ASIA REPORT ISSUE NO. 25 APRIL 2014



Sigur Center for Asian Studies

THE GEORGE WASHINGTON UNIVERSITY

Conflict in the Face of Cooperation: Exploring the Complexity of Chinese Policy in East Asia

What explains escalating tensions between China and its neighbors in the South China Sea over the past several years? Is conflict inevitable as a rising China seeks to protect its national interests or will global trade and international organizations ensure peaceful economic cooperation throughout East Asia? These pressing questions were the subject of a recent lecture – Rocky Rise: China's East Asia Policy (2009-Present) – sponsored by the Sigur Center for Asian Studies. Dr. Nicholas Khoo, senior lecturer in the Department of Politics at the University of Otago in New Zealand, shared insights he gained through interviews with Chinese academics and analysts conducted in Beijing last year on the increasing complexity and direction of China's regional policy.

In this Asia Report, we present Dr. Khoo's views on debates over Chinese foreign policy, his understanding of Beijing's recent actions, and his recommendations for U.S. policymakers. You can listen to the event's audio on the Sigur Center's website by clicking here.

Competing Viewpoints on China's Foreign Policy

Experts have struggled to characterize and categorize China's behavior in East Asia since the mid-2000s. President Xi Jinping's "Charm offensive" sought to earn the trust of its neighbors and build lasting economic and diplomatic relationships. However, since the 2008 Beijing Olympics, Dr. Khoo was surprised to observe a steady increase in political, economic, and military clashes between China, Japan, Vietnam, South Korea, and

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other nearby states. Why has this escalating tension occurred despite that the fact eight of China's top ten trading partners are from the region?

Prominent scholars in the field of international relations have put forth several theories on this apparent contradiction and how to prevent further conflict. Some argue the region is slowly but surely moving toward a "capitalist peace" whereby economic cooperation between trading states de-escalates conflict and promotes stability. Another theory holds that identity is a potent variable in foreign policy. This theory predicts China's neighbors would accommodate its growth as they perceive a lower threat from Beijing due to its historical role as a center of power in Asia. A final theory discussed in the lecture posits China's participation in international institutions will moderate its behavior

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as dialogue and deliberation – not war – are used to resolve differences.

Dr. Khoo contended each of these theories helps explain parts of China's foreign policy, but could not account for the presence of conflict in recent years. Beijing's expanding trade relationship with its neighbors, its historical role in Asia, and its presence in international fora did not prevent tensions from emerging, such as the Taiwan Straits Crisis and recent maritime territorial disputes. For that reason, Dr. Khoo suggests a different theory to best articulate China's behavior in East Asia based on his understanding of the region and his recent interviews with Chinese academics and analysts.

China's Economic Power and Defensive Realism

Despite boiling tensions in the South China Sea, Dr. Nicholas Khoo concluded hope still existed for peace and stability in the region. He believes China is merely seeking to protect its own interests, enhance its defense, and manage new responsibilities as a rising power. China's neighbors may see these actions as provocative, but the United States needs to reassure its allies in the region that their security needs could be met without resorting to confrontation. Dr. Khoo did not let China's neighbors off the hook as he admonished Japan, the Philippines, and Vietnam for undertaking provocative actions of their own against China.

Dr. Khoo saw China's strategy working in the region primarily due to its dominant economic position. Beijing has driven a wedge between once unified partners in the Association of Southeast Asian Nations (ASEAN), evidenced by its ability to encourage Cambodia to block consensus on a South China Sea resolution at the 2012 ASEAN Summit. China's neighbors are in a difficult bind: leaders may seek to diversify their

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trade and diplomatic ties to avoid becoming too reliant on China, but economic necessities and domestic factors push these countries closer to China. These states are now heavily invested in the continued economic growth of their geo-political rival.

Moving Forward

Cooperation is still possible under these emerging conditions, but the extent of this collaboration will be determined by the material capabilities, foreign policy interests, and skillful diplomacy of the United States and other Asian powers. If China's economic and military strength continues to grow at its current pace, Dr. Khoo sensed the current security dynamic in the region would need to be "readjusted" to reflect these new realities.

In the meantime, he urged the Obama Administration to be less "reactive" in its dealings with China and to back up its so-called "pivot to Asia" with robust budget and military support. The tough U.S. response to China's establishment of an Air Defense Identification Zone (ADIZ) over disputed parts of the East China Sea in November 2013 was a positive development in his view. If the United States, China, and others in the region can manage this changing security environment and avoid letting nationalism drive policy, Dr. Khoo foresaw continued prosperity in the region for years to come.

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serve as the nexus for educating a new generation of students, scholars, analysts and policymakers.

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