Asia is the United States’ biggest foreign policy challenge. There is no consensus in the U.S. on how relations with or strategy towards the region should be shaped, and U.S. policy risks being influenced by distorted views of China.

Asia is the region with the highest increase in defence spending in the world. Crises like the recent »fisheries incident« between China and Japan remind us that East Asia is still a fragile and potentially dangerous region.

The U.S. has a fundamental interest in stability in the region, not only because of economic considerations but also because of its military commitment to the defence of Taiwan and Japan.

The countries of Asia are increasingly worried about the rise of China. Thus while China today poses the biggest challenge to the U.S. power posture in Asia, it also offers a new opportunity for an increased political and military presence in the region, as many countries either openly – or in most cases discreetly – are looking to the U.S. to contain the »awakening giant« on the Yangtze river.

Owing to the uncertain consequences of China’s rise and unsolved problems from North Korea to Taiwan, a protracted U.S. political and military presence in the Pacific will be a major contribution to growth and stability in the region. But this should not be misunderstood as a preparation for a new Cold War as some pundits in Washington would have us believe.
Debates about America being in decline are nothing new in the history of the United States, but the extent of pessimism currently shaping the foreign policy debate in Washington is remarkable. »This time it’s for real« was how Gideon Rachman subtitled a recent article for *Foreign Policy* on American decline.¹

In his new book *The Frugal Superpower* Johns Hopkins Professor Michael Mandelbaum points to a growing consensus that a combination of a staggering deficit, little innovation and a notorious lack of investment will oblige the U.S. to reduce its footprint in the world.² Mandelbaum also insists that America, thanks to its skilful policies, its soft power and, when required, its military might has in many ways functioned like a world government. He fears, however, that unavoidable cuts in military spending and a reduced U.S. footprint will make the world a less governable place.

The U.S. presence in the Pacific has for the past 60 years functioned like a world government to the region. In a manner rather akin to that of the British Navy in the 18th century, the U.S. naval presence has played and is continuing to play a crucial role in U.S. power posturing and has kept the main trading routes open. Given the fact that 90% of global commerce and two-thirds of all petroleum travels by sea, this is a vital contribution to worldwide stability and growth. In addition, in many regional conflicts, the U.S. has played the role of an arbiter or a deterrent – as in the case of Taiwanese military aggression.

While during the Cold War these policies were embraced by both Republican and Democrat administrations, today such a consensus about U.S. policy towards the region no longer exists. This is especially true with respect to the 30-pound gorilla in the room: China. While President Obama has publicly embraced a more active role for Beijing in international affairs, the majority of the foreign policy community in Washington is more likely to see China as a threat to American power that needs to be actively contained.

¹ Gideon Rachman: »Think Again: American Decline«. Foreign Policy, January/February 2011.
telling example. While a serious debate about foreign policy was almost completely absent from the campaign, there was one remarkable exception: China, it seems, was everywhere. President Obama accused Beijing of manipulating its currency and in a rare moment of unity, the House of Representatives passed a resolution almost unanimously condemning China’s reluctance to allow the Renminbi to appreciate.

At the same, it was not so long ago that there were widespread fears in the West that Japan could leave the West behind. Today, Japan is struggling with a twenty-year-long recession and instead of a threat is seen as a crucial ally in the region.

China

If the West, then, is to formulate an adequate policy for the region, it is crucial for it to understand the historical driving forces shaping the policies of the region’s most imminent power. China always saw itself as the »middle kingdom« – the centre of the world – hence its painful humiliation when Western powers forced China to sign unequal treaties, open its ports and establish foreign concessions. According to David Lampton, in the years from 1841 on, China’s share of the world’s GDP dropped from roughly 25 % to an average of 15 %. This period is known in China as the »150 years of humiliation«. China today is determined to overcome this decade once and for all and restore itself to what it sees as its rightful place in the world. Any attempts to contain China and prevent it from achieving its goals are hence regarded with great suspicion. From the Chinese point of view its agenda is not expansionist but merely reflects the size of its population – 1.3 billion.

»Keep a Low Profile«

Chinese leaders clearly understood that fear in the West about China’s rise could seriously harm their interests. After the breakdown of the Soviet Union, Deng Xiaoping advised the cadres of the Chinese Communist Party to »observe calmly; take a firm stand; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; and never try to take the lead«. Deng understood China’s weakness, both militarily and economically. His country was exhausted after a century of foreign intervention and war.

China’s leaders understood that a hostile neighbourhood or military conflicts would undermine Deng’s strategy of economic recovery. Consequently Beijing has tried hard to assuage suspicions and reassured the world about China’s peaceful rise and its intent to build what President Hu Jintao calls a »harmonious society«. Chinese strategists believe that they will have a window of opportunity of approximately twenty years without major military threats towards China and they are prepared to accept that during this period of time the United States will remain the world’s leading power. The consistency of this strategy is as remarkable as its success. Although it did not completely erase concerns about China’s rise, it mitigated fears in the West and among China’s 14 neighbours.

Despite the powerful rhetoric of China’s rulers, there is little evidence that the nine members of the Politburo’s Standing Committee are as confident and assured of their leadership as they appear. On the contrary, there is far more evidence that China’s real agenda is domestic rather than external. With tens of thousands of annual »mass disturbances«, China’s Communist rulers are confronted with constant challenges to their power. In order to reach its strategic goals and to maintain stability, China needs to maintain a high growth rate, which puts enormous pressure on China’s government. For Deng Xiaoping, in contrast, there was no need to prove his communist credentials, something that cannot be said of China’s current and upcoming generations of leaders. China’s leaders have less room to maneuver than the Western rhetoric about the absolute rulers in Beijing suggests. We often forget that Chinese society is much more diverse today than it was twenty years ago. Today’s leaders need to reach out to different constituencies and even within the party different wings are openly identified, something that would have been unthinkable under Mao.

Nationalism seemed to be the most appealing option, although as China was soon to discover this was a double-edged sword. Chinese nationalism is deeply rooted and the party has mobilised popular sentiments towards Taiwan or Tibet to present itself as the rightful

defender of Chinese national interests. Western politi-
cians should take these aspects into account when
drafting their China policy. And they should not forget
that many Chinese politicians think their country’s suc-
cesses have not been adequately acknowledged in the
United States and Europe.

Consequences of China’s Rise

Twenty years after Deng’s advice to »be good at main-
taining a low profile; and never try to take the lead« the
conditions have changed. Given China’s new strength it
will be almost impossible for it to hide its capacities and
to keep a low profile. The question is whether Deng’s
other advice, to »observe and cope with affairs calmly«
will be followed by the fifth generation of leaders. There
is certainly no guarantee that China won’t turn into a
»wolf in the world« as George Walden’s famous book
from 2008 suggests.4 China’s military expenditure is
exploding, its claim to a »special economic zone« in the
South China Sea is generating tensions with Japan, and
the unresolved Taiwan question could at any moment
turn into a major war. China’s need for resources creates
political and environmental problems and its constant
violations of intellectual property rights are antagonising
the West. But China has also demonstrated that it is
seeking international cooperation to address these chal-
lenges. The prospect of a destabilised China is as much
feared in the hallways of the Great Hall of the People as
it is in the West.

As clear as Deng’s long-term strategy was, the ultimate
goal of China’s policies remains uncertain. Will China try
to succeed the US and become the world’s next super-
power or are Chinese ambitions limited to the restoration
of its vested place in the world? This question marks the
most important dividing line between two different
schools of thought within the United States. While
experts like Dan Twining from the German Marshall Fund
advocate a more aggressive containment policy to build
up »naval power in the Pacific and Indian oceans, and
invest in next-generation technologies to counteract
asymmetric Chinese weapons systems«, others like
Zbigniew Brzezinski are calling for a cooperative approach
to Beijing and are underlining the two countries’ shared

2008.

economic and political interests. The answer to this ques-
tion will determine the global landscape for years to
come and it is not even clear if Chinese leaders themselves
are in agreement about what goals to pursue.

Will a Smaller U.S. Footprint in Asia
Mean Less Stability?

After a period of neglect, the current American admin-
istration has heavily engaged in Asian diplomacy. Unlike
Latin America, where new regional organisations like the
Union of South American Nations (UNASUR) exclude the
United States, Washington will not easily accept similar
developments in Asia. And if they do occur, as in the case
of the Shanghai Cooperation Organisation, the U.S is
eager to counterbalance the Chinese influence. Secretary
of State Hillary Clinton became the first Secretary to par-
ticipate in the East Asia Summit and as an indicator of a
renewed commitment, President Obama himself has
increased his presence in the region. The United States
have also reinforced their alliances with Australia and
New Zealand and with the South-East Asian states. And
although there is no legal obligation for the United States
to defend Taiwan, U.S. officials leave no doubt that the
presence of the U.S. navy is intended to guarantee just
that, nor is the major U.S. military presence in Korea
being questioned.

While engaged in diplomatic exchanges, the main players
are at the same time hedging their bets by increasing
military spending and engaging in a power game resem-
bling 18th century Europe. The best example for these
dangerous developments is the Chinese navy operating
in the Indian Ocean and the Indian navy in the South
China Sea.

The countries of Asia are increasingly worried about the
rise of China. Thus while China today poses the biggest
challenge to the U.S. power posture in Asia, it also offers
a new opportunity for an increased political and military
presence in the region, as many countries either openly –
or in most cases discreetly – are looking to the U.S. to
contain the »awakening giant« on the Yangtze river.
Secretary of State Hillary Clinton made clear during a
two-week trip to the region that Washington is willing to
answer this call. For many policy-makers in the United
States it is a tempting perspective to exploit the hostile
feelings towards Beijing and the region’s growing desire
to keep China in check. That it was America’s most important ally in the region that seemed to question the U.S. presence came for many as a shock. The supportive attitude that the new Japanese government under Prime Minister Hatoyama showed for critics of the U.S. presence in Okinawa caused irritations in a Washington increasingly obsessed with containing China. Given this atmosphere, anything other than gratitude for the U.S. presence seemed to be irrational, to say the least.

Japan

Although Obama’s visit to Japan was used to underline the United States’ close friendship with Japan and the American commitment to defend the islands, Prime Minister Hatoyama’s promise to close down the U.S. base in Okinawa, which caught Washington by surprise, certainly could not be forgotten. It is fair to say that the tough stand taken by the Obama administration towards Hatoyama’s requests to reduce the burden of the U.S. presence on Okinawa was a major factor that led to his resignation in June 2010. But even though his successor, Prime Minister Kan, has silently dropped the Okinawa issue and publicly endorsed ties with the U.S., the Japanese debate is cautiously shifting away from an exclusive American-Japanese alliance. While this does not mean that the alliance with the U.S. will be seriously questioned in the time to come, Hatoyama’s proposal for an East Asian Community indicates that Japanese politicians are tending to view their country’s future in regional terms.

The philosophy of viewing an exclusive alliance with the U.S. as sufficient for Japan’s security while neglecting political integration in the region seems to have faded away with the defeat of Japan’s once almighty LDP. However, the relationship with China remains ambivalent. While on the one hand, Sino-Japanese economic relations are gaining weight, unsettled territorial questions and the unresolved burden of the past are still putting strains on relations between Tokyo and Beijing.

Containment

For the West to see China only as a wolf and to neglect the progress China has made to manage its rise peacefully could have fatal policy consequences. A new containment strategy could soon bring us back to the days of the balance of power and violent encounters. And however big resentments against China in the region may be, China’s neighbours know they will have to get along with a stronger China for some time to come. The fact that Americans see their might as purely benign is thus not always helpful. Secretary of State Clinton reflected this attitude in her speech in Hawaii when she said »People look to us as have they for decades. The most common thing that Asian leaders have said to me in my travels (…) is thank you«. Americans should take notice of the fact that most Asian leaders prefer to raise their concerns about China in private talks rather than publicly. And it will be crucial for American politicians to understand that positive feelings towards the U.S. are not shared by everybody in the region.

Yet there is little reason to fear an expansionistic agenda from Beijing. China’s wars against India in 1962 and Vietnam in 1979 offer remarkable insights into Chinese political philosophy. When Chinese and Indian troops clashed in 1962, the Indian army suffered a devastating blow while the Chinese easily marched forward. But instead of occupying or even annexing Indian Territory, Mao ordered the Chinese troops to withdraw, leaving only a tiny and strategically almost irrelevant part under Chinese control. The goal of »punishing India« for what China saw as constant violations of its borders and threats to Beijing’s claim over Tibet had been achieved and no further action was deemed necessary. A similar thing happened when Beijing ordered the invasion of Vietnam in 1979. Although the performance of the People’s Liberation Army was much less convincing than it had been 20 years earlier, China temporally occupied a vast part of Vietnam, only to order a complete retreat one month later. In both cases the political aim was not to gain territory, but to teach the country in question a lesson. »Children who don’t listen have to be spanked« was the telling explanation Deng Xiaoping gave President Carter. This attitude reflects China’s belief that it possesses a unique historic and moral authority, so that at times China has been an aggressive, but not an expansionist power.
Much of the strategic Cold War thinking apparently still prevails when it comes to Asia. A good example is the newly discovered enthusiasm for India on Capitol Hill. While the rapprochement between Washington and New Delhi is indeed a remarkable development, far too many strategists in Washington believe that India could become to the U.S. what China was to the Soviet Union during the Cold War. But this purely »geopolitical« view tends to overlook the fact that India has become a power in its own right in the last decade and is not likely simply to follow a script written in Washington D.C.

Comeback in Asia?

Owing to the uncertain consequences of China’s rise and unsolved problems from North Korea to Taiwan, a protracted U.S. political and military presence in the Pacific will be a major contribution to growth and stability in the region. But this should not be misunderstood as a preparation for a new Cold War as some pundits in Washington would have us believe.

The Pentagon is thus unlikely to reduce America’s military expenditure in the Asia-Pacific region. Recent agreements with New Zealand, or the U.S. investment in its base at Guam are indications of this. To the surprise of many observers, the U.S. has achieved a remarkable comeback in Asia. However, unlike in the seventies there is today no stable consensus between the major foreign policy actors in Washington. It is striking that today the history of détente with China seems to be almost forgotten. Of course, the policy towards Beijing initiated by Richard Nixon and continued by Ford and Carter was driven by the overall aim of containing the Soviet Union, but it was also based on the assumption that Washington and Beijing had shared interests and that only a political dialogue could help resolve the security threats in Asia. »Thirty years after their collaborative relationship started, the United States and China should not flinch from a forthright discussion of their differences – but they should undertake it with the knowledge that each needs the other« Zbigniew Brzezinski wrote in The New York Times. The question therefore is whether the U.S. will be willing and able to maintain the essence of the basic achievement of détente with China under radical new conditions.

The U.S. has a fundamental interest in stability in the region, not only because of economic considerations, but also because of its military commitment to the defence of Taiwan and Japan. It is fair to say that American decline is more a debate in Washington than a reality in Asia. But even if the pending cuts in the Pentagon’s budget are not likely to affect America’s power posture in Asia, the effect of the public debate will be just that. While America’s footprint will appear smaller, China’s will appear bigger than it actually is.

Be that as it may, as much as America’s allies may want the U.S. to remain engaged, they do not seem willing to endanger their relations with Beijing. Hillary Clinton’s call for a regional conflict resolution mechanism could fall victim to that attitude.

In recent years U.S. policy as too often been driven by binary friend/foe criteria. In order to successfully manage the new realities in Asia, this scheme should not be applied to Asia. To accept that there are new players on the field is at least as challenging to Americans as it is to its allies in the region. This development is nothing to be afraid of. Brazil’s success gives Latin America a stronger voice, as does South Africa’s the African continent. We should understand that the political legitimacy of the communist rulers in China is based on their unprecedented success in reducing poverty. 300 million people have been lifted out of absolute poverty, something that western development aid was never able to achieve. The West should acknowledge these remarkable achievements more openly even though we also know that there is still a long way to go with respect to human rights and democracy – and the latter circumstance is an even stronger argument for a partnership between the West and its democratic allies in the region.
About the author

Niels Annen currently serves as Non-Resident Fellow at the German Marshall Fund of the United States in Washington D.C. He is member of the Executive Committee of the German Social-democratic Party (SPD). From 2005 to 2009, he was member of the German Bundestag. From 2001 to 2004 he was National Chairman of the Socialdemocratic Youth Organisation (Jusos).

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