

# **Rise of China and Great Power Politics in Asia\***

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## I. Rise of China and East Asia

### 1. Economic Rise of China

#### 1) Rise of China is a historical phenomenon.

- China had been in decline for five hundred years since the Yongle Emperor (1360-1424) era of the Ming Dynasty.
- It has made a remarkable economic development since the economic reform was started in 1978.
- Its GDP surpassed the Japanese in 2010 and is being seen as the only potential power that would threaten the hegemonic status of the U.S.

#### 2) Growing voice of China

- Chinese share of IMF increased from 3.99%(No.6) to 6.19%(No.3) in 2010 and its share of IBRD increased from 2.77%(No.5) to 4.22%(No.3) in 2010..
- The Chinese RMB shows a growing possibility to become the third key currency after US dollar and euro.

### 2. Politico-Military Rise of China

#### 1) G2 and a new type of great power relationship are increasingly often quoted to reflect the US-China relationship.

#### 2) Polling results of Pew Research

- The majority of respondents in 2011 note that China has become a great power.
- The majority of respondents in 2012 predict that China would replace

the U.S. ultimately.

- 3) US-China Strategic and Economic Dialogue (SED) has become a regular consultation mechanism to discuss bilateral and global issues.

### 3. China's Military Modernization

#### 1) Rapid rise of defense budget

- Annual rate of increase (2001-2012): 15%
- Defense budget of 2012 was US\$106.4 billion that had increased from 2011 by 11.2%.
- Chinese defense budget is different from defense expenditure since defense budget does not include R&D, nuclear and missile-related budget, subsidies for reserve forces, military school and think tank budget, etc. Chinese defense expenditure is 1.5 times larger than its defense budget.

#### 2) Expected narrowing gap between US and China

- Chinese military expenditure of 2011 is about 20% of the U.S.
- U.S. plans to curtail the defense budget up to US\$700-900 billion for the next 10 years to reduce the fiscal deficit.
- If this kind of trend continues (US annual defense cut of 17-18% and Chinese defense increase of 10%), the Sino-US gap of military capability will diminish significantly.

#### 3) Strengthening asymmetrical capability

- China is concentrating its investment on strengthening asymmetrical capability to prevent the U.S. from projecting its preponderant power to its adjacent area.
- A2/AD strategy is focused on the possession of thousands of ballistic and cruise missiles and accelerated development of air-to-vessel missile bombers, submarine task group, radar and reconnaissance satellite, and of cyber / space weapon systems.
- China has ballistic missiles that can drop their warheads over the deck

of a US aircraft carrier that is located 1,500km away on the western Pacific.

#### 4. China's Foreign & Security Policies in East Asia

##### 1) Protecting core interests

- President Xi reaffirmed “sovereignty, security, and development” as China’s core interests at the 3<sup>rd</sup> meeting of the Party’s Political Bureau on January 2013.
- It is unclear whether the geographical scope of China’s core interests includes South China Sea, East China Sea, and the Korean Peninsula.

##### 2) Maintaining stable relationship with the U.S.

- In light of the circumstances that do not allow China-centered East Asian order, China is focused on maintaining a stable relationship with the U.S. for the sake of continuous economic development.

##### 3) Active promotion of regional cooperation

- Respecting ASEAN centrality
- China leads RCEP as a counter to US-led TPP

## II. Great Power Politics Surrounding China

### 1. US-China Relations

- 1) Thomas Friedman (NYT) said, “China is a threat, a client, and an opportunity for the United States.”
- 2) A new type of great power relationship?
- 3) Competition over maritime supremacy
  - China is gearing up to challenge the hegemonic status of the U.S. in the western Pacific since the end of the Pacific War. (aims to break through the first islands chain)
  - Nicholas Spykman used to call the South China Sea as the Mediterranean Sea of Asia, now it is called a Caribbean Sea of China.

## 2. China-Japan Relations

- 1) China believes it has overtaken Japan not just in terms of GDP but national power.
- 2) Japan tries to deal with the rise of China through “external balancing” (strengthening its security relationship with U.S., Australia, India, and ROK?) and “internal balancing” that increases its defense expenditure.

## 3. China-Russia Relations

- 1) In the 2011 Levada Center polling, 29% of Russians saw U.S. as an enemy, while only 9% of them chose China. In 2012, 35% of Russian picked U.S. while 4% of Russians chose China as an enemy state.
- 2) Russia, which respects the international order based on national sovereignty, shares the common interest with China.
- 3) China is interested in aligning with Russia to shake US-centered order in Asia although it is uncertain China will be sharing its leadership with Russia in the future.

## 4. China-India Relations

- 1) India is in an advantageous position in that US tries to utilize India to constrain Chia and China attempts to take India apart from US.
- 2) India should strengthen its deterrent capability through nuclear and conventional weapon systems to deal with the growing gap of military capability between India and China.
- 3) India also sees the need to treat China a strategic partner in the transformation process from unipolar to multipolar international system.

## III. Great Power Politics and Korea

### 1. Two Perspectives

### 1) Need for Concert of Asia

- Great power relations surrounding the Korean Peninsula are reminiscent of great power politics in the 19<sup>th</sup> century.
- The 100 years of peace in Europe between the Vienna Convention (1815) and WWI (1914) was possible due to Concert of Europe among UK, France, Prussia, Austria, Italy, and Russia.
- Contemporary international relations of Asia are similar and Concert of Asia should thus be established.

### 2) US-led Asian order

- Multipolar system is inherently unstable.
- US has been playing a stabilizer role through its military presence in Asia.
- The withdrawal of US forces from Asia would lead to unstable multipolar system in which major powers will be involved in unlimited power competition without being converged on a stable international order.

## 2. US Rebalancing toward Asia

- 1) US-led financial crisis of 2008 could have provided a turning point with which an unstable multipolar system would emerge in Asia.
- 2) Under the banner of “US rebalancing toward Asia” the United States returned to Asia in 2011 and has been trying to maintain the leadership role that stabilizes great power relations including China.
  - Deepening alliances; responding to China’s rise; strengthening cooperation with ASEAN; and being active in regional cooperation (based on Asia Pacific regionalism)
  - It is the first time the United States is taking part in a multilateral framework (EAS) that it did not initiate.

## 3. Korea’s Foreign Policy Responses

- 1) The Park government gives highest priority to ROK-US alliance since it is the linchpin of peace and stability in the Asia Pacific region.
  - 2013 US-ROK Joint Declaration: “We pledge to continue to build a better and more secure future for all Korean people, working on the basis of the *Joint Vision* to foster enduring peace and stability on the Korean Peninsula and its peaceful reunification based on the principles of denuclearization, democracy and a free market economy.” (It is meaningful in the sense that this summit has reconfirmed US commitment to Korean reunification rather than looking at North Korea from the narrow perspective of non-proliferation.)
  - Comprehensive strategic alliance to Global Partnership: climate change, clean energy, energy security, human rights, humanitarian assistance, development assistance cooperation, counter-terrorism, peaceful uses of nuclear energy, nuclear safety, non-proliferation, cyber security, and counter-piracy.
- 2) The Park government also tries to have better relationship with China on the premise that the central axis of Korea’s foreign and security policies is the ROK-US alliance and that US-ROK and China-ROK relations can be compatible, not being a zero-sum relationship.
- 3) At the joint session of US Congress on May, President Park proposed Northeast Asian Peace and Cooperation Initiative.
  - “The US and other Northeast Asian partners could start with softer issues. These include environmental issues and disaster relief. They include nuclear safety and counter-terrorism. Trust will be built through this process...But it will be firmly rooted in the Korea-US alliance.”
  - *Trust Politik* on North Korea is aiming at denuclearization and North-South dialogue. NAPCI is not supposed to precede TP since it could give an impression that neighboring countries could start a dialogue with North Korea before NK makes commitment to denuclearization.
  - TP and NAPCI share some similarities with US rebalancing strategy since they are anchored upon ROK-US alliance and aimed at promoting cooperation with other countries. In this sense, we can explore synergistic effect among the three. (###)