes for two outcomes: first, that Beijing’s enlightened self interest (especially related to increasing economic integration with Southeast Asia) will dictate restraint in China’s external strategies; and second, that American security linkages in the region will remain sufficiently credible to induce circumspect political-military behavior on the part of Beijing. ASEAN also hopes to foster increased levels of defense collaboration and political cohesion, though these efforts have yet to bear much fruit. But da Cunha voices pessimism that the more benign policy assumptions of some Southeast Asian states will be validated, especially as China begins to accumulate increased levels of military strength, in particular with respect to maritime capabilities.
AMERICA’S MAJOR ALLIES

The strategic perspectives among America’s most important regional allies—Japan, South Korea, and Australia—are necessarily somewhat divergent from those of ASEAN. Though the United States maintains formal treaty commitments with two ASEAN member states (i.e., Thailand and the Philippines), its primary security ties within the Asia-Pacific region are focused on Tokyo, Seoul, and Canberra. U.S. security commitments and defense collaboration with all three countries (and the still substantial in-country military deployments of U.S. forces in Northeast Asia) necessarily define the strategic challenge of China in a different way for these states.

The View from Tokyo

The perspectives of America’s primary allies also vary. In Japan, there is substantial if still understated wariness about the implications of China’s enhanced military capabilities and its longer-term role as a major power. Satoshi Morimoto’s essay reflects elements of the long prevalent evaluation of Chinese military capabilities among Japanese analysts. For example, Japanese strategists have focused far more attention on the possibilities of social and economic instability in China, rather than deeming China a military threat; there is a parallel belief that the Chinese remain acutely focused on the potential vulnerabilities in lightly populated border regions. Moreover, as Morimoto notes, China as a predominantly land-based power does not yet possess the military reach to pose an appreciable challenge to Japanese security.

But periodic tensions over disputed territorial claims in the East China Sea; China’s military exercises opposite Taiwan in 1995 and 1996; the enhancement of China’s nuclear weapons inventory; and deeply-rooted Chinese animosities over Japan’s wartime behavior lend a more unsettled, and potentially problematic, forecast in future Sino-Japanese relations. A series of high profile policy pronouncements in recent years—the promulgation of Japan’s revised National Defense Program Outline in November 1995, the U.S.-Japan Joint Declaration on Security issued by President Clinton and Prime Minister Hashimoto in April 1996, and the completion of the review of the U.S.-Japan Defense Guidelines in September 1997—spoke to the inchoate regional uncertainties attending the collapse of the Soviet Union, the rise of Chinese power, and the potential for growing instability on the Korean peninsula, with Japan seeking added assurance from the United States in all three domains.

Even as both Tokyo and Washington have sought to dampen Chinese suspicions that these alliance enhancements were prompted by concerns about China, the timing and context of these policy reviews are beyond dispute. Thus, the Japanese have deemed it prudent to preserve a longer-run option to augment their alliance relations with the United States. Such an option does not presume an adversarial relationship with China, but it is seen as a principal means to quietly caution leaders in Beijing. A reinforced alliance also leaves the door open to a more “power-oriented” strategic concept in Sino-Japanese relations, should future circumstances warrant it. It seems no surprise that Beijing continues to discredit such a concept—either by sharp public attacks on its purported anti-Chinese bias, or by signals of reasonability and flexibility that will presumably diminish or deflate support in Japan for a more wary, “hedged” view of China’s future regional role.
The View from Seoul

The calculations of the Republic of Korea contrast with those of Japan. As analyzed by Taeho Kim, the indeterminacy of the Korean security equation—i.e., the highly unsettled prospects of the embattled North Korean regime, even as it still poses a direct military threat to the South—has kept ROK security planners focused more on extant security concerns, rather than any presumptive challenge from a more powerful and assertive China. Indeed, the South’s pursuit of Nordpolitik since the mid-1980s had an explicit security rationale: normalized relations with Moscow and Beijing would both give the ROK added visibility and stature in international politics, and it would sharply diminish the incentives of Pyongyang’s erstwhile allies to treat Seoul as an adversary, or to leave their security commitments to the North undiminished.

The events of the past decade have amply vindicated South Korean strategy toward Beijing. China has emerged as one of the ROK’s principal trading partners in a very short period of time, and Pyongyang no longer has an exclusive or even primary claim on Beijing’s political and security commitments on the peninsula. These demonstrable security benefits, and the fact that China’s maritime strategies directed toward Taiwan and the South China Sea have been the primary factors generating security concern within the region, have enabled Seoul to adopt a fairly relaxed stance toward China’s current military development.

But the salience of China in the ROK’s security calculations could be heightened under two conditions—first, should China appreciably augment its political, economic, and even military support in order to sustain North Korea as a separate political system, and second, the prevailing security alignments in Northeast Asia should a “Seoul centered” reunification of Korea occur at some future point. Thus, a North Korean systemic crisis or the outcome of the unification process could reconfigure China’s political and security equities pertaining to the ROK. None of this implies that China will necessarily reemerge as an overt security threat to Korea in the future. Indeed, as Kim asserts, the longer-term ROK strategic calculus presumes that a unified Korea—even one still allied with the United States—will be able to achieve a sustainable modus vivendi with Beijing, even as Chinese power continues to grow.

Korean strategists therefore calculate that China’s primary security concerns—both over the near term and over the longer run—will be focused principally on other geographic locales and states, thereby helping insulate the peninsula from an overt Chinese security challenge. Korean incentives for a productive, non-antagonistic Sino-American relationship are also self-evident. The true tests of such crucial strategic assumptions will depend on geopolitical outcomes that are as yet impossible to predict, including the relative robustness and predominant security orientation of a unified Korea. Pending such developments, prevailing opinion within the ROK sees every reason to cultivate closer relations with China and to conciliate Chinese political interests (for example, with respect to the China-Taiwan relationship), provided these do not entail a serious cost to Korea.

The View from Canberra

Australia, though more geographically removed from China than either Korea or Japan, also deems China pivotal to its long-term interests. As discussed by Stuart Harris, China was much more of a threat to regional stability and security in the 1950s and 1960s, when Beijing was identified as a revolutionary state intent on undermining...
the then very fragile political, social, and economic order of Southeast Asia. With China pursuing internal reform and normalcy in its external relations during the 1970s and 1980s, the center of gravity in Australian strategic debate shifted decisively, with clear incentives for Canberra to pursue an engagement strategy toward Beijing. Indeed, the shifts in Australian policy toward China were launched earlier and more definitively than the changes in U.S. policy. However, Harris also highlights continued divisions of Australian opinion, with liberal reformist and realist schools of thought arriving at different policy prescriptions. To a certain degree, Canberra has sought to retain both options, while avoiding definitive policy declarations or actions.

The trend toward a prudent strategic course has been amply reinforced under the new Australian government. In foreign policy and defense reviews published during 1997, Canberra emphasized the primacy of Northeast Asia in its regional security calculations. However, given Australia’s preponderant maritime interests, any sharp demarcation between Southeast and Northeast Asia was deemed both artificial and imprudent. The continued challenge for Australian security policy was to ensure Australia’s defense and to contribute to security in the larger regional environment. This presupposed continued planning and military acquisitions for various contingencies, while ensuring enhanced linkages with neighboring states to preclude destabilizing imbalances of power or longer-term insecurity in the Asia-Pacific strategic environment.

Such measures did not obligate Australia to identify a specific threat—including any prospective challenge posed by Chinese power, given the modest level of Beijing’s capabilities at present. Thus, the need to accommodate a more powerful Chinese state to the regional order was deemed an essential Australian policy priority, but this also required undiminished national defense efforts by Canberra. Australia therefore expects to continue to “walk on two legs:” purposeful engagement of China, and parallel measures to enhance regional security collaboration, should optimistic estimates about the regional future and China’s role in it not be vindicated.

STRATEGIC PERCEPTIONS OF THE CONTINENTAL POWERS

As China’s continental rivals of long standing, Russia and India approach their respective relations with China mindful both of past and future. The essays by Evgeniy Bazhanov and Sujit Dutta nonetheless impart the substantial differences between the two cases.

The View from Moscow

Russia’s relations with China have an integrity of their own, but they also reflect the shifting contours of internal debate over Moscow’s external policy priorities as a whole. Despite the evidence of multiple voices in Russian internal politics and foreign policy, Bazhanov argues that prevailing leadership opinion has gravitated toward a more comprehensive relationship with China. The logic is political and economic as well as strategic. China has reemerged as an important, and potentially pivotal, market for Russian industrial and defense technology. The scale of China’s development requirements in areas where Russia enjoys comparative advantage (e.g., the energy sector) seems all but certain to generate much closer technical and infrastructural linkages in coming decades. Shared incentives to reduce pressures for military deployments in long-contested border areas are also self-evident, with protracted
negotiations ultimately having yielded negotiated agreements. U.S. global predominance provides the operative leitmotif for many of these developments, as well. Both Moscow and Beijing seek means to balance U.S. strength, but without foregoing policy opportunities with the United States.

More than any other factor, however, the resumption of weapons sales and military technology transfer to China after a more than three decade hiatus attests to the profound shifts in Russian strategic perceptions of China. Though cross pressures and internal differences continue to be evident (including but not limited to differences between the beleaguered Russian defense industries and much more wary uniformed personnel), this has not precluded China emerging in the 1990s as Russia’s largest purchaser of military hardware and associated technologies. As Bazhanov notes, prevailing opinion in Moscow judges the scope and scale of these transactions (in particular the long lead times for assimilation of new generations of equipment) as unlikely to perturb the regional military balance—or at least not to the disadvantage of near to mid-term Russian interests.

It remains to be seen whether over the longer run Russian policymakers will deem the complementarities between Russian and Chinese needs—especially in weapons transactions—in full accord with Moscow’s interests. In the shorter run, however, Russian incentives argue for a far more relaxed perception of China. Should the technological asymmetries between the two countries narrow appreciably, or should Chinese demographic pressures and economic growth begin to impinge significantly on Russian regional interests, different policy judgments might become evident. Under prevailing conditions, however, Russian strategists deem the benefits substantial and the risks manageable.

The View from New Delhi

Indian analysts of China, though acknowledging some reasons for guarded optimism, offer a far less benign forecast than rendered by their Russian counterparts. As described by Dutta, Indian strategists continue to feel keenly the power and status asymmetries between their country and China. While he concedes that China’s conventional military capabilities do not at present pose a major threat to Indian security, the totality and trajectory of Chinese power—i.e., its standing as a nuclear weapons state, the size of its military establishment, Beijing’s determination to modernize its defense capabilities in the context of sustained, rapid economic growth, its “special relationship” with Pakistan, and its membership on the U.N. Security Council—confer ample political and strategic advantage to China in both a bilateral and regional context.

As Dutta acknowledges, however, South Asia is not a primary strategic priority for China. But this does not make the region inconsequential to Chinese interests. At the same time, however, Indian strategists recognize that the Chinese have undertaken significant steps to accommodate to regional interests, including measurable improvements in Sino-Indian relations. Parallel Chinese and Indian concerns to ensure internal stability and further economic growth also appear to give both states (not unlike China and Russia) shared incentives to reduce areas of friction and potential confrontation.

However, Dutta further asserts that China’s reemergence as a major power unavoidably impinges on Indian security. He sees little alternative but for India to
pursue multiple, and potentially contradictory paths in relation to China: bilateral initiatives with Beijing, including additional confidence and security building measures (CSBMs); an enhancement of the full spectrum of India’s military capabilities, including its nuclear option and its missile programs; an upgrading of Indo-U.S. relations; and achieving greater strategic coherence within South Asia, with Indian power at the core of such a regional system. Such a comprehensive strategy, he asserts, will provide India the wherewithal to ultimately achieve a more equitable, balanced relationship not only with China, but also in India’s relations with other major powers. Such beliefs seem broadly held in Indian strategic circles, but their long-term viability and sustainability have yet to be tested. In the final analysis, whether and how India and China achieve a mutually satisfactory set of strategic understandings remains very much unresolved, reflecting rival convictions and conceptions about their respective roles in the global and regional balance in the next century.

ONE CHINA, MULTIPLE SYSTEMS

For reasons reflecting history, size, and geographic proximity to China, Hong Kong and Taiwan have defined their strategies toward Beijing in very different terms than large states such as India or Russia. As political-economic systems and Sinitic cultures inescapably linked to China, both have had to assess their policy options within a narrower range of possibilities. Beyond these commonalties, however, the cases of Hong Kong and Taiwan diverge.

Hong Kong: The Implications of Reversion

As a territorial unit returning to Chinese sovereignty—the terms of which were negotiated by Great Britain, rather than by local authorities—Hong Kong hopes for political and strategic understandings with Beijing that provide for a maximal degree of self-governance. However, in view of China’s need to underscore its sovereignty over the territory, this has necessarily entailed the presence of Chinese military units in Hong Kong.

As discussed by Tai Ming Cheung, the complex bargains associated with the reversion of Hong Kong to Chinese sovereignty constitute important tests at a number of levels: of Beijing’s readiness to permit Hong Kong the promised “high degree of autonomy,” as a posited example of the flexible arrangements that could apply to Taiwan’s longer-term relationship within the mainland; and of the viability of financial and commercial arrangements between Hong Kong and the central government, especially the conduct of companies owned and operated by major interests in Beijing, including those controlled by military interests. The larger political and economic dynamics associated with the dynamism of the Pearl River delta also loom. As Cheung notes, these issues underlie China’s inexorable shift toward a more maritime, commercial outlook, of which Hong Kong’s reversion is an integral part. Thus, while Hong Kong’s relationship to Beijing will not entail major strategic or operational consequences in terms of Chinese military deployments, it will attest to the continued transition in political and economic relationships between China and East Asia, and to the capacity of the central authorities to effect new policies skillfully and non-disruptively. These outcomes will thus shape larger perceptions of Chinese power and policy throughout the region.
Taiwan: The Looming Test

However, the largest tests of China’s emergent national security role will continue to focus on the relationship between China and Taiwan, in particular the political and strategic consequences of any potential use of force in a future crisis between Beijing and Taipei. Since U.S. derecognition of the Republic of China in January 1979, military tensions in the Taiwan Strait have remained at very low levels, reflecting Taiwan’s substantial national defense efforts, the robust U.S. military supply relationship with Taiwan, U.S. commitments under the Taiwan Relations Act, and Chinese political-military restraint. The military exercises conducted by Chinese ground, air, naval, and missile units during 1995 and 1996, therefore, raised troubling implications for the longer run.

As analyzed by Andrew Yang, the exercises can be interpreted in numerous ways: as an overt effort to influence the outcome of Taiwan’s presidential election; as an early test of China’s ability to employ its more robust military capabilities; as an indicator of the willingness of the People’s Liberation Army (PLA) leadership to exploit its military power for larger policy goals; as a political and symbolic demonstration of China’s unwillingness to tolerate overt moves by Taipei toward formal independence; or as an early precursor of China’s ultimate readiness (as its military capabilities mature) to apply maximal military pressure against Taiwan. Yang concludes that the events of 1995-1996 are best viewed as a political rather than military crisis, but the implications are nonetheless sobering. On the one hand, he argues, Taiwan must sustain major efforts to reduce areas of potential military vulnerability. But he believes that the absence of agreed-upon restraints in the conduct of the two sides leaves open the possibility for serious misperception and miscalculation in the future, with all the potential consequences that could flow from the use of force.

Gary Klintworth also acknowledges these concerns, focusing on the centrality of various potential “Taiwan scenarios” as the principal Chinese defense planning priorities in the years to come. Although he remains skeptical that the PLA will anytime soon develop the capabilities, operational concepts, and warfighting knowhow to mount a direct attack against Taiwan, he views a blockade option as a somewhat more practicable if still risky prospect. In Klintworth’s judgment, a more viable possibility over the mid-term would be to employ China’s shorter range ballistic missiles in precision strikes against targets on Taiwan, thereby seeking to compel Taipei into negotiations. Though he notes a range of variables that will influence this equation—notably, the scale of Russian arms sales to China, the rate of Taiwan’s own defense modernization, future U.S. arms sales to Taipei, and the possibility of renewed U.S. support for Taiwan in a major crisis—the activation of Chinese military options would imply a very different regional security environment, that could very easily lead many of China’s neighbors to reassess their longer-term strategies toward Beijing.

In the final analysis, therefore, China’s relationship with the region will be event driven, though very much shaped by different judgments on China’s longer-term military capabilities and intentions, and how these are likely to impinge on the interests of various actors. It seems no surprise, therefore, that even as China’s neighbors seem intent on pursuing constructive, mutually beneficial courses of action with Beijing, none see these as an outright guarantee of well-being and stability over the longer run. Crafting the appropriate mix of national policies toward China seems certain to remain the preoccupation of all those whose security will be shaped by China’s power, with prudence dictating that neither benign nor malign options be deemed inevitable.