

CHINA ASSESSES THE US REBALANCE TO ASIA: IMPLICATIONS FOR US-CHINA RELATIONS

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Abstract. In 2011, the Obama Administration announced a more robust US foreign policy in the Asia Pacific due to the perception that an increasingly assertive China threatens the peace and security of the region. Beijing views the rebalance (previously known as “the pivot”) as an attempt to prevent China from gaining the preponderance of power in the Asia Pacific. US rebalancing and China’s reaction appear to have increased tensions in the region. This article analyzes the implications of US rebalancing for US-China relations. Specifically, it seeks to answer the question of whether US economic and military focus on Asia adversely affects US-China relations. It seeks to answer the following questions. What are US motives, means, and intent for economic and military rebalancing in Asia? How does Beijing view US rebalancing? What are consequences and unintended consequences of US rebalancing for US-China relations?

Keywords: US rebalance, “the pivot”, China-US relations, US foreign policy, Asia Pacific

INTRODUCTION

After a decade of intense and costly military involvement in the Middle East, policy makers in Washington believed that US foreign policy was “out of balance.” The Obama Administration in 2011 announced that it would rebalance US foreign policy by strengthening diplomatic, economic and security ties with the region. The perceived threat from China’s dramatic economic and military rise was a major catalyst for the rebalance. China’s military modernization, particularly that of its navy, appeared to threaten US interests in the region and undermine regional stability. Washington believed that military modernization emboldened China to be more aggressive than it had been in the past.¹ In particular, China’s

¹ R. Ross, *The Problem with the Pivot: Obama’s New Asia Policy is Unnecessary and Counterproductive*, “Foreign Affairs”, 2012 vol. 91, 6, 70–82.

naval modernization seems to be directed toward taking a military approach to the Taiwan question if necessary; asserting its claims to sovereignty over disputed territories in the East and South China Seas; asserting military dominance in China's 200 mile EEZ; and denying the United States access to areas in a potential conflict with Taiwan or with US allies in the region.² A US presence would prevent China's domination of its Asian neighbors and would reassure allies of the US commitment to counterbalance China.³

US rebalance policy has three legs: diplomacy, economic statecraft, and military security. Under the framework of rebalancing, Washington would strengthen relations with existing allies in the region and seek new partnerships with other Asian countries; negotiate the Trans-Pacific Partnership (TPA) free trade agreement; seek to join the East Asian Summit, the most prestigious of the meetings in Asia; and seek better relations with Southeast Asia. To bolster US military security in the region, the United States is placing 60 percent of US naval assets in the Asia Pacific.

China's leaders view rebalancing as a challenge to their country's economic and military rise. They view more active US diplomacy in the region as an attempt to undermine China's relations with its maritime neighbors. They see a US effort to put forth a free trade agreement that excludes China as an attempt to reassert US economic dominance in the region. They also view US moves to enhance its military presence, particularly naval presence, as a competition for seapower at a time when China is modernizing its own navy and seeking to assert its sovereignty claims in the region. Hence, US rebalancing might have the adverse effect than it sought: instead of making the region more secure, US rebalancing in Asia may result in China being more assertive in the region.

CHINA'S MILITARY STRATEGY AND BEIJING'S REACTION TO US REBALANCING POLICY

Despite Washington's protestations that rebalancing is "not all about China,"⁴ Beijing views it that way. Chinese government officials and members of the military view rebalancing as a challenge to China's ascendancy.⁵

² R. O'Rourke, *China Naval Modernization: Implications for US Naval Capabilities – Background and Issues for Congress*, Congressional Research Service Report 7–5700, December 23, 2014, 4.

³ J. Bader, *Obama and China's Rise: An Insider's Account of America's Asia Strategy*, Brookings Institution, Washington, D.C. 2012, 70.

⁴ A.D. Carter, *Paul C. Warnke Lecture on International Security: Defense Strategy and Budget Priorities for the 21st Century*, March 6, 2012. Online, <http://www.cfr.org/defense-strategy/paul-c-warnke-lecture-international-security-defense-strategy-budget-priorities-21st-century/p35198> (access: 30.03.2015); M. McDevitt, *America's New Security Strategy and Its Military Dimension*, *Global Asia*, 2012, vol. 7, 4, 14–17.

⁵ P.C. Saunders, *China's Rising Power, the US Rebalance to Asia, and Implications for US-China Relations*, "Issues & Studies", 2014, vol. 50, 3, 39; S. Teng-chi Chang, *A 'Responsible*

To understand China's reaction, it is helpful to first consider China's military strategy and its agenda in the Asia Pacific. China's contemporary military strategy dates to Deng Xiaoping's 1990 "24-Character Strategy," which is roughly translated as: "Observe calmly; secure our position; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; and never claim leadership." Bourne out of his observation of the collapse of Soviet communism, Deng Xiaoping recognized that China's capabilities were still weak and that China needed time to develop its national strength. During that time, it was essential not to alarm other states or cause them to do any harm to China. CCP leaders Jiang Zemin and Hu Jintao continued this strategy throughout the 1990s and early 21st century, pursuing a foreign policy of not antagonizing other states so that China could have a peaceful environment in which to develop. China's 'peaceful rise,' and later 'peaceful development,' promised that China's modernization would be non-threatening to its neighbors and would in fact benefit other nation-states. At the same time, however, China's leaders poured money into national defense, making great strides in modernizing the country's military. Deng and his successors jettisoned Mao's "People's War," which focused on continental defense, for 'active defense' (积极防御 *jiji fangyu*), which is oriented on maritime defense. This active defense views the sea as China's national territory and envisions lines of defense that can be extended beyond China's maritime and territorial borders as the situation warrants.⁶ Admiral Liu Huaqing, Commander of the PLAN in the 1980s who claimed that seapower was essential for national greatness, pointed out the growing strategic importance of the oceans and called for a more powerful navy. Largely because of Liu's influence, Beijing accelerated China's naval modernization, extending the country's defense perimeter from coastal waters to 200–400 nautical miles offshore, and planning a blue water navy capable of operating in deep ocean waters by 2050.

Undoubtedly, US rebalancing strategy is partly a response to China's rise as a vibrant sea power. Chinese officials express skepticism that heightened US activity in the region is not "all about China" and claim that the US is attempting to limit China's growing influence in the region by rebalancing naval forces in the Asia Pacific, manipulating territorial disputes between China and its neighbors, and trying to damage China's image and relations with countries in the region by portraying China as a bully.⁷ Beijing maintains that what the US and its allies call

Great Power 'Not Hiding Light Anymore? China's Foreign Policy after the Xi-Li Administration's Inauguration, "Prospect Journal" 2013, vol. 9, 79–108; author interviews with senior scholars at Peking University, Tsinghua University, CICIR, Fudan University and the Shanghai Institute for International Studies, August–September 2014; interviews at SIIS February 2015.

⁶ D. Scott, *The Chinese Century? The Challenge to Global Order*, 2008, Palgrave Macmillan, New York; D. Scott, *China Stands Up: The PRC and the International System*, 2007, Routledge, London, 87.

⁷ Author interview with a senior scholar at Tsinghua University, Beijing, August 2014; Phillip C. Saunders, 2014 op. cit., 39; Tan Yongsheng, Li Li and Fang Ke, *Asia-Pacific's Strate-*

increasing assertiveness is actually China defending its territorial sovereignty in the East and South China Seas.⁸

Some China scholars consider the United States to be China's primary rival in Northeast Asia. They consider the United States a global hegemon that seeks to maintain the preponderance of power in Northeast Asia as part of its grand strategy. Its main priority, these scholars argue, is the containment of China.⁹ They argue that Beijing needs to take an assertive defensive posture to counter US attempts to contain China. For instance, China's 2013 declaration of an Area Defense Identification Zone (东海防空识别区, or ADIZ) was a response to US comments and actions aimed at challenging China's military rise in the Asia Pacific. Aircraft entering China's ADIZ must identify themselves, report their flight plan, and inform ground control of their exact position. In 2012, the Pentagon voiced its concern that China would deny US forces access to the region in the case of a conflict. The Pentagon uses the term Anti-Access/Area Denial (A2/AD) to describe China's efforts to slow deployment of US and allied forces near the first island chain and to impede operations once there. Its objective is to delay and deter US forces, keeping the United States out of the area between and surrounding the first and second island chains. The goal is to deter US military engagement in the region.¹⁰ In response, the Pentagon developed the Air-Sea Battle concept

gic Situation and Its Impact on China, "Contemporary International Relations", 2013, vol. 23, 5, 1–19; Zhao Kejin, *Guiding Principles of China's New Foreign Policy*, Carnegie-Tsinghua Center for Global Policy, 2013, September 9. Online, <http://carnegietsinghua.org/publications/?fa=52902> (access: 12.03.2015); Liu Jianfei, 中美全球与亚太地区安全目标矛盾及其应对, [*Contradictions between China and US Security Goals on Both Asia-Pacific and Global Level and Ways to Cope with these Contradictions*] "Northeast Asia Forum", 2013, 3, 3–12; Li Fanjie, 中美海上矛盾与合作前景 [*Prospects for China-US maritime conflicts and cooperation*] 国际问题研究, 2013, vol. 6, 158, 79–89; Fan Jishe, 美国对华战略的漂流：适应抑或防范？[*US policy to China: hedging or accommodating?*] 中国外交 ["China's Foreign Affairs"], 2013, 5, 59–67; Wu Xinbo, "奥巴马政府与亚太地区秩序" 国际政治 ["International Politics"], 2013, 11, 79–87; 俞正樛, "美国亚太再平衡战略的失衡"[*Imbalance in the United States Pacific rebalancing strategy*], 国际政治 2013, 7, 90–95; and Wu Siliang, Ma Qiang and Chen Yu, "美抛" 近海控制" 遏制中国," [*The US wants to contain China through the strategy of "offshore control*], 当地海军["Modern Navy"], 2014, 247, 54–57; "我国少将：美国对亚太军事 战略，略投入转向实施阶段," [*Major General: US military strategy toward the Asia Pacific is slightly turning into the implementation stage*]. Online, <http://www.sina.com.cn>.

⁸ Author interview with a senior scholar at Tsinghua University, Beijing, August 2014; P. Saunders, 2014, *op. cit.*, 39; Zhao Kejin, "Guiding Principles of China's New Foreign Policy," Carnegie-Tsinghua Center for Global Policy, September 9, 2013. Online, <http://carnegietsinghua.org/publications/?fa=52902> (access: 12.03.2015); Xinhua, *US all-out in Sustaining Dominance in Asia*, October 30, 2010. Online, www.china.org.cn/opinion/2010-10/30/content_21235461.htm.

⁹ Shi Yinhong, *The Principle of Strategic Concentration and Its Significance*, "Journal of World Economics and Politics", 2003, 7, 1–3.

¹⁰ *Air-Sea Battle: Service Collaboration to Address Anti-Access and Area Denial Challenges*, Air-Sea Battle Office (US Department of Defense, Washington, DC), May 2013, 2. Online, <http://www.defense.gov/pubs/ASB-ConceptImplementation-Summary-May-2013.pdf> (access: 13.04.2015).

(空海一体战 *konghai yitizhan*), to counter A2/AD capabilities. Air-Sea Battle involves land, sea, air, space and cyberspace operations to damage or destroy Chinese weapons which threaten US bases, military and commercial ships, and network infrastructure. It is designed to ensure US freedom of action in the region, as well as to reassure allies and deter adversaries in the region.¹¹ Hence, Beijing seeks to counter US anti-A2/AD measure with the ADIZ.

China claims that in this environment, the US in 2013 proclaimed a strategic concept for control of China's near seas (近海控制 *jinhai kongzhi*). "Near Sea Control" is a Chinese term for the concept of offshore control. Chinese military media describe near seas control as a US strategy to confine China's navy inside the first island chain. In their criticism of US "near sea control," China's military publications refer to American strategist T. X. Hammes's 2012 article and a subsequent report in which he contends that US military force planning and posture should be optimized for an extended blockade of China.¹² Offshore control involves a blockade of China's energy and raw-material imports and industrial exports, and calls on Asia Pacific nations to support this effort in exchange for US protection of those nations.¹³ Offshore control strategy compels China to fight in ways that maximize US strengths while minimizing China's. The crux of offshore control strategy is to deny China access to the waters within the first island chain. The US uses submarines and sea mines, adding missile defense and air power, to control air and sea lanes and to defend allied nations in the first island chain. US victory comes about after a stand-off military campaign focusing on a war of economic strangulation without destroying China's infrastructure. US ground forces would be added to intercept and control major Chinese commercial ships. Thus, offshore control is a strategy that goes beyond Air-Sea Battle tactics by employing air, sea and land assets.¹⁴ Hammes's strategy stemmed from his dissatisfaction with Air-Sea Battle. Hammes argued that US strikes against the Chinese mainland under the operational concept could lead to nuclear escalation.¹⁵

There appears to be some confusion in China, and even Taiwan, concerning policy making authority in the United States.¹⁶ The mainland Chinese media often quote retired high ranking military officers as though they have decision making authority. Hence, the mainland Chinese media puts undue emphasis on the com-

¹¹ *Ibidem*, 4.

¹² Wu, Ma and Qiang, *op. cit.*, 54–55.

¹³ T.X. Hammes, *Offshore Control is the Answer*, "Proceedings Magazine", 2012, vol. 138, 12. Online, <http://www.usni.org/magazines/proceedings/2012-12/offshore-control-answer> (access: 15.04.2015).

¹⁴ T.X. Hammes, *Ibidem*, and *Offshore Control: A Proposed Strategy for an Unlikely Conflict*, "Strategic Forum", 2012, 278, 1–14. Online, <http://www.dtic.mil/dtic/tr/fulltext/u2/a577602.pdf> (access: 15.04.2015).

¹⁵ T. X. Hammes, *Ibidem*, 4.

¹⁶ Author interviews in Beijing, Shanghai and Taipei, August and September 2014 and spring 2015.

ments of retired military personnel, military analysts and retired US bureaucrats. For instance, although American military strategists have soundly debated the merits of Air-Sea Battle and Hammes' offshore control, the Chinese media take them as US policy. In fact, Air-Sea Battle is tactical rather than strategic, and offshore control was never an official US concept or strategy. Moreover, Hammes is a retired USMC colonel, and therefore does not make US military policy. Nevertheless, both Air-Sea Battle and offshore control touched off a firestorm of criticism in the Chinese media. An April 2014 article in China's *Navy Today*, accuses the US of using offshore control as a way to "contain" (遏制, *ezhi*) China.¹⁷ Some China analysts claim that the military aspect of US rebalancing is designed to strengthen and protect defense capabilities and harmonize systems with its allies as part of a scheme to contain an unnamed Asian country.¹⁸ Of course, that country would be China.

Some Chinese scholars claim that the US rebalance to Asia contributed greatly to the deterioration of the environment in the Asia Pacific. As evidence, they cite an increase in the forward deployment of US forces to the Asia Pacific, specifically to Guam, and US efforts to initiate a free trade agreement, the Trans-Pacific Partnership. They claim that these efforts reinvigorated a deteriorating US alliance relationship with Japan and South Korea, to the detriment of relations between those two countries and China. To substantiate their claim, these scholars cite the postponement of the transfer of wartime command of US troops in Korea to Seoul and the US military decision to keep Futenma US airbase on Okinawa as evidence of US efforts to turn these Asian countries away from China and back toward the United States as the dominant power in the region.¹⁹

Some hardliners in China claim that US rebalancing increased insecurity in Beijing, creating a security dilemma between China and the United States. Security dilemmas arise from an anarchic world order in which there is no overriding power to keep the peace and guarantee security for individual nation-states. Under anarchy, actions that one state to increase its own security (usually by enhancing military capabilities), inadvertently make other states feel less secure. China's state media outlet Xinhua, which reflects the views of China's leadership, reflects this sentiment. For instance, Xinhua deemed former Secretary of State Hillary

¹⁷ Wu Siliang, Ma Qiang and Chen Yu, *op. cit.*, 54–57; 美提出近海控制战略 逼解放军在美最强之地开战. [The US Proposes Near Sea Control Strategy, Forcing the PLA to Fight in the US Strongest Areas], *Sina Military News* online, December 5, 2012. Online, <http://mil.news.sina.com.cn/2012-12-05/1126708754.html> (access: 14.04.2015).

¹⁸ Jin Canrong, Liu Xuanyou and Huang Da, 美国亚太再平衡战略对中美关系的影响 [The Effect of US Rebalance to Asia Strategy on China-US Relations] 东北亚论坛 ["Northeast Asia Forum"], 2013, 5(109): 5.

¹⁹ Yuan Peng, *The China-US Handshake in Northeast Asia: The Key to Dual Stability in Bilateral Ties and Regional Equilibrium*, in *The Nexus of Economic, Security and International Relations in East Asia*, Avery Goldstein and Edward D. Mansfield, (eds.) Stanford University Press, Stanford: CA, 2012, 240.

Clinton's 2010 call for forward-deployed diplomacy in the region an "all-out attempt to sustain US dominance in the Asia Pacific."²⁰ The Chinese military is the most hawkish in its comments on US rebalance. It accuses the United States of upsetting the status quo in the Asia Pacific by encouraging China's neighbors to take "risky and provocative actions" in the South China Sea.²¹ For instance, China's 2013 white paper on national defense accuses the United States of "increasing hegemonism, power politics, and neo-interventionism," by referencing US activities in the region that perturb China, such as strengthening regional alliances, expanding its "military presence," and "frequently making the situation [in the region] tenser."²² The paper indirectly criticizes US rebalancing by stating that US "Asia-Pacific security strategy" is causing "profound changes" in the region.²³ These changes constitute a security dilemma for Beijing. This antagonistic view of US rebalance puts China in a defensive posture, encouraging it to respond to perceived US belligerence in the region with a greater military presence.

Some China scholars view the United States and China as strategic rivals, more foes than friends. These scholars argue that Beijing should discard any illusion of partnership with Washington, and instead prepare for competition with the United States by building up strength and to convince other countries to pressure the Washington to face up to reality and accept the reality of a rising China.²⁴ Not all China scholars see the United States in such a negative light, however. Some scholars claim that globalization, multi-polarity and the information revolution will force China and the United States to cooperate with one another.²⁵ Yet other scholars find elements of both rivalry/containment and cooperation/engagement in US foreign policy toward China. As a result, they argue that China should treat the United States as neither enemy nor friend, and that Beijing should employ both tactics of confrontation as well as collaboration.²⁶

²⁰ Xinhua, *US All-out in Sustaining Dominance in Asia*, October 30, 2010. Online, www.china.org.cn/opinion/2010-10/30/content_21235461.htm.

²¹ *China Urges US not to send wrong signals*, Xinhua, May 29, 2014. Online, <http://www.lexisnexis.com.ezproxy.umw.edu/hottopics/lnacademic/>.

²² Ministry of National Defense, the People's Republic of China, *The Diversified Employment of the Armed Forces, Part I. New Situation, New Challenges, and New Missions*, (Beijing: Information Office of the State Council), April 13, 2013. Online, <http://eng.mod.gov.cn/Database/WhitePapers/>.

²³ Ministry of National Defense, the People's Republic of China, "The Diversified Employment of the Armed Forces, Part I. New Situation, New Challenges, and New Missions," April 13, 2013.

²⁴ Yan Xuetong, *China and America: For More Than Friend*, "National Herald Leader", March 23, 2010.

²⁵ Tao Wenzhao, *China and America: Dilute Contradictions for Enhances Cooperation*, "Current Affairs Report", 2004, 4, 39-41.

²⁶ Zheng Bijian, *China's Path of Peaceful Development and the Future of China-US Relations*, in "Thoughts in the New Century", Bai Yan, (ed.) 2007, Research Press, Beijing.

Other China analysts and scholars have a more positive assessment of the US rebalance. They cite the US need to be active in the healthiest economic region in the world. They cite former US Secretary of State Hillary Clinton's *Foreign Policy* article, "America's Asia Pacific Century," in which she argues that open markets in Asia provide the US with unprecedented opportunities for investment, trade, and access to cutting edge technology.²⁷ They also claim that the United States needs China's support in its efforts at anti-terrorism, controlling public goods, nuclear non-proliferation, and they characterize China-US relations as one of "mutual dependence with continually rising competitiveness."²⁸ In the areas of trade, investment and finance, China-US mutual dependence is getting stronger and stronger. China has become the US' fastest growing export market, and China and the United States are each other's second largest trading partners.²⁹ They also argue, however, that the 2007 financial crisis damaged the credibility of the US economic and financial model. Meanwhile, the size of China's economy in 2010 surpassed that of Japan's to become the world's second largest. As a consequence, competition between China and the United States shifted from that of inter-state rivalry to a regional rivalry within the Asia Pacific.³⁰ However, due to the mutual dependence of China and the United States, Beijing does not want to see this rivalry turn into confrontation.³¹ Hence, China-US relations in the Asia Pacific are a balance between competition and dependency. This "hot-cold" relationship between China and the US had not come to a confrontational state of affairs. Key to upholding this balance depends on the two sides not touching each other's "bottom line."³² For China, the bottom line is Taiwan and South China Sea territorial sovereignty. They claim that keeping sovereignty and territory intact are key to China's development. The balance will be upset if the United States does anything radical regarding Taiwan or the South China Sea.³³

Beijing argues that the goal of US rebalancing strategy is to prevent the emergence in Asia of a great power that would threaten US hegemony in the region.³⁴ That power would be China, of course. It appears that Beijing is less concerned with the actual numbers of US naval assets being shifted to the Asia Pacific than the operational capabilities of those assets. The Pentagon plans to place 60 percent of US naval assets in the region, up from the current 55 percent. Beijing does

²⁷ Jin, Liu and Huang Da, 美国亚太再平衡战略对中美关系的影响 [*The Effect of US Rebalance to Asia Strategy on China-US Relations*] 东北亚论坛 ["Northeast Asia Forum"], vol. 5, 109, 6.

²⁸ Niu Jun, 蓝建学. 中美关系与东亚和平 [*China-US Relations and East Asian Peace*] 东亚和平与安全 ["Asian Peace and Security"] 2006, Beijing, Current Events Publishers (北京: 时事出版社).

²⁹ Jin, Liu and Huang, *op. cit.* 5.

³⁰ *Ibidem*, 7.

³¹ Niu Jun, *op. cit.*

³² Jin, Liu and Huang, *op. cit.* 7.

³³ *Ibidem*.

³⁴ *Ibidem*.

not appear to be alarmed by the increase, because a shrinking US military budget means that the United States is increasing the percentage of a shrinking navy in the region. However, without seeing the US Navy in action, the Chinese military does not know how to assess the US navy's operational capability.³⁵ Operational capability is the ability to effectively execute weapons in a manner in which they are designed to be employed.³⁶ Another question is the US coordination of military operational concepts with regional allies and partners.

So far, this article has examined rhetoric in regards to US rebalancing. This raises the question of whether China's actions correspond with its statements. The next section of the article examines foreign policy changes and China's activities since the US announced its intentions to refocus attention on the Asia Pacific.

CHINA'S REACTION: FOREIGN POLICY CONTINUITY OR CHANGE?

Has US rebalancing to Asia changed China's foreign relations in the region? Simon Teng-chi Chang (2013) and Robert Ross (2015) indicate that US rebalancing, coupled with numerous domestic social and economic problems and the East and South China Seas disputes that Beijing has with its maritime neighbors, is affecting China's foreign policy making. Chang argues that these factors are driving Xi Jinping to pursue a more aggressive foreign policy, one that is based on the concept of balance of power, and that Xi will present himself to the world as a candid and tough rival to Japan and the United States.³⁷ Ross claims that US rebalancing is unproductive and is having the opposite of its intended effect.³⁸ These views raise the question of whether China's increased assertiveness in the Asia Pacific is the result of US rebalancing to the region or is an intensification of a policy that Beijing has been carrying out for the past decade.

To answer this question, we need to consider US and Chinese military policy, respectively, and China's foreign policy, to determine if there is a causal effect between the two. It is clear that China's leaders were disturbed by American use of force in the 1990–1991 Gulf War, former Yugoslavia and Kosovo, Iraq and Afghanistan. Each time, Beijing witnessed remarkable advances in US military weaponry and operational capabilities. Beijing also noticed US agreements with the Central Asian Republics on China's Western border. The 1996 deployment of two aircraft carrier strike groups to the Taiwan Strait region, the 1999 accidental bombing of the Chinese embassy in Belgrade, the 2001 EP-3 accident and downing on Hainan Island, and military intervention in Afghanistan and Iraq all

³⁵ Author interview with senior scholar at CICIR, Beijing, August 2014.

³⁶ Military Factory.com. Online, http://www.militaryfactory.com/dictionary/military-terms-defined.asp?term_id=2660 (access: 20.04.2015).

³⁷ Simon Teng-chi Chang, *op. cit.*, 79–108.

³⁸ R. S. Ross, *op. cit.*, 70–82.

put Beijing on notice that the US was not the “wounded hegemon” that it had believed. Beijing responded to perceived US aggression with a rapid military build-up. Between 1999 and 2009, China increased its military budget on average by double-digit figures each year. It also increased research and development (R&D) spending, and purchased or developed more advanced weaponry, particularly from Russia. This increased military investment is not solely a response to US actions, however. China’s leaders as early as Deng Xiaoping in the 1980s began a radical program of military modernization, and this accelerated under successive leaders. There are in fact many reasons for China’s sizeable increase in defense spending. These reasons include starting from a very low level of funding, the increased expense of more sophisticated weapons, and the need to improve pay and standard of living for military personnel and their dependents.³⁹

Much of China’s modernization was already taking place before the United States announced rebalance to Asia. The 1979 China-Vietnam border war, which took place some thirty years before announcement of the pivot, was a watershed event in China’s military modernization. The war revealed weaknesses in China’s military capabilities and motivated China’s leaders to accelerate modernization of the PLA. Modernization included separating the military from politics, reorganizing and restructuring the PLA, and jettisoning “people’s war” for “people’s war under modern conditions.” The last reform involved not only consolidation of military regions and group armies, but more sophisticated military technology.⁴⁰ In 1989, China’s leaders launched an ambitious army modernization program. Since then, China’s defense budget has increased an average of 13 percent annually. China’s defense budget doubled between 1989 and 1994, and almost doubled again between 1994 and 1999. Throughout the early twenty-first century, China continued double-digit increases in its defense spending. China’s defense budget grew a whopping 19.4 percent in 2001, 18.4 percent in 2002, 17.5 percent in 2008 and 18.5 percent in 2009, all before the announcement of US rebalancing to Asia. China’s defense spending actually increased by smaller amounts after 2009. China’s military budget increased 12.7 percent in 2011 and 11.2 percent in 2012, after Washington announced the US rebalance to Asia policy (See Table 1.).

If China’s military modernization was a response to US balancing, we would expect to see an increase, not decrease, in China’s defense budget in the years since the announcement of rebalancing. In fact, China plans to increase its defense spending by only 7.6 percent in 2016, the slowest increase in six years. The lower defense budget increases in recent years does not appear to be a response to US rebalancing, unless Beijing is calculating that rebalancing is more talk than action.

³⁹ Interviews with senior analysts at CICIR, SIIS, Tsinghua University, Beijing University and Fudan University, August-September, 2014.

⁴⁰ For more information on each of these reforms, see E. F. Larus, *Politics and Society in Contemporary China* 2012, Lynne Rienner, Boulder, CO, 343–356.

Table 1. China's Defense Budget Increase 2000–2015

| Year | Yuan (Billion) | Growth Rate (Percent) |
|-----------|-------------------|--------------------------|
| 2000 | 1,205.00 | 11.95 |
| 2001 | 1,410.04 | 16.77 |
| 2002 | 1,694.44 | 17.50 |
| 2003 | 1,853.00 | 8.50 |
| 2004 | 2,117.01 | 10.96 |
| 2005 | 2,477.56 | 12.62 |
| 2006 | 2,838.29 | 14.68 |
| 2007 | 3,509.21 | 17.78 |
| 2008 | 4,177.69 | 17.52 |
| 2009 | 4,806.86 | 15.03 |
| 2010 | 5,321.15 | 7.47 |
| 2011 | 6,011.56 | 12.72 |
| 2012 | 6,702.74 | 11.22 |
| 2013 | 7,406.22 | 10.68 |
| 2014 | 8,082.30 | 12.22 |
| 2015 est* | 8,869.00 | 10.10 |

*Source: "China's Defense Budget More than Doubles Since 2008," IHS Jane's Defense Weekly March 4, 2015, Online, <http://www.janes.com/article/49742/china-s-defence-budget-more-than-doubles-since-2008>.

The increase in defense spending has beefed up China's military, giving Beijing the muscle it needs to be more assertive in the Asia Pacific region. In particular, it has contributed to enhanced seapower. Seapower is the ability to affect events on and from the sea. American naval officer and strategist Alfred Thayer Mahan (1890) argued that under the right conditions, seapower is *the* chief element of a nation's greatness.⁴¹ Mahan argued that Great Britain's control of the seas was instrumental for its emergence as the world's dominant military, political, and economic power, and that American national greatness likewise rests on dominant seapower. China's leaders similarly seek sea power. To defend and expand its interests, China is increasingly putting emphasis on far-seas naval capabilities.⁴² Far sea defense implies naval operations out to the second island chain.⁴³ Far-seas naval capabilities would enable China to undertake offensive

⁴¹ A.T. Mahan, *The Influence of Seapower upon History: 1660–1783*, 2007, Cosimo, New York. First published in 1890.

⁴² The term "far-sea" refers to international waters beyond the first island chain. The first island chain runs north to south from the Aleutians through the Kuriles, Japan, the Ryukyus, Taiwan, the Philippines, and Indonesia. It includes all of the South China Sea.

⁴³ The first island chain runs north to south from the Aleutians through the Kuriles, Japan, the Ryukyus, Taiwan, the Philippines and Indonesia. It includes all of the South China Sea. The second island chain runs from northern Japan through Guam to the vicinity of New Guinea.

and sabotage operations in the vast waters beyond the first island chain and deter the enemy.⁴⁴

China intends to become a global maritime force by 2050. As a global naval power, China would challenge US naval supremacy in China's maritime periphery, and would have access to vast sums of sea-based resources such as oil and gas critical to fuel its rapid economic modernization. Reaching this goal depends on China's ability to control the areas delineated by its first and second island chains.⁴⁵ The South China Sea is important for its extensive natural resources including fish, oil and natural gas and minerals. Its shipping lanes are a vital artery for China's trade with the world. In 1992, China's National People's Congress passed the Law of the Territorial Sea and Contiguous Zone, claiming jurisdiction over the entire South China Sea. Adoption of the law marks a major development in China's maritime policy. By claiming the territory by legal fiat, however, the law contradicts China's promise to resolve territorial disputes through friendly discussions. The law claims inviolable sovereignty over Taiwan and its affiliated islands, and the Paracel and Spratly islands. The latter are also claimed in entirety or in part by Malaysia, the Philippines, Taiwan, Vietnam, and Brunei. Although the law permits non-military ships passage through its territorial sea, it asserts a right to evict other nations' naval vessels from the waters, and authorizes the navy to pursue foreign ships violating its regulations. Chinese control of disputed territories in the South China Sea offer Beijing a base from which to "Impose its interpretation of the surrounding features' sovereignty."⁴⁶

Beijing claims that US rebalance to Asia negatively impacted US-China relations, particularly by stirring up trouble in the South China Sea. Specific US actions that harmed China-US relations are the 2011 US-Philippines-Vietnam military exercises that later emboldened those states in pressing their claims against China; a US agreement with Singapore to rotate US forces and deploy US warships at Changyi naval base;⁴⁷ and the 2012 US-Philippines expanded war games in which forces from the two countries held a mock beachfront assault on Palawan island, near the Scarborough Shoal. The exercises occurred amidst tensions between China and the Philippines over the question of sovereignty of the shoal. China analysts argue that these actions made the US rebalance strategy dangerous by increasing the possibility of a war there.⁴⁸

⁴⁴ A. L. Wishik, *An Anti-Access Approximation: The PLA's Active Strategic Counterattacks on Exterior Lines*, "China Security" 2011, vol. 19, 44.

⁴⁵ The second island chain runs from northern Japan through Guam to the vicinity of New Guinea.

⁴⁶ "IHS Jane's Defense Weekly", 2014, June 25, 17.

⁴⁷ 美媒：美国又想在新加坡派驻战舰, [US Media: The United States Wishes to Port Ships in Singapore], Xinhua, 2011, November 20. Online, http://news.xinhuanet.com/mil/2011-11/20/c_122307678.htm (access: 22.04.2015).

⁴⁸ Jin, Liu and Huang, *op. cit.*, 8.

China's maritime security and far sea defense require a bigger and bolder navy. In particular, China needs aircraft carrier strike groups and more large- and medium-size warships with sophisticated technology to challenge US supremacy in the region. We already know that China launched its first aircraft carrier, the Liaoning. More recent developments in China's quest for seapower are

- significantly upgrading its military facilities on Nanji Island, 300 km from the disputed Diaoyu/Senkaku Islands. It added ten helipads to the island, which already has advanced radar, creating a "forward presence" for Chinese helicopters to conduct surveillance and Anti-Submarine Warfare (ASW) patrols.⁴⁹ The Chinese Ministry of National Defense dismissed the story as "pure media hype."⁵⁰
- beginning trials of a new ship appropriately designed to support opposed landing and mine-laying missions, two actions that would be part of actions against islands in the East and SCS.⁵¹
- testing a twin-engine utility helicopter, the Z-20, similar to the US Sikorsky S-70. The PLAN is particularly interested in the Z-20 for anti-submarine missions due to its greater range and payload than the helicopter (Z-9C) currently in service.⁵²
- establishing a joint command for China's near seas. A joint command suggests a central role for the PLAN in any maritime encounters, such as might involve the Senkaku/Diaoyu Islands.⁵³
- launching a new variant of its Type 041 Yuan-class conventional submarine. Images indicate that it has the ability to carry more weapons than earlier Type 041s. The existing Type 041 subs are equipped with anti-ship missiles and homing torpedoes⁵⁴ able to threaten US ships in the region.
- jamming Taiwan's Surveillance Radar Program (SRP). The \$1.38 billion long-range radar had been in operation for only one year. The SRP is in-

⁴⁹ P. Wood, *China Plays Hello Card to Shift Military Balance in East China Sea Dispute*, "China Brief", 2015, vol. 15, 5. Online, http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews%5Btt_news%5D=43621&tx_ttnews%5BbackPid%5D=25&cHash=6246f85f7ccf-8216070b06967886ee5d#.VQnCni5kaVf (access: 18.03.2015).

⁵⁰ Airbus Defense and Space's Pleiades satellite captured the imagery in October 2013. J. Hardy and S. O'Connor, *Imagery Shows Heliport on China's Nanji Islands*, "IHS Jane's Defense Weekly", 2014, vol. 52, 4, 14.

⁵¹ Richard D. Fisher, Jr., *PLA trials 'training ship' with amphibious potential*, "IHS Jane's Defense Weekly", 2013, vol. 50, 51, 16.

⁵² Fisher, *op. cit.*, 15.

⁵³ China's Ministry of National Defense denied reports by the official newspaper *China Daily* that the PLA will establish a joint operational command. The denial also contradicts a communiqué issued at the CCP's November 2013 Third Plenum indicating development of combined combat command systems. The PLA had historically put emphasis on land forces. G. Arthur, R. Gupta, and J. Hardy, *China denies plans to establish joint command anytime soon*, "IHS Jane's", 2014, vol. 51, 3, 15.

⁵⁴ R. Fisher, *op. cit.*, and R. Rahmat, *China's latest Yuan-class sub preparing for sea trials*, "IHS Jane's", 2014, vol. 51, 16, 17.

tended to provide Taiwan with “strategic depth” by providing very early warning of Chinese long-range air and missile activity. It has a range of 5,000 km (3,100 miles) and is able to trade golf-ball-sized target out to 3,000 km. China built a large phased array radar (LPR) across the Taiwan Strait, capable of monitoring the entire Taiwan Strait region and northern SCS. China’s LPR can interfere with the ability of the SRP to track targets.⁵⁵

- carrying out in late March 2015 the first-ever military drill over the western Pacific Ocean between Taiwan and the Philippines, demonstrating its growing military might. The drills help familiarize the PLAN with anti-access, area denial (A2/AD) strategies.
- designing a nuclear submarine that incorporates a mini-submarine that could be used to land special operations forces on nearby targets, such as Taiwan.
- creating a small island on Fiery Cross Reef, about 200 miles west of Mischief Reef, with a harbor capable of docking warships.
- transforming Mischief Reef (in the Spratly Islands group) into a small island from which China can conduct regular, sustained patrols of the air-space and water in the South China Sea, and to attempt to assert maritime claims as many as 1,000 miles from its shores.⁵⁶

Are these developments a response to US rebalancing? It is not likely. Military weapons systems take years, often decades, to develop. China’s recent military advances are consistent with the military modernization it has been undertaking in the past decades and are not the direct result of US rebalancing.

The second question concerns possible shifts in China’s foreign policy as a response to US rebalancing. To answer this question, one would need to examine China’s foreign policy before and after the announcement of rebalancing. David Kang and Alistair Iain Johnston found that China in the early 21st century became more engaged with the world than ever before,⁵⁷ increasing its interactions with multilateral and cooperative institutions.⁵⁸ American China analyst Abraham M. Denmark also fails to find a significant policy shift in Beijing, and claims that China-US relations are likely to be both cooperative and competitive in

⁵⁵ R. Fisher, *op. cit.*, and S. O’Connor, *New Chinese radar may have jammed Taiwan’s SRP*, “IHS Jane’s,” 2014, vol. 51, 24, 26.

⁵⁶ D. E. Sanger and R. Gladstone, *Piling Sand in a Disputed Sea, China Literally Gains Ground*, “New York Times”, 2015, April 8 Online, http://www.nytimes.com/2015/04/09/world/asia/new-images-show-china-literally-gaining-ground-in-south-china-sea.html?_r=0 (access: 10.04.2015).

⁵⁷ D. Kang, *China Rising: Peace, Power, and Order in East Asia*, 2007, Columbia University Press, New York, 88; A. I. Johnston, *Is China a Status Quo Power?* “International Security” 2003, vol. 27, 4, 5–56; E. Medeiros and M. T. Fravel, *China’s New Diplomacy*, “Foreign Affairs”, 2003, vol. 82, 6, 64–94.

⁵⁸ Kang, *op. cit.*, 88.

the future,⁵⁹ much as they had been in the early years of the 21st century. Chinese officials contend that they seek a peaceful international environment in which to develop China. In particular, China seeks peaceful relations and cooperation with its neighbors, and tries to foster good relations with countries that can provide natural resources vital for China's development. Officially, China has not modified these foreign policy goals since the announcement of US rebalance to Asia.

China analyst Robert Sutter (2013) found an increase in Chinese opposition to US rebalance to Asia in the first Obama Administration, and more assertive positions and commentary aimed at China's neighbors.⁶⁰ Some Chinese scholars and analysts call for a more forceful foreign policy in which China assumes a leadership role, using its economic might as leverage and its military might to project strength abroad and to undermine US influence in the region.⁶¹ China scholar Wang Jisi disagrees, and argues that China does not seek to change the existing world order and that it is wrong to build a grand strategy with the United States as an adversary. Such an approach would hinder vital economic relations with the United States and would be unworkable: few countries would likely join China in an alliance against the United States.⁶² Wang argues instead for Beijing to strengthen economic ties with the United States and other economic powers and to avoid military confrontation with them.⁶³ China scholar Jia Qingguo claims that developing a new model of China-US relations, wherein Beijing and Washington cooperate on a host of pressing issues in the region will benefit the national interests of both countries.⁶⁴ These comments do not sound like revisionist rhetoric.

Instead of directly challenging the United States as dominant power, Beijing is elevating itself to peer status with the United States through its New Type of Great Power Relations (中美新型大国关系, *zhongmei xinxing daguo guanxi*) vision. Great Power Relations proposes maintaining strategic interdependence with the United States, and at its most basic level, this vision espouses a policy of "no confrontation, no conflict" (不对抗, 不冲突, *buduikang, bu chongtu*) with the United States to avoid the hot wars that developed in the first half of the 20th century and the Cold War in the second half. To avoid conflict between the United States and China, Beijing has called for the United States and China to share

⁵⁹ A.M. Denmark, *Forging a New Type of Great Power Relations in the Global Commons*, "American Foreign Policy Interests", vol. 35, 3, 129–136.

⁶⁰ R.G. Sutter, *Foreign Relations of the PRC: The Legacies and Constraints of China's International Politics Since 1949* 2013, Rowman & Littlefield, Lanham, MD.

⁶¹ J. A. Bader, *op. cit.*, 81; Liu Mingfu, *China Dream: Great Power Thinking and Strategic Positioning in the Post-American Age* (Beijing: China Friendship Press, 2009); Tang Yongsheng, Li Li and Fang Ke, *op. cit.*

⁶² Wang Jisi, *China's Search for a Grand Strategy: A Rising Great Power Finds Its Way*, "Foreign Affairs", 2011, vol. 90, 2, 72.

⁶³ *Ibidem*, 74.

⁶⁴ Jia Qingguo, 秉持“只争朝夕”精神积极构建中美新型大国关系 [Uphold the Spirit of "Seize the Day, Seize the Hour," Proactively Develop the China-US New Model of Major-Country Relations] "The Journal of International Studies", 2014, vol. 35, 1, 10–19.

international responsibilities to better meet global challenges.⁶⁵ Chinese analyst Da Wei claims that Beijing and Washington need to cooperate on global issues such as climate change, energy, terrorism, epidemics and other non-traditional security issues. Problems of this magnitude cannot be solved at the local level, but need world powers China and the United States to work together.⁶⁶ A second component of Great Power Relations is establishing strategic trust between Beijing and Washington. China and the United States have deep-seated mutual mistrust. Beijing points to the US 2010 National Security Strategy in which the US expresses concern that China will challenge the United States for global leadership; political-economic nexus and the challenge of Chinese [state] corporations to the international economic order; and the relations of China to US allies and friends in the Asia Pacific. They point to these three concerns as evidence that the United States is afraid of whether China will upset US status and the global order and whether China will squeeze the United States out of Asia.⁶⁷ China's Great Power Relations strategy proposes to reassure the United States that China does not seek to be the global power and does not seek to push the US out of Asia.⁶⁸ Third, Great Power Relations proposes to maintain the existing world order. None of these components of Great Power Relations sound like a dramatic shift in China's policy. China's foreign policy has always been to protect its core interests of state sovereignty, territorial integrity, national unification, the political system according to the state constitution, and economic and social development. From what we've seen so far, Great Power Relations does not appear to constitute a change or dramatic departure in China's foreign policy.

CONCLUSION: CHINA-US RELATIONS IN THE ERA OF REBALANCING

Despite some heated rhetoric from Beijing, there has been no detectable deterioration of China-US relations due to rebalancing. Granted, Beijing and Washington do not see eye to eye on China's newly created Asian Infrastructure Investment Bank (AIIB), the free-trade zone known as the Trans-Pacific Partnership (TPP), and continued arms sales to Taiwan. The United States and China have locked horns on a host of trade and finance issues, maritime issues, China's militarization of space, commercial and military cyber espionage. But none of these issues are new and none are exclusively due to US rebalancing to Asia. In fact, Beijing continues to put out favorable statements concerning China-US

⁶⁵ *Chinese, US Presidents Meet on Bilateral Ties*, Xinhua, 2012, June 20. Online, http://news.xinhuanet.com/english/china/2012-06/20c_131664190.htm.

⁶⁶ Da Wei, 构建中美新型大国关系的路径选择 [*Approaches to Building a New Model of Major Power Relationship between China and the US*], 中国外交 ["China's Foreign Affairs"] 2013, 9, 32.

⁶⁷ *Ibidem*, 33.

⁶⁸ *Ibidem*, 34.

relations. For instance, only six months after the publication of Hillary Clinton's *Foreign Policy* article, Chinese Vice Foreign Minister Cui Tiankai co-authored an essay "China-US Relations in China's Overall Diplomacy in the New Era: On China and US Working Together to Build a New Type of Relationship Between Major Countries."⁶⁹

Although China's leaders continue to express concern over US rebalancing, it does not appear to have adversely affected China-US relations. The fact that bi-lateral relations have not deteriorated since the announcement of rebalancing can be due to several factors. The key factors include the Obama administration's half-hearted implementation of rebalancing and China's limited military capabilities to respond to rebalancing.

The current mood is souring, however. Tensions have increased in the South China Sea as Beijing builds islands on the reefs and rocks it controls in the Spratly Islands. Island-building projects there can help China's military take control of the waters and airspace in the region. In late May 2015, China's transport ministry broke ground on lighthouses on two man-made islands that it made in the Spratlys. Beijing claims that the lighthouses will assist navigation in dangerous waters there, but the US military fears that China could use the structures to claim an exclusive economic zone around them, hindering freedom of navigation in the area.⁷⁰ China's efforts to reclaim land in the South China Sea are causing the United States to take a more bellicose stance toward Beijing. At present, the United States seems powerless or unwilling to take on China over its reclamation projects in the South China Sea. However, comments from US Defense Secretary Ash Carter indicate growing US frustration with Beijing and possible US military action in the region. At Pearl Harbor in late May 2015, Carter called for an immediate halt by China and other countries to their island-building in the South China Sea, claiming that China was actually upsetting the regional order and was drawing its maritime neighbors together against Beijing.⁷¹ At the late May 2015 annual security meeting called the Shangri-La Dialogue, Carter reiterated his call for Beijing and other nations to stop all land reclamation in the South China Sea, and stressed that the United States will "fly, sail, and operate wherever international law allows" despite Beijing's warnings not to come too close to the islands.⁷²

⁶⁹ Cui Tiankai and Pang Hanzhao, *China-US relations in China's Overall Diplomacy in the New Era: On China and US Working Together to Build a New Type of Relationship between Major Countries*, Ministry of Foreign Affairs, 2012, July 20 <http://www.fmprc.gov.cn/eng/zxxx/t953682.htm> (access: 23.04.2015).

⁷⁰ *China Breaks Ground on Lighthouse Project in South China Sea*, "Reuters," 2015, May 26. Online, <http://www.reuters.com/article/2015/05/26/us-china-southchinasea-idUSKBN0OB-0DJ20150526> (access: 29.05.2015).

⁷¹ D. Alexander, *Pentagon Chief Urges End to Island-Building in South China Sea*, "Reuters," 2015, May 27. Online, <http://www.reuters.com/article/2015/05/27/us-asia-usa-pentagon-idUSKBN0OC2L620150527> (access: 28.05.2015).

⁷² A. Browne, G. Lubold and T. Moss, *China's Islands Pose Dilemma for U.S.*, "Wall Street Journal", 2015, June 1.

China is rising to meet the US challenge by putting new emphasis on maritime warfare. In its 2015 white paper on defense, the State Council (China's cabinet) stated that China's navy will expand its operations from offshore areas to the open seas. The report directly addresses US rebalancing in the Asia Pacific, Japan's overhaul of its security policies, and "provocative actions" on the part of its South China Sea neighbors as factors in China's maritime expansion. It publicly acknowledges China's strategy of "active defense" in which Beijing claims to "not attack unless attacked, but will counterattack if attacked," drawing a distinction between it and US "proactive security."⁷³ US-China relations are likely to become more tense as China's military increasingly focuses on maritime warfare.

AMERYKAŃSKA STRATEGIA RÓWNOWAŻENIA. IMPLIKACJE DLA STOSUNKÓW AMERYKAŃSKO-CHIŃSKICH

Abstrakt. W 2011 roku administracja Obamy skonkretyzowała swoją politykę w regionie Azji i Pacyfiku. Była to odpowiedź na bardziej asertywną politykę Chin, która jest postrzegana jako potencjalne zagrożenie dla pokoju i bezpieczeństwa w regionie. Amerykańska strategia „zwrotu ku Pacyfikowi” i reakcja na nią Chin, skutkowała wzrostem napięcia we wzajemnych stosunkach. Autorka w artykule starała się udzielić odpowiedzi na następujące pytania: Jakie motywy i intencje stoją za amerykańską strategią ekonomicznego i militarnego równoważenia Chin w regionie? Jak te działania są postrzegane w Chinach? Jak strategia równoważenia będzie wpływała na przyszłe stosunki USA -Chiny?

Słowa kluczowe: doktryna Obamy, stosunki chińsko-amerykańskie, polityka zagraniczna USA, Azja-Pacyfik

⁷³ State Council, People's Republic of China, *China's Military Strategy*, Xinhua, 2015, May 26. Online, <http://en.people.cn/n/2015/0526/c90785-8897779.html> (access: 29.05.2015).