

EDITED BY
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CHINA'S RISE AND CHANGING ORDER IN EAST ASIA

POLITICS AND DEVELOPMENT
OF CONTEMPORARY CHINA



Politics and Development of Contemporary China

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China's Rise and Changing Order in East Asia

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PART I

Introduction

The Question of Regional Order in East Asia

David Arase

THE NEW REGIONAL AGENDA: ADJUSTING TO CHINA AS A GREAT POWER

Every state in East Asia desires continuing peace and development. But all of them must deal with conflicts of interest that touch their vital interests. The successful management of such conflicts has maintained regional stability and permitted the region to share growth and development. The key has been a regional order that finds its origin in the post-World War II era of US hegemonic power. From the start of the Cold War, the USA constructed a liberal international order for its allies and friends based on free trade for all within the sphere of US strategic dominance.

China defected from the Soviet block from 1971 and, after setting out on reform and opening up under Deng Xiaoping, it gained inclusion into the liberal free trade order. After the Soviet Union collapsed and left the USA predominant in a unipolar global structure of power, the liberal international order accommodated the former communist states. This globalized liberal order gave the USA an integral economic and strategic

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presence in every world region. Not all states accepted this US-sponsored global order, but very few chose to directly challenge it.

However, the rise of China to great power status is transforming the international structure of power from unipolarity to bipolarity, first of all at the regional level, which is the concern of this book. Some might argue that China is not yet fully qualified as a global power (Shambaugh). But there is no denying that China now wants to be recognized as a great power, and that all of its neighbors already treat it that way. China's GDP has already surpassed that of the USA in terms of real production (measured in purchasing power terms); and though its growth is now dipping below 7 percent, its growth remains at least twice as fast as US growth, so its margin of superiority will widen in the foreseeable future. It is already without doubt the predominant economic and military power among Asian nations, and not only does it envision a new regional order, which it calls a "Community of Common Destiny," but it also offers to provide public goods to realize it, such as its One Belt-One Road (OBOR) initiative to build economic corridors radiating out from China to integrate all of Eurasia with the Chinese economy; and the Asian Infrastructure Investment Bank designed to help finance the OBOR.

The new rise in power of China restructures not only the world and greater East Asia, but also each of East Asia's subregions, where parties locked in local conflicts must now adjust their respective strategies. This kind of change occurring at all levels simultaneously can be destabilizing. Contributors to this volume look at the effects of China's rise, examine the implications for regional order, and assess the future outlook at three levels, that is, the greater East Asian region; relevant Asian subregions; and regional institutions. Each contributor is an internationally recognized expert, and together they present a variety of regional perspectives on how China's rise is affecting the prospects for stability.

REGION, REGIONALISM, AND REGIONAL ORDER IN EAST ASIA

We think of the East Asian region as a network of states with interdependent economic and security relations. At its core are the ten member states of the Association of Southeast Asian Nations (ASEAN) and the Northeast Asian states of China, Japan, and the two Koreas. But the network of critically interdependent relations extends outward to include countries such as

the USA, Australia, and India, whose strategic and economic links to East Asia are so deep that any discussion of East Asian security and prosperity cannot exclude them.

Other names for this network of regional interdependence could be chosen. For example, Americans prefer to use the term Asia-Pacific to place themselves as actors in a trans-Pacific framework of interdependent economic and security relations. India, Australia, Indonesia, and, increasingly, other actors use the term Indo-Pacific to focus on trade and security relationships that are quickly integrating the Indian Ocean and East Asian littoral areas into a vast belt of economic growth and development. These names are not so much mutually exclusive as indicative of different perspectives on the same underlying reality, of critically interdependent relations knitting together states in contiguous geographical space anchored in geographic East Asia.

Of course, in a globalized world any network of regional relations is actually part of an integrated globalized system of interdependent relations. But we can analytically frame and linguistically name a regional focus in a way that is appropriate to our interests. In this case, our interest is the impact of China's rise on regional stability and how this impact will work itself out through this network of relationships. The rise of China to great power status will be felt first and foremost in East Asia. No one doubts the historic significance of China's rising economic and military power. It is creating asymmetries in regional relations that empower China in qualitatively new ways.

Political adjustments are inevitable, and the fundamental question is whether the norms and values that provide the basis for the existing East Asian regional order can accommodate changes that China might like to see. China wants a leadership role in Asia to match its regional power ranking, but the current order has been built under, and is still reliant upon, US leadership. Almost all regional states belong to the Bretton Woods institutions and the World Trade Organization (WTO), which provide global rules for economic interaction. Treaties, conventions, international organizations, and customary international law provide norms that govern the relations between states. Regional stability is underwritten by the hub-and-spoke system of US bilateral military alliances with Japan, South Korea, the Philippines, Thailand, and Australia. This has allowed the US Navy to guarantee freedom of navigation in the global commons, which supports economic dynamism and the growth of trade, which is the functional core of the East Asian region.

Some suggest that China's "peaceful rise" has been a "neo-Bismarckian" strategy to promote power accumulation without triggering a competitive, counterbalancing response from actual and potential rivals (Goldstein 2003). Analysts used to say, "The U.S.-China security dilemma is in large measure a function of the Taiwan question." (Johnston 2004, p. 81) Today, however, the security dilemma is becoming rooted in the question of who will determine the norms that govern the regional order. Yan Xuetong (2014) argues that it is time for China to openly "strive for achievements" and compete with the USA for predominance in Asia.

Prior to the rise of a more assertive China, many looked at the *regionalization* of East Asian relations, that is, the growing intensity of intra-regional trade and investment relations centered in East Asia, and anticipated the growth of *regionalism*, that is, the effort to construct regional institutions, whether informal or formal, to consolidate stability and manage intensifying regional interdependence (Pempel 2005). Regionalism is a political process that aims to produce a convergence of interests and norms among states to gain greater security and prosperity through mutual accommodation. Thus, regionalism aims at least to produce stability, and it aspires to produce institutions that permit members to achieve shared goals. Whether or not regionalism succeeds is the test of its relevance.

East Asia's Soft Regionalism

East Asian regionalism has taken on "soft" informal institutional forms, where actors meet regularly to discuss prospects for regional cooperation. This soft form of regionalism leads to flexible, ad hoc deliberations and agreements on specific issues where gains through cooperation can be easily achieved. It was hoped that soft regionalism would produce converging interests that develop into harder mechanisms with professionally staffed and legally chartered institutions that have the authority to make binding decisions and impose sanctions for noncompliance. This would create an institutionalized basis for regional stability and collective action.

The soft regionalism goes back to the late 1960s, when Japan's dependence on exports to the USA, Australia's desire for economic engagement with North America, and the desire of the USA to consolidate and spread a free trade order in Asia created a demand for trans-Pacific economic cooperation. The rise of US-Japan trade friction also meant that institutional mechanisms to manage trade informally would be useful. The

informal initiatives supplied to meet these demands were the Pacific Basin Economic Community forum (PBEC) and the Pacific Trade and Development Conference (PAFTAD). The trans-Pacific economic cooperation concept later expanded in 1980 to incorporate developing countries in the Pacific Economic Cooperation Conference (PECC) forum.

The trans-Pacific PECC proposed the creation of the intergovernmental Asia Pacific Economic Cooperation (APEC) forum, which became a reality in 1989. APEC was intended to liberalize Asia-Pacific trade, and the USA used a prospective Asia-Pacific trade block as leverage to bring the Uruguay Round to a successful conclusion. In 1990, Malaysian prime minister, Mahathir bin Mohamed, reacted to the APEC agenda by proposing an exclusively East Asian regional institution. It was called the East Asian Economic Group and it would be composed of the ASEAN members with China, Japan, and South Korea joining the group. The idea was to focus on trade facilitation and industrial policy coordination rather than on trade and investment liberalization under uniform and legally binding treaty obligations. The idea failed when it met with resistance from the USA. But the idea of an exclusively “Asian” regionalism reemerged after the Asian Financial Crisis. High-level meetings among the ASEAN members, China, Japan, and Korea led these countries to form the ASEAN Plus Three (APT) summit process in 1999. APT created a nexus of bilateral currency swaps called the Chiang Mai Initiative that became a formal multilateral agreement in 2010.

In response to multinational corporations looking to set up regional production networks in Asia, the ASEAN countries produced the ASEAN Free Trade Agreement (AFTA) in 1992. This set of binding tariff and nontariff barrier reduction targets was intended to turn ASEAN into an integrated production base. In a further bid to boost trade and draw foreign investment, ASEAN began negotiating individual free trade agreements (FTAs) with China, Japan, India, Australia, New Zealand, and South Korea. By 2010, all these FTAs were signed. Then, in 2012, ASEAN launched formal talks on the Regional Comprehensive Economic Partnership (RCEP), which would consolidate ASEAN’s bilateral FTAs with China, Japan, South Korea, Australia, New Zealand, and India into a single multilateral arrangement. Negotiations were scheduled to finish by the end of 2015. Thus, we see that ASEAN has been the center of FTA construction in the region.

Failure to move the trade agenda forward at the global level has led to new macro-regional trade initiatives currently under negotiation, but

political and institutional differences found within such a wide array of actors make it uncertain whether any will go much beyond the status quo. The above-mentioned RCEP is one major example. The other is the Trans-Pacific Partnership (TPP). In 2008, the USA joined an existing four-way FTA between Brunei, Chile, New Zealand, and Singapore called the Trans-Pacific Strategic Economic Partnership Agreement. Since then, Australia, Peru, Vietnam, Malaysia, Mexico, Canada, and Japan have followed suit and the name has been simplified to TPP. This has become a vehicle for the USA to revitalize trans-Pacific trade liberalization. However, in contrast to APEC's inclusive soft cooperation that requires little of participants, TPP members self-select on the basis of their willingness to negotiate legally binding guarantees that go well beyond current WTO spheres of trade and investment liberalization. The TPP excludes China because the nature of its socialist economy prevents it from making the necessary commitments to deregulate and guarantee new kinds of property and contractual rights.

East Asia's soft regionalism was built on economic interdependence, which in turn relied upon the global stability, freedom of navigation, and free trade rules provided by the US-sponsored liberal international order. In this sense, East Asia's soft institutional arrangements implicitly affirmed the US hegemonic order (Katzenstein 2005). This is not to minimize East Asian regionalism, because this process aimed to shift the basis of regional order to law-based multilateral governance institutions. However, the rise of an assertive China that questions structural elements of the existing regional order forces us to remember that East Asian regionalism remains far from achieving its aspirations. If China, as a newly risen great power, defects from the existing liberal hegemonic order, it cracks the very foundation on which East Asian soft regionalism is built.

THE TRANSFORMATION OF REGIONAL STRUCTURE

When Deng Xiaoping led China into the era of reform and opening up, he wanted access to Western markets, capital, and technology on favorable terms. China agreed to side with the USA against the Soviet Union and stop challenging US leadership, and it endeavored to meet WTO, World Bank, and IMF rules as best as it can, while maintaining "socialism with Chinese characteristics." The USA welcomed China and felt confident that over time, China would drop its distrust of the USA, democratize, and become fully socialized into the US-led liberal international

order. This historic deal, which might be described metaphorically as “same bed, different dreams,” was marked by the normalization of China-US relations in 1979. The world remained bipolar at the global strategic level until the fall of the Berlin Wall in 1989. But at the East Asian regional level, East Asia consolidated under the liberal hegemonic order by 1979.

Today, however, China’s rise to great power status has changed the structure of regional economic and military power from unipolarity back to bipolarity, only this time with China as the other great power pole. One notes that today, the USA no longer has critical military or economic leverage over China, and other countries will do anything to avoid having to choose between these two powers.

Hegemonic Order Versus Balance of Power Order

When the world is unipolar, the predominant (hegemonic) power can create rules that lesser powers must follow or face possible consequences. This creates a system-wide, hegemonic order. Lesser powers gain benefits by joining this order, and incur costs by remaining outside of it. Hegemonic order can be relatively peaceful and cooperative, at least until another great power arises to challenge the authority of the hegemonic power (Gilpin 1981).

When the world is multipolar, a balance of power order develops. When two or more great powers disagree over a matter of vital interest, war is always an option. Because disagreements over vital interests between great powers inevitably arise, when the rule of law is absent, insecurity is chronic and distrust is rational. Therefore, prudence dictates that each great power should seek an advantage over the other(s). Such prudent behavior in the military sphere creates an action-reaction cycle of arms acquisition that leads to more distrust and less security. In the economic sphere, prudence dictates reduced economic dependence on a rival, if not an avoidance of trade altogether.

However, in an insecure world lesser powers need the association with a great power not only for protection from other lesser powers, but also from other great powers. The result is that competing great powers acquire followers and divide the world into competing orders (Waltz 1979). We saw the consequences of this balance of power logic in the Cold War: the world was divided into two hostile camps.

HOW WILL CHINA'S RISE AFFECT REGIONAL ORDER?

The structural transformation of regional order suggests that, other things being equal, the two great powers will begin to compete in the ways outlined above with the worst-case scenario being sharp strategic competition between China and the USA (Mearsheimer). Nevertheless, great powers have in the past agreed to limit unbridled competition and avoid war. One example is the Concert of Europe dated from the Treaty of Versailles (1815) that stabilized Europe for a century following the Napoleonic Wars. Another is the peaceful transition of international economic and naval predominance from Britain to the USA in the 1914–1945 period. So the question is, Can China and the USA prevent strategic competition and the polarization of the region into hostile camps?

What is lacking between the USA—a champion of democracy and human rights—and the Chinese party-state regime, which remains avowedly illiberal, is agreement on fundamental liberal principles such as free trade, open global commons, human rights, democracy, and rule of law that applies impartially and equally to those who make the law. From this values-oriented perspective, it is difficult to see how a cooperative regional order can be agreed upon.

Could shared material interests provide an alternative basis for cooperative order? Because China “grew up” to achieve great power status within the liberal international order, it is heavily invested in cooperation regimes and economic relations with the USA that would be difficult and incredibly costly to destroy. A liberal institutionalist might argue that, even after hegemonic decline produces a return to multipolarity, it is theoretically possible that a self-interested desire to protect existing multilateral cooperation regimes could negate the logic of great power competition to maintain the status quo of international order (Keohane, Ikenberry).

So, on the one hand, structural realism predicts a region divided between competing great powers. On the other hand, liberal institutionalism suggests that an open cooperative regional order can be sustained after the USA loses its hegemonic power status. With the rise of China ending unipolar US predominance, we face an empirical test of these competing hypotheses.

US Proposals for Strategic Partnership

The Bush administration proposed a “responsible stakeholder” role to China. Deputy Secretary of State Robert B. Zoellick explained that, “From

China's perspective, it would seem that its national interest would be much better served by working with us to shape the future international system" (Zoellick 2005). However, subsequent bilateral discussions were inconclusive. Soon after the Obama Administration entered office in 2009, it offered China "mutual strategic reassurance"—some observers nicknamed it a G-2 global governance scheme—to cooperatively manage the existing international order across the full spectrum of issues (Steinberg 2009). It also began an expanded annual bilateral dialogue, the US-China Strategic and Economic Dialogue, to work out the details. However, the timing of this initiative coincided with the global financial crisis that plunged the USA into negative growth and fiscal crisis, as well as with the start of US troop withdrawals from Afghanistan and Iraq. The USA did not appear to be offering strategic partnership from a position of long-term strength. In contrast, China continued its high GDP growth, almost unaffected by the economic travails besetting the USA.

China Rejects US Overtures of Strategic Partnership

China's negative response was implicit in its challenges to the status and interests of the USA in selected areas. In the midst of US attempts to coordinate a response to the global financial crisis, Chinese officials openly called for a new global currency regime to replace the US dollar-centered system (The Telegraph 2009). And at the 2009 Copenhagen climate change summit, Premier Wen Jiabao failed to attend a leaders' meeting to hear the Western call for shared commitment to cut carbon dioxide (CO₂) emissions. Later during the summit he called a meeting of non-Western leaders—to which the USA was uninvited—to counter the US agenda (The Guardian 2009).

At the regional level, China began asserting disputed jurisdictional claims in surrounding seas. In the South China Sea, China registered its imprecisely drawn 9-dash line jurisdictional claim with the United Nations (UN) in 2009. The line was originally drawn by hand by a KMT official in 1947 to make a notional claim of historical ownership of the South China Sea. The line is not derived from customary international legal principles that draw maritime ownership lines carefully projected from the shoreline of national territory. Because these legal norms make the claim problematic, China continued to rely on the idea of historical ownership to justify the shape and extent of the 9-dash line (Gao and Jia 1998; Jacobs 2014). China also rejected the use of impartial

international adjudication mechanisms to settle maritime boundary disputes with other coastal states that have exclusive economic zone (EEZ) rights in the South China Sea because China believes that its historical claim is “indisputable” (Foreign Ministry of the PRC 2014).

China challenged international legal norms in its neighboring seas in other ways. It asserted a right to regulate foreign militaries operating in China’s EEZ, even though the United Nations Convention on the Law of the Sea (UNCLOS) states that the EEZ remains the high seas for purposes other than economic development (Thayer 2011). Finally, China put great effort into the rapid modernization of Chinese weapons designed to neutralize naval bases and fleets operating in the Western Pacific. This “area access/area denial” (A2/AD) capability gave China strategic dominance over neighboring maritime states, and it challenged the US Navy’s ability to guarantee open sea-lanes and the security of US friends and allies in East Asia (Cheng 2014).

US Strategic Rebalancing Toward Asia

At the July 2010 ASEAN Regional Forum meeting, Secretary of State Hillary Clinton indicated that the USA had a “national interest” in maintaining peace and stability, respect for international legal norms, and freedom of navigation (FON) in the South China Sea. She took a neutral stance among the territorial disputants, and offered to mediate among the rival claimants. Chinese officials angrily refused to entertain any such notions (*The New York Times* 2010).

The Obama administration signaled commitment to regional allies and international norms threatened by China’s assertiveness with the so-called strategic “pivot” or “rebalancing” toward Asia. President Obama used the APEC summit, a visit to Australia, and the East Asia Summit in late 2011 to announce this initiative. The strategic rebalancing had six elements: (1) more diplomatic engagement; (2) better relations with Asia’s rising powers, including China, India, and Indonesia; (3) stronger military deterrence and new security cooperation partners; (4) a new TPP regional trade and investment initiative; (5) more support for regional multilateral forums; and (6) continuing support for democracy and human rights.

Strategic rebalancing promised more of a two-track approach toward China, that is, more engagement and more strategic hedging. The difference between strategic rebalancing and an effort to “contain” China is that the USA seeks engagement with China at all

levels and across all issue areas so that differences can be worked out. Strategic hedging preserves US alliances and reassures allies while the USA engages China. Nevertheless, commentaries in the Chinese media about strategic rebalancing accused the USA of trying to “contain” China’s rise.

China Offers a “New Type of Great Power Relationship”

Shortly after Obama announced the strategic rebalancing, Xi Jinping, the designated successor of Hu Jintao as secretary general of the Communist Party of China (CPC) and president of China, visited Washington, DC, in February 2012. He called for “a new type of great power relationship” (新兴大国关系) (Cui and Pang 2012). This called for mutual respect and win-win cooperation to avoid strategic competition of the sort that structural realists predicted. As an Asian great power, China seemed to want everyone, including the USA, to respect its paramount rights and privileges in Asia, which China indicated would not be unreasonable. Then in early spring 2012, China initiated a lengthy maritime campaign led by civilian vessels to gain administrative control of Scarborough Shoal/Huangyandao in the South China Sea, where the Philippine coastguard had been protecting claimed EEZ fishing rights.

After succeeding in this effort, China initiated a similar campaign in the East China Sea to gain control of the Senkaku/Diaoyu islets administered and claimed by Japan. This campaign peaked just as Defense Secretary Leon Panetta stopped in Tokyo and headed to Beijing in September 2012 with a message of reassurance for both Japan and China. But China wanted its claims to disputed territories, even those involving close US allies, to be respected by the USA.

Xi Jinping Articulates China’s Great Power Agenda

Xi Jinping assumed leadership in November 2012 and immediately called for the “great rejuvenation of the Chinese nation” (中华民族伟大复兴) (Xinhuanet 2012). He also repeated his call for a new type of great power relationship. When Xi met informally with President Obama at Sunnylands, CA, in July 2013, he sought US respect for China’s core interests in Asia (Lampton 2013; Li and Xu 2014). China wanted an end to “Cold war thinking,” code language for US alliances that originated

in the Cold War. “Mutual respect” would avoid the “Thucydides Trap” of rivalry between a rising power and a declining hegemon that produces war. Thus, as China rose to replace the USA as the world’s leading power, it offered a way for both sides to protect their core interests and avoid the risk of hegemonic war.

Xi Jinping has set an ambitious agenda that aims to realize China’s great power (*qiang guo*) status and secure its “core interests,” which are the continuing rule of the CPC in China; the sovereignty and territorial integrity of the state; and the continuing development of the economy. China seeks peace, but the “bottom line” is that it will use any and all means to defend its core interests. Xi Jinping cultivates a Chinese identity rooted in memories of past golden eras characterized by Confucian values and a Sino-centric world order. China wants to recover from the century of humiliation inaugurated by the Opium War, and it expects the USA to accommodate its legitimate aspirations.

China began large-scale artificial island construction in several locations across the middle of the South China Sea from 2013. China denies the right of foreign navies to operate inside the 9-dash line without Chinese approval, and it denies “innocent passage,” that is, the right of foreign warships to transit its territorial waters for peaceful purposes.¹ And China appears to claim a territorial limit around its artificial islands. These claims would turn the high seas global commons in the South China Sea into a Chinese administered possession that blocks the passage of the US Navy and threatens freedom of navigation (FON), the right of vessels of all nations to free and unobstructed transit across the high seas. China’s claims are not based on customary or treaty-based (UNCLOS) international law, but rather on China’s self-declared “indisputable sovereignty” over territories that belong to China by historical right. All this indicates how China seeks to redefine regional norms and the seriousness of China’s desire for Asian predominance.

However, China’s effort to secure its core interests in Asia comes up against a US determination to preserve its influence and defend international norms that maintain the liberal international order. For this reason, the US Navy began FON patrols through the claimed territorial zones of the artificial islands in October 2015. Both sides seem to be talking past one another and the situation seems headed toward spiraling strategic distrust and competition.

THE OPEN DOOR VERSUS THE COMMUNITY OF COMMON DESTINY

It would be useful at this point to indicate how the USA and China currently view the question of regional order. On the one hand, the USA has a long-standing vision of regional order that dates back to the Open Door Notes. On the other hand, China has only begun to articulate a vision of regional order since Xi Jinping took over, but it has worked quickly to outline something called the “Community of Common Destiny” (命运共同体—*mingyun gongtongti*).

The Open Door

The Open Door refers to the Open Door Notes of 1899 and 1900 that marked the arrival of a distinctive US vision for the development of the Asian region. The original Open Door Notes stated the US desire for nondiscriminatory free trade practices in China, and respect for China’s sovereignty and territorial integrity. This definition of US interest in China came to characterize the economic rationale for US engagement with the rest of the world (Williams 2009; LaFeber 1963).

The US desire to expand its presence in Asia went beyond the material desire for trade. Given its revolutionary origins as a place where religious, economic, and political practices overthrew European feudal and monarchical traditions and developed a democratic republic, the USA has been eager to share its vision of religious, economic, and political life with the rest of the world (Smith and Leone 1995). The USA started its advance into Asia first of all in the Philippines, which the USA acquired from Spain after the Spanish-American War in 1898.

The essential aspects of this US vision include a trans-Pacific geographical dimension that links the USA to Asia; open markets free of government regulation that impede business; stability and freedom of navigation guaranteed by US bilateral alliances and naval power; and the promotion of democracy and human rights. The USA has maintained this liberal hegemonic vision to this day (Clinton 2011).

The USA has been contemplating the rise of China to peer competitor status since the end of the Cold War. On the one hand, realists suggest that China will seek regional hegemony in Asia, which requires the removal of US strategic influence there. So the US interest would be to contain and prevent China’s rise (Mearsheimer 2001; Friedberg 2005,

pp. 90–102). On the other hand, liberal institutionalists suggest that international cooperation regimes can cause states to desire the preservation of cooperation and long-term relations of mutual benefit with other states. So China's inclusion in the liberal international order and deepening economic interdependence with the USA will eventually induce China to support the existing international order (Nye 1995).

The USA decided on a two-track approach to China: engage China to deepen its stake in the existing liberal order and turn it into a “responsible stakeholder”; keep US alliances in Asia intact as a hedge against the risk of China defecting from the liberal order once it grew strong enough to challenge the USA. Now that China believes that it has achieved great power status, it is time for China to show its hand.

China's Community of Common Destiny

China has recently reframed its thinking about regional order. In the past, China primarily supported the China-ASEAN axis of cooperation. The APT framework of regional cooperation was next in importance. But now China under Xi Jinping's leadership has inaugurated a programmatic effort to construct a so-called Community of Common Destiny (命运共同体—*mingyun gongtongti*) in Asia. This phenomenon represents a distinctively Chinese model of Asian regionalism, and it comes in response to a new historical moment, that is, the ending of America's post-Cold War “unipolar moment” and the transition back to structural bipolarity in the international system. With China's neighbors ever more dependent on China's trade, capital, and GDP growth—not to mention China's strategic behavior—China wants to craft a China-centric initiative that differs markedly from existing approaches to Asian regionalism.

The term, “Community of Common Destiny” appeared in the latter half of Hu Jintao's reign, when he used it in connection with Taiwan and Shanghai Cooperation Organization (SCO) members. Xi Jinping used it prominently during his early October 2013 tour of ASEAN members to reference his desire for much closer China-ASEAN security and economic relations based on reciprocity (“win-win”) and mutual benefit (Xinhua 2013a). But during the October 23–24, 2013 Chinese Communist Party Central Committee's Work Forum on Diplomacy toward the Periphery (周边外交工作座谈会) Xi used the term to express a general vision of China's future relations with neighboring countries, and it is often used in this wider sense in the media (Ministry

of Foreign Affairs of the People's Republic of China 2013; Zhao 2013). He said: “把中国梦同周边各国人民过上美好生活的愿望、同地区发展前景对接起来,让命运共同体意识在周边国家落地生根,” which roughly translates as: “Use the China Dream to give the peoples of each neighboring country the prospect of achieving a beautiful life, link it to the region's development prospects, and let the idea of the Community of Common Destiny take root in surrounding countries” (Xinhua 2013b).

To construct this community, China has advanced the OBOR concept. The “21st Century Maritime Silk Road” builds a string of ports from Fujian southward into maritime Southeast Asia, the Indian Ocean littoral, and into the Persian Gulf and Mediterranean Sea. The “New Silk Road Economic Belt” radiates overland rail, highway, and pipeline transportation corridors through Central Asia to ports on the Arabian Sea, the Persian Gulf, the Black Sea, the Mediterranean Sea, the Baltic Sea, and the Atlantic Ocean. It also sends corridors from Yunnan to India, Myanmar, Singapore, and Vietnam where they terminate at Chinese-built Silk Road ports. It envisions thousands of infrastructure projects, each one negotiated between governments on a case-by-case basis.

Beijing's approach relies on massive infrastructure investment to make China the economic hub of Eurasia. It uses China's geographical centrality, huge market, and ability to export prodigious quantities of capital, build physical infrastructure, provide plant and equipment, and depend on capable diplomacy. Whether or not China will be fully successful in realizing a Chinese dominated Eurasia, the effort to construct a Community of Common Destiny has implications for other efforts to build regional order.

The OBOR approach to regionalism differs from the liberal order in four key ways: it is not multilaterally negotiated, but bilaterally negotiated between China and each linked state; it is not treaty-based liberalization that removes legal barriers to economic exchange, but trade facilitation that boosts economic using infrastructure corridors and state development policy coordination; membership qualifications and rules are not objective and nondiscriminatory, but negotiated with China on a case-by-case basis; and it is not built by free markets and private sector initiative, but by national development plans and policy coordination between states.

CHINA-US STRATEGIC ACCOMMODATION?

The first three chapters of this volume express Chinese academic perspectives on the question of China's rise and the adjustment of China-US relations. They offer their own formulas for a reconciliation of Chinese

and US interests that will permit a strategic partnership. They bear careful reading for clues and insights into how China is thinking about this vitally important question, and what, if any, compromise is possible. Before summarizing them, we first might briefly indicate how Americans tend to view the same question as of 2015.

Among the American public, recent media reports of cyber disputes, human rights violations, and South China Sea conflict involving China have produced a negative trend in US perceptions, with negative sentiments expressed by 54 percent of the public, up from 40 percent in 2012. Favorable views were expressed by 38 percent, down from 40 percent (Pewglobal.org 2015). There is among US experts today a shared consternation regarding China's apparent rejection of US overtures for strategic partnership. But there are different opinions regarding what to do about it. Optimists such as Lyle Goldstein argue for persistence in cooperative engagement, suggesting that more time and effort, better policy ideas, and the need for Sino-US cooperation to manage global problems can produce "cooperation spirals" leading to cooperative strategic partnership (Goldstein 2015). Pessimists like Michael Pillsbury argue that engagement was a flawed strategy because Beijing has always intended to displace US power and influence in the world. Therefore, the USA has to recognize that China poses a fundamental challenge to its values and interests (Pillsbury 2015; Friedberg 2011). Pragmatists like Thomas J. Christensen admit that engagement may not lead Beijing to embrace a liberal world order, but cooperation must still be pursued to achieve what positive outcomes it can. At the same time, military deterrence and a resolute defense of US values and interests need to be maintained at acceptable cost (Christensen 2015; Steinberg and O'Hanlon 2014).

In Chap. 2, Shi Yinhong and Han Caizhen are pessimistic about the prospects for a regional order built on regionalism. They point to five obstacles: (1) the large number and diversity of states in East Asia makes institution-building problematic; (2) smaller powers cannot truly lead; while the region's big powers cannot agree on which of them should lead; (3) China and the USA each regard the other as an "outsider" in East Asia; (4) parties to conflicts in the Korean peninsula, the Taiwan Strait, or the South China Sea will not entrust their national security to regional institutions; and (5) growing nationalism in the region makes existing conflicts more difficult to resolve. Theoretically, Shi and Han believe that growing economic interdependence can and should lead to a multilateral cooperative order. Practically speaking, however, progress today is blocked by the above-mentioned obstacles.