

University of California San Diego Ellsworth Memorial Lecture  
Atkinson Pavilion, UCSD Faculty Club  
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### The Changing Geopolitics of East Asia

The United States is facing a new set of challenges in East Asia. China's rapid economic development over the last three and a half decades has transformed its position in East Asia and the world. Its growing economic strength, military capabilities, and political influence are giving the United States a run for its money in a region of the world where we have been the dominant power for the last 70 years. In the past our dominance was sorely tested by wars in Korea and Vietnam. More recently, it has been an important factor underpinning the stability in East Asia that has permitted most of the countries of the region to focus on economic development rather than military buildups. That era may be ending.

The US position remains stronger than might appear from a mere statistical comparison of the relative strengths of China and the United States. This is because the dynamics of the region are in our favor. East Asian countries do not want to be forced to choose between China and the United States. Many nationalistic Chinese want Beijing to use its new military and economic muscles in a more assertive fashion. But when China behaves in that fashion it drives its neighbors into the arms of the United States. Conversely, when China behaves responsibly, its neighbors all want to strengthen economic cooperation with it.

If we can capture that dynamic in our policy approach to the region, using our military presence to deter intimidating Chinese behavior, while expanding cooperation with China in areas where our interest overlap, then the East Asian miracle will continue to have a solid footing. This approach would require the United States to set as the goal of its policy the encouragement of responsible behavior by a more powerful and influential China, rather than pursuing a vain quest to preserve our traditional dominance in air and naval power.

Accomplishing this will not be easy. If mishandled this approach could be seen as a sign of weakening US resolve to preserve a military balance in East Asia sufficient to reassure our allies and friends regarding the credibility of our security commitments. Moreover, this policy approach would require close integration between our military and diplomatic actions in the region.

Why do I call preserving our traditional air and naval dominance in the western Pacific a "vain quest"? The hard reality is that the PLA's rapid military modernization over the last 20 years has caused the net change in capabilities to move in favor of China, even though the aggregate capabilities of the US military remain far superior. This trend line is likely to continue in the absence of a severe economic crisis on either side of the Pacific. The key question is whether we should continue to think and talk in terms of "dominance" under these circumstances.

Let's examine this proposition in terms of what is happening in the western Pacific.

For a quarter of a century, since the collapse of the Soviet Union in 1991, we have enjoyed overwhelming military superiority throughout the world. To quote from a recent RAND study:

“Not since the Vietnam War has the United States fought a sustained air superiority campaign in which U.S. aircraft were challenged by both enemy fighters and ground-based air defenses. Not since World War II has it fought an enemy capable of putting its major surface ships or submarines at risk through anything other than surprise, one-off raids. Nor since that time has it fought a high intensity war in which its support facilities, including regional air and naval bases were expected to operate while under systematic conventional attack. And it has never fought an opponent armed with precision standoff weapons, operationalized counterspace capabilities, or well-developed and practiced cyberwarfare capabilities, much less one armed with nuclear weapons.”

In a conflict with China, however, we would face a situation radically different from our recent wars. To quote again from the RAND study:

“ . . . this would be a war in which the United States would be challenged in the air, on (and under) the water, in space, and across the electromagnetic spectrum. U.S. forces would be hard-pressed from the start, and they would probably not enjoy sanctuary in regional bases. Also, unlike recent wars, the U.S. military could well sustain significant air and naval losses.”

Such a war would almost certainly be fought by conventional forces, since both sides would risk destruction of their homelands if the war escalated to all-out nuclear exchanges. And indeed, such a conflict, even at the conventional level, is highly unlikely, if only because the United States and China are not foolhardy and do not have differences that would justify the losses such a war would entail. China is not governed by rulers who are inclined to throw away the benefits of thirty-five years of rapid economic development by confronting the world’s strongest military power over peripheral issues. They are aware that the United States, even as strategic rivalry with China has intensified, is not seeking to undermine China’s territorial integrity or other core interests.

If these judgments are accurate, the United States needs to consider soberly what the proper balance should be in our East Asian policy between the military, diplomatic, economic, and psychological factors that are component parts of our grand strategy. We have good reasons for strategic confidence in dealing with a more powerful China. In fact, I would offer the proposition that China can be a powerful country in peacetime, but has enormous vulnerabilities under major wartime conditions. Let’s examine that proposition from various angles.

Geographical factors.

First, let’s consider China’s geographic situation. It has land borders with 14 countries, some small and inconsequential, others, like Russia and India, wielding significant power and resources. There are 14 more countries in China’s near abroad, including major countries such as Japan, South Korea, Indonesia, and Iran. Four of its land neighbors have nuclear weapons, and the United States has a nuclear umbrella over Japan and South Korea. Moreover, China does not

control the island chains on its eastern flanks. Its naval access to the Indian Ocean is restricted by narrow straits. So China can develop formidable naval capabilities along its coastal areas within the first island chain, as it is doing, but it lacks unfettered access to the open oceans, whether the Pacific, the India Ocean, or the Arctic Ocean. Anti-access, area denial is a two-way street.

In addition, vast sweeps of China's western regions are occupied by ethnic minorities such as the Tibetans and the Uighurs in Xinjiang living in their historic homelands. These regions are vulnerable to separatist sentiments. As a result, China attaches particular importance to preserving national unity and territorial integrity.

Historical factors.

Second, China's historical experience is radically different from our own. The United States has existed as an independent nation state for less than 300 years. Through much of that time, our principal threats came from European powers separated from us by an ocean to the east but with colonial footholds in the Western Hemisphere, where we soon emerged as the dominant power. The Monroe Doctrine was, in essence, an expression of our intention to retain that dominance.

China's historical roots extend back for over 3,000 years. Throughout most of that time, China has overshadowed its neighbors in terms of the size of its population, the vitality of its culture, and the productivity of its economy. This has cultivated a self-image among Chinese of China's rightful place as being the central overseer of a civilized world

The harsh reality has been different. China was never able to assert military dominance over East Asia as a whole. Maritime East Asia always remained beyond its reach. The Mongol rulers of China twice launched invasions of Japan from Korea and failed. Similarly, they sent a naval expedition to Java but were forced to withdraw in defeat.

Even on its land borders, China was only sporadically able to assert military dominance over its neighbors. From the beginning China has faced formidable threats along its borders. For nearly half of the last 1,000 years, Han Chinese have lived under alien rulers. Modern history has not been kind to China. It lost vast swathes of its territory because of weakness. It lagged behind Japan in modernization. In the 19<sup>th</sup> and 20<sup>th</sup> centuries its wars were fought inside China or on its borders.

With good reason, Chinese believe that over the last two hundred years they have been bullied and victimized by stronger powers. They are determined not to let this happen again. Chinese believe their own rhetoric that their goal is not to dominate but to avoid being dominated. Their neighbors, not surprisingly, are skeptical of this claim. Moreover, the Chinese may be poor judges of their own future behavior. since their military modernization gives them unprecedented capabilities to bully weaker countries around their periphery.

China's security dilemmas are compounded by the reality that China powerful neighbors are not the only constraints on Chinese behavior. Distant countries such as the United States have played an important security role in East Asia for the last century and a half. From 1854 to 1941, US gunboats cruised China's inland rivers to protect American interests. As recently as 1948, during

the Chinese civil war, as a thirteen-year-old I was evacuated from Nanjing to Shanghai on an American destroyer that had cruised some two hundred miles up the Yangtze River to China's then capital city. A few months later a British destroyer, the Amethyst, was damaged in the same stretch of the Yangtze by communist artillery fire from the north bank of the river.

### Political and social factors

Let's also briefly consider some of the political and social factors that affect the outlook for China. Under its recent leaders, the Chinese Communist Party has abandoned fundamental features of classical Marxism. It no longer speaks of class struggle but promotes a harmonious society. Under the concept of the "three represents," the party no longer claims to speak for the proletariat but rather represents entrepreneurs, intellectuals, and all of the people rather than a subset. Throwing Marxism out of the window is still controversial in China, so China's leaders call their new brand of market economics "socialism with Chinese characteristics." Nevertheless, under Xi Jinping, the party has decreed that the market should be the decisive factor in setting prices and determining the allocation of resources.

China also has a unique form of authoritarian, one party rule. It has set rigid age limits for top leaders that prevent them from holding official positions beyond the age of 72. Once top party and government leaders reach the age of 68, they can no longer be elected to the Central Committee of the party by the Party Congresses that are convened very five years. This means that new leaders when they rise to the top are at least ten years younger than their predecessors. In the meantime, tens of thousands of China's best and brightest students study abroad every year, including the children of top party leaders, mostly in western educational institutions. Roughly 100 million Chinese travel abroad every year for business or pleasure, and mainland travelers have provided a major stimulus to tourism in East Asia, including Taiwan, and further afield in Europe and the United States. No authoritarian system in modern history has operated under such circumstances.

It is against this background that China's current top leader, President Xi Jinping, is struggling to manage a Herculean task, that is, to preserve the stability necessary for sustained economic growth in an authoritarian system that is remarkably open to the outside world and to outside influences. To a significant degree, Xi's task is different from that of his predecessors in that the nature of China's society is radically changed from what it was at the beginning of the reform and openness process. From a Politburo with no university educated members in 1982, you now have a Politburo consisting almost entirely of leaders with university or post graduate degrees or the rough equivalent.

This reflects the sweeping changes in the population, where there are far greater numbers of citizens with full high school or university educations. Even more important, the upper layers of the party, government, business community, and education are larded with individuals who have studied abroad, and in many cases worked abroad, for periods of considerable length, far longer than is the case with Americans students of China, Japan, or even Europe.

It is this exposure to the outside world that makes China so different from the communist societies of the Soviet Union and Eastern Europe in the period from the end of World War II to the beginning of the 1990s. Xi faces the Sisyphean challenge of trying to preserve the essentials

of an authoritarian system in a country that is too open to the outside world, both politically and economically, to make this feasible over time, in the absence of a legitimization process that China lacks. The time frame for judging where this process is heading is far longer than most Westerners are prepared to acknowledge. For the moment, the inflection points are built into China's political system as currently constituted, i.e., the decade long transition in top leaders, with age limits that result in generational shifts in the outlooks and experience of the successors.

This is a new phenomenon in authoritarian systems. The normal pattern in such systems has been for top leaders to hang on as long as they could. Even Lee Kuan Yew, with his double firsts from Cambridge, kept his top position in Singapore for some three decades. Viewed in this context, one can reasonably doubt that the current system in China is sustainable. There are two alternative pathways, neither of which may be viable. The first is to try to preserve authoritarianism by making exceptions to the age limits and, possibly, by progressively restricting access to the outside world. The second would be to open up the political system and institute some sort of electoral process that can meet the needs of legitimization and produce a more representative system of governance. The second pathway is what happened in South Korea, Taiwan, and Indonesia, while Thailand provides a mixed picture.

Here the issue of scale becomes a major consideration. It is far from clear that a country as populous and diverse as China can have both representative governance and stability at the same time, except for periods of limited duration. We won't know until they try it, but the odds are not favorable. Xi's dilemma is that it is also far from clear that you can have stable authoritarian governance in such a country if it keeps its doors open to the outside world and has a globalized economy. In short, China is plowing new ground with considerable uncertainty over what the harvest will be.

Given these considerations, Xi is biting off some pretty big mouthfuls. The anti-corruption campaign is shaking up the party, the government, and the military. Tens of thousands of officials, some at senior levels, have been removed from their positions, disciplined, or prosecuted. The economic reforms are threatening the position of the giant state owned enterprises that represent a powerful interest group in China. The military reforms he is undertaking, including the realignment of military districts and the shift of emphasis from the army to the navy, air, and missile forces, have significant implications for promotions and career patterns.

President Xi Jinping has also been transparent in setting ambitious growth goals, which will come due before the end of his second term. And if the age limits stay in place, the 19th Party Congress will produce a major restructuring of the Politburo and especially the Standing Committee. Xi will need the luck of the Irish to pull all this off. He is certainly not marking time. So there could be some exciting times ahead.

What is the significance of these geographic, historical, and political/social considerations? The Chinese Foreign Minister summed it up succinctly in his comments at the Center for Strategic and International Affairs a few weeks ago when he eloquently stated: China is not the United States. We sometimes forget that distinction. For example, a leading American political scientist has stated that China's goal is to dominate East Asia, just as the United States has dominated the Western Hemisphere. In his view, that is the way great powers behave.

Perhaps so, but history has demonstrated that some regions of the world are not subject to domination by major powers. No major power has been able to dominate Europe for the last 200 plus years. Napoleon tried and failed. So did Hitler. Stalin and his successors were deterred from trying. East Asia is another such region. Japan tried to dominate it and suffered a catastrophic defeat. Postulating that China's goal is to dominate East Asia ignores geographic and historical factors.

#### New factors

What is significant is that for the first time in modern history, China is developing military capabilities that significantly improve its ability to defend its interests within the first island chain extending from Japan down through the Ryukyu Islands and Taiwan and on to the Philippines. This represents a challenge to traditional US air and sea dominance in the western Pacific, a status that the United States has enjoyed since the end of WWII. In particular China's growing military capabilities impact on US defense alliances with Japan and the ROK and on US security responsibilities with respect to Taiwan, as detailed in the Taiwan Relations Act.

Against this background, the key policy question is how to maintain the credibility of our alliances with Japan and the ROK, and of our responsibilities under the Taiwan Relations Act, in the face of China's challenge to US air and sea dominance within the first island chain. Maintaining the credibility of our defense arrangements in East must be considered a fundamental US security interest. At the same time, it is incumbent on us to recognize and take into account China's fundamental security interests, which include keeping Taiwan within a one China framework and defending its homeland against external threats.

These two fundamental security interests are potentially, but not inherently, incompatible. They become incompatible only if neither side is willing to accommodate, in some fashion, the other's fundamental interests. An additional complicating factor is North Korea's progress toward achieving a nuclear deterrent that can restrict US freedom of action in defending itself and its allies.

#### Key considerations.

Within this context, we also need to ask ourselves: what security posture can the US economy support? This is not a purely economic question. US lack of preparedness at the beginning of World War II was not so much attributable to economic weakness as to the unwillingness of the political system to direct economic resources to military preparedness.

Viewed from this perspective, the strength of an economy, in public policy terms, cannot be measured narrowly in terms of the size of a GDP. If the political system is unwilling to direct resources to defense needs, and to other components of national power that enable us to play a robust international role, then the government must labor under self-imposed handicaps that will limit its options. These other components include diplomacy and institutions such as the Export-Import Bank that support our global economic interests.

From this standpoint the US economy is too weak to support our traditional global role. We are barely funding the military component of our security posture, which nevertheless is being eroded by sequestration. We are grossly underfunding the non-security dimensions of our foreign policy apparatus. In addition, we are refusing to address the infrastructure requirements of a major country, reflected in the declining quality of our roads, bridges, airports and transportation networks.

To illustrate this point, since 2007 China has brought into service over 10,000 miles of high speed rail of a quality that makes our rail system a national disgrace. We are passing on the costs of our international security role to future generations. We retain domestic support for our military operations abroad by not asking the voters to pay the costs and by relying on a volunteer military force so that resistance to the draft does not constrain government options. These are the signs of a declining power.

This still leaves us with the question of what to do about the gradual erosion of US air and naval dominance in the western Pacific. Should we make an all-out effort to preserve that dominance, or, at some point, should we conclude that US interests will be best served by trying to stabilize the military balance with China at a level that both sides can live with. For conceptual purposes, I would define such a level as one where each side possesses capabilities sufficient to deter inclinations by the other to use force to resolve serious differences, but with each lacking the dominance that could, in the eyes of the other, foster aggressive intentions. In the case of the United States, this would also need to take into account the need to retain the confidence of our allies.

If we opt for the first choice, the inevitable result will be a competition of military budgets, with each hoping against hope that it can prevail by gaining incremental advantage against the other over time. Obviously, in such a competition, trend-lines in relative economic strength would be a key consideration. This should be measured not in terms of aggregate GDP, but in the ability of the respective economies and political systems to generate the governmental funding, and retain the public support, necessary to support the country's great power role, both military and non-military, domestic and foreign.

Nor should such a competition be viewed as a strictly bilateral one between the United States and China. The ability of each side to muster support from friends and allies, in the form of complementary military capabilities and willingness to offer access and formal and informal basing arrangements, would be an important consideration.

These are important issues that should lie at the heart of US long-term strategy. The key elements of such a strategy should also have bipartisan support to ensure continuity in the face of electoral changes in party control of congress and the executive branch. It is far from clear, at the moment, that our political system, as it is presently functioning, is capable of developing such a long term approach.

Unlike the United States, China's leaders think in terms of long term goals. Their development targets are to double the size of the economy during the decade ending in 2020, to eliminate abject poverty by 2021, and to raise per capita GDP to that of a moderately well-off European country by 2049. If they were to achieve that objective 33 years from now, China's GDP would

be in the range of \$42 trillion in current dollars, as compared to their present \$19.5 trillion. In other words, their GDP would roughly double in size. If the US GDP were to grow by two percent a year for the next 33 years, it would be in the range of \$35 trillion, or not quite double its current size.

Such projections are, of course, fanciful. Straight line projections are always wrong. Nevertheless, they provide a sobering reminder of what the implications for the United States could be of an unconstrained arms race between China and the United States over the next few decades.

To a significant degree, indeed to a determining degree, our weaknesses are self-created and correctible. We have not been diminished by the loss of empire, as happened to Russia. We have a strong hand to play, if we are prepared to roll up our sleeves and make some sacrifices. Moreover, the strengths of our economy and our society are sufficient for us to remain a formidable power for the indefinite future, even if our current decline continues. The real cause for concern is not that China is catching up with us in power terms but that this is not goading us into action to address our shortcomings. We can and must do better.