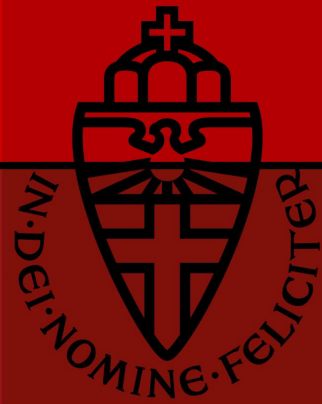
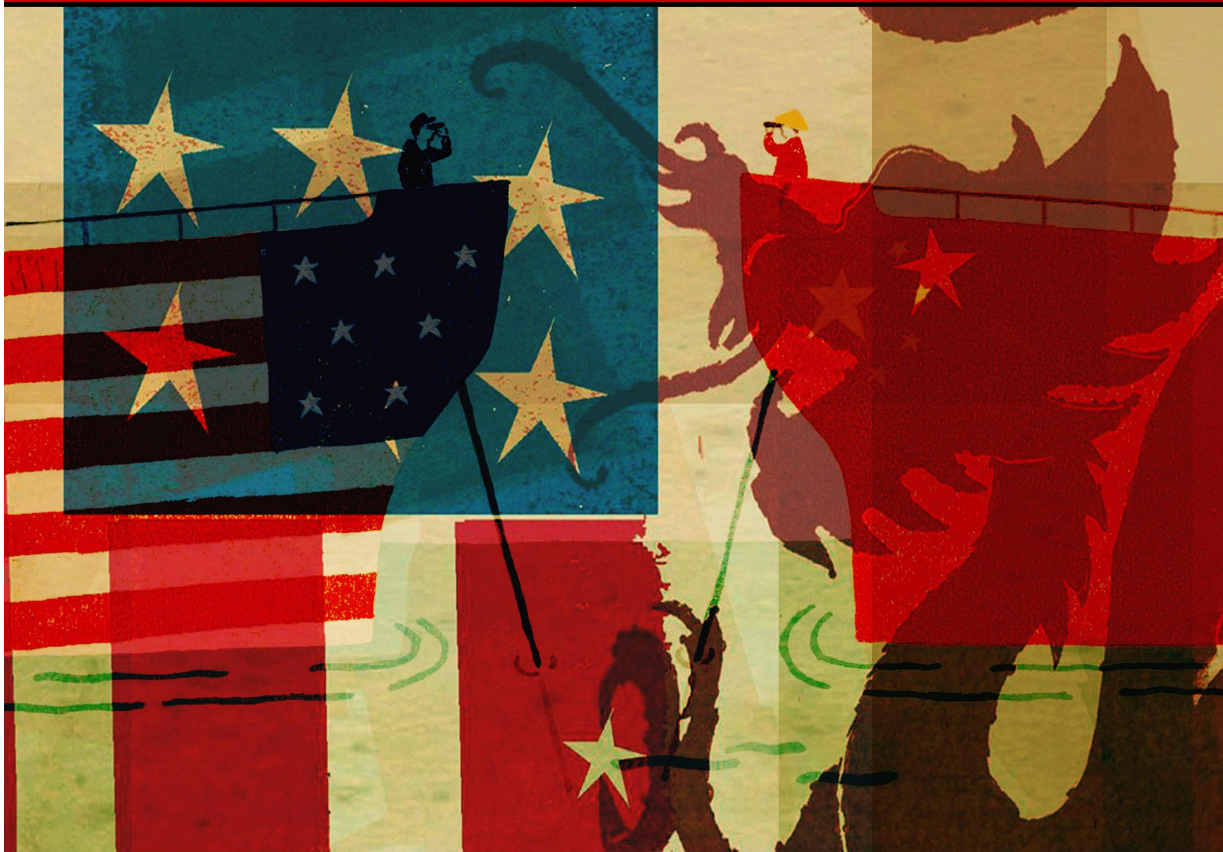


Radboud Universiteit



# **The Geostrategic Challenge of the 21st century:**

## **The US-China Relationship**



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## Abstract

On May 24<sup>th</sup>, 2016, US president Barack Obama announced that the US would stand with its partners to ensure freedom of navigation and flight in the South China Sea and said that big nations should not bully smaller ones. This bullying implicitly refers to China, which has become increasingly assertive concerning its territorial claims in the South China Sea as its military power is expanding in tandem with its impressive economic growth. In this thesis, I address the changing relationship between the US and China by first looking at different international relations paradigms by prominent international relations scholars. Second, I look at the militarization of the South China Sea by several nations in the region. Third, I look at other facets that alter the US-China relationship, such as the hacking operations and reverse-engineering of sophisticated US technologies. These trends, among other things, show that the liberal international order established after World War II is slowly being jeopardized, prefaced by an increasingly assertive China that threatens to push US military influence out of the Western Pacific.

## Key Terms

The key terms are specific to international relations theory and will be used in this thesis to indicate the following:

**Balance of power:** 1) the distribution of power in the international system. 2) a policy of allying with a state or group of states so as to prevent another state from gaining a preponderant power. 3) a realist theory of how states behave under anarchy.

**Constructivism:** an analytical approach to international relations that emphasizes the importance of ideas, norms, cultures, and social structures in shaping actors' identities, interests, and actions.

**Hegemony:** the ability to exercise control within a system of states. The US is often said to exercise military hegemony today.

**Liberalism:** an analytical approach to international relations in which states function as part of a global society that sets the context for their interactions and that stresses the domestic sources of foreign policy.

**Liberal International Order:** The current rule-based world order that was set up after World War II and enforced by US hegemony, emphasizing international law, free trade, and nuclear non-proliferation.

**Multipolarity:** the structure of an international system in which three or more states or alliances dominate world politics.

**Noninterference:** the principle that one states does not interfere with the domestic affairs of another.

**Realism/realpolitik:** an analytical approach to international relations in which the primary actors are states and the central problems are and the use of force.

**Security Dilemma:** a situation where one state arms itself for defensive purposes, but this is regarded as threatening by another, prompting the other state to arm itself and this spirals into an arms race.

**Strait:** a narrow passage of water connecting two larger bodies of water.

**Westphalian Principles:** a 1648 peace treaty that established state sovereignty as the chief organizing principle in international politics. Its principles comprise territorial integrity, noninterference, and sovereignty.

**Zero-sum:** a situation or way of thinking that means that one sides' gain corresponds with another's loss. There is no possibility for mutual gains.

*Southeast Asia*



Fig. 1. Kaplan, Robert D. *Asia's Cauldron – The South China Sea and the End of a Stable Pacific*. New York: Random House, 2014. Print.

*The South China Sea*

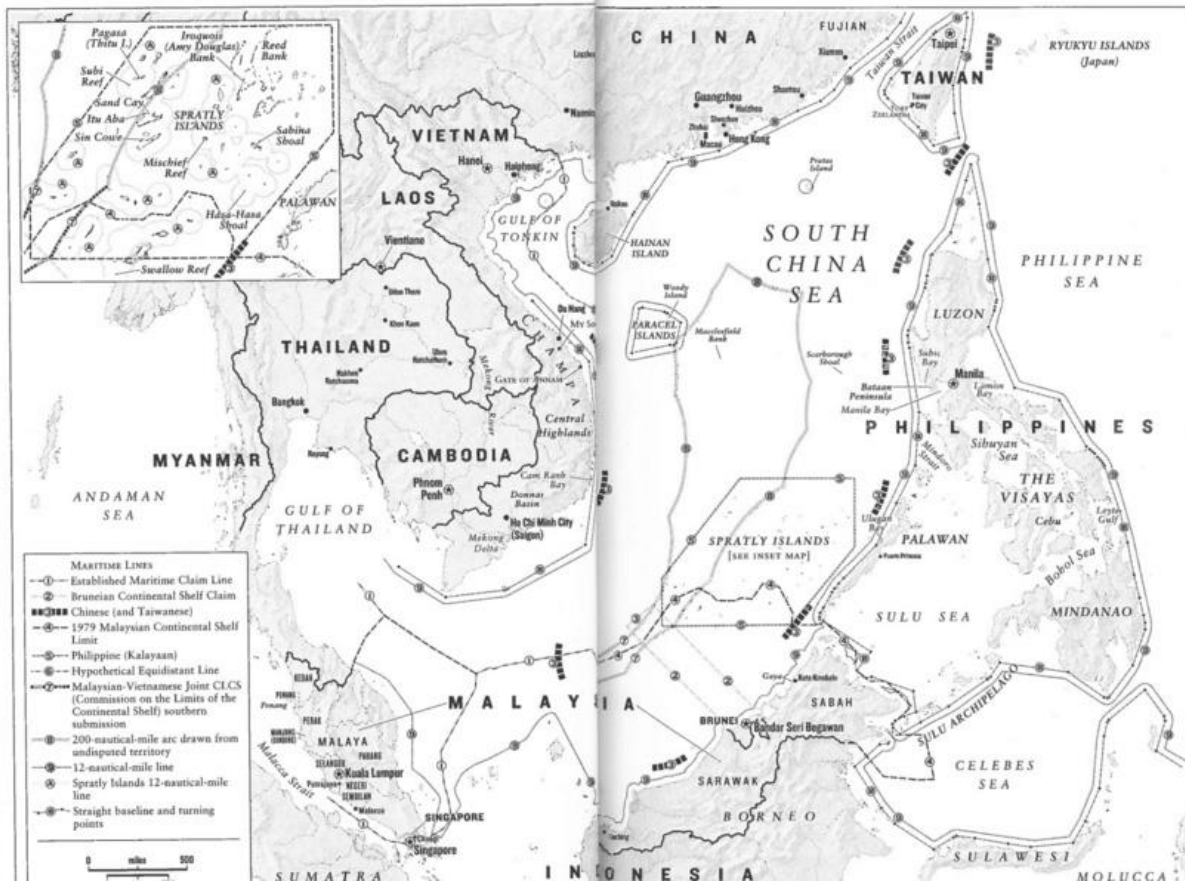


Fig. 2. Kaplan, Robert D. *Asia's Cauldron – The South China Sea and the End of a Stable Pacific*. New York: Random House, 2014. Print.

“The size of China’s displacement of the world balance is such that the world must find a new balance. It is not possible to pretend that this is just another big player. This is the biggest player in the history of the world.” - Lee Kuan Yew

“Never before in history has a nation risen so far, so fast. In 1980, China’s economy was smaller than the Netherlands’. Last year, the increment of growth in China’s GDP was equal to the Dutch economy.” – Graham Allison

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## Introduction: This Century's Challenge in International Relations

On May thirteenth, 2016, the Pentagon released its annual report to Congress on Chinese military activities. The report said that China's "investments in military and weaponry operations continue on a path to increase its power projection." It also stated that "China continues to focus on preparing for potential conflict in the Taiwan Strait." The report further states China's military budget had ballooned between 2006 and 2015. Abraham M. Denmark, the Deputy Assistant Secretary of Defense for East Asia, was also reported as saying that the report speaks for itself, insinuating that China is a threat and requires to be dealt with. The spokesperson for China's defense ministry Yang Yujun responded by saying the report "severely damaged mutual trust" (Kang Lim Par. 3). Yang further said that it is the US who is continually flexing its muscles in the region, often sending warships and other military aircraft with an intention "to exert hegemony" (Kang Lim Par. 7).

This is a dynamic that has been playing out for many years now. The US raises concerns about the increasing militarization of the islands and reefs in the South China Sea and China's reclamation activities in this region, with China subsequently reacting that its activities are defensive in nature and that the US is the one who is provoking hostilities. This dynamic has prompted the question: "Can China rise peacefully?" many times now. In fact, this is one of the most controversial questions to be answered in the field of international relations. Publications such *Foreign Affairs* are rife with articles attempting to elucidate this issue. Through using

international relations theory, this thesis attempts to predict the changing nature of international politics by going through the many factors that are salient in assessing the possibility of China rising peacefully with the current liberal international order.

The thesis is structured as follows: First, I address the changing relationship between the US and China by first looking at different international relations paradigms by prominent political scientists, namely, Joseph Nye and John Mearsheimer. Second, I look at the militarization of the South China Sea by several nations in the region. Third, I look at other facets that alter the US-China relationship, such as the hacking operations and reverse-engineering of sophisticated US technologies. These trends, among other things, show that the liberal international order established after World War II is slowly being jeopardized, prefaced by a an increasingly assertive China that threatens to push US military influence out of the Western Pacific. In doing so, I will answer my research question: what does the future hold for the US-China relationship, especially with regards to the South China Sea?

In answering this research question it is important to look at the relative power positions between the US and China, factoring in military, economic, tactical, diplomatic, and other forms of power. Another important aspect is the strategies that are being employed by the two nations, especially with regards to each other. For example, China has a doctrine of non-transparency, which creates uncertainty and inner discord on the side of the US and its allies, not knowing exactly what to prepare for. Additionally, I will look at the cyber domain, which is one of the most pivotal and relationship-forming features of the twenty first century. I will dedicate an entire subsection on this question and elaborate on how it shapes the US-China relationship. By looking at all of these different factors, I will be able to make a nuanced case for both Nye and Mearsheimer's paradigms. Ultimately, I argue that the likelihood of Mearsheimer being right

about the non-peaceful rise of China is greater than the peaceful prediction Nye has made. By assessing this probability, I also make a cautious prediction that the liberal international order that was established in the aftermath of World War II will be slowly eroded as more and more nations, especially in the Western Pacific, assess that their livelihood is more dependent on China than on the US. The gigantic asterisk that must be placed though is that this will be a very slow process and will take several decades to manifest. What I aim to show is that China will not overtake the US, but that it will be capable enough to project preponderant power and influence in the Western Pacific, which for almost two centuries has been an exclusively Western privilege.

In discussing Nye and Mearsheimer, I specifically look at two different “schools” in international relations – liberalism and realism – and how these have led them to different conclusions on this vital question of a peaceful rising China. First, I discuss John. J. Mearsheimer’s paradigm. Mearsheimer is an outspoken realist and he boldly proclaimed in 2014 that: No, China cannot rise peacefully. These two strongly opposing views provide the issues and factors that are salient to discuss such a prediction. I also wanted to include Samuel Huntington’s paradigm but his paradigm is fairly outdated and written at a time when China’s militarization had not taken off as strongly yet.

The thesis is structured so as to contrast Nye and Mearsheimer, liberalism and realism, left and right. Huntington’s more cultural approach does not fit neatly within this theoretical binary chasm.

After outlining Mearsheimer’s and Nye’s paradigms, I elaborate on a book by Robert D. Kaplan, who provides a wealth of information on the South China Sea, probably the most volatile and geostrategic region in the decades to come. Over the entire thesis, I look at expert

analyses and contributions to this subject from over twenty five scholars and statements from seven state officials. I conclude the thesis by siding with Mearsheimer over Nye, arguing that even though China can technically rise peacefully, the potential for conflict is very great and that even if no conflict arises, the international political status quo will slowly be upended, resulting in a new phase in international politics which I call the “Cool War.” This “Cool War” is a competitive standoff that is marked by a lot of tension could quickly escalate, not dissimilar to the Cold War during the twentieth century. Because China is the only international great power that could potentially change the status quo, they represent the challenge of the twenty first century. The US-China relationship during the twenty first century will thus be the dominant factor in shaping international relations for the next five to six decades to come, at least.

## Mearsheimer and “Offensive Realism”: Mearsheimer’s take on the US-China Relationship

John J. Mearsheimer, a political scientist professor at the University of Chicago, released his controversial book *The Tragedy of Great Power Politics* in 2014. In it, he expounds his paradigm of international relations theory which focuses heavily on the systemic features of global politics. He places an emphasis on the reality of inescapable factors such as the anarchic nature of the international relations order. This means he considers the fact that there is no overarching power to the nation-state is pivotal in determining state behavior. Because there is no “global police force,” states are required to secure their own safety. Mearsheimer is thus a strict adherent of the realist school of thought. In fact, he can be considered as this decade’s quintessential realist.

In his paradigm, called “offensive realism,” Mearsheimer argues that systemic factors such as the balance of power, the dangers of multipolarity, the transition of great powers, and the necessity of nations to advance their interests in the pursuit of state survival are the inescapable factors that determine the behavior of states and therefore the course of international events. These factors are paramount in making his argument that a war between the US and China is very likely, a controversial assessment to say the least. Many other scholars such as Joseph S. Nye, Jr. and G. John Ikenberry – as well as China itself ever since the reign of Deng Xiaoping – have argued that China’s rise will be peaceful and that China can be an invaluable partner to the international community and will uphold and protect the liberal structures (such as the protection of international waters to promote free trade) from which China has profited immensely over the past few decades. Thus, when Mearsheimer argues that war is likely he is one of the very few international relations scholars who says so. Although, over the last few years, more and more scholars are slowly coming around to his viewpoint.

Offensive Realism holds that national leaders, domestic political realities, or even ideological factors matter little (11), since these factors and especially the need for survival forces leaders and their ideological predispositions to rationally adapt to the structure of the system. For example, an idealistic politician elected to office might want to cut defense spending to invest in education, but once confronted with the reality of security risks, they will alter their decision accordingly. Furthermore, offensive realism holds that state survival is best secured through becoming a regional or global hegemon. What motivates states in their decision-making is thus (1): fear – fear contra to other states. (2): Self- help. Realists argue that states seek to balance power to minimize the chances of war either through alliances or through strengthening their own defenses. Mearsheimer's paradigm, however, asserts that alliances are too risky, they might abandon you. States therefore should try to strengthen themselves. (3): Power-maximization – The best way to secure your survival is to become as powerful as possible (30-32). Underlying these three premises is that states are never able to accurately assess the relative power of states, it is therefore best to maximize your own power under the motto that it is better to be safe than sorry.

An international system based on peace and disarmament is impossible, Mearsheimer contends. For if you misinterpret the intentions of other states, which you can never accurately assess, the consequences could be catastrophic. "Prudence dictates that they behave according to realist logic" (51). As China grows economically it will attempt to dominate Asia (i.e. become the regional hegemon) the same way that the US dominates the Western hemisphere (361). Another reason why hegemony is so desirable is that once one state dominates its region, it is free to extend its power to other regions in the world. "[o]ne of the main reasons the United

States is able to station military forces all around the globe and intrude in the politics of virtually every region is that it faces no serious threats in the Western hemisphere” (365).

Current US Secretary of the department of defense, Ashton Carter, affirms several points that Mearsheimer outlined in his paradigm, notably the return of great power politics, Chinese historical grievances playing a large part in Chinese strategic thinking, and the Chinese desire to break out of international institutions that were created by Western nations. “There’s a part of the Chinese mind that thinks that’s an American creation, rather than a good in itself. In China, it’s a feeling of destiny about dominating a region rather than participating in a region” (Par. 18-21).

According to the logic of Offensive realism, states strive to ensure that no other regional hegemon arises after they have achieved that status themselves, lest they interfere with your interference. This is why, according to Mearsheimer, the United States only intervened during the first and second world war when the threat loomed that Germany would achieve regional hegemony and during the Cold War when it seemed likely that the Soviet Union would achieve it in the twentieth century (367). Therefore, the United States will not allow for China to become a regional hegemon and will ally itself with other Asian nations to contain China.

China has seven remaining territorial disputes. The first is with Taiwan, which they seek to reabsorb completely. Second, a longstanding dispute with Vietnam over the Paracel Islands, located in the South China Sea. Third, disputes over the Spratley Islands -- also located in the South China Sea -- with Brunei, Malaysia, the Philippines, Taiwan, and Vietnam. Fourth, the dispute with the Philippines over the Scarborough Shoal, again located in the South China Sea. Fifth, a long and bitter dispute with Japan over the Senkaku/Diaoyu Islands, located in the East China Sea. Sixth, a border dispute with Bhutan. Seventh, two border disputes with India.

Should China gain military superiority over these other nations, a prospect that is only possible in the short term by pushing the US out of the region, it would then be in the best position to settle these disputes in its favor (374-376). China has a huge stake in achieving this, as its economy and population keeps growing; it will consume more and more energy. By 2030, energy consumption is estimated to double (Kaplan 11), and the vast majority of its energy supply comes through the South China Sea. Moreover, there are believed to be substantial oil and gas reserves in this area. Possibly the most in the entire world apart from Saudi Arabia (Kaplan 10). In order to push the US out of this area, it would have to build a substantial blue-water navy and create strategic outposts in the South China Sea. Thus, Mearsheimer writes, “it is hardly surprising there is widespread support in China for building a blue-water navy, which would allow China to project power around the world and control its main sea lines of communication” (379).

### The Looming Threat of a Rising China

No matter how many good intentions China shows, no matter how many international organizations it joins, no matter how peaceful their leadership appears, and no matter how reassuring their rhetoric is, the surrounding nations cannot be sure of what its intentions are. The only thing they know is that they will soon have a superpower on their doorstep and that they cannot be sure that China might not turn on them in the future. This naturally worries them, prompting them to seek alliances to check this so-called security dilemma. What to Chinese observers will be seen as extending their defensive capabilities, will be seen as offensive, assertive, and potentially belligerent by the surrounding nations. Moreover, according to

Mearsheimer's paradigm, these rational actors will understand that time is working in China's favor. As they continue to grow economically and militarily, they will be in a better position to be assertive. Few Asian leaders have forgotten the words of Deng Xiaoping: "Hide our capacities and bide our time." They fear that China's dominance over the South China Sea will be a *fait accompli*. As a result, the Pacific nations understand that it is better to escalate conflicts now, now that they have the backing of the US and do not have to fear too strong a reaction from China. In more recent years though, popular nationalism is rising and the Chinese government is becoming increasingly hesitant to constrain this, and is more likely to put sanctions in place on its trading partners, (380-383) further worrying the surrounding nations.

As time is working in China's favor, Mearsheimer correctly predicted that a balancing coalition emerges against it: "Given the survival imperative, most of China's neighbors will opt to balance against it" (389). The reason for this is that the United States does not nearly pose as significant a threat to these nations as China does. This is so because of geography, China is closer and could more easily launch an attack on, say, Vietnam. The US on the other hand could not mount an enduring occupation in any of the East Asian nations without incurring very substantial costs by the sheer logistics alone. This makes China a more realistic threat. Another reason is history, although the US has some dicey history with some of these nations, there is not nearly the level of enmity as there is with China. In Mearsheimer's paradigm, survival is what matters most, and China is feared most. He argues that the struggle for survival will lead to the other nations to rationally opt to contain China in a balancing coalition with the US.

What the US opts to do, however, is most important. Although China and the US will cooperate on a number of issues, their relationship will essentially be competitive. Containment is not feasible. The strong nations that could contain it collectively – The US, Japan, India, and

Vietnam are too far apart and have their own interests in China to effectively coordinate a containment strategy. By trying to slow down Chinese economic growth, the US would seriously damage its own. Mearsheimer also explains that this could still be possible would it hurt the Chinese economy more in relative terms, but this is only true if China were unable to find other trading partners. They have no short supply of them however, and plenty more are happy to replace the US.

### How Mearsheimer Sees the Future between the US and China

Given that economic coercion is not an option; a security dilemma is bound to take off in the Pacific. Mearsheimer says this will entail eleven facets. 1. Crises – perhaps not frequently, but long-term and tense disputes over territorial waters will ensue. This already seems to be taking off in the South China Sea. 2. Arms Races – All of the stakeholders will invest in their naval capabilities. This is happening all around as well. 3. Proxy wars. 4. Overthrowing regimes that are friendly to the other. 5. Bait-and-bleed strategy – trying to lure the other into costly and long-term wars, e.g. the USSR in Afghanistan. 6. Bloodletting strategy – trying to support the regime which the opponent is fighting against to prolong the war. 7. Identifying the other as the number one threat. 8. Scrutinizing the rival superpower – over time this will create a dynamic in which the populace of both nations view one another with great suspicion, which in turn will justify further military expenditures. 8. Portraying the other as a formidable and threatening adversary – this will have the same effect as the previous facet. 9. Travel restrictions for citizens from the opposing nation. 10. Barring student exchange programs between these nations. 11. Selected export controls – this would pertain to limiting the access to weapons technology. None of these

would get in the way of international security cooperation or economic intercourse, but an increasingly hostile dynamic would ensue. This hostile dynamic will in turn cause both sides to adopt a frame of mind that the other side cannot be allowed to win even a small victory in the South China Sea. The US would fear that it would lose the trust of its allies in the region, and China would fear that the relatively tame Pacific nations would suddenly start pushing for more territory that China claims for itself (397).

Another dangerous aspect is the distribution of power in this region, which is moving towards an unbalanced multipolar system. This means that China is the preponderant power, but there are several other great powers too, like Japan, India, Vietnam, Australia, and from a distance, the US. The more great powers are present, the greater the likelihood conflicts break out, especially given that many claim the same pieces of territory (399).

Then there is nationalist phenomenon. Mearsheimer sees China as ripe for hypernationalism. There are frequent invocations of the “century of national humiliation” and the superiority of Confucian culture. These factors “frame the ways that Chinese interact with the West today...for China’s military, avenging humiliation remains a key goal” (Gries). The US coming to the aid of Taiwan and Japan during disputes with China will likely only add fuel to the fire (402-403).

Mearsheimer concludes his analysis as follows: “The question at hand is simple and profound: ‘Can China rise peacefully?’ My answer is: No.”

Joseph S. Nye, Jr.

*“In the past it was cheaper to seize another state’s territory by force than to develop the sophisticated economic and trading apparatus needed to derive benefit from commercial exchange with it (Rosecrance). Many people thought this would usher in a world dominated by Japan and Germany. Today some equate the rise in China’s share of world product as a fundamental shift in the balance of power without considering other dimensions of power” (Nye 51).*

Joseph Nye is a highly respected and often quoted political science professor from Harvard University who focuses specifically on the theory of neoliberalism in international relations, emphasizing the complex interdependence of states and non-state actors in the contemporary world. In his book, *The Future of Power*, published in 2012, he details the various ways in which different forms of power interrelate and how they affect the US-China relationship.

The accusation quoted at the start of this chapter is applicable to Mearsheimer. Although Nye contends that greater economic power will naturally results in greater expenditure on military capabilities, it is still a rather simplistic view of power. Nye prefers an approach he dubs “smart power,” which he defines as the capacity to know when to use hard power, when to use soft power, and when to use both (Nye & Welch 53). Hard power entails military and economic capabilities, and soft power as the ability to get people to want the same thing that you want them to want. In other words, soft power is the ability to persuade others to voluntarily align their goals to yours. This can be painfully simple; a mere smile might accomplish this. Or it can be as intricate as an extensive news organization that sets the agenda for information dissemination and frames the news in such a way to conform to the viewpoint of the

disseminator. For example, the way in which a news scoop such as the recent “Panama Papers” are interpreted and reported on varies greatly across the globe. Mearsheimer dismisses this soft power that Nye so heavily emphasizes though, arguing that soft power only flows forth from hard power (Betts 72). Apart from this, Nye also identifies a whole host of other sources of power, some of which are salient to the US-China relation.

Nye approaches the distribution of power conceptually as a three-dimensional chess game. On the upper board is military power, which for many decades to come will be dominated by preponderant US capabilities. On the middle board is economic power, which for some time is already multipolar, the polars being the US, EU, Japan, and China. On the bottom board are transnational relations. These are relations that produce power that fall in various degrees outside of government control. Some examples are non-state actors such as hackers, bankers, terrorists, NGOs, and transnational corporations (xv). All of these actors are not considered by Mearsheimer, who focuses exclusively on states as actors on the international scene. Liberalists like Nye however tend to focus on many more actors besides the state. Nye claims he borrows from liberalism, realism, and constructivism (Nye and Welch 16). It is fair to say though he is firmly in the liberalist camp, especially when compared to someone like Mearsheimer. In fact, on the spectrum between liberalism and realism, the two can be considered on opposite ends. What sets the two even further apart is that Nye, contra to Mearsheimer, has been the main proponent in saying that China, in fact, can rise peacefully.

A strong point of contention between Nye and Mearsheimer is what Nye dubs the “balance of financial terror.” The US and Chinese economies are inextricably connected in an interesting and mutually reinforcing dynamic. America imports cheap commodities on a large scale from China and pays in dollars, the Chinese hold these dollars and bonds, effectively

loaning the US. China has been doing this for a while and has accumulated approximately 2.5 trillion dollars in foreign exchange reserves. This gives China leverage over the US for it could cripple it by selling dollars on a mass scale. However, if they would do so they would devalue the dollar, and thereby depreciate the very reserves they would still hold. Moreover, this would jeopardize the willingness of the US to keep importing cheap Chinese goods they produce on a mass scale, which would destabilize the Chinese economy, causing mass unemployment and most likely political instability. Or as Nye puts it, “China would bring the US to its knees, but might also bring itself to its ankles” (56). This is thus reminiscent of the Cold War’s MAD (mutually assured destruction) theory. Causing the other side harm would surely result in your own destruction, thereby deterring harmful action, at least on an economic front in this case (57).

Mearsheimer however rejects this notion of economic interdependence as being a deterrent for conflict, if not war between the US and China. He bases this on a number of compelling arguments. First, he says that political calculations often trump those over economic ones, especially when it comes to matters of national security. This is an argument Mearsheimer more often makes, “if you do not survive, you cannot prosper” (408). Second, when there is a strong rivalry with another state (even if there is extensive trade between the two, e.g. China and Japan) strong nationalism can force leaders to enter into conflict for fear of being deposed if they refuse to do so. Third, Mearsheimer claims that the theory of economic interdependence requires permanent prosperity. If there is suddenly a strong dip in trade, or if there is the strong feeling that one state is benefitting unfairly from the trade, that balance can become quite shaky. One need only look at the rhetoric of the current Republican nominee for the US presidency, Donald Trump, to see how this can unfold. Fourth, if one of the two trading states gets into a spiraling recession, they would be put in a position where they would have little to lose by engaging in a

conflict. They might even have something to gain from it. Fifth, economically interdependent nations can sometimes still fight wars without incurring significant costs. Many countries have gone to war, erroneously thinking they could win a swift victory and therefore not suffer a lot of costs (408-409). Finally, “trading with the enemy occurs during all-out wars fought for national independence or global dominance as well as during more limited military encounters” (410).

Another strong difference between Nye and Mearsheimer is to what extent we should be thinking in zero-sum terms. This is a classic difference between realists and liberalists. Realists tend to view at the world and its resources in zero-sum terms. If actor A gets access to certain resources this automatically means that actor B does not. If resources are conceptualized as a pie, then every nation is just trying to get the biggest slice. This kind of thinking naturally leads to competition. Mearsheimer contends that policymakers in every country have never really stopped thinking this way. Great power politics is essentially a struggle for survival, and to survive you must pursue your nation’s interest to the detriment of others. Liberalists like Nye take on a different view. They contend that international politics does not have to be a struggle over the biggest slice, but that through institutions, international laws and norms, states can work together to create a bigger pie. The international order therefore is seen by Nye as a global public good (220).

Nye reemphasizes the importance of the linkage between the Chinese and American economies when discussing cyberspace. A severe cyber-attack on American grids, networks, or otherwise would damage the American economy and consequently damage the Chinese economy as well (147). This however is where Nye errs, for this argument is too simplistic. State-sponsored cyber-attacks are highly focused on specific targets. A cyber-attack designed to attempt theft of State Department classified files, for example, need not adversely affect the

economy, it merely pokes a hole in the security apparatus. This is not even mentioning the current benefit China currently derives from hacking to obtain the requisite know-how for reverse-engineering products such as smartphone firmware, advanced airplanes, or nuclear turbine accelerators. Nye draws a comparison to the pragmatic decision from the US to tolerate a degree of mercantilism during the nineteenth century. In today's world, "some governments have similar attitudes toward crime on the internet...their attitudes may change over time if costs exceed benefits" (148). Nye means that once China possesses a large body of unique patents they wish to protect, they might very well adopt a harsher stance on hacking activities. The use of cyberspace also reinforces and lays bare the preexisting differences in ideology and strategy between Chinese and American leadership. For Americans, Twitter and YouTube are expressions of personal freedom and first amendment rights, whereas Chinese leaders regard these as instruments of attack on their political legitimacy (150).

### The Thucydides Trap: Can It Be Avoided?

Much has been written about the transition of great powers, the general thinking is that a shift in hegemonic power goes hand in hand with conflict. This is what is known as the Thucydides Trap. Mearsheimer is a strong supporter of this idea and Peter Navarro, who wrote the book *Crouching Tiger: What China's Militarism Means for the World*, claims that from all the times this hegemonic power shift occurred over the last five centuries, approximately 70 % resulted in war (22). The following table demonstrates this clearly:

Table 1

## Hegemonic Power transitions

	Period		Ruling Power	Rising Power		Result
1	First half of 16th century		France	Hapsburgs		War
2	16th–17th centuries		Hapsburgs	Ottoman Empire		War
3	17th century		Hapsburgs	Sweden		War
4	17th century		Dutch Republic	England		War
5	Late 17th–early 18th centuries		France	Great Britain		War
6	Late 18th–early 19th centuries		United Kingdom	France		War
7	Mid-19th century		United Kingdom, France	Russia		War
8	19th century		France	Germany		War
9	Late 19th–early 20th centuries		Russia, China	Japan		War
10	Early 20th century		United Kingdom	United States		No war
11	Early 20th century		Russia, U.K., France	Germany		War
12	Mid-20th century		Soviet Union, U.K., France	Germany		War
13	Mid-20th century		United States	Japan		War
14	1970s–1980s		Soviet Union	Japan		No war
15	1940s–1980s		United States	Soviet Union		No war
16	1990s–present		United Kingdom, France	Germany		No war

*Source: John F. Kennedy School of Government – Harvard University Table.*

Source: Allison, Graham. “Thucydides Trap Case File – 16 Major Cases of Rise Vs. Rule.” *Belfer Center for Science and International Affairs*. 23 September 2015. Web. 19 May 2016.

International relations scholar Robert Kagan asserts the Chinese leadership view the international scene comparable to how Kaiser Wilhelm II did prior to WWI, frustrated at the systemic constraints placed against him and eager to change to rules to conform to his ambitions

instead of the other way around. Nye counters with the example of Great Britain, which gradually and relatively peacefully retreated as a hegemonic power and handed over the reins to the US to initiate a new century of *Pax Americana* (154).

It is important to differentiate between absolute decline and relative decline when talking about the reemergence of China vis-à-vis the decline of the US. Nye emphatically makes clear that the US is not declining in absolute terms, only in relative terms, in some aspects (155). This means that the US is not decaying or growing weaker by itself; it is merely being outpaced in economic and military development growth by China during these past decades. Nye also presciently predicted that China's labor force is peaking during 2016 and its GDP growth rate will inevitably decline (180). Furthermore, China has no shortage of domestic issues that could hamper its international influence and prestige: inefficient state-owned enterprises, growing inequality, massive internal migration, ethnic secessionist desires among the Tibet and Xinjiang territories, a rapidly aging demographic populace, an inadequate social safety net, corruption, and inadequate political inclusion, might result in severe political backlash at some point in the future (181).

One of the most important points about China with regards to international relations Nye addresses is the danger that these weaknesses pose. Rather than being reassuring factors for the US and its allies, these Chinese domestic fragilities could result in rash and risky behavior on the international scene. One of the best ways to create unity and squash, or postpone, internal dissidence is by presenting an external common enemy. Should domestic protests or secessionist movements grow too strong to handle, Communist Party leaders might decide to escalate the conflict with the Japanese over the Senkaku/Diyaou islands or any other dispute in the South China Sea to foster some semblance of internal harmony in the face of a foreign foe (183).

### Nye's Conclusion: China as a Stakeholder

What Nye ultimately proposes is a policy that “welcomes China as a responsible stakeholder but hedges against possible hostility by maintaining close relations with Japan, India, and other countries in Asia that welcome American presence” (233). In researching *The Future of Power*, Nye has identified two great shifts occurring this century: First, “The return of Asia.” And second, the transition and diffusion of power from states to non-state actors. There is a problem with this second feature Nye identifies though. In recognizing this diffusion it becomes immensely difficult to provide any workable analytical model. Predicting fluctuations in the stock market, calculating the diffusion of cyberpower, or the dissemination and acquisition of weapons among terrorist organizations appear as elusive tasks at best. In identifying these facets, we are left with more questions than we can possibly answer. It is because of this that I will specifically focus on the South China Sea, which offers more tangible facts and figures to make any sensible predictions. Robert D. Kaplan's book *Asia's Cauldron*, which I will discuss next, has more extensive knowledge on the specific power balance in this region.

## Robert D. Kaplan

Robert D. Kaplan is unlike the other authors in this literature review a journalist, though he has extensive experience in the field of international relations, writing over 15 books on the subject and also writes for *the Atlantic* on a regular basis. He has not so much worked out a paradigm, but investigated the logistics and militarization of the South China Sea and made predictions about its future. Because the South China Sea could very well be the first alteration of the US-China relationship – due to China being able to exert hegemony over this specific region by pushing the US out of it militarily – it is essential to look at the developments in this area. His judicious analysis of the developments in the South China Sea indicate why Mearsheimer's paradigm is too important to ignore, even if it is widely unpopular. It also highlights the fact that, in considering the US-China relationship, Nye has been too neglectful of the South China Sea factor.

Kaplan is not a strict adherent to any school in international relations, though he contends that due to changing power relations in the world – with Asia becoming the gravitational center of power in the world – a more realist viewpoint should be adopted. His viewpoint is best encapsulated in the following quote:

*Truly, in international affairs, behind all questions of morality lie questions of power...In the Western Pacific in the coming decades, morality may mean giving up some of our most cherished ideals for the sake of stability. How else are we to make at least some room for a quasi-authoritarian China as its military expands?...For it is the balance of power itself, even more than the democratic values of the West, that is often the best preserver of freedom. That also will be a lesson of the South China Sea in the twenty-first century (31).*

In researching the South China Sea, Kaplan visited several nations in this region (Vietnam, Singapore, Malaysia, Taiwan, China, and The Philippines) and spoken to military personnel, defense analysts, retired generals, international relations scholars, and read various strategic plans by prominent think tanks or government organizations like the Pentagon. Kaplan is therefore well placed to discuss the specific nuts and bolts of these nations' military capabilities, strategic plans, the way in which these nations view each other, and their aspirations in the region.

### The South China Sea: Why is it so Important?

Kaplan describes the South China Sea as the throat of the Western Pacific and Indian Oceans, containing narrow straits through which an astonishing amount of goods pass. It is also the key to China's geostrategic future (20). It is here that the "mass of connective economic tissue where global sea routes coalesce" (9). One third of all maritime traffic passes through this region as well as more than half of the world's annual merchant fleet tonnage. Perhaps even more important, the oil which China is so heavily dependent upon passes mainly through the Malacca strait into the South China Sea. This amount is over three times as much as that passes through the Suez Canal and fifteen times that which transits the Panama Canal. Roughly eighty percent of the crude oil China consumes goes through this area and functions also as the main transit route for many of its export products. The following graphic shows the enormous amounts of oil that pass through the Malacca strait.

## Oil transit chokepoints

About half of the world's oil production is moved by tankers on fixed maritime routes. The blockage of a chokepoint, even temporarily, can lead to substantial increases in total energy costs. Oil transit chokepoints are therefore a critical part of global energy security.

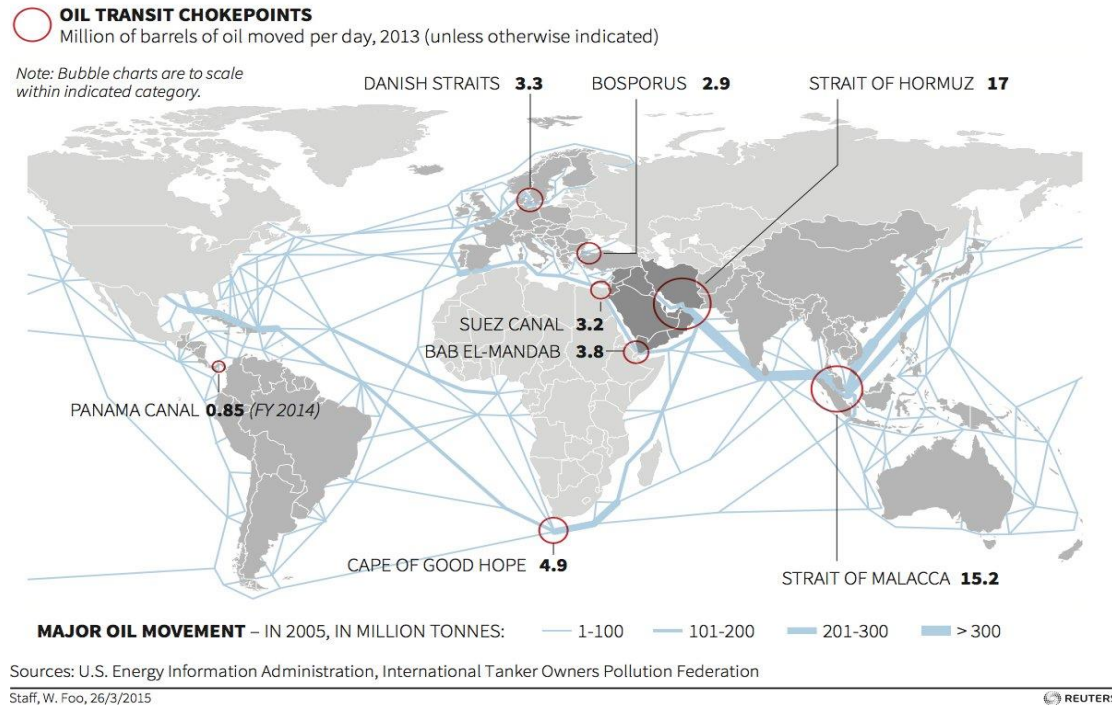


Fig. 3. United States Energy Information Administration, International Tanker Owners Pollution Federation. *Oil Transit Chokepoints*. By W. Foo. 26 March 2015. Reuters. Web. 25 April 2016.

Moreover, the South China Sea is believed to contain the second largest natural gas and oil deposits on the globe (9-10). It is thus no exaggeration to state that the South China Sea is of vital strategic importance to China and other nations such as Vietnam, Singapore, the Philippines, Malaysia, Brunei, Indonesia, Thailand, Taiwan, and virtually any other nation that has commercial interests in this region. The South China Sea is however especially crucial to China. It functions as its natural shield in the Southeastern region, its most densely populated and commercially developed region. The sea functions as a so-called “strategic hinterland” covering

over a thousand miles that, if effectively utilized by China's navy, will function as a "restraining factor" for the US (41).

Ninety percent of all intercontinental trade goes by sea and a collection of increasingly powerful Asian nations are building up their naval capabilities and flexing their muscles in this region, turning the South China Sea into an "armed camp." Facts have been created on the ground (or in this case, in the water) and despite constant warnings, repudiations, dismissals, and remonstrations by the US and other nations in this region, these developments continue unabated. For example, in the Spratley Islands region, China has built helipads, military structures, and installed high powered machine guns on several islands. Vietnam has constructed runways, piers, barracks, and storage tanks on twenty one different islands. Taiwan, Malaysia, and the Philippines have also occupied and built structures on several islands, albeit on a smaller scale. As such, The South China Sea is turning into the most contested body of water on the planet (11-14).

To provide some insight as to what all of these developments might mean, Kaplan looks at the works of 1) Hugh White, who asserts that Australia ought to increase defense spending because of the power shift that is occurring. 2) Desmond Ball further emphasizes this point by describing how the arms race is taking place in the South China Sea. 3) Andrew F. Krepinevich, who discusses the possibility of the South Asian nations being "finlandized" by China. 4) Rodger Baker and Paul Bracken, who get into the military modernization of China and the strategy behind it.

White, professor of strategic studies at the Australian National University and former Australian government intelligence analyst, wrote a very comprehensive analysis of the changing geopolitical landscape in Asia titled "Power Shift: Australia's Future Between Washington and

Beijing.” Australia is a “status quo power,” a power that wants the status quo to persist: a continually rising economic power in China so that Australia can expand its trade with it whilst also having a dominant military power in the US to protect Australia’s interests as well as preserve the freedom of water navigations. However, these two trends cannot both continue indefinitely. Although it is possible that the US might eventually retreat from the area, Japan cannot, and they are highly unlikely to accept Chinese regional hegemony. As such, another possibility would be a nineteenth century European post-Napoleonic style “concert” model to emerge, wherein China, Japan, India, the US, and perhaps one or two more would sit as equals at the table and through a complex system of diplomacy and balance of power politics would maintain the peace. However, White speculates that the US would be unwilling to accept such a diminished role, therefore they could actually be the problem. What is for sure though, he argues, is that the next four decades will be far less secure and that Australia will have to spend a lot more on defense and that is probably true for all nations of Asia. “The seas will become more crowded with armaments,” he ominously concludes (29-30). What is important to note is that this specifically Australian analysis undermines Nye’s sobering reassurances about the US-China relationship. Despite the fact that the US and China need each other to cooperate on various issues, this will not ensure that one of the most, if not the most, geostrategic areas of the globe will turn into a volatile arena. If all of the nations in this area are arming themselves to the teeth, only one small brawl could spiral into a full-blown conflict wherein the US is obligated to stand by its legally established allies. Parallels to World War One are easily drawn.

Ball, professor at the Strategic and Defence Studies Centre of the Australian National University, lays bare the intricacies of China’s military rise with regards to its economic rise. China’s economy was not as shocked by the 1997-1998 economic crisis and was therefore

capable of increasing its defense budget by double digits every year since 1988. 2011 was a watershed year as China's defense budget increased by 12.7 % and thus hit a hundred billion dollars for the first time in its history. Although the US defense budget is still seven times larger, the two are heading in opposite directions. China and Japan now have military expenditures far exceeding those of Germany and Russia, marking the geopolitical shift from Europe as the center of concentration during the Cold War to the Pacific in the twenty first century. The arms race that is occurring here is much more complex with far more points of interaction. The potential for miscalculation with the "extensive buildup of surface and subsurface warships, ballistic and cruise missiles, missile defense systems, and all facets of electronic and cyber-warfare" is far greater (34). The strategic importance of submarines too will play a far greater role in the coming decades. Submarines are essentially "undersea intelligence-gathering factories." States are very wary of submarines, once they submerge nobody knows exactly where they are and they can be very intrusive, this could foster greater suspicion and hostility. China has over sixty submarines and intends to acquire approximately another seventy-five in order to have more than the US. They are outbuilding the US in submarines by eight-to-one. Moreover, their latest "Yuan-class diesel-electric" models are quieter than the nuclear ones that the US has and are therefore less detectable. Jonathan Holslag, an expert in this field explains that: "complex thermal layers, tide noises and the influx of water from rivers make it very difficult to detect pre-positioned submarines." The submarines China has, he continues "are ideal for navigating in such environments...U.S. or Japanese types lack the sophisticated detection capacities that are needed to operate in these areas" (171). China also does not have to travel far to be in the military theater whereas the US has to travel half a world away (33-35). China has also recently purchased its first aircraft carrier, albeit a very poorly constructed and outdated one. It will take

years or decades of training before China can effectively utilize aircraft carrier strike groups, but the mere fact they purchased one indicates it is no longer satisfied with a “sea denial-type” navy which can merely protect its own coastline, and desires to transform it to a “sea control-type,” which can project power over larger sea regions. This sea control-type navy is further developed by eight amphibious landing ships that each can hold up to 800 troops, hovercraft, helicopters, and armored vehicles. These amphibious assault vehicles would allow China to travel over sea with a large fleet and station its troops for an invasion on, for example, Taiwan (37).

India, South Korea, and Vietnam, are poised to buy six new submarines each. Australia is in the process of purchasing twelve more over the next twenty years. Singapore, Malaysia, and Indonesia are soon to purchase two more submarines each. Singapore, a very small city-state which because of its immense geostrategic importance at the Malacca strait, is very nervous about its defense and has consequently become one of the world’s top ten arms importers. South Korea has decided to double its defense expenditures in 2015, investing in submarines and frigates for antisubmarine warfare. Japan is constructing a new generation of large helicopters carriers which are crucial for their antisubmarine defense. This Asian arms race “may be one of the most underreported stories in the elite media in decades” (36).

Krepinevich, president of the Center for Strategic and Budgetary Assessments in Washington, estimates that the Western Pacific nations are slowly being “Finlandized” by China. Finlandization is a process where a nation maintains its nominal independence but has to follow the rules that are set by a neighbor that has overwhelming power and influence. The name refers to Finland during the Cold War, which in choosing to stay neutral had to give up a degree of autonomy with the Soviet Union breathing down its neck. Krepinevich argues that the PLA (the People’s Liberation Army – the Army of the Communist party in China) has identified US battle

networks as the Achilles heel of the US. These networks rely on satellites and the internet in order to “identify targets, coordinate attacks, guide ‘smart bombs’ and more” (26). The PLA has consequently developed and tested an antisatellite missile in 2007, tested lasers to blind US satellites, and has been conducting cyber-attacks to derail internet systems for years.

Additionally, the PLA has been developing ballistic and cruise missiles as well as anti-access/area denial weaponry to undermine and ultimately deny US bases forward access in the Pacific. The aim is not to go to war but to weaken the public perception as to what the US could actually accomplish in the Pacific (26). This is an important point that is repeated by many different scholars and will come back in this thesis numerous times. Krepinevich contends that if the other Asian nations believe that only China can actually exercise military might in the Pacific, they would likely calculate it is best not to upset the behemoth on its doorstep, thus falling prey to finlandization.

Baker, vice president and East Asia analyst for Stratfor, a private global intelligence firm, explains how China does not need to have military power parity with the US in order for it to achieve its goals in the Pacific because it can rely on so-called “combination punches,” and by modernizing its military strategically. Combination punches are best exemplified by a 2012 spat between China and Japan over the Senkaku/Diaoyu Islands. China challenged Japan’s de facto occupation and administration over these islands by launching joint combat attacks by its navy, air force, and strategic missile corps in conjunction with threats of economic retaliation, diplomatic obstruction at an upcoming financial conference in Tokyo while at the same time encouraging anti-Japan protests at home. The sheer overload of such a multi-faceted attack is enough to overwhelm entire departments and causes political ruptures over how to deal with them. As for its military, China is not only expanding but it is also cutting it and modernizing it

in strategic areas. It has increased its modern fourth generation aircraft from fifty to five hundred whereas it has reduced its overall air force by one third. Improving military capabilities in an age where all-out war seems unlikely is more about allocating expenditures in the most up-to-date, top-of-the-line technologies that can effectively coordinate with “future space satellite reconnaissance systems, existent missile systems, and electronic and cyber-warfare capabilities” (38). The US Department of Defense claims that China has “the most active land-based ballistic and cruise missile program in the world” (38). Picking a fight with China seems an increasingly difficult proposition.

Bracken, Yale professor of management and political science, describes these technologies and modernization efforts as part of a grander strategy to create an “anti-navy navy.” A navy that is capable of pushing the US Sea and Air forces further and further away from the East Asian coastline. He sees Chinese drones capable of hitting US warships with lasers, Chinese submarines with sonar pings, noise-activated smart mines, and more newly developed technologies as a concerted effort to let the US know that China knows what its air and naval forces are up to. These weapons are part and parcel of an “anti-access strategy” (38-39). This corroborates the idea that China is trying to get the US out of the Asian Pacific without actually forcing it to.

### China’s Historical Claims

In realist-style thinking, Kaplan notes there is nothing “unusually aggressive” about what China is doing (43). By building up their military capabilities and projecting power in the South China Sea, China might very well induce the surrounding nations to kowtow to its will because the

potential backlash could be devastating on military, economic, and diplomatic levels. Note how this is reminiscent of what Mearsheimer said before about China's military buildup to settle territorial disputes.

China claims the entirety of the South China Sea for itself and bases this on several historical claims. 1) Chinese analysts claim their ancestors in the second century BC during the Han dynasty discovered the islands in the South China Sea. 2) During the tenth and fourteenth century, many official and unofficial accounts already claimed the South China Sea fell within China's national boundaries. 3) During the fifteenth through nineteenth century, many maps of Chinese territory contained the Spratley islands as theirs. 4) During the early twentieth century, the government exercised jurisdiction over the Paracel Islands. 5) The Guomintang government before and after World War II incorporated South China Sea dry-land areas into Chinese territory. 6) The aforementioned maps also contained the first island chain line. I will refer to this later to island chains later. This island chain line thus preceded the 1982 UNCLOS (the United Nations' Convention on the Law of the Sea), which is the accepted norm in contemporary international law (42). This law would in essence limit Chinese sovereignty over waters only as far as 12 miles of its coastline as well as a 200 miles Exclusive Economic Zone (EEZ) (172). China ratified the UNCLOS in 1996, though some might argue they did so under pressure; not unlike treaties they signed with the British a century earlier in the aftermath of losing two opium wars. "China's very urge for an expanded strategic space is a declaration that it never again intends to let foreigners take advantage of it" (21).

This desire to become strong so as not to be taken advantage of however is threatening to other nations in the region. One Vietnamese analyst at the Diplomatic Academy said "the Chinese are too strong, too assertive...that is why a Pax Sinica is very threatening to us" (55). Of

course, since Vietnam has been invaded by the Chinese seventeen times over the course of history, they have some precedent to be wary of a reemerging China (56). The Vietnamese cannot accept Chinese sovereignty or military preponderance over the seas on its eastern coastline, for it would then be under complete Chinese influence, no other great power could come to their aid, at least not by navy (60).

Malaysia has no interest in any conflict with China whatsoever. It has nevertheless hedged its bets by forming a very strong military alliance with the US. In fact, Malaysia is the US' most reliable military ally in the South China Sea. US marines have trained with Malaysian forces and the Pentagon has given Malaysia radar equipment for the South China Sea worth tens of millions of dollars. They emphasize deterrence towards China and know that the US is there to "safeguard the region" (88).

Singapore has to ensure its defenses are secure because of its vitally important strategic location at the Malacca strait. For them, China is a geographical fact of life and the US is only a geopolitical concept; the fact that China is so close forces Singapore to take it into account. One high-ranking military officer said the following to Kaplan, "China says that it is a status quo power. But its economic and military growth for decades changes the status quo" (94). Despite being the smallest nation by far (it is about the one-fifth the size of Rhode Island, it has more missile-carrying ships, frigates, and submarines than far larger and more populous nations such as Vietnam or Malaysia. Singapore sees US hard power as benign and China's latent power as unsettling, though they have taken sufficient precautions in their view (96).

The Philippines are most dependent on US naval power of all the Southeast Asian nations. A scuffle between Philippine and Chinese ships occurred in the Scarborough Shoal in 2012. Rather than ramping up the conflict with overwhelming power, China chose to use its

civilian coast guard to overpower the Philippine navy. The episode was deeply embarrassing to the Philippines. This episode presaged the desire for a deeper military alliance with the US. This is not as easy as it seems though, the US has been unable to transfer up to date technology to the Philippines because “there was no cyber or operational security to speak of” (130). Efforts have been undertaken though, as one official put it “We just raised the Filipinos from a World War II navy to a 1960s one. That’s progress” (130). The alliance between the US and the Philippines however might be a disadvantage as long as its defenses are not extensive and up to date. Kaplan explains that China sees value in pushing around The Philippines by refusing Filipino fishers access to the Scarborough Shoal or by building runways on islands claimed by the Philippines, whereas it sees no value in pushing around Vietnam in a similar way. The rationale behind this is that the Chinese populace by and large is already negative about Vietnam so by pushing it around the Communist party would not bolster its legitimacy. The Philippines however is a de jure ally of the US so by pushing it around it can be seen as defying the US (131). This is a perfect example of how a domestic political crisis in China could result in the Chinese navy bullying one of the Asian Pacific nations to bolster nationalism, but also intensifying the already tense situation in the South China Sea. Henry P. Bensurto Jr., secretary-general of the commission on maritime affairs in the Philippines said the following: “China will continue to raise tension, then reduce it through diplomacy, then raise it again...the more militarily capable China becomes, the less flexible it will be.” The Philippines therefore planned to start a campaign of brinkmanship – i.e. escalating the conflict and pretending you are willing to sacrifice everything over it – in an effort to induce the US to be more confrontational towards China to the benefit of Manila. The Obama administration however warned Manila that this would not work; Washington has no appetite for a face-off because of its many financial and

equity links with Beijing. Instead, Washington urged Manila to show restraint and appeal to global opinion. Kaplan describes the Philippines ‘latest appeal to international law to settle the disputes with China over the Scarborough Shoal as the “ultimate demonstration of weakness” (132).

“At some point, China is likely to...be able to deny the U.S. Navy unimpeded access to parts of the South China Sea” (15). Kaplan notes that China is developing “niche capacities” in subsurface warfare and ballistic missile technology capable of striking moving US aircraft carriers. China will match the U.S. Navy in quantity by 2020 if they do not alter their military expenditure plans. This means the South China Sea will be one of the most combustible arenas on the globe where a situation of military multipolarity will exist (15). M. Taylor Fravel, political scientist at MIT, however elaborates that paradoxically China’s greater military power ensures that it can wait and does not have to use force. “Beijing’s goal is not war – but an adjustment in the correlation of forces that enhances its geopolitical power and prestige” (178). Again, this confirms the idea of winning without even fighting.

### Kaplan’s Conclusion

Former US Secretary of Defense Leon Panetta declared in 2011 that budget cuts will not translate into a decreased US posture in the Pacific. This combined with the so-called “pivot” to Asia in the same year were strong messages, in part to reassure allies in the Pacific. The tide is turning however, demographically, economically, and militarily. Kaplan sees the future world as a nervous one:

*crowded with warships and oil tankers, one of incessant war games without necessarily leading to actual combat...It is a world where sea denial is cheaper and easier to accomplish than sea control, so that lesser sea powers like China and India may be able to check the ambition of a greater power like the United States, and submarines and mines and land-based missiles may combine to inhibit the use of aircraft carriers and other large surface warships. It is a world in which it is just not good enough for American officials to plan for continued dominance in these waters. For they must be prepared to allow, in some measure, for a rising Chinese navy to assume its rightful position, as the representative of the region's largest indigenous power...the age of simple American dominance, as it existed through all of the Cold War decades and immediately beyond, will likely have to pass (182-183).*

Kaplan believes that China is and will continue to attempt to achieve regional hegemony by expanding its military capabilities and push the US out of the South China Sea. Specifically he contends that if US defense cuts will continue in the next few decades then some measure of finlandization will apply to Vietnam, Malaysia, the Philippines, and Singapore. Nevertheless, he also believes that China is likely to seek a “political modus vivendi” with the US while they strive for regional hegemony (24). In his prediction he thus, unsurprisingly, aligns more with Mearsheimer than with Nye.

### Brief Overview of Literature review

What should be more than obvious at this point is that the main difference between Nye and Mearsheimer is that the former believes that China can rise peacefully whereas the latter believes that this is not possible. Nye places great stock in the balance of financial power as being a deterrent for war. Mearsheimer thinks this is nonsense because nations have gone to war while maintaining trade before, such as Germany and Great Britain did during World War I. Another facet that differentiates the two is how strongly they believe in systemic factors. For Mearsheimer, the anarchic feature of world politics is absolutely pivotal whereas Nye believes these shortcomings can be alleviated through international institutions, multilateral forums, and economic interdependence. Because Mearsheimer is so fixated on the systemic features his paradigm does have some glaring shortcomings, he does not address features of power that Nye has correctly identified as playing a larger and larger role in the twenty first century, such as cyber-technology. Nye however can also be blamed for not taking a closer look at the South China Sea, a very clear point of possible conflict between the US and China, something that Kaplan's book amply elucidates. In the case study, I will discuss a plethora of foreign policy experts who confirm this as well.

## Debating the Rise of China: The Various Facets that Determine the US-China Relationship

The paradigms of Nye and Mearsheimer provided us with two models of looking at the US-China relationship and Kaplan offered an image of the militarization of the South China Sea. The South China Sea represents the largest threat to the freedom of water navigations and by extension the liberal international order. If China is able to push the US out of the South China Sea or take de facto control over it, that would preface a decline of the overwhelming influence that the US has had internationally in the aftermath of World War II. In the case studies, I will first determine what I deem to be the right analytical model to engage the US-China relationship and what this could mean for the future of international politics. Subsequently, I will discuss other facets such as the border disputes that China has with other nations, in what ways China is making progress in various domains of power, the military strategies that the US and China are employing, and how the cyber domain impacts the relationship.

I am personally not an adherent of any international relations theory or paradigm. I believe all are correct in some contexts and all have their own blind spots. I do believe however that human behavior is the most important factor in what shapes international politics and relations, and that no single one model can pinpoint human nature or provide a list of systemic factors that predetermine human behavior. In other words, I believe that international relations are shaped by how humans, and by extension states and non-state entities, choose to interact with one another for whatever reasons they might have. To me, human agency is the deciding factor.

In deciding what the best analytical framework is to approach this subject – with realism on one end of the spectrum and liberalism on the other end – we have to look at how these countries view themselves and in relation to each other. It is important to note that if one state

regards the other as hostile or competitive, this forces the other to adopt that stance as well. It takes every single actor to create and maintain peace, but it only takes one actor to break it.

Henry Kissinger in his latest book, *World Order*, describes that China sees itself in historical terms as the rightful center of the world (China not for nothing meaning “the middle Kingdom”) offering harmony through a “Sinocentric tribute system” with its Emperor as the “linchpin between the human and the divine,” its rule was confined to “All Under Heaven.” Other monarchs were not equal sovereigns but “earnest pupils in the art of governance, striving toward civilization” (213-214). China still sees itself as highly important and holds the conviction that world order is now re-balancing after an unnatural and undeserving Western “irruption” these past few centuries (212). Any foreign attempts, namely from the US, to try and stop this rebalancing is viewed with contempt. Thus, China strives to restore what it considers to be its rightful place.

As for how China behaves and expects to be treated, Kissinger notes that ever since Deng Xiaoping in 1979, China changed course and has fully embraced a national-based foreign policy premised on Westphalian principles. “In Asia the state is treated as the basic unit of international and domestic politics” (175). The former colonies of Asia transformed into states and each recognized each other’s sovereignty. More importantly, the Asian states have committed themselves to noninterference in each other’s domestic affairs. The PLA’s deputy Chief of General Staff Qi Jianguo wrote that the main challenge for the current era is to uphold the principles of modern international relations that were established in the 1648 treaty of Westphalia. The result is that in Asia, far more than in contemporary Europe or North America, Westphalian principles are given prominence over concepts such as human rights. The importance given to principles of sovereignty and noninterference causes Asian nations to be

resentful of foreign criticisms about human rights or attempts to exert influence in their countries by foreign NGOs. They regard these attempts as forms of neo “colonial tutelage” (178).

The National Bureau of Asian Research, special report #57, published in April 2016, confirms this realist predilection among the Chinese. Christopher Yung and Wang Dong write that “a realist paradigm has been dominant in China’s strategic circles” and “[f]or Chinese analysts who tend to observe U.S.-China relations from the perspective of hardcore realism and traditional geopolitics, the United States’ high-profile strategy is a manifestation of the logic of classical power politics” (9).

Given that Westphalian principles – entailing concepts such as sovereignty, noninterference, territorial integrity, balance of power politics, and might- makes-right – are distinctly within the realist camp, it is reasonable to adopt this analytical framework in order to understand from which “rulebook” China is playing and expects to be treated by other states. I will attempt to answer all of the aforementioned subquestions by tackling these Westphalian principles and show how they have come to the fore in various developments China has been going through.

### Territorial Integrity: What China Claims As Theirs

First, I look at the concept of Territorial Integrity. This concept, essentially, means that states should respect each other’s borders by not encouraging secessionist movements or make any incursions. Not only does China expect other nations to respect its borders, it also expects to readopt Taiwan into the fold as well as exerting dominance in the South China Sea. This finds

expression in what China has called the “two-island chains,” which China claims as part of its sovereign territory. Mearsheimer, using his paradigm of Offensive Realism, has claimed that it is to be expected that China will try to push the United States outside the Western Pacific in an attempt to devise its own version of the Monroe Doctrine that kept European powers out of the Western hemisphere as the United States was expanding its own powerbase during the nineteenth century (371). Both Kaplan and Mearsheimer address these so-called “island chains” China has identified:



[Fig. 4. Wingfield-Hayes, Rupert. “China’s Island Factory – New Islands are being made in the South China Sea by the might of the Chinese state. But a group of marooned Filipinos on a rusting wreck is trying to stand in the way.” *BBC*. 9 Sep. 2014. Web. 24 May. 2016.

Mearsheimer claims China is trying to push the US navy out of the first island chain, thereby claiming dominance over the East China Sea, the Yellow Sea, the South China Sea, and making it effectively impossible for the US to reach the Koreas and Taiwan via sea in case of war. The eventual goal of pushing the US out of the second island chain is to also cut off US naval support for the Philippines and establish regional hegemony. This claim by Mearsheimer is confirmed by nearly thirty international relations scholars and China experts in Navarro's book. They are doing this by filling the South China Sea with smartmines – a very effective tool to keep all sorts of ships and submarines out of your waters because of the high risk factor, (71-76) by developing the only effective anti-aircraft carrier missile in the world, nicknamed the “Aircraft-Carrier Killer,” (56-62) by extending their nuclear arsenal in a gigantic underground facility (76-78) and improving their “second strike capability” (this is the possibility of firing off intercontinental ballistic nuclear missiles on time once it has been assessed that a nuclear missile has been fired off in your direction), by expanding their electric-diesel submarine count (67-71), and by building bases in the Gobi desert that could disrupt American sonar systems and satellites (62). All of these weapon developments make it far more difficult for the US to navigate these waters and project power in them.

Three important strategic and historical reasons underpin Chinese ambitions to exert control over its backyard. First, the Chinese have not forgotten what happened when they allowed other great powers to roam free in their surrounding waters. Painful memories of European invaders and Japanese occupation still linger strongly in their collective memory. Second, they care little for US support for Taiwan, which they consider as part of their own nation. Third, the US might not have invaded China, but allowing a foreign force to project power in your backyard is unacceptable. The US would not allow this either. There is a real

sense in China that it is merely claiming what is historically and rightfully theirs. China claims “indisputable sovereignty” over the region because, as Chinese navy commander Wu Shengli rhetorically asks, “How would you feel if I cut off your arms and legs?” (Kaplan 41).

### Noninterference: How China Tries to Keep Foreign Influences Outside

Second, I look at the principle of noninterference. China’s “century of humiliation,” started with Western representatives – who had their own sense of superiority coming to China – pressured it to open its borders, cultivate ties with other countries, engage in free trade and allow its citizens to be converted to Christianity (216). Consequently, China is innately suspicious of foreign officials, NGOs and the like interfering in China’s domestic affairs. Illustrative of this suspicion is the infamous *Document 9*. Andrew Wong, writing for Chinafile, a US-China relations publication, explains that this communiqué, produced directly under the reign of the current General Secretary (the current de facto leader of the Communist Party in China) Xi Jinping, is a remarkable repudiation of Western influence on Chinese civilization. During the third plenum of the eighteenth congress of the Communist Party in 2013, this document delineated seven Western principles which all members of the Communist party should oppose vehemently: Western constitutional democracy, universal values, civil society, neoliberalism, Western-style journalism, promotion of historical nihilism (i.e. a history wherein China appears less than favorable), and finally, the questioning of socialist reforms.

First, Western constitutional democracy would be aimed to undermine the Party’s leadership, negate their own constitution which authorizes centralized control to the Party rather than the checks and balance systems of the West (Par. 11).

Second, universal values are rejected because they consider these values, such as democracy, freedom, and human rights, not to be universal at all and would undermine their own “core values of Socialism” (Par. 13-14).

Third, the rejection of civil society is explained as follows: “Civil society is a socio-political theory that originated in the West. It holds that in the social sphere, individual rights are paramount and ought to be immune to obstruction by the state,” which the Party obviously does not want (Par. 17).

Fourth, neoliberalism is rejected because it promotes the “market omnipotence theory” and thus undermines the macroeconomic model China maintains that gives the State the power to influence the national economy significantly (Par. 24).

Fifth, Western-style journalism is seen as completely open and is an attempt to “oppose the Party’s leadership in the media, and gouge an opening through which to infiltrate our ideology” (Par. 28). Note that China’s “Great Firewall,” the limited internet access that Chinese citizens have, is part and parcel of this frame of thinking. This is clearly in stark opposition to Western ideas and ideology.

Sixth, a promotion of historical nihilism is rejected. This nihilism would be a historical account of China in which it appears less than favorable. Such accounts should not be accepted, let alone encouraged.

Seventh, social reforms should not be questioned in any way. This is the prerogative of The Party to decide.

As has historically been the case, confronted with potentially dangerous influences from Western or Christian origin on Chinese society, the power holders in China choose to block out any external influence that might corrode their own influence. This sense of suppression is

echoed by an anonymous Chinese write-in to *Foreign Affairs*. Youwei, as his pseudonym goes, writes that the era of “authoritarian adaptation” is over. In the preceding decades, the Communist Party has made several reforms such as a degree of market-liberalization, joining the WTO, and reforming social security. This has all come to grinding halt however, claims Youwei. The current Party members want to maintain the status quo in which they continue to hold the power. They have developed an “omnipresent, sophisticated, and extremely efficient apparatus of stability maintenance.” Youwei concludes that the reforms are over, authoritarianism is all what is left (2-7).

All of these developments and proclamations showcase how the Chinese leadership is exerting rigid control over its populace and has thus far been very successful in keeping foreign influences from damaging the control of the Communist Party over Chinese citizens.

### The Balance of Power: How China Is Trying to Rebalance

Third, I will look at the balance of power. As Nye noted, the US is far ahead in practically every single aspect of power, only seeing its economic preponderance slowly being eroded by an increasingly multipolar world. China is nevertheless trying to expand its power in many areas. One area Nye specifically identifies is the power of hub-and-spokes networks. This is power that is derived from being the hub of communications, whatever form that may take. The idea is very simple: “If you communicate with your other friends through me, that gives me power” (17). These kinds of networks also manifest themselves in financial matters. The dollar is the world’s default currency; this translates into many of the world’s financial transactions being conducted in this currency. This gives the US control over financial institutions that can, just to name one

example of power, freeze other people's or states' assets. China is carefully attempting to give more credence to its own currency in international transactions. Ibtimes reported in 2013 that: "As China moves up the economic pecking order, it has been trying to promote the yuan as an alternative to the U.S. dollar, which has been the dominant global reserve currency since the 1944 Bretton Woods conference." Karl Schamotta, a senior market strategist at Western Union Business Solutions based in Calgary, Canada, has said that: "as long as China's GDP growth stays above global growth, central bank reserves should increase their share of yuan holdings, eventually making it an important reserve currency. That said, that day is still 'a long way off'" (Zhang). The yuan has recently also been added to the IMF as an international reserve asset, presumably reluctantly. This inclusion would seem to suggest that IR scholar John Ikenberry is right to suggest that China will simply be absorbed peacefully into existing institutions (185). However, the recently created AIIB (the Asian Infrastructure Investment Bank) would suggest otherwise. *The Economist* explained in November 2014 that China uses the bank expand its influence relative to America and Japan, who make up Asia's current powerbase. For a long time, China has been wanting to get a fairer share in existing banks and infrastructure that are dominated by these two countries like the IMF (the International Monetary Fund) and the ADB (the Asian Development Bank). For example, Japan has twice as strong a vote in the ADB than China does and its president has always been from Japan. Impatient for getting more clout in these existing institutions, China is setting up rival ones like the AIIB (Par. 4). The fact that the US requested its allies like Great Britain to not sign up for it shows the concern the US has. This became worse when Great Britain quickly joined along with a host of other allies.

This development suggests that, rather than waiting to be accepted as a full-fledged member of the Western created institutions, China will create its equivalent institutions that will

compete with the Western ones. Another example of this can be found in the news industry.

News organizations like Reuters, the Associated Press, the BBC and other Western organizations have dominated this sphere. China is trying to make inroads in this area as part of its “Soft Power Push.” David Shambaugh, writing for *Foreign Affairs* elaborates that “[a] major part of Beijing’s “going out” strategy entails subsidizing the dramatic expansion of its media presence overseas, with the goal of establishing its own global media empire to break what it considers “the Western media monopoly” (Par. 11). Strong examples of these are its television station CCTV and the Xinhua News Agency. Both are responsible for both domestic and international consumption. Shambaugh writes that Xinhua functions as a Communist Party propaganda disseminator and should compete with the likes of the Associated Press, Reuters, and Bloomberg. Ultimately, it has ambitions to become a real modern multimedia conglomerate such as Viacom and Time Warner. Its twenty four hour TV news section should try to steal a market share from competitors like the BBC and CNN (Par. 12).

These examples show clearly that China is trying to rebalance the playing field. For many decades now, the Chinese realize they face an asymmetrical relation vis-à-vis the US in the Pacific; confronting them head to head would most surely result in a devastating defeat. Nye writes that Chinese strategists therefore developed a strategy of “unrestricted warfare,” comprising of electronic, diplomatic, cyber-, terrorist, proxy, economic, and propaganda tools designed to fool and exhaust American systems (of control). This type of war without fighting is nothing new, Sun Tzu, writing over 2.000 years ago, argued that it is best to win without even fighting (34). Kissinger also notes that China “traditionally has sought to dominate psychologically by its achievements and its conduct” (215).

To get a clear picture of how China is trying to alter the balance of power is to look at the South China Sea. As already mentioned in the section about territorial integrity and the literature review's section on Kaplan, China is trying to dominate this region. Kenneth Lieberthal, writing for *Foreign Policy*, notes that when Obama came in office, he proclaimed to be the "first Pacific president" (Par. 4). In 2011, the Obama administration became more "hard edged" and declaring the so-called "pivot to Asia" (Par. 29). China unsurprisingly is alarmed by this, because it reinforces their already prevalent suspicion that the US is trying to protect its global dominance and hamper China's rise (Par. 18).

#### The Non-Pivot: How the US Is Lagging in its Pivot to Asia

Navarro discussed with Elizabeth C. Economy on a podcast the strategies that both nations are taking with regards to the South China Sea. American strategy is one of showing strength through military might along with building a strong network of alliances with other Southeast Asian nations." These two would entail the so-called pivot to Asia. Joshua Kurlantzick, senior fellow for Southeast Asia at the Council on Foreign Relations, writes that "The concept of the Maritime Security Initiative seems to dovetail perfectly with the rebalance to Asia...for a more assertive response to China's activities in the South China Sea. In fact, the rebalance to Asia has...made bolstering bilateral security ties in Asia a centerpiece of the strategy" (Par. 2). Kurlantzick however also notes that what has actually been happening in Southeast Asia is more of a non-pivot. "The decline in actual assistance suggests the White House has not followed through on its vow to bolster security relationships with Southeast Asian nations" (Par. 3). The following infographic displays the gap in expenditures during 2010 and 2015.

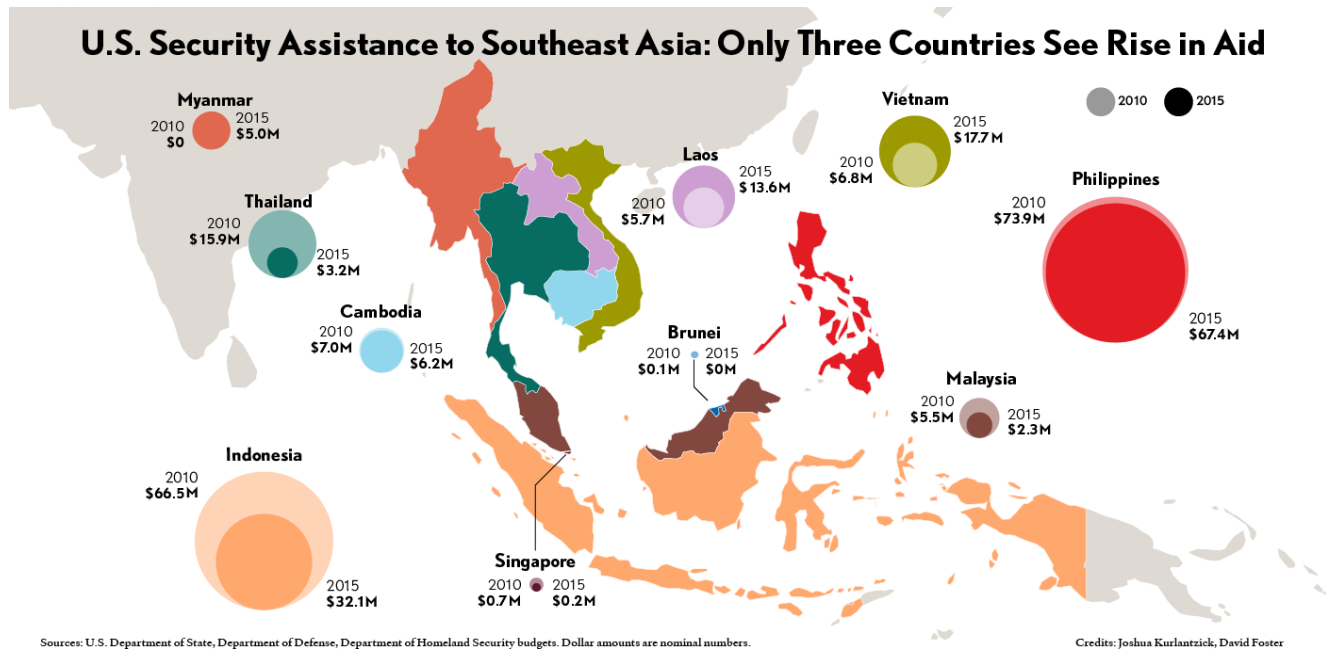
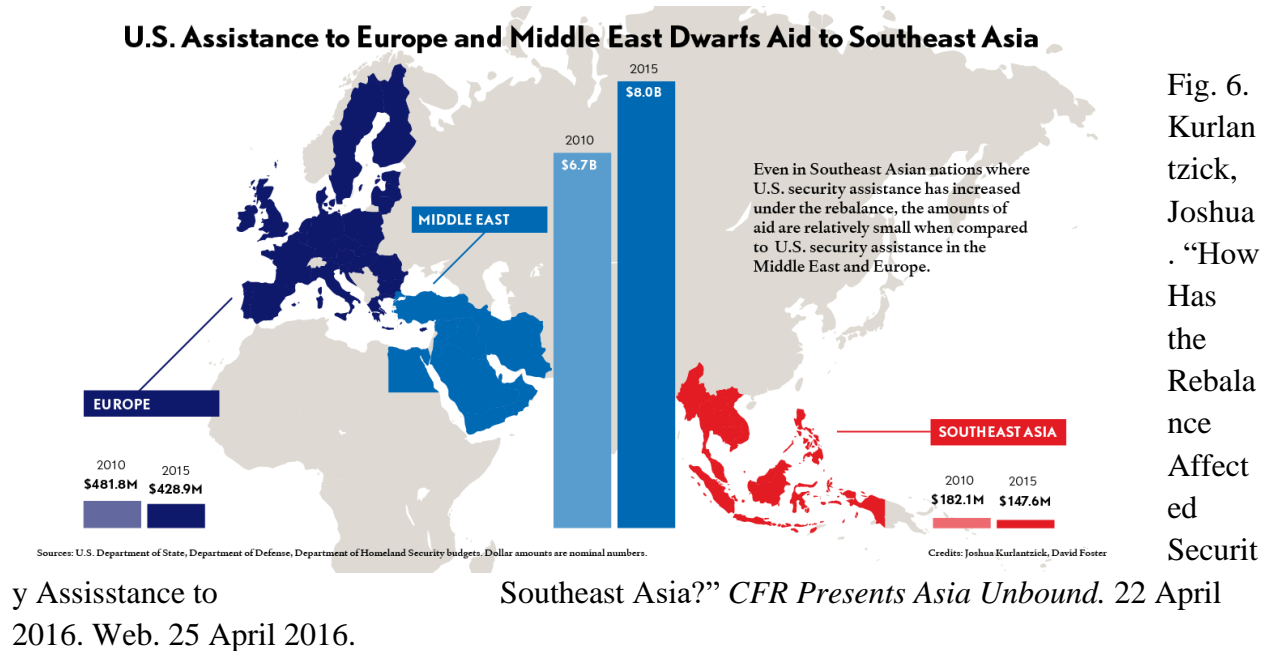


Fig. 5. Kurlantzick, Joshua. "How Has the Rebalance Affected Security Assistance to Southeast Asia?" *CFR Presents Asia Unbound*. 22 April 2016. Web. 25 April 2016.

Nearly every single country in this region has seen security assistance from the US decline over these five years. Moreover, the so-called pivot or rebalance to Asia was meant to indicate that US expenditures would be taken out of Europe and the Middle East and to be spent in the Western Pacific, as this is going to be the new center of gravity in geopolitics. Kurlantzick however notes that there is still a remarkable gap between these regions that still needs to be addressed if the US wants to follow through on its outspoken commitments. The following infographic displays the remarkable gap that remains in US assistance in these regions.



It is therefore not surprising to read headlines in *The Guardian* at the start of 2016 such as "Military power in Asia 'shifting against' the US, major report warns." If the US truly wants to "balance" China, then it had better put its money where its mouth is, to put it in vernacular terms.

Taking a closer look at the strategies, Navarro explains in his conversation with Economy that the Chinese have the doctrine of "Active Defense" and the doctrine of "Non-Transparency." The Americans, as said earlier, have a strategy of seeking alliances and deterring China through a display of military might. Kurt Campbell, Assistant Secretary under Hillary Clinton during her tenure at the State Department, explains in Navarro's book how dangerous these combined US and Chinese strategies are. First, China will feel ever more contained by these alliances being formed all around it, increasing the possibility for China feeling the need to show a stronger posture. Second, China's doctrine of non-transparency is all about not showing what it is capable of, this combined with the US' inclination to show its strength makes for a volatile cocktail in the South China Sea, especially when you consider that China has been arming reefs, acquiring great

numbers of submarines, and placing mines on the bottom of the South China Sea. These all make deterrence theory a very dangerous proposition. Moreover, the Chinese feel suspicious about the US claiming to be acting for the common good, because their approach of showing strength gives China the impression the Americans are acting according to the precept that might-makes-right.

During the podcast, Navarro also notes that Stephanie-Kleine-Ahlbrandt from the US Institute of Peace identified another strategy that China is employing, called Salami Tactics. This is a tactic wherein you do not escalate or undertake actions that prompt a strong military reaction. Instead, actions are taken that are just offensive enough only to raise verbal objections. This is exactly the tactic China has been undertaking the past few years, militarizing a single reef and then refraining from doing so again until attention wanes. Using civilian coastguard to bully fishermen in the Scarborough shoal and then pulling back again. Placing a large number of missiles aimed at Taiwan but not actually firing any.

In 2012, during a dispute with the Philippines, China displayed another strategy it has been deploying to gain territory in the South China Sea. General Zhang described the so-called “cabbage strategy” that was successful in wresting the Scarborough Shoal from the Philippines. The strategy involves surrounding a contested area with rings of civilian and paramilitary vessels, backed up by further removed military vessels, wrapping the area with layers and layers like a cabbage. An additional feature of this strategy is that because it are civilian vessels take over areas, it does not seem like a military grab (Navarro 143).

All of these actions indicate that China is playing it just safe enough not to start a conflict but are changing the facts on the ground to such an extent that, unless the US starts rapidly ramping up their presence and protecting their forward bases in the East and South China Sea,

then China will be able to get what they want through a show of force. In fact, China is already displaying an unwillingness to adhere to international norms, laws, and conventions (which are features liberalists rely on to make their case for a non-realist, non-zero-sum world) and instead show a tour de force to get what they want. The aforementioned tendency to not respect UNCLOS or the freedom of water navigations mentioned in the section on Kaplan is a prime example of this. Perhaps an even stronger example is China's unwillingness to address their various island claim disputes with the Philippines through an arbitration court ruling by the International Tribunal for the Law of the Sea. China refuses to even recognize the case the Philippines lodged against them. They accuse the Philippines of "political provocation" for having the gall to even lodge an arbitration case against them (Mogato Par.1). This causes the Philippines to openly ask the rest of the world: "Does it mean that China considers itself above the law?" (Mogato Par. 5). China wants to resolve the matter over territorial claims in the South China Sea strictly through bilateral talks. This makes sense because their military might and economic preponderance over all other nations in the region would give them considerable leverage during any bilateral talks. These are anything but the actions of a nation that sees itself as part of a liberal international community.

### The Cyber Domain: How Cyber Capabilities Alter the Playing Field

One very salient aspect in the US-China relationship is the cybersecurity phenomenon. Nye addresses cyber power by explaining how some of its features work and defines it as "the ability to obtain preferred outcomes through the use of the electronically interconnected information resources of the cyber domain (123). One other feature Nye correctly identifies is the "offensive

bias” inherent in the cyber domain: “Because the internet was designed for ease of use rather than security, the offense currently has the advantage over the defense” (125). Also, it is for example far easier and cheaper for a single hacker to start a DDoS attack than it is for a host to defend against it. What makes the offensive bias even stronger is that an attack is relatively easy to hide because the attack can be routed through various channels so that it is very hard to verify where the attack actually came from. It is no surprise therefore to often read stories of one party accusing the other of hacking and the accused party to vehemently deny these accusations.

Although Nye at least addresses facets of power in the cyber domain and how they work (which Mearsheimer does not do at all), he does not discuss the US-China relation with any great depth in relation to it.

Two of the foremost experts in this field, P.W. Singer and Allan Friedman, wrote the book *Cybersecurity and Cyberwar: What Everyone Needs to Know*. In it, they claim that “the issue of cybersecurity is looming ever larger in US-China relations” (7). There is a “dangerous brew” of tension, suspicion, hype, ignorance, confusion, and misinformation when it comes to cybersecurity, making the already suspicious nature of the relationship even more strained and potentially volatile. Given the openness, “the cyber world is the Wild West” (123). This is further complicated by the fact that there are no real standards set in international law or even a tacit understanding of what kind of attack in the cyber domain would constitute an act of war. This is still being vigorously discussed in international forums (126).

But the attacks in the cyber domain can be incredibly dangerous. For example, Mossad, the Israeli secret service, conducted “Operation Orchard” in 2006. By hacking into a Syrian official’s laptop they were able to ascertain that the Syrians were trying to develop a nuclear weapon. Afterwards, the Israelis hacked into the air defense network and completely shut it

down right before seven F-51I fighter jets flew over the Kibar complex and bombed it to smithereens (127). Without corrupting their defense networks through hacking operations, that would never have been possible. As more and more defense mechanisms become streamlined, these networks also become a much more attractive target for anyone who wishes to do harm.

The computer, like a knife or an airplane, can be a weapon. This weapon is ideal for infiltrating networks, gathering information, and laying the groundwork for an attack. Singer and Friedman write that “US military computers suspected to have been targeted by Chinese military hackers includes unit deployment schedules, resupply rates, material movements, readiness assessments, maritime prepositioning plans” among other things. This data would be very useful during time of war (128). Many experts in this field identify China as the most potentially dangerous foe in the cyber domain. It is often described as the USSR of the twenty first century. Former presidential national security adviser Brent Scowcroft has said that the situation is “eerily similar” (Singer and Friedman 138). Just like the arms race in the Cold War, the buildup of Chinese cyber capabilities was on par with the US CyberCommand (the US control center for cybersecurity) and the NSA during the same period. It became a top-funding priority for the Chinese. Behind these investments was the guiding principle that the PLA identified that the US military is heavily reliant on information systems. Note that this is exactly the same what Krepinevich said in Kaplan’s book. Falling in line with China’s aforementioned doctrine of “non-transparency” and the highly valued principle of noninterference, China has built its “Great Firewall,” designed to keep foreign influences out and “protect” its populace from Western ideas. This also perfectly dovetails the principles Xi Jinping laid out in his *Document 9*.

Given that there are no real guidelines, conventions, or laws regarding cyber warfare China has been able to utilize these tools effectively to reverse-engineer technologies to update

its military drastically without having to put the money in research and development. Navarro repeatedly emphasizes that the oft-repeated statistic that the US spends about seven times as much on its military as China is not a reliable statistic because China is getting all of its advanced equipment on the cheap. China has essentially been getting away with the largest theft scheme in history over the lack of these international internet laws.

Joel Brenner, former head of counterintelligence under the US Director of National Intelligence, tells that most American tend to think of war as having an on-and-off switch, it is either full-blown war or complete peace. “The reality is different. We are now in a constant state of conflict among nations that rarely gets to open warfare...Countries like China, with which we are certainly not at war, are in intensive cyberconflict with us.” David Rothkopf, editor of *Foreign Policy*, has labelled this form of cyberconflict a “Cool War” (Singer and Friedman 121).

### The Trends that Define the Future of the US-China Relationship

Taking all of these facts and facets into consideration and placing them in a realist framework, what can we make of this? I see several trends occurring. First, China is expanding its power on all fronts. The second trend is that China is slowly but surely displaying more and more carefully orchestrated acts of aggression and assertiveness in the South China Sea while its relative power is increasing. The third trend is that China repeatedly refuses to engage in any arbitration cases and continually insists on bilateral talks with the nations it has territorial disputes with. Thus, as China’s power is rising, it shows greater willingness to either flout international laws and institutions or simply set up its own institutions so it can set its own rules. Rather than becoming a responsible stakeholder in the liberal international order that has thus far been sustained by US

hegemony, China is setting up its own systems that favors its own interests. This is perhaps the most important point in arguing that China is changing the international system by upsetting the status quo.

Apart from these trends, I see a China that is anxious to right the wrongs of the past, reclaim its dominant position in Asia, and is strategically creating economic and military conditions in such a way this becomes increasingly likely. Only the US can function as an actual buffer against China's ambitions; and Communist Party members are resentful for what they deem the US' policy of containment.

I suspect these trends will continue, though at a slower pace. At some point, the US will be unwilling to face off against China in its own backyard because of its impressive defensive capabilities, making the cost-benefit ratio too risky. At the moment of writing, this does not extend to Taiwan yet, but it will if the US does not quickly and truly pivot towards Asia soon. It will get pushed out of the first-island chain sooner than many policymakers in Washington suspect. Especially the deterrent weapons like sea mines, brand new diesel-electric submarines, and the anti-aircraft carrier missiles will make it a very risky move for the US to exert its influence in this region. Nobody in the US wants to risk sinking aircraft carriers worth up to thirteen billion dollars and approximately 5.000 American lives working on it to protect Taiwan.

One could argue that China's slowing economy will mean that there is less to fear from China as their impressive economic growth spurt is grinding to a halt. However, as Nye pointed out, this might actually encourage Chinese policymakers to start a conflict. The Communist Party's lasting legitimacy has been based on their ability to bring wealth to a growing middle class, this slowing GDP growth rate might encourage the Party to seek out confrontation for a number of reasons. 1. Wartime conditions could bolster nationalism, a so-called "rally around the

flag” syndrome. 2. Wartime conditions could justify even further repression of political dissent. 3. A war could distract the dissatisfaction the populace feel for the ruling regime. 4. An external foe could put forward the argument that now is not the time for internal turmoil.

What I predict is roughly in the area of what Mearsheimer and Kaplan have predicted, but with a twist. To borrow the term David Rothkopf used to describe the cyber standoff between the US and China, I think a “Cool War” will be the future between China and the US on several fronts for the majority of the twenty first century. The definition of a “Cool War” is a competitive standoff between two parties that remain within the confines of acceptable aggression. This Cool War however is a very delicate dance, and specifically a crisis in the South China Sea could preface a drastic revision of this nebulous and ambiguous relationship, ushering in a far more hostile standoff in the Western Pacific wherein China will firmly and forcefully claim what it considers to be historically and legally part of its sovereign dominion.

What further complicates and potentially exacerbates this already delicate dance is the potential for perceived bad-faith bargaining. This occurs when two or more parties strike a deal or a settlement but then one of the parties does not stick to the agreed-upon settlement. One good example would be when the US mediated a negotiated settlement between the Philippines and China in 2012, with the two parties agreeing to withdraw their militaries from the Scarborough Shoal. When the Philippines navy retreated, the Chinese stayed, taking control over the shoal. This seems like bad-faith bargaining. However, the US State Department made the deal with the Chinese Foreign Ministry, who were easily overruled by the International Department of the Communist Party and the PLA when they presented the already agreed upon deal at Zhongnanhai (the Chinese equivalent of the White House) (Navarro 166). Given China’s predilection for non-transparency, it can be very hard to strike an agreement because it is unclear

if you are negotiating with those who have the power to implement negotiated deals. Of course, something similar can be said for negotiating with the US, whose Congress can refuse to ratify any agreement presented to them. These difficulties make negotiated agreements a lot more difficult, and if repeated attempts at negotiated settlements fail, the alternative often is to use force.

It is however important to note that China will not seek out a larger confrontation with the US because it will not have any power parity anytime soon. This will take several decades at the very least. This is also what Nye has also said. The flaw in placing too much confidence in this however – which is pervasive among foreign policy circles – is that this means that China will not be able to secure its goals and commercial interests, most notably in the South China Sea. China does not require to have an equally powerful navy in order to push the US out of its backyard. This is why article titles such as “Why China won’t overtake the United States” are so misleading. These articles are replete with comparative facts and figures that obscure the geostrategic reality in the Western Pacific. To wit, during the Korean War in the early 1950s, North Korea deployed some three thousand mines in its surrounding waters, frustrating Rear Admiral Allen Smith to no end. “We have lost control of the seas to a nation without a navy, using pre-World War weapons, laid by vessels that were utilized at the time of the birth of Christ” (Navarro 73). This should be a lesson for the US that its superior capabilities will not give them much leeway within the first island chain. I predict, as Kaplan did, that sooner or later the US will have to make room for the Chinese navy, at least within the Taiwan Strait and the Paracel Islands. It depends on how the US responds to these developments how much further China’s reach will grow.

## The Cool War: What to Expect

The twentieth century was defined by a Cold War between the US and the USSR. In this thesis, I am predicting that the twenty first century will be defined by a Cool War between the US and China. I want to make clear what some of the differences will be between these two types of wars. Unlike the Cold War, the Cool War will not have a constant sense of a nuclear threat (even though it technically does exist, just as it does now). It will not have nuclear brinkmanship á la the Cuban Missile Crisis. It will not have the zoning off an entire economic zone, rather, both the US and China will be heavily involved in extensive networks of global trade. There will also be no annexing of complete countries as the USSR did, though China does want to solidify its claims in Tibet, Xinjiang, Aksai Chin, Arunachal Pradesh, Taiwan, the Senkaku/Dioayu islands, and the various islands and reefs in the South China Sea. There will not be any strong derisive labels such as Reagan's "evil empire" that was pinned to the USSR, unless the competitiveness and/or an isolated incident dramatically unfolds. Identities will not be constructed in such a way that they are in opposition to each other, though suspicion and hostility will grow and fester as time passes. This of course will be rapidly exacerbated should any ship or aircraft be taken down á la the Lusitania, May 7, 1915. Such events would of course be attempted to deescalate through crisis diplomacy. Nevertheless, there will be attempts at public displays of strength by violating each other's naval and air zones, not unlike Russia repeatedly violates that of NATO members this year. The standard form of attacks will be via the cyber realm until an international legal consensus is reached, if it ever will.

The Cool War will be increasingly dominated by realpolitik in specific areas such as the South China Sea as China uses its growing military power to achieve its aims. This however will

be deescalated with attempts by many world powers to try and bring China to the negotiating table, using preventive diplomacy, crisis diplomacy, and tenuous attempts at confidence building measures. Nevertheless, as time goes on, the twenty first century will increasingly be hallmarked by this agitated competition.

### Conclusion: What All of this Means for the Future

Given how important power relations are in international politics, the potential implications for China upsetting the liberal international order are seismic. During this thesis, I have tried to elucidate the evolving US-China relationship by highlighting the changing power relations in the immensely important geostrategic region that is the South China Sea and by showing how China approaches international relations in this day and age. I have attempted to do this by showcasing some of the tactics that are being employed by both sides, by discussing how the relatively new cyber domain adds a new dynamic to the relationship, and by giving a prediction as to what we can expect from China in the next few decades. I also hope to have adequately underlined the relevance of this evolving relationship for the subject of international relations.

In sum, what are the relative power positions between the US and China? The US is far ahead in virtually every facet of power that we discussed. China has a few niche military applications, such as the new class of electric-diesel submarines and the aircraft carrier killer missile that have been carefully developed and give China an edge in the South China Sea. Therefore, its relative weakness to the US overall will not impede it from achieving its aims in the South China Sea. Having said that, it will take a very long time for China to catch up to the US. It is an emerging potential superpower, not a peer to the US. It would be mistaken however to place too much stock in this asymmetry.

What strategies are being employed by the two? The US has been developing a two-tiered strategy by bolstering alliances in Southeast Asia and inducing China to follow the international norms and laws by showing its strength. China has an official doctrine of “active defense” which entails the militarization of the South China Sea territories that it claims for itself. Additionally, they have a doctrine of non-transparency, which they exercise by putting tight controls on the internet and uphold rigorous guidelines for its journalists. China also employs “salami tactics,” escalating conflict and grabbing territory in the South China Sea piece by piece but keeping it small enough so as not to incur any significant backlash. Finally, China also has a “cabbage strategy” which entails using civilian and paramilitary vessels to realize its territorial claims.

Cyber-technology has been hugely important in forming the relationship, as China’s shrewd hacking techniques have enabled them to close the technological gap with the US significantly. The unestablished norms on cyber affairs have created the “Cool War” situation and I hypothesize this can be seen as a model for how the overall relationship between the two will evolve over the next few decades.

The liberal international order will become increasingly fragile as China grows more powerful relative to the US. Other nations will be naturally more inclined to side with China on a variety of issues, which will further embolden China. Having said that, the current order will be in good shape for decades to come.

Given that I predict a “Cool War” rather than either war or peace, I find myself somewhere in between Mearsheimer and Nye. Given the geostrategic importance of the South China Sea however, I consider the potential for conflict to be very great and therefore estimate

that Mearsheimer's prediction is more likely than Nye's peaceful one. Mearsheimer does gloss over some obviously important facets such as the cyber domain. In investigating this relationship, however; I have found that this is an area that is likely to cause more friction between China and the US than be a tool for democratization in China. Nye's arguments for a peaceful rise such as the economic interdependence and the preponderance of American power fall a little short given the volatility of the South China Sea. However, the systemic factors Mearsheimer leans on to make his argument are far too deterministic. Moreover, saying that conflict is inevitable could turn into a self-fulfilling prophecy.

My prediction, "the Cool War," would be defined by a relationship that is fiercely competitive and very tense, and has the potential to easily spiral out of control if not handled very delicately. It would be peaceful in some areas, hostile or competitive in others; always with the potential to quickly escalate. As such, both Nye and Mearsheimer are a little right; it depends on how China and the US (not to mention their allies) choose to engage one another in this difficult and potentially volatile time – it is human agency that will decide how this turns out.

It is important to underline that in international politics, it are often the completely unanticipated events that form and break old and new relationships, changing the dynamics of the entire field. "Politics make for strange bedfellows," the saying goes. The same is true for international politics. A good example, ironically, would be the rapprochement between China and the US during the Nixon administration.

I also want to reiterate that I do not believe in the inevitability of war, as I believe that events are shaped by human agency and human decisions, not by systemic factors. However, it takes everyone to make peace, it only takes one to cause conflict. And I believe that the Chinese

are willing to use force to achieve their aims. In fact, they have stated repeatedly they are willing to fight over Taiwan to bring it back to the motherland (Navarro 118).

The US might very well be too slow to catch up to what US policymakers have largely been ignoring with regards to China and the first island chain. This will not necessarily lead to a conventional war, but it will make for a very tense situation in one of the most geopolitically significant areas of the world. It is therefore important to keep a close eye on the events as they unfold and investigate potential areas for strategic military advantages that could be used to dampen Chinese assertiveness in the Western Pacific that undermine international law. Furthermore, transatlantic alliances should be bolstered so as to balance against the rise of East-Asian states, which are developing economically and militarily at speeds the likes of which the world has never seen before. What is most important in considering the changing status quo however is what former US Assistant Secretary of Defense Kurt Campbell astutely addressed: “I will tell you the most important thing is to get our own domestic house in order” (Navarro 260). It is with this sage advice I finish my thesis. After all, the best way to succeed on the international level is not to impede the progress of others, but to excel yourself and reap the consequent benefits of your alliances.

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