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CHINA'S GRAND STRATEGY: FROM CONFUCIUS TO CONTEMPORARY

BY

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ABSTRACT

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Analysts and policy makers articulate growing concerns on whether China's rapid rise will remain peaceful or become confrontational. To understand Chinese grand strategy, this paper draws on its long history and classical thinkers to offer four main arguments. First, China is highly sensitive to its periphery (that is expanding), where it demands preeminence. Second, the measure of internal stability within China has major bearing on its strategic conduct. Third, traditional Chinese caution for strategic overreach is changing, as it projects interests in distant continents, albeit, with greater emphasis on diplomacy and trade. Fourth, reclaiming the status of a great power by rectifying the failings of initial encounters with the West is a dominant motive, in China's changing strategic calculus from national interest to international influence. In keeping with the growing influence, the Chinese leadership has proposed an alternative paradigm for international order called 'harmonious world', based on the Confucian principle of *guanxi* of multiple layers of relationships. Past conduct however portends fault-lines in harmony in the periphery, where cracks in China's internal security overlap with competing spheres of influence, raising the specter of confrontation involving potential allies of the United States.

CHINA'S GRAND STRATEGY: FROM CONFUCIUS TO CONTEMPORARY

According to the United States National Intelligence Council's Project: Global Trends 2025: "China will have the world's second largest economy and will be a leading military power" by 2025. China's rapid growth and increasing influence has begun to affect international order as it presents a different paradigm of politics and development. The impact of this change is affecting China's periphery, the world and the United States in particular. National interests of China include, defending sovereignty and territorial integrity, maintaining domestic political stability, sustaining economic growth and development, perpetuating Chinese Communist Party rule and above all, securing China's status as a great power. There is much current debate and study based on theories of international relations, power transition, and economic power politics, on whether China's rise will remain peaceful or become confrontational.

To understand China's grand strategy this paper looks at its long history, classical thinkers, and conduct from the ancient dynasties to the present. While recognizing existing scholarship, the paper draws on China's past international behavior to offer four main arguments. First, China is highly sensitive to its periphery (that is expanding), in which it demands preeminence, shows willingness to use force, and proclivity for risk. Second, the measure of internal stability within China has a major bearing on its strategic conduct. Third, traditionally China has been cautious of strategic overreach and not demonstrated an expeditionary tendency. In recent times however, Chinese caution is changing as it projects interests in distant continents, albeit with greater emphasis on diplomacy and trade. Fourth, reclaiming the lost status of a great power by rectifying failings of the initial encounter with the West is a dominant motive in

China's transitioning from national interest to international influence in strategic conduct. To support the arguments, the paper starts with a brief chronology of Chinese history with the first section looking at clues from classical thinkers of the ancient dynasties. The second, third and fourth sections survey the literature on statecraft in the imperial era, republican period and the Mao era respectively. The fifth section reviews the period of reform and opening, and the final section considers the possible employment of instruments of power in the future.

Brief Chronology of Chinese History

China was unified for the first time in 221 BC, when the Qin state accomplished the subjugation of the six warring states and the King assumed the title *Shi Huangdi* (First Emperor). With the unification as the point of reference, China's history divides into the following parts:

- **Pre 221 BC**: Ancient dynasties.
- **221 BC to 1911 AD**: Imperial Era.
- **1912 to 1949**: Republic of China.
- **1949 to present**: Peoples Republic of China (subdivided into the Mao Era up to 1976 and thereafter post Mao era).

Ancient Thinkers: Classical yet Contemporary

Classical thinkers of the 'ancient dynasties' period continue to influence strategic thinking, because of their enduring relevance through a balance between doctrines of idealism and realism. Confucian doctrines like *Guanxi* – 'reciprocal relationships' and *Yizhan* – 'principle of just or righteous warfare' emerged during the 'Spring and Autumn' period (770 to 476 BC), in times marked by disunity, civil strife and struggles of

suzerainty amongst feudal lords. *Guanxi* promoted harmony and social order through a set of reciprocal binary linkages of relationships. Extrapolated to contemporary international political sociology, *guanxi* could mean "a network of balanced interactions [amongst states], each with many layers below the surface"[1]. Guanxi is different from the balance of power that ensues from formation of alliances and confrontation amongst them. In *guanxi,* balance accrues from the number of reciprocities in bilateral relationships, further stabilized by the network of relationships in multilateral organizations. The concept of *Guanxi,* finds expression in Chinese diplomatic strategy called 'harmonious world' proposed by President Hu Jintao in 2007. The principle of *Yizhan*, justifies wars fought by the oppressed against the oppressors. Authoritative texts refer to China's border conflicts against India (1962), Soviet Union (1969), and Vietnam (1979) as the strategy of '*active defense',* a contemporary manifestation of *Yizhan* justifying "offensive or preemptive military action at operational and tactical level under the guise of defensive posture at strategic level".[2]

The balance of 'Confucianism–Legalism' for domestic governance and order has endured through centuries although with varying emphasis at different times. Mencius a Confucian disciple believed that man was by nature good and a ruler could not govern without people's tacit consent. Diametrically opposite was Xun Zi who preached that man is innately selfish and evil, needing education and authoritarian control. Xun Zi's principle developed into the doctrine of legalism. Confucianism – Legalism, a synthesis of the two schools of thought, proved successful for the Han dynasty (206 BC – 220 AD) and survived largely intact until the late 19th century.[3] Although some Chinese rulers including Mao rejected Confucianism for being irrational or impractical, it kept reviving

because of the strategic value in promoting nationalism at home and soft power abroad by emphasizing cultural nobility. Deng Xiaoping in his reforms replaced Mao's Marxist-Leninist ideas with Confucianism to fill in the ideological void and promote nationalism. In recent times, China has opened around 300 Confucian Institutes all over the world (including 60 in the US) to promote Chinese culture.

Rising out of the chaotic conditions of the 'Warring Period (475 - 221 BC), is the pragmatic and timeless 'Art of War' of Sun Tzu, that recognizes war as a matter of vital importance to the state, a recourse to be undertaken, when other means have failed. Sun Tzu's view of the army as "an instrument to deliver the coup de grace to an enemy made vulnerable by stratagem and deception,"[4] appears repeatedly in Chinese history. Growing interest in asymmetric warfare and non-kinetic means has rejuvenated his controversial doctrines of 'winning a war without fighting' and 'attacking the enemy's strategy'. His emphasis on political objectives over military gains and conservation of resources is evident in the campaigns of the imperial era as well as later periods. Sun Tzu's teachings on subversion, unorthodoxy, and irregular forces that Mao adapted in his revolutionary 'People's War' gained a notion of invincibility that seems to endure despite later failures.

Imperial Era (221BC to 1911AD)

The highs and lows of statecraft appear as a cycle of ascent, achievement, decline, and rebirth under a new family in the ten dynasties of Imperial China. Almost concurrent are cycles of centralization – decentralization and success – failure of authoritarian and repressive regimes. Through this era, China remained unified except for two periods (AD 220 to 589 and AD 907 to 960) when it was fragmented. Very strong and centralized regimes succeeded in unifying China but did not survive long.

The Qin dynasty (221 to 207 BC) that united China initially, and Sui dynasty (AD 581 to 618) that reunified China after the first fragmentation, had spectacular achievements in public works, but they survived for very short periods because of excessive and ruthless centralization, crushing burden of taxes and compulsory labor. Regimes following tougher dynasties modified harsher aspects of the previous one, while retaining the strengths of the earlier structure,[5] a trend seen even later in the transition from Mao to Deng Xiaoping.

In the millennia plus of imperial rule there were only two non Han- Chinese dynasties (Yuan: 1279 to 1368 and Qing 1644 to 1911). These two periods and the fragmentation periods mentioned earlier confirm the view that internal weakness invites foreign aggression or disintegration. The misrule preceding these periods, were due to inability to harness benefits of progress achieved by centralized control. The Han rulers (before the first fragmentation) were unable to deal with increasing wealth, growing population, and complex rivalries between politics and bureaucracy. The Tang rule (preceding the second fragmentation) declined after the military defeat against the Arabs in Central Asia and ended with court intrigues, economic failure, and popular rebellion. [6]

Through the imperial era, Chinese security strategy was oriented towards defense of the Chinese heartland - an area comprising of present day North and South China proper, and centered on the rich agricultural plains of the Yellow River in the north and the Yangtze River in the south. Occupied predominantly by Han Chinese or descendants of mixed Han-nomadic or Han–Southeast Asian people, the threat to Chinese heartland came from the non Chinese people on the periphery (modern day

Xinjiang, Outer and Inner Mongolia, Tibet and former Manchuria or Northeast China, see Map at Figure 1 below).

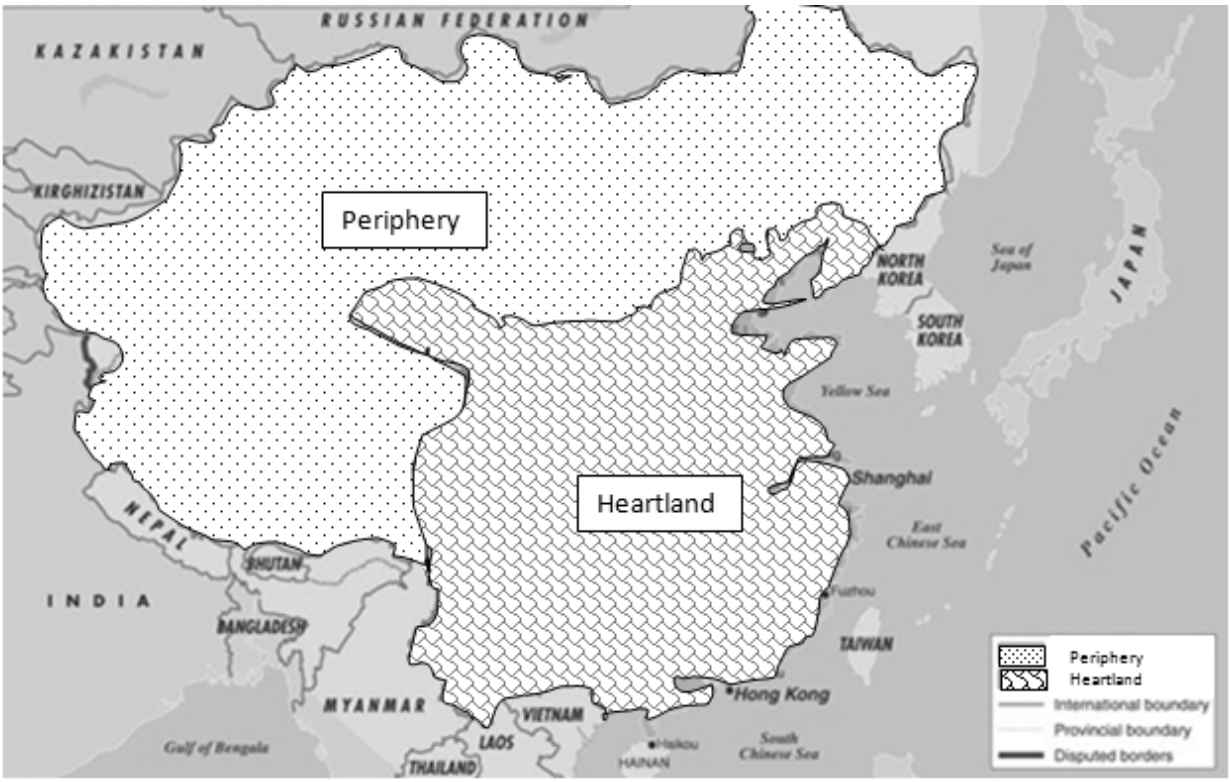

Figure 1: Chinese heartland and its periphery[7]

Control of the periphery was essential for three reasons: to prevent attacks on the heartland, to secure trade, and to reaffirm indirectly to the heartland Chinese people the strength and status of the regime. Controlling the northern and northwestern periphery was important primarily for security reasons. For the southern and southwestern periphery legitimacy, status and trade concerns were relatively more important. The strategy adopted for control, was a mix of border defense and use of coercive and non-coercive means.[8]

When to use military force, depended on pragmatic calculations of relative power. “For most major regimes of the imperial era, attempts to assert control or

influence over the periphery usually occurred after an initial period of internal regime formation and consolidation."[9] Michael D. Swine and Ashley J. Tellis show that the Chinese regimes engaged in offensive campaigns against the periphery mostly during the first one-third period of their existence i.e. the phase of ascent . During the middle period of the regime, use of force was for defensive purposes against provocations or incursions against Chinese authority committed by periphery states. In the final stages of a regime, domestic unrest usually gained priority over external threat.

Where to use force, depended on terrain friction and relative military strength. The northern and northwestern periphery – Manchuria, Mongolia, Xinjiang and most of Tibet, comprised of arid steppes and deserts. Occupied by nomadic and semi nomadic tribes, they offered greater opposition to migration, occupation or control by the Chinese. "The nomadic warriors demonstrated superior military capability by virtue of their equestrian skills, use of bow and sword, and the ability to live off the land. They could concentrate swiftly for the attack and disperse to avoid detection and destruction". Comparatively the Han Chinese military was constrained culturally, structurally and logistically. Even after winning a military offensive, the challenges of overstretched logistics forced the Chinese forces to deploy fortified garrisons and return. The nomadic warriors would eventually reappear and a strategic balance would ensue in the north and northwestern periphery. In contrast, the sedentary people and easier terrain to the south and southwest allowed more scope for coercion to establish dominance.[10]

The bureaucracy, whose size and power was generally in accord with the degree of centralization, had a defining impact on use of military power. Ruling China always meant unifying the heartland first and then controlling the periphery. Administering the

vast and varied empire, taxation, and food distribution required a centralized regime that led to establishment of a large bureaucracy. The civil service formed during the Han rule (206 BC to 220AD) with Confucian scholars at the core, perfected itself under the Tang rule (618 to 907 AD). Supported by the wealth of society they took central edicts and implemented them at regional and local levels. Over time, the bureaucracy became more powerful as it shielded the central regime from the day-to-day reality of the grass roots with layers of officials. Influenced by Confucian 'benevolence and virtuous rule' and the contrary experience of swift failures of repressive dynasties (Qin and Sui), these scholar – career officials resisted prolonged military campaigns. Other reasons for the bureaucrats' opposition to using force stemmed from financial interests in preventing diversion of resources from domestic civil administration to military purposes and a fear of losing grip on power.[11]

In the imperial period, there were no attempts at military expansion beyond the traditional periphery, except during the Mongol Yuan Dynasty (who conquered China also as part of a larger expeditionary scheme). Besides the friction due to terrain and martial prowess of the tribes discussed earlier, there were other reasons for caution as well: Calculations of military and administrative expenses of expansion relative to the tax revenue earnings did not justify such adventuring. Further, since other contemporary power-centers were too distant and/or disinterested they did not pose a threat that required a counterbalancing effort. On the maritime front, the only expeditions undertaken were by Zheng He in the fifteenth century, which the Ming dynasty bureaucrats eventually discontinued for fear of overreach.[12] In short, China's vast

territory meant that it had all the natural resources for economic self-sufficiency while controlling the periphery insured its security.

Economic and political self-sufficiency led to the Chinese notion of their domain being 'the self sufficient center of the universe'. Derived from this image is the traditional Chinese name of the country - *Zhonggou* or Middle Kingdom. For centuries, China saw itself through this prism of superiority over its neighborhood. By a strategy calibrated of proportionality and pragmatism, and balanced on a triad of domestic stability, a hierarchical tributary relationship with the immediate neighborhood; and avoiding strategic overreach this Sino-centric great power endured for two millennia. The occasions when it failed, it was due to domestic instability. However, all that changed and the insufficiencies of traditional strategies lay bare as China collided with the sea faring western powers.

Finale of the Imperial Era: Emergence of Modern China

Despite the Qing regime's initial success in incorporating Taiwan, Tibet and Xinjiang into China, its inability to respond effectively to the maritime challenge posed by western powers resulted in the end of the imperial era. "The Ming Dynasty bureaucrats' decision, [to prohibit maritime commerce and allow the formidable ocean going ships to disintegrate at the docks] exposed the Chinese empire to swift punishment and humiliation".[13] The Portuguese were the first to establish a foothold at Macau and monopolize trade at the Chinese port of Guangzhou. The Spanish, British, and French soon followed.

The sophisticated trade maneuvers of the West and prowess of the Royal Navy outwitted the Qing rulers, but promoted a sense of enduring nationalism. Initially the rulers attempted to deal with western powers through traditional hierarchical tributary

relations, trade restrictions, and concessions. They rebuffed Western diplomatic efforts to expand trade on equal terms, because the empire was purportedly not in need of foreign, implying inferior products. An unfavorable balance of trade ensued, while on the one hand demand grew for Chinese tea, porcelain, and silk in Europe and America, on the other hand import of industrialized goods into China was restricted. To remedy the imbalance, the British developed third party trade, exchanging their merchandise in India for raw cotton and opium that became staple British imports into China. Opium, though prohibited, was smuggled into China with connivance of profiteering traders and a corrupt bureaucracy. To check the growing menace, the Qing government adopted drastic prohibitory laws and tough implementation measures. The British retaliated with a punitive expedition, now known as the Opium War (1839 - 42). The Chinese were disastrously defeated and forced to sign the unequal 'Treaty of Nanjing 1842' by which they ceded Hongkong, granted favored status to the British, and paid indemnity. "This set the scope and character of an unequal relationship with foreigners for the ensuing century", which the Chinese would call the period of 'national humiliation'.[14] "The victimization narrative fostered an acute sensitivity to coercion by foreign powers and especially infringements (real or perceived) on its sovereignty." Reclaiming the lost status of a great power, by rectifying the historical aberration of China's decline since the Opium War, became a national goal.[15]

The finale of the imperial era was a product of domestic instability and defeat at foreign hands. Anti-Qing (Manchu) sentiments, economic tensions exacerbated by natural calamities combined to produce widespread unrest. The Nian rebellion in the north, Taiping rebellion in the south, and Muslim rebellion in the southwest weakened

the Qing dynasty. Efforts at reform like the ‘self strengthening movement’ and ‘hundred days reform’ failed against opposition from the ultra-conservatives and political opportunists. The conservatives backed Boxer Rebellion (*Yihetuan* - “militia united in righteousness”) directed against Christian missionaries and Western diplomats in north China provoked an eight nation Allied Relief Expedition, that dealt a devastating blow to China’s prestige and power. The Western powers further consolidated their interests and previous territorial gains. The weakened Chinese state could not interfere in the war between Russia and Japan (1904-1905), and the Japanese secured dominance in the East. (See Map at Figure 2 below for Western and Japanese zones). The end of the imperial era exposed failings of rigidity and uninventiveness, dualism of defensiveness and superiority, narrowness and condescension for the non-Chinese world, and the legacy of tenacious regionalism left by the three rebellions.[16]

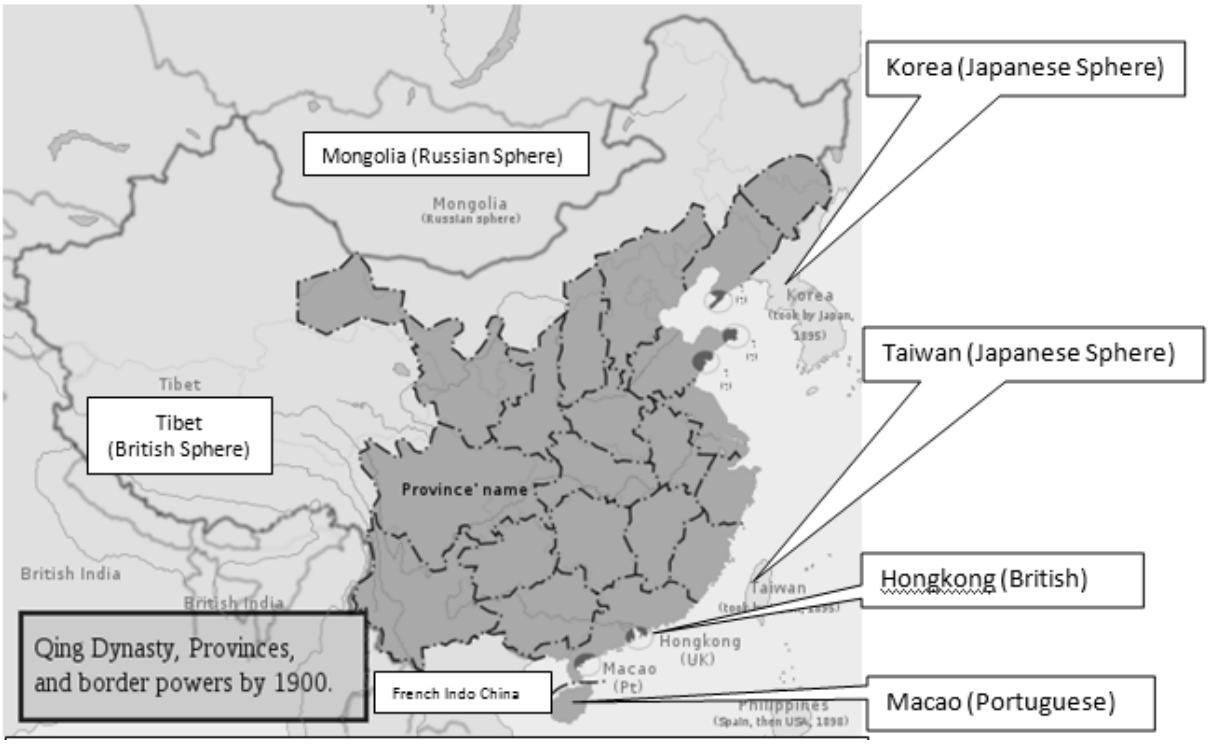

Figure 2: Map of Western and Japanese zones in China in1900

Republican China

The Republican Revolution of 1911 led by Sun Yatsen, the ultimate hope for change centered on utopian principles of nationalism, democracy, and people's livelihood, foundered in the face of intrigue, regionalism, and authoritarianism. Seventeen provinces declared independence from the Qing Dynasty on October 10, 1911, but soon came back together in a federation to negotiate an end to the imperial rule. On January 1, 1912, by the time the inauguration of Sun Yatsen as the provisional President of the New Republic of China was taking place in Nanjing, the transfer of power to Yuan Shikai, Commander in Chief of the Imperial Army, was already in place in Beijing. To prevent disintegration they agreed that Yuan Shikai would rule from Beijing under a constitution penned by Sun Yatsen. Soon enough Yuan Shikai revised the constitution, outstripped the parliament of its powers, and became dictatorial. In August 1912, Song Jiaoren, one of Sun's associates formed the *Guomin dang* (or Kuomintang – National People's Party). In February 1913, Song's party won the majority in elections to the new bicameral parliament, but Yuan Shikai arranged for his assassination plunging China back into rebellion. The revolution did not succeed in creating the envisioned political structure and China fragmented into warlord factions.[17]

The betrayal of Chinese interests (in favor of Japanese imperialism) at the Versailles Peace Conference of 1919,[18] led to widespread disillusionment with Western liberalism, opening the way for Marxian influences. Although Marxism did influence the Nationalist Party of Sun Yatsen and politically independent Chinese scholars, it received political expression primarily through the Chinese Communist Party (CCP), formally established in 1921. Pitched against the warlord regime in Beijing (recognized by the West), Sun Yatsen turned to Soviet Union for support to unify China. The Soviet

leadership came forth to assist but kept their future options open by a dual policy of support for both the Nationalists and the newly established Chinese Communist Party. With Sun's death in 1925, the mantle for nationalist reunification passed on to Chiang Kai-shek, the Commander-in-Chief of the National Revolutionary Army. Chiang adopted authoritarian means and reunified half of China within nine months, but the *Guomin dang* (Nationalist Party) split into right and left wing factions. There were now three capitals in China: The internationally recognized warlord regime in Beijing; the Communist and left wing Kuomintang regime at Wuhan; and the right wing civil-military regime at Nanjing.

In the next decade, while the Kuomintang attempted to consolidate top down the Communists spread bottom up, riding on the spontaneity of Mao's adaptation of the peasant revolution and civil war. Following a pact with Germany in 1936, Japan attacked Beijing, Shanghai and other cities. By 1940, Japan controlled the entire Chinese coast. Attempts to unite the Nationalist and Communist in the face of Japanese invasion did not succeed. Eight years of war had weakened Chiang Kia-shek's government. Aided by Soviet Union the Communists gained a foothold in Manchuria and from the north they ran over Chiang's defenses. An overwhelmed Chiang Kai-shek fled to Taiwan in 1949. Doctrinally, Mao's 'People's War'; based on the dyad of 'protraction–attrition' backed by popular support, gained recognition and for some time a notion of invincibility. Victorious communist campaigns of the civil war stressed the importance of political and informational elements of national power.[19]

People's Republic of China (PRC): Mao Era (1949 – 76)

Mao pursued China's vital national interests of unity, security, and economic progress with frenetic fanaticism. The authoritarian party state grew totalitarian, as

evident from the increase in number of state officials (cadres) from 720,000 in 1949 to 7.9 million in 1958.[20] Mao's highly regimented economic strategy called the 'Great Leap Forward', for accelerating economic development created a new socio-economic (and by extension political) structure called communes. "By the fall of 1958, some 7000 agricultural producers' cooperatives now designated as production brigades amalgamated into 23,500 communes (each averaging 5000 households)". Each commune was a planned self-supporting community for agriculture, small-scale industry, schooling, marketing, administration, and local security. Organized along para-military and labor saving lines, the communes had communal kitchens, mess halls, and nurseries. The system assumed that it would release work force for major projects like irrigation, hydroelectric dams, deemed essential for simultaneous development of industry and agriculture.[21] Mao's vision of turning China into an egalitarian, planned community failed in the face of corruption, exaggerated reporting, wide spread famine, attack on the fundamental institution of the family, and ruthless elimination of dissent.

Mao started with a security strategy replicating the imperial era mix of diplomatic maneuver with strong neighbors and coercion against weak neighbors. The lessons that emerged indicated the changed strategic realities, from an isolated past to a more active involvement of great powers in the region. In early 1949, the Chinese Communist Party (CCP) proclaimed its policy, of "leaning to one side" to gain Stalin's support.[22] This was a hedge against aggression by Japan or its allies. In May 1950, operations for liberating Taiwan commenced. In October 1950, a strong PLA contingent marched into Tibet and reasserted control. Inadequate preparations and eruption of the Korean War stymied the Taiwan campaign after limited success in some islands.

In October 1950, sensing a threat to the industrial Northeast, China entered the Korean War, albeit reluctantly as it meant engaging the United States. Even though the war ended in a stalemate, “it tested the limits of China’s cooperation with both the Soviet Union and North Korea”.[23] The lesson from the campaign still endures, while China’s interest in the Korean Peninsula remains, the preferred strategy is stability over confrontation. Arguably, the politico-military outcome of the Korean War and Mao’s own ambition led China to supplant Moscow as the ideological leader of the world Communist Movement. Mao began promoting the Chinese model of ‘peasant revolution’ over the Russian model of ‘urban revolution’ to transform Marxism “from a European to an Asiatic form”. With growing differences, the Soviet Union eventually terminated their program to help China build nuclear weapons and missiles in 1959.

Chinese strategy then also reflected attempts at seeking alternative forums for international leadership and willingness to use military power to dominate a weaker rival. In the 1955, Asia-African Conference at Bandung, China began to seek leadership of the Third World using the anti-colonialism/anti- imperialism plank. There was a clash of interest with India, also endeavoring for international prestige, as the founder of the Non Aligned Movement. In 1962, China decisively defeated India in the northeastern province of Arunachal Pradesh bordering Tibet and made some gains in Jammu and Kashmir (J&K). While the PLA withdrew from Arunachal Pradesh, they retained the captured territory in J&K. Analyzing the causes, Allen S. Whiting posits, “India’s miniscule military strength along the border, tenuously sustained over lengthy and arduous lines of communication could hardly be viewed as a strategic threat to China”. The reasons for China engaging in this conflict were a coincidence of Tibet (“due to past

Indian involvement with exiles believed to be supported by United States - Nationalist agents"), Soviet leaning towards India, and vulnerability due to internal crisis. Whiting asserts, "Basic to all Chinese calculations was a domestic economic crisis that had persisted for three years as a result of failure in the Great Leap Forward experiment".[24]

Mao demonstrated great propensity for implementing risky diplomatic-military maneuvers in his action against Soviet Union. In March 1969, after prolonged tension along the Sino-Soviet border, two incidents occurred at Damanski/Zhenbao Island on the Ussuri River. The border incidents, first one "clearly perpetrated by the Chinese" and the second "apparently initiated by the Soviet Union", continued through the spring and summer of 1969. Analyzing the action, Thomas Robinson asserts, "Mao took a major chance in ordering the Damansky/Zhenbao action. He directly attacked a nuclear superpower, without any international support, at a time of internal chaos [cultural revolution] when the military was turned inward". China's strategic objective was to achieve rapprochement with the United States, by demonstrating open resistance against Soviet Union. The assumptions in this risky maneuver were that the "Soviet Union would not escalate the conflict too far" and the "process of rapprochement with Washington would indeed take place soon enough and go far enough to deter Moscow not only from invasion but from pushing China around in general". Some describe the action as an application of Sun Tzu's dictum of "attacking the enemy strategy" to throw the adversary off balance.[25] Despite the costs in terms of casualties and damage to the economy, Mao could claim success of his strategy as it opened relations with United States. In any event, the Chinese demonstrated their propensity for risk and mastery in shifting alliances.

Post Mao Era, Reform and Opening (1978 Onwards)

The drive for 'reform and opening' initiated by Deng Xiaoping at the Third Plenary Session of the Eleventh Central Committee of the Communist Party in China, in December 1978 was a landmark shift of focus towards promoting economic growth over Maoist ideology. Indeed, the last major military engagement of the PLA also happened around the same time. On February 17, 1979, China launched a large-scale ground attack across its southern border into Vietnam. The intention according to Deng Xiaoping was to "teach Vietnam a lesson", it would not soon forget. China's strategic objective was to preempt Vietnam from forming an alliance with Cambodia and Laos and demonstrate preeminence over any other potential rival in Southeast Asian region. The tipping point was the Treaty of Friendship and Cooperation that Vietnam had entered into with Soviet Union in 1978. The Chinese relied on moral support of the United States and hoped to keep the scope limited below the threshold of Soviet intervention. The PLA overcame the initial Vietnamese resistance, but did not pursue the operations beyond the hills into the Red River Delta for a variety of possible reasons. In his analysis of the campaign, Henry J. Kenny concludes: "While it is generally conceded that Vietnam taught China a military lesson in 1979, it is no less true that China taught Vietnam a political lesson….[i.e.] China will use force when necessary to attain important political objectives, regardless of past declarations of principles [peaceful coexistence]". This was a repeat of China's aggressive strategy of "punishing" or "teaching a lesson", adopted against India in 1962. Evident again was Beijing's desire, "to reassert its centuries old imperial ambition to control Vietnam [on its periphery] through a Confucian type father to son relationship".[26] Checking Soviet

influence in the region, China reckoned would help in appeasing the United States to be benign in providing the capital and technology for China's modernization.

The oft-cited guidance from Deng Xiaoping perhaps best expresses the grand strategy adopted in the initial years of the reform: "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". In essence, it meant pursuing a plan for "peaceful development" by avoiding major responsibilities and drawing little attention. Peaceful development meant an intertwined economic and military growth making the most of a period where China's external environment remained relatively secure. 'Hide our capabilities and bide our time' meant a deliberate secrecy or ambiguity in conduct until the 'comprehensive national power' for a 'favorable strategic configuration' is achieved. The influence of centuries of insularity followed by the arcane ways of CCP leadership was evident. In the internal realm, most significant was the renunciation of Cultural Revolution and supplanting Maoist ideology with a surge of nationalism and Confucian ideals. However, as some argue the motive for reviving Confucian ideas was to prevent Western ideas from filling in the vacuum of values. [27]

Post Cold War developments in the world and rapid economic growth at home motivated modernization of the PLA. The disintegration of Soviet Union, Operations Desert Storm, Allied Force, Enduring Freedom, and Iraqi Freedom in quick succession demonstrated to China the military power of the United States and uni-polarity of the world order. The impact on Chinese thinking is palpable in the change in tone and tenor of the Chinese White Papers on Defense of 1995 when compared with 2006. In 1995 it read, "The forces of world peace have grown rapidly since the 1980s and peace and

development have become major issues of the day". The 2006 White Paper reads: "The world is not yet peaceful …. Hegemonism and power politics remain key factors in determining international security…. Some developed countries have increased their input into the military and speeded up R&D of high tech weaponry to gain military superiority". Pronouncements in official media like "forge a military commensurate with China's international status" also reflected the changing attitude. The White Paper of 2006 announced a military modernization program that would revamp PLA's structure, equipment, doctrine, and capabilities to project power.[28]

In 2007, President Hu Jintao proposed a new international order called 'Harmonious World', which is a contemporary application of the Confucian principle of *guanxi* in international relations. In a study called "China Shift", conducted by the National Institute of Defense Studies Japan in 2009, Chinese scholar Dr. SU Hao explains *'harmonious world'* as "China's strategy to establish a new world order through strengthening diplomatic efforts at three levels: bilateral, regional and inter regional". At the first level are different shades of friendly bilateral relations between China and countries across the globe. Second, is a forum for cooperation and integration at regional level; the third level is a network of regional organizations. Figure 3 indicates China's 'diplomacy of four circles' for "multi-lateral regional cooperation in four circles of Asia as an interconnected and interlocked organic whole". Figure 4 transposes the network of multiple cooperation circles on to a map of the world. [29]

China's Diplomacy of Four Circles

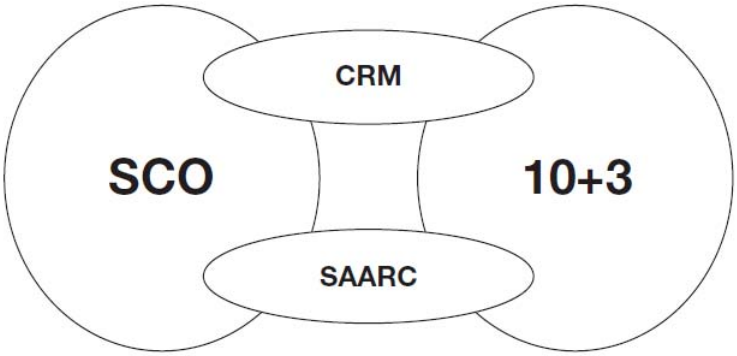

Figure 3

Networks of Multiple Cooperation Circles in China's Diplomacy

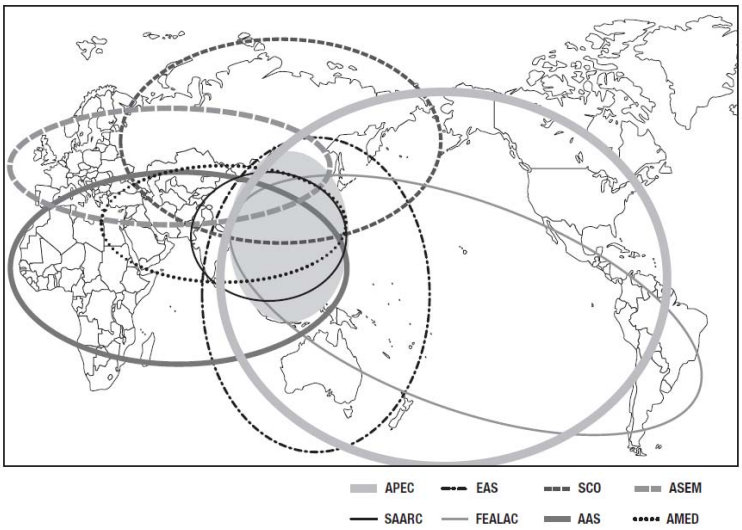

Figure 4

In a later chapter of the study, Japanese Professor Masuda Masayuki describes the motivation of foreign policy under 'harmonious world' differently. He argues that besides access to energy and opportunities for trade and investment, "China's embracing Africa appears to be the need to counter-balance US strategic moves both in the global arena and bilateral relations with China".[30] Matts Bental and Ian Taylor in their separate studies on growing Chinese influence in Africa offer similar logic. "By

remaining attached to its principles of sovereignty and non-interference in doing business with African states, China is sidestepping all the sticky intrastate and interstate political issues and offering a more convenient alternative to the scrutinizing ways of the West".[31] Through this policy, China is gaining competitive advantage over the West, both commercially and politically. Bilateral ties with 49 out of 53 African countries and the common platform; Forum on China-Africa Cooperation (FOCAC) is expanding China's support base in multilateral organizations. Arguably, China is trying to acquire the potential to challenge, what it perceives as US hegemony in the world order.

Transformation into the Future

Historically China's predominant security concerns have been separatism, internal instability, and control over the periphery. In the imperial era as well as later periods, while authoritarian regimes succeeded in unifying China, they did not survive for long because of excesses and ruthless centralization. On the other hand, inability to harness the benefits of unity and progress led to internal instability that either invited external aggression or threatened disintegration. Maintaining the right level of control for unity, stability, and progress without inviting excesses has invariably been the challenge. Whenever a regime gained some degree of stability, they displayed assertiveness on the periphery. Different regimes repeatedly used force for protecting territorial integrity, asserting preeminence, indirectly demonstrating strength to its own populace, and detracting attention away from internal strife. The Chinese leadership continues to harbor the same concerns about internal security and the periphery, as is evident from the 2008 Chinese White Paper on National Defense that highlights threat to internal security from "separatist forces working for [independence of] Taiwan, East Turkistan, and Tibet". The White Paper 2008 is indeed unequivocal about territorial

integrity stating, “the United States continues to sell arms to Taiwan… causing harm to Sino-US relations”.[32]

Although traditionally China is not expeditionary, economic growth is necessarily driving the Chinese strategy down that path. The opening and reforms initiated in 1978, drew inspiration from the lessons of prosperity due to flourishing trade in the Tang period of the imperial era as much as the fall of the Qing Empire in the face of Western powers, the trigger for change, of course, was the devastating economic policy of Mao Tse Tung. Reaping the benefits of reforms and globalization, China has achieved exponential growth. Now economic growth is becoming critical to internal stability as it supplants communist ideology in unifying the population. In the post Mao era, Chinese leaders realized that growth is not possible by remaining isolated, thus economics became a major factor in China’s external security calculus as well. In outlining the security situation, the White Paper 2008 highlights China’s “struggles for strategic resources, strategic locations, and strategic dominance”, that is driven both ‘for’ and ‘by’ the economy. To sustain the growth China requires more energy and raw material, greater security and diversification of sources and markets. China is already amongst the top importers of oil and natural resources,[33] and requires more as it grows. In a virtual reversal of the situation from the eighteenth century Western traders seeking Chinese markets, now China needs markets to sustain the growth. Having secured markets in America and Europe, China is now targeting the one billion low budget potential consumers in Africa for its low cost manufactured products. With 20 percent of the world’s population and only 7 percent of world’s arable land, there is imbalance that is impelling China towards African lands for food security as well.

Growing influence in Africa and Latin America and collision of spheres of influence in Asia is drawing China into competition with the United States. The Chinese White Paper 2008 mentions, “Issues such as energy and food security are becoming more serious and highlighting deep seated contradictions”. While emphasizing “hegemonism and power politics”, the paper notes that ‘international military competition is becoming increasingly intense”. Factors like natural security afforded by physical remoteness from other contemporary power-centers or the prohibitive cost-benefit equation of expansion of the imperial times are rendered redundant by technology, communications, and globalization.

Securing economic interests and complementing the growing international stature are the basis for China intensifying efforts for military modernization. Lessons from the humiliating defeat against Western powers and the preponderance of technology demonstrated in the recent military campaigns of the United States are influencing future trends for Chinese military. Elucidating China’s strategy to modernize its national defense and armed forces, the White Paper 2008 states, by 2020, China will develop “a complete set of scientific modes of organization, institutions, and ways of operation both with Chinese characteristics and in conformity with the laws governing the building of modern armed forces”. The Secretary of Defense: ‘Annual Report to Congress - Military Power of the PRC 2009’ lists the capabilities under development,[34] which clearly show the quest for controlling global commons and power projection.

In a recent assessment of China’s growing financial influence in great power politics, Daniel W. Derzen concludes; “China’s reserves endow it with greater policy autonomy” and “tight coupling and complex interdependence between the US and

China will cause the incentive structures in global finance to more closely resemble the logic of nuclear deterrence". Although the prognosis may appear to reinforce the idea of trade being conducive to peace, but this obviously does not accurately convey the range and complexities of interdependence, and mutual expectations amongst the two powers. While discarding exaggerated concerns about the immediate future, for the medium term, Derzen forecasts a "peaceful but nervous coexistence". For the long term, his concern is, escalating US budget deficits may alter the equation from "mutual dependence to asymmetric dependence".[35] Going by the past, Chinese approach in the near future should be conservative, exploiting economic power for further consolidating influence in the region and over other distant trading partners for gaining greater leverage vis-à-vis United States in multilateral organizations.

Brock F. Tessman, based on an empirical analysis of GDP and Comprehensive National Power shows that the PRC is currently in the early phase of relative power growth. Drawing on the logic of power cycle theory, he argues that, " the shift to the late stage of growth will be abrupt, significant and likely to generate increasing anxiety within the PRC about its windows of opportunity for achieving foreign policy objectives that it associates with great power status". If there is a large deficit between 'the power and role' or 'problems associated with inadequate status' in the international system, "we can expect the changing strategic incentives of late growth to be even more fertile ground for an aggressive, risky, and confrontational foreign policy agenda".[36] Going by available estimates the economic edge of the United States is waning even though the military superiority remains great. While directing efforts at military modernization, in all likelihood China should continue to concurrently, enhance capabilities in

non-conventional forms of warfare to offset the disadvantage. Optimizing on the diplomatic and economic dimensions of power would also continue. Whether it was with the peripheral states in the imperial era or the Soviet Union in the Mao era, China has been traditionally highly skilful in dealing with stronger opposition. Going by history, until the required strength is achieved serious direct confrontation with the United States is unlikely. However, in this environment of competitive coexistence, confrontation may manifest as rivalry over regional preeminence and conduct with allies.

In China's periphery, where parity is not directly in question and the issue is regional, historically the strategy has been more assertive. China has used military power, complemented by diplomatic maneuverings with calculated risks, to prevent distant powers from exercising influence, 'taught lessons' to neighboring states to desist from becoming potential rivals, demonstrated strength to its own populace and detracted attention away from internal weakness. In the ultimate analysis, 'China's diplomacy of four circles' is the basis for creating favorable conditions for realizing the concept of "Harmonious Asia" by "building the four-link regional cooperation circles in the periphery". Astute diplomacy and efforts to create trade interdependencies are in ample evidence to secure a paramount position in the four regional groupings. The intention is to create a strategic buffer and "have the final say about what goes on in China's extended neighborhood".[37] With unresolved border disputes and "separatist trends in Tibet, Taiwan, and Xinjiang", the threat to China's internal security and international great power status merge in the periphery. Ultimately, any outside meddling with the periphery is unacceptable threat to national security and a

strengthening China will not hesitate to flex its military strength here to teach lessons and demonstrate preeminence as it has done in the past.

Conclusion

China has been consistent in its strategy of proximity assertiveness. Consistent also is the penchant for coercion to exploit weakness and calculated maneuvering to engage strength. China's international conduct also manifests proclivity for risk and shifting of alliances. Pragmatism and convenience drive regard or disregard for principles like sovereignty and non-interference. These principles, referenced as they are with some assiduousness in the growing engagement with African states, their disregard too are evident in ample measure in the military engagements in Korea, India, and Vietnam. Internal instability has been a primary concern through history and aggressiveness with the periphery has been an oft-used means to emphasize regime authority within or distract from internal instability. Expansion of the periphery as much as increasing strategic interests in distant continents is replacing the earlier reluctance for expedition. Economics and the urge to forge military power commensurate with international status propel this transformation.

Reclaiming the lost status of a great power by rectifying the failings of their initial encounter with the West is evident from the emphasis on military power alongside trade and diplomacy. While power parity with the United States is beyond the realm of possibility in the near future, the two nations have got into a complex intertwining of finance and trade that could have a deterrent effect. Efforts to offset the disparity are also evident in developments in non-conventional means of warfare, skillful employment of diplomacy and trade to challenge US uni-polarity and providing an alternative model for development. The international order proposed in the concept of 'harmonious world'

based on the Confucian principle of *guanxi* of multiple layers of relationships is an alternative paradigm for stability. The harmony however does not endure without a sense of obeisance from the weaker partner in the relations. The fault-lines in harmony in the near future could show up in the neighborhood, where cracks in China's internal security and competing spheres of influence overlap, threatening potential allies of the United States.

Endnotes

[1] Stephen Chan, "A Chinese Political Sociology in our Times", *International Political Sociology*, Volume 3 Issue 3, September 2009: 332-333.

[2] Office of the Secretary of Defense: *Annual Report to Congress- Military Power of the PRC 2009,* (Washington DC: U.S. Department of Defense, 2009), 12.

[3] Congressional-Executive Commission website on China, Virtual Academy*, "China's History; Ancient Dynasties*", http://www.cecc.gov and University of Maryland website on Chinese history: *"Ancient Dynasties: II"* http://www.chaos.umd.edu/history/ancient2.html (accessed November 23, 2009).

[4] Samuel B. Griffith, *Sun Tzu: Art of War* (London: Oxford University Press, 1963), and Thomas M. Kane, *Ancient China on Postmodern War*, (London: Routledge, 2007), 117-164.

[5] Congressional-Executive Commission website on China, *Virtual Academy, "China's History; Ancient Dynasties*", and University of Maryland web site on Chinese history: *"Ancient Dynasties: II"*.

[6] Ibid, and Michael D. Swine and Ashley J. Tellis, *Interpreting China's Grand Strategy* (Washington DC: RAND 2000), 59.

[7] http://temi.repubblica.it/UserFiles/limesheartland/Image/Maps/map_chinese_core_500.jpg (accessed November 25, 2009).

[8] Michael D. Swine and Ashley J. Tellis, *Interpreting China's Grand Strategy*, 59.

[9] Michael D. Swine and Ashley J.Tellis, *Interpreting China's Grand Strategy,* 21- 25, 33-34, 46-57. Different dynasties asserted their power and authority on the periphery. The Han Dynasty on Xinjiang, South China, Southeast Asia, parts of southern Manchuria and northern Korea, The Tang Dynasty on central Asia, Mongolia, Tibet, northeast India, and northern Korea. The Ming dynasty on southern Manchuria, Central Asia, Mongolia, Burma, northern Korea, and Vietnam. The Qing Dynasty on Taiwan, southeast Siberia, Mongolia, Central Asia, Tibet, and Nepal.

[10] Ibid., 29-51.

[11] STRATFOR, "*The China Files: The Core Struggle*", http//www.stratfor.com (accessed November 5, 2009); Congressional Executive Commission on China, http//www.cecc.gov; and Michael D. Swine and Ashley J. Tellis, *Interpreting China's Grand Strategy*, 58 to 89.

[12] Sun Tzu's caution, "When a country is impoverished by military operations, it is due to distant transportation". Samuel B Griffith, *Sun Tzu: Art of War*, 74. Also in Michael D Swine and Ashley J Tellis, *Interpreting China's Grand Strategy*, 58 to 89. Zheng He sailed from China to many places throughout South Pacific, Indian Ocean, Taiwan, Persian Gulf, and distant Africa in seven epic voyages from 1405 to 1433.

[13] Thomas M. Kane, *Ancient China on Postmodern War*, 117.

[14] University of Maryland website on Chinese history, *"Emergence of Modern China".* Britain, Japan, Russia, Germany, France, and Belgium each gained spheres of influence in China in this period. The 1850 – 1860 secession of Manchuria (North of Heliong Jiang and east of Usuri river) to the Russians. The French colonized Cochin China by 1864 and captured Annam by 1885. The British seized Burma, and acquired a 99-year lease over Kowloon and increased the size of the Hongkong colony. The Russian forays into Turkistan, (Xinjiang Uyghur Autonomous Region). Chinese defeat in the Sino-Japanese war of 1894–95, leading to the Treaty of Shimonoseki and cessation of Taiwan and Penghu islands to Japan.

[15] Evan S. Medeiros, *China's International Behavior* (Santa Monica, California: RAND Corporation 2009), xv, xvi, 8 and 9.

[16] Ross Terrill, *The New Chinese Empire* (New York: A Cornelia and Michael Bessie Book, 2003), 87-92.

[17] University of Maryland website on Chinese history, *"Emergence of Modern China",* and Ibid.

[18] In 1914, Japan, fighting on the allied side in World War I seized the German holdings in Shandong province of China. In 1917 in a secret communiqué Britain, France and Italy assented to Japanese claim (for Shandong, southern Manchuria and eastern Inner Mongolia), in exchange for Japan's naval action against Germany. In 1917, China declared war against Germany hoping to recover its lost province. However, in 1918 the Beijing government was forced to sign a secret deal with Japan, accepting the latter's claim. The secret deal became public after the 1919 Paris Peace conference. Demonstrations against this deal developed into a national awakening known as May 4 [1919] Movement. According to Ross Terrill in "*The New Chinese Empire",* this movement divided China in political and social thought ranging from complete Westernization of China to socialization.

[19] Mark A. Ryan et al., in "Introduction to Patterns of PLA's War Fighting" state, "The propaganda machine was running at full power concurrent with combat, and great pride was taken in the fact that Beijing was induced to surrender short of a destructive battle". In *Chinese War Fighting* ed. Mark A. Ryan, David M. Finkelstein and Michael A. Mc Devitt (New York: East Gate Book, 2003), 8.

[20] Ross Terrill, *The New Chinese Empire*, 117-138.

[21] University of Maryland website on Chinese history, *"People's Republic of China".*

[22] Relationship with Soviet Union later matured into the 'Sino-Soviet Treaty of Friendship, Alliance and Mutual assistance, 1951.

[23] Yu Bin, "What China Learned from its Forgotten War in Korea", in *Chinese War Fighting*, 123-142.

[24] Allen S. Whiting, *The Chinese Calculus of Deterrence; India and Indochina*, (Ann Arbor: Centre for Chinese Studies, University of Michigan, 2001), xxi-xxii, 37, 40- 41, and Manjari Chatterjee Miller, "Recollecting Empire:"Victimhood and the 1962 Sino-Indian War", *Asian Security* no. 5:3. 216-241.

[25] Thomas Robinson, "Sino-Soviet Border Conflicts of 1969", in *Chinese War Fighting*, 203-205, and Mark Burles and Abram N. Shulsky, *Patterns in China's Use Force* (Santa Monica, CA: RAND, 2000), 19-20.

[26] Henry J. Kenny, "Vietnamese Perceptions of the 1979 War with China", in *Chinese War Fighting*, 217- 236. Vietnamese views on the proximate causes include, China's desire to control Vietnam's foreign and defense policies, warning to the other Southeast Asian countries that a challenge to China's fundamental interests would not be tolerated, and to make a point that China, not the Soviet Union or the United States was the primary country in the region.

[27] Ross Terrill, *The New Chinese Empire*, 139-150, and *The Chinese Government's Official Web Portal*, "History", http://english.gov.cn/2005-08/06/content-24233.htm (accessed December 4, 2009).

[28] White Papers of the Government of China, "China's National Defense in 2006," and "China's Arms Control and Disarmament Nov 1995", linked from the *Chinese Government's Official Web Portal* http://www.china.org.cn/e-white/index.htm (accessed December 4, 2009). Official media referred to is thePLA Daily, http://english.pladaily.com.cn/site2/news-chnnales /2006-04/28/content-465091.

[29] SU Hao, "Harmonious World: The Conceived International Order in Framework of China's Affairs" in *China's Shift: Global Strategy of Rising Power* ed. Masafumi Iida (Japan: Ministry of Defense, National Institute for Defense Studies, 2009), 29-54, (http://www.nids.go.jp/ english/index.html (accessed November 15, 2009). Figures 3 and 4 are from the study report. SCO - Shanghai Cooperation Organization. CRM - China, Russia, and Mongolia. SAARC - South Asian Association for Regional Cooperation. 10+3 – ASEAN, Association of South East Asian Nations.

[30] Masuda Masaynki, "China's Search for a New Foreign Policy Frontier; Concept and Practice of Harmonious World" in *China's Shift: Global Strategy of Rising Power*, 29-79.

[31] Ian Taylor, *China's New Role in Africa* (London: Lynne Reiner Publishers 2009), 10–37, and Matts Bental, *Building Peace after War*, (London: Routledge Informa Ltd 2009).

[32] White Paper on China's National Defense in 2008, issued January 21, 2009. http://www.china.org.cn/government/whitepaper/2009-01/21/content_17162899.htm (accessed December 10, 2009).

[33] Matts Bental, *Building Peace after War*, 32-42. In 2006, petroleum accounted for 80 percent of China's imports; nine of China's top ten trading partners of 2008 were oil-producing states. In 2007 China became world's largest consumer of iron ore with an import of 380 m tones, it is the world's top importer of tropical woods from Africa. China imports 80 percent of its cobalt and 40 percent of manganese from Africa.

[34] "Annual Report to Congress: Military Power of the PRC 2009". According to this report, PLA Navy is considering building multiple aircraft carriers and associated ships by 2020. Expanded mission for PLA Air force in the future includes, amongst others, provision of air security for China's overseas investment, communications, and transport, scientific survey, and other efforts related to China's economic modernization. China's missile program is the biggest in the world. Analysis of 1996-2008 data indicates that China's officially disclosed defense budget grew at an average of 12.9 percent in real terms over the period, while GDP grew at 9.6 percent. The DOD estimates China's total military related spending for 2008 to be between $ 105bn and $ 150bn, using 2007 prices and exchange rates.

[35] Daniel W. Drezner, "Bad Debts: Assessing China's Financial Influence in Great Power Politics," *International Security*, Volume 34, No. 2 (Fall 2009), 7-45. In the immediate future, "low-level threats could range from: slowing down purchase of new debt, refraining from purchase altogether and building lobbies of countries to exert pressure collectively". The Chinese call for a new reserve currency in early 2009 is another expression of such threat.

[36] Brock F. Tessman, "The Evolution of Chinese Foreign Policy: New Incentive with Slowing Growth," *Asian Security*, Volume 1 No. 2, 2009, 296-318.

[37] Ellis Joffe, "The Right Size for China's Military: To What Ends," *Asia Policy*, Number 4, July 2007, 57-61. Many commentators have described the intense efforts of China in trying to gain a paramount position in the extended periphery. Michael R. Chambers in "Framing the Problem: China's Threat Environment," *Asia Policy*, Number 4, July 2007, 62-64, quotes his interviews with Chinese foreign policy analysts with respect to growing influence of China in ASEAN 10+3. Iskander Rahman in "Keeping the Dragon at Bay", *Asian Security*, Volume 5 No 2, 2009, describes how China maneuvered into the SAARC as an observer. Pepe Escobar in *Obama Does Globalistan* (Ann Arbor, MI: Nimble Books 2009), 53–59, highlights Chinese design at the SCO.