



# **NAVAL POSTGRADUATE SCHOOL**

**MONTEREY, CALIFORNIA**

## **THESIS**

### **CHINA'S SOFT POWER: CHANGING THE WORLD PERCEPTION**

by

Chaudhry Saeed Ullah

December 2015

Thesis Advisor:  
Second Reader:

Leo Blanken  
Feroz H. Khan

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**CHINA'S SOFT POWER: CHANGING THE WORLD PERCEPTION**

Chaudhry Saeed Ullah  
Lieutenant Colonel, Pakistan Army  
BSc, Pakistan Military Academy, 1994  
M.S., University of Baluchistan, 2007

Submitted in partial fulfillment of the  
requirements for the degrees of

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**(MIDDLE EAST, SOUTH ASIA, SUB-SAHARAN AFRICA)**

from the

**NAVAL POSTGRADUATE SCHOOL**  
**December 2015**

Approved by: Leo Blanken  
Thesis Advisor

Feroz H. Khan  
Second Reader

John Arquilla  
Chair, Department of Defense Analysis

Mohammed Hafez  
Chair, National Security Affairs Department

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## **ABSTRACT**

China has focused on improving its image in the world by relying more on its “soft power” by investing billions of dollars simply to convince the world to accept its rise in the international system. This paper uses both quantitative and qualitative methods in order to grade and assess China’s success with these efforts. While I could not find any significant relationship between China’s tools of soft power and its positive perception building in the international community, I could also not find any significant effect of China’s rise on its negative perception building among the international community. This may, in and of itself, be a significant result. More specifically, the research reveals that many of the ideals held by China significantly clash with existing international norms, that China lacks credibility in the exercise of its public diplomacy, and that China relies too heavily on the attractiveness of its culture.

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## **LIST OF ACRONYMS AND ABBREVIATIONS**

ASEAN	Association of Southeast Asian Nations
BBC	British Broadcasting Corporation
CCP	Chinese Communist Party
DOD	Department of Defense
FAS	Federation of American Scientists
FDI	Foreign Direct Investment
GDP	Gross Domestic Products
GNP	Gross National Product
HSK	Hanyu Shuiping Kaoshi (Chinese proficiency test)
ICBMs	Intercontinental Ballistic Missiles
IOR	Indian Ocean Region
NGO	Non-Governmental Organization
PLA	People's Liberation Army
PRC	People's Republic of China
RMB	Ren Min Bi (Currency of PRC)
TOEFL	Test of English as a Foreign Language
UN	United Nations
WTO	World Trade Organization

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# **I. CHINA'S SOFT POWER: CHANGING THE WORLD PERCEPTION**

## **A. INTRODUCTION**

Joseph Nye's concept of "soft power"<sup>1</sup> presented about two decades ago, created a debate among scholars and policy makers to consider another source of influence, excluding military and economic might. Decision makers have tried to incorporate the concept of soft power while utilizing the tools of culture and public diplomacy to reshape their states' foreign policies. Policy makers are making efforts to promote their cultural values to advance their public outreach. As per a Japanese Foreign Ministry statement,

In recent years in particular, against the backdrop of the dramatic advance of the Internet and other information and communications technology, as well as the progress of democratization around the world, public opinion has a growing influence on foreign policy. Accordingly, many observers have stressed the importance of "public diplomacy" - direct appeals to citizens and public opinion in other countries in cooperation with the private sector. From this perspective, the Ministry of Foreign Affairs of Japan utilizes various public relations tools to provide international audiences with information about Japan's foreign policy and general information on Japan.<sup>2</sup>

Correspondingly, analysts are also employing the concept of soft power while referring to states' intangible resources to examine how these states are influencing the behavior and decisions of others. In the past, the focus of studies had been on the United States, the European Union, Canada, and India.<sup>3</sup> However, China has recently been the prime focus of most of the scholars who are trying to measure the effectiveness of Chinese soft power, based on the efforts of Beijing to expand Chinese influence through its promotion of cultural values and public diplomacy.

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<sup>1</sup> Joseph S. Nye Jr., "Soft power," *Foreign Policy*, no. 80. (1990): 153-171.

<sup>2</sup> Ministry of Foreign Affairs of Japan, "Public Diplomacy," [http://www.mofa.go.jp/policy/culture/public\\_diplomacy.html](http://www.mofa.go.jp/policy/culture/public_diplomacy.html), accessed November 5, 2015.

<sup>3</sup> Todd Hall, "An Unclear Attraction: A Critical Examination of Soft Power as an Analytical Category," *The Chinese Journal of International Politics* 3 (2010): 190.

China's rise, the impact it has on world affairs, and its perceived influence in global peace stability is an intensely debated issue, not only among international scholars, but in Chinese academic circles as well. 'China threat theory', for example, has been forwarded by many, which focuses on China's 'hard power' to coerce or induce other states by use of its military or economic means. In this information age, however, soft sources of power, or soft use of 'hard power' attributes are also considered as 'sine qua non' for a state's great power image. During the last decade, China's 'soft power' has gotten the attention of many strategists. If among Chinese scholars the focus of discussion is on which concept of soft power is more suitable for China, and what sources or tools should China use to expand Chinese influence through its soft power, the international scholars are analyzing the success that China's soft power has achieved or otherwise. Many American scholars are also concerned about the increasing influence of China's 'Charm Offensive'<sup>4</sup> and its implications for the United States.<sup>5</sup>

Over the past decade, China has focused on improving its image in the world by relying more on its "soft power"<sup>6</sup> tools, and the results of different opinion polls, despite a few ups and downs, are proof of China's endeavors toward this end. By joining the World Trade Organization and a variety of regional organizations, assisting with nonproliferation issues, contributing to United Nations peacekeeping operations, and settling territorial disputes with its neighbors, China is giving a message that what China wants is only a "peaceful rise."<sup>7</sup>

If on the one hand China is signing strategic partnerships in Latin America, it is winning oil and gas deals in Africa; and Chinese films are getting more popular in the Philippines than American movies.<sup>8</sup> While this upward trend of China's soft power is

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<sup>4</sup> Joshua Kurlantzick, *Charm Offensive: How China's Soft Power Is Transforming the World* (New Haven: Yale University Press, 2007).

<sup>5</sup> Joseph S. Nye, Jr., "The Rise of China's Soft Power," *Wall Street Journal Asia*, December 29, 2005; Jean A. Garrison, "China's Prudent Cultivation of 'Soft Power' and Implications for U.S. Policy in East Asia," *Asian Affairs: An American Review* 32, no. 1 (2005): 25–30.

<sup>6</sup> Joseph S. Nye, Jr., *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004).

<sup>7</sup> Nye, Jr. *Soft Power*, 88.

<sup>8</sup> Kurlantzick. *Charm Offensive, How China's Soft Power Is Transforming the World*, ix.

evident in certain parts of the world, what is to be seen is how China is trying to improve its image in the rest of the world and what is the degree of success that China's soft power has achieved? This paper is an effort to answer this question. After elaborating the concept of soft power as viewed by different scholars and the tools to be used to this end, I try to explain how China has used these tools and what the implications are during this perception building process.

## **B. STRUCTURE OF THESIS**

This paper examines the role of 'soft power' in the emergence of China as a world power. Rather than focus on material instruments of power, such as foreign aid, this paper focuses on China's efforts to shape perception and the cultural aspects of its diplomacy. The following section closely examines the concept of soft power explaining Nye's initial work and follow-on debates. This section then concludes with specific hypotheses/implications/predictions that shape the empirical chapters that follow. The third section examines China's rise over the last few decades and sketches out the debate over the significance of this rise. On one end of the debate are those that see China as a serious threat to the status quo of the system. Others, however, see China as a normal power whose rise is not a threat. The significance of this chapter is to establish, to some degree, an empirical 'baseline' against which China's soft power efforts can be assessed. The fourth section surveys China's soft power efforts. The fifth section grades/assesses China's success with these efforts. The key finding is that there is no significant relation between China's tools of soft power and its positive perception-building in the international community. I could also not find, however, any significant impact of China's rise on negative perception building about China. The thesis concludes with a summary, conclusions, and implications.

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## II. DEFINING SOFT POWER AND PUBLIC DIPLOMACY

Power is difficult to define. “Power is like the weather. Everyone depends on it and talks about it, but few understand it.”<sup>9</sup> The dictionary defines power as “the ability to get the outcomes one wants”<sup>10</sup> and “having the capabilities to affect the behavior of others to make those things happen.”<sup>11</sup> Power can be defined as “to make others do what they would otherwise not do.”<sup>12</sup> Together, power is “the ability to influence the behavior of others to get the outcomes one wants.”<sup>13</sup>

Generally, most scholars separate hard power and soft power. Normally, hard power is associated with military and economic strength, while soft power is a bit more difficult to define. However, both aim to affect the behavior of others.<sup>14</sup> In essence, the differentiating factors between the two are in the access to resources as well as in the underlying behavior of the party in question.<sup>15</sup> In Nye’s perspective, this difference lies in a spectrum with command and co-optive powers on two opposite ends. Command power is defined as the capacity to alter what others do,<sup>16</sup> while co-optive power is the capability to alter what others desire.<sup>17</sup> Hard power, then, is usually associated with the command end, whereas soft power is typically identified with co-optive ability.<sup>18</sup>

There are generally two schools of thought on sources of soft power, and that difference of opinion is rooted in the perspective that each side has about soft power. Nye defined it as “the ability to get what you want through attraction rather than coercion or payments,” and the sources of soft power are “the attractiveness of a country’s culture,

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<sup>9</sup> Nye, Jr., *Soft Power: The Means to Success in World Politics*, 1.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid., 2.

<sup>12</sup> Ibid., 8.

<sup>13</sup> Ibid., 2.

<sup>14</sup> Ibid., 7.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

political ideals and policies.”<sup>19</sup> Nye distinctively categorized power into military power, economic power, and soft power and left no room for their overlap. Joshua Kurlantzick, on the other hand, incorporated elements of economic power with soft power, combining the two under soft power.<sup>20</sup> In Nye’s view, economic power presents itself as a type of “carrot” or “stick” and should not be included in soft power. Economic power induces instead of attracts another country to do something.

Elizabeth Economy complemented the original definition offered by Joseph Nye by saying, “people often conflate soft power with investment and economic development, but I define it as culture, education, and diplomacy.”<sup>21</sup> Hall, though, agrees with Nye’s concept of soft power, but he argues “although Nye’s concept lends itself for use in policy debates, it is not suited for deployment as an analytic tool.”<sup>22</sup> Hall also finds Nye’s mechanism problematic with regard to sources of soft power and its intended effects.<sup>23</sup> He suggests disaggregation of the concept into separate soft powers using different mechanisms: “institutional power, representational power, and reputational power.”<sup>24</sup>

By focusing on a nation’s perceived reputation, then, tools such as game theory could be used as tools to predict actions a nation may take to maintain or build an image. As Jonathan Mercer states, “a reputation is a belief that someone has an enduring characteristic. More precisely, a reputation is a dispositional attribute that is then used to predict or explain future behavior.”<sup>25</sup> Consequently, governments have reason to be concerned about their perceived reputation because other governments predict their future behavior based on this initial perception. Normally, realists have a tendency to hone in on

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<sup>19</sup> Joseph S. Nye, Jr., *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004), x.

<sup>20</sup> Joshua Kurlantzick. “China’s Charm: Implications of Chinese Soft Power,” *Carnegie Endowment for International Peace* 47 (June 2006): 1.

<sup>21</sup> Chen Jia and Ding Qingfen, “Overseas officials head to Chinese classrooms” (China Daily), [http://www.chinadaily.com.cn/china/2010-08/05/content\\_11098280.htm](http://www.chinadaily.com.cn/china/2010-08/05/content_11098280.htm)

<sup>22</sup> Todd Hall, ‘An Unclear Attraction: A Critical Examination of Soft Power as an Analytical Category’, *The Chinese Journal of International Politics* 3 (2010): 190.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid., 190–191

<sup>25</sup> Jonathan Mercer. “Rationality and psychology in international politics.” *International Organization* 59, no. 1 (2005): 77.



reputation as a tool in international confrontation. In this sense, reputation becomes useful not only in leading to resolution during negotiations, but also in deterring hostile behavior from opponents.<sup>26</sup>

On the other hand, neoliberal institutionalists consider the essence of the reputation of a state by evaluating it against the norms of international cooperation. As stated by Robert Keohane,

to a government that values its ability to make future agreements, reputation is a crucial resource; and the most important aspect of an actor's reputation in world politics is the belief of others that it will keep its future commitments even when a particular situation, myopically viewed, makes it appear disadvantageous to do so.<sup>27</sup>

Nye assumes that national image-building relies on both a country's hard power and soft power. He supports his argument by elaborating that some countries are well respected by others despite being small in size and power, whereas other countries, regardless of their actual influence, have compromised their national interest as a result of an unfavorable national image.<sup>28</sup>

Soft power can only breed if political values and foreign policies align with universal beliefs. Domestic or foreign policies that are viewed as “hypocritical, arrogant, indifferent to the opinion of others, or based on a narrow approach to national interests can undermine soft power.”<sup>29</sup> Morgenthau considers the depth of diplomacy in the international realm—despite being an unquantifiable and indefinite attribute of national power—the primary element. Diplomacy “is the brains of national power, as morale is its soul.” In other words, while a nation may possess substantial capabilities, if its diplomacy is lacking, it “must yield to one whose diplomacy is prepared to make the most of whatever other elements of power are at its disposal, thus making up through its own

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<sup>26</sup> Avinash K. Dixit and Barry J. Nalebuff, *Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life* (New York: W.W. Norton, 1991).

<sup>27</sup> Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984), 116.

<sup>28</sup> Joseph S. Nye, Jr., *The Paradox of American Power: Why the World's Only Superpower Can't Go It Alone*, (New York: Oxford University Press, 2002), 545–559.

<sup>29</sup> Nye, Jr., *Soft Power: The Means to Success in World Politics*, 14.

excellence for deficiencies in other fields.”<sup>30</sup> Likewise, Morgenthau suggests that “nations must rely on the quality of their diplomacy to act as a catalyst for the different factors that constitute their power.”<sup>31</sup> Neoliberal theorist Robert Keohane, influenced to some degree by realism, contends that

regimes can be viewed as intermediate factors, or ‘intervening variables,’ between fundamental characteristics of world politics such as the international distribution of power on the one hand and the behavior of states and non-state actors such as the multinational corporations on the other.<sup>32</sup>

Nye also believes that

if [a state] can establish international norms consistent with its society, it is less likely to have to change. If it can support institutions that make other states wish to channel or limit their activities in ways the dominant state prefers, it may be spared the costly exercise of coercive or hard power.<sup>33</sup>

To summarize, soft power is changing the desire and held perception of the domestic and international community. To achieve that desired objective, the decisions of target public and elites should not be based on persuasion or inducement. Those decisions should also be free of the fear of the consequences following that decision. Generally ‘culture, political values, and foreign policy’ are considered as sources of soft power, but cannot be limited to only these. The sources of power normally associated with ‘hard power,’ like military and economic power, can also be utilized in creating the good will of a particular state if the sole purpose of such sources is not to deter or induce other states to get the desired outcome. Employment of troops on United Nations peacekeeping missions, humanitarian assistance, or economic help to poor countries to lift the living standards of their countries are such examples. But irrespective of the type of sources used, soft power can only achieve its set goals if the values/principles of those sources align with universal beliefs.

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<sup>30</sup> Hans J. Morgenthau, *Politics among Nations: The Struggle for Power and Peace*, 6th ed., rev. Kenneth W. Thompson (New York: McGraw-Hill, 1985), 159.

<sup>31</sup> Morgenthau, *Politics among Nations: The Struggle for Power and Peace*, 140.

<sup>32</sup> Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy*, 64.

<sup>33</sup> Nye, Jr., “Soft Power,” 80.

Based on the arguments presented in this chapter on the concept of soft power, chapter IV will compare Chinese ideas on the same concept. But before that, I felt it more pertinent to discuss arguments of various international scholars and policy makers who are apprehensive of China's rise and consider it a threat to global peace. Next chapter will first discuss neorealist opinions as the foundation of 'China's threat theory'. The concern of these observers encompasses three spheres: military, economic, and ideological. Another alarming aspect is the surge in China's energy demands over the last few decades, which is feared as a trigger for war between China and other industrialized countries especially United States. Then the claims and predictions made by these scholars will be analyzed in light of present and projected capabilities of China in each sphere. Fundamentally, however, the debate would center on China's capabilities and intentions to see what challenges are there for Chinese soft power.

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### III. DEBATING CHINA'S RISE

China's rapid rise of the last few decades has generated debate among observers. The concern of these observers encompasses three spheres: military, economic, and ideological. Another alarming aspect is the surge in China's energy demands over the last few decades. To sustain its economic growth and run its industries, China is improving its relations with all countries with energy sources. If on one hand it is considered a better sign, on the other side, it is also believed that it may trigger an energy war between China and other industrial states in general and with the United States in particular. As stated by the Pew Global Attitudes Project, "Most of the publics surveyed view China's growing military power with concern but continue to see China's economic growth as a good thing for their own country. But in a number of countries, the impression that China's economic growth poses a threat is on the rise."<sup>34</sup> In a public opinion survey conducted in 2005, "31 percent believed that China will soon dominate the world ... and 54 percent believed that the emergence of China as a superpower is a threat to world peace."<sup>35</sup>

In the military sphere, the increase in Chinese defense expenditures over the years, which the Chinese consider necessary to replace its vintage equipment to enhance its defensive war-fighting capability, is alarming for other states that believe this modernization might be for offensive purposes. According to a 2007 Congressional Research Service report,

[o]bservers believe a near-term focus of China's military modernization is to field a force that can succeed in a short duration conflict with Taiwan and act as an anti-access force to deter U.S. intervention or delay the arrival of U.S. forces, particularly naval and air forces, in such a conflict.<sup>36</sup>

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<sup>34</sup> Pew Global Attitudes Project, *Global Unease with Major World Powers* (Washington, DC: Pew Research Center), June 27, 2007, <http://pewglobal.org/reports/display.php?ReportID=256>, 41.

<sup>35</sup> Ipsos-Reid, *A Public Opinion Survey of Canadians and Americans About China* (poll prepared for the Woodrow Wilson Center for Scholars and Canada Institute on North American Issues) (Washington, DC: Ipsos-Reid), June 2005, 41.

<sup>36</sup> O'Rourke, Ronald, *China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress* (CRS Report No. RL33153) (Washington, DC: Congressional Research Service), February 7, 2007, ii.

In contrast to this extreme prediction, another school of thought presents a bit more moderate explanation, which considers this a necessity for current Chinese political leadership to gain the military's support to keep the existing political set-up unchanged.

As far as the economic sphere is concerned, it is believed that China is benefiting because of a trade imbalance with other states and by resorting to unfair trade practices that include protectionism and subsidies offered to local Chinese industries by the Chinese government. It is also believed that China may use this trade surplus to buy the industries of other countries, and such "things came to a head in 2005 when China National Offshore Oil Corporation's attempt to buy Unocal Corp. was stopped by opposition from U.S. lawmakers."<sup>37</sup> What is worrisome for China is that all such perceptions are gradually transforming into government policies and forcing China to cut all such practices. In 2007, the United States imposed countervailing duties on some Chinese paper imports and filed complaints thrice against China at the World Trade Organization (WTO).<sup>38</sup>

Nicholas Lardy, China expert at the Brookings Institution, proposed that "the pace of China's industrial development and trade expansion is unparalleled in modern economic history."<sup>39</sup> He further said, "while this has led to unprecedented improvement in Chinese incomes and living standards it also poses challenges for other countries."<sup>40</sup> Some believe that this economic challenge of China will simultaneously enhance military threat as well. In this context, Denny Roy argues that

A stronger, wealthier China would have greater wherewithal to increase its arsenal of nuclear-armed ICBMs and to increase their lethality through improvements in range, accuracy, and survivability. If China continues its

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<sup>37</sup> James F. Paradise, "China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing's Soft Power," *Asian Survey* 49, no. 4 (July/August 2009): 656.

<sup>38</sup> Ibid.

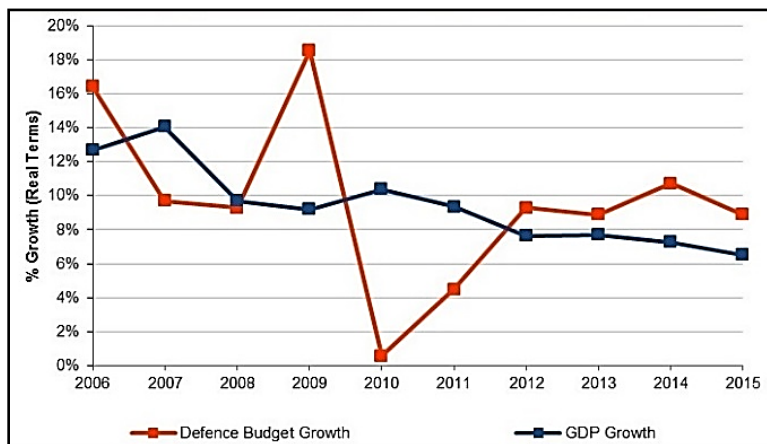
<sup>39</sup> Evelyn Iritani and Maria Dickerson, "People's Republic of Products," *Los Angeles Times*, October 20, 2002, [www.latimes.com/business/la-fi-chinalocts2t0o.ry](http://www.latimes.com/business/la-fi-chinalocts2t0o.ry).

<sup>40</sup> Ibid.

rate of economic expansion, absolute growth in Chinese nuclear capabilities should be expected to increase.<sup>41</sup>

Figure 1 shows the Chinese gross domestic product (GDP) growth and defense budget growth over the years.

Figure 1. China's GDP and Defense Budget Growth over the Years<sup>42</sup>



In the ideological sphere, the ‘Beijing Consensus’ is considered to be an alternate to the ‘Washington Consensus,’ a Chinese developmental model where economic liberalization can succeed without political liberalization. This model is quite impressive to authoritative regimes or states with human rights issues. China has been providing all types of aid and assistance without demanding any improvements in that state’s political setup, quite contrary to the conditions imposed by the United States or European countries before rendering any economic aid.

Though few scholars have views opposite to this perception, they only consider China as a strategic competitor and not as a threat. As Khalid has concluded in his study on the issue, “...the view of an all-menacing China is often exaggerated by academics, pundits, and politicians; this hype is as misleading as it is counterproductive to

<sup>41</sup> . Denny Roy, "Rising China and U.S. Interests: Inevitable vs. Contingent Hazards," *Orbis* 47, no. 1 (2003): 130.

<sup>42</sup> Craig Caffrey, “China's Defence Budget more than Doubles since 2008,” IHS Jane's 360, March 4, 2015, <http://www.janes.com/article/49742/china-s-defence-budget-more-than-doubles-since-2008>.

understand the nature of the threat and craft sound policies to deal with it.”<sup>43</sup> The question of whether China is a threat to global security or to economic gains of other countries, or otherwise, depends upon the school of thought to which those scholars belong or the political inclination of the policy makers of the states. Neorealists believe in China being a threat, whereas neoliberalists consider China as a competitor. This section considers neorealist opinions as the foundation of ‘China’s threat theory’ to analyze the claims and predictions made by these scholars in light of present and projected capabilities of China in each sphere. Fundamentally, however, the debate would center on China’s capabilities and intentions to see what challenges are there for Chinese soft power.

#### **A. SCHOLARS’ AND POLICY MAKERS’ PREDICTIONS**

Based on the analysis of China’s international behavior patterns, many scholars have concluded their assessment of China to be most likely a status-quo hegemon. Alastair Iain Johnston provides such insight: After studying China’s multilateral involvement with foreign organizations and its own preference to recognize international and regional models, he has determined that China is not seeking revision of the status quo.<sup>44</sup> In the same way, Khalid R. Al-Rodhan, who based his analysis of China’s capabilities and uncertainties in both military and economic spheres, did not consider China as a threat to U.S. security or the international system.<sup>45</sup> Nevertheless, scholars who concede to offensive realism contend that China, like all great powers of the past, is revisionist and there can be no exception to it.

Neorealists claim the international system to be anarchical, where a state’s ultimate objective is its own security. For defensive neorealists, states have every enticement to achieve their security by maintaining the existing balance of power. And to maintain the current distribution of power and face external threats, alliances are

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<sup>43</sup> Khalid R. Al-Rodhan, “A Critique of the China Threat Theory: A Systematic Analysis,” *Asian Perspective* 31, no. 3 (2007): 41–66.

<sup>44</sup> Ian Alastair Johnston, “Is China a Status Quo Power?” *International Security* 27, no. 4 (Spring 2003): 5–56.

<sup>45</sup> Al-Rodhan, “A Critique of the China Threat Theory: A Systematic Analysis,” 41–66.



formed.<sup>46</sup> This in turn transforms the state's foreign policy, which is not only interest-based but also more cautious in its interaction with other states.

On the other hand, offensive realists do not see any room for status-quo powers in the international system. They argue that states, rather than forming partnership agreements, are more likely to seek measures that augment their share of power in relation to other states. And this increase of power is at the cost of competing state actors. John Mearsheimer extends on this: "A state's ultimate goal is to be the hegemon in the system."<sup>47</sup> He considers the attainment of global hegemony to be impossible. A great power should not only be able to dominate its region, but should also not let other powers dominate other regions.<sup>48</sup> Offensive realists consider China's buildup of its military and economic power to replace Russian and Japanese dominance of the region. Mearsheimer predicted the China threat as follows:

It is clear that the most dangerous scenario the United States might face in the early twenty-first century is one in which China becomes a potential hegemon in Northeast Asia. Of course, China's prospects of becoming a potential hegemon depend largely on whether its economy continues modernizing at a rapid pace. If that happens, and China becomes not only a leading producer of cutting-edge technologies, but the world's wealthiest great power, it would almost certainly use its wealth to build a mighty military machine. Moreover, for sound strategic reasons, it would surely pursue regional hegemony, just as the United States did in the Western Hemisphere during the nineteenth century.<sup>49</sup>

Advocates of the "China threat" debate consider the peaceful rise of China as implausible and view a super power China as a threat to the existing system. The western world views China's rise with anxiousness and uncertainty. Its military modernization, rapid economic growth, and increasing energy demand has agitated many minds to talk about the "China threat." Richard Bernstein and Ross Murrow view China as pursuing hegemonic ambitions, stating that "driven by nationalist sentiment, a yearning to redeem the humiliations of the past, and the simple urge for international power, China is seeking

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<sup>46</sup> Kenneth Waltz, *Theory of International Politics* (New York: McGraw- Hill, 1979), 60–78.

<sup>47</sup> John Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton, 2001), 21.

<sup>48</sup> Ibid.

<sup>49</sup> Ibid., 401.

to replace the United States as the dominant power in Asia.”<sup>50</sup> All the scholars have used various theories to support their predictions. Robert Kagan in light of empirical evidence has asserted: “The history of rising powers ... and their attempted ‘management’ by established powers provides little reason for confidence or comfort. Rarely have rising powers risen without sparking a major war that reshaped the international system to reflect new realities of power.”<sup>51</sup> Kagan goes further by saying that China, “like all rising powers of the past, including the United States, wants to reshape the international system to suit its own purpose.”<sup>52</sup>

Kenneth Waltz predicted that “China will emerge as a great power even without trying very hard so long as it remains politically united and competent.”<sup>53</sup> Various scholars and policy makers have not only rejected the concept of “peaceful rise,” but have also suggested various strategies for “containing” China.<sup>54</sup> Bill Gertz suggested to take the China issue seriously by arguing that

The People’s Republic of China is the most serious national security threat the United States faces at present and will remain so into the foreseeable future ... The reason Americans should take the threat from China so seriously is that it puts at risk the very national existence of the United States.<sup>55</sup>

Though U.S. policy has been to consolidate China into the existing global financial and political system,<sup>56</sup> proponents of “China threat” claim that irrespective of how much integrated China is in international system, it remains a revisionist power and

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<sup>50</sup> Richard Bernstein and Ross Munro, "The Coming Conflict with America," *Foreign Affairs* 76, no. 2 (March-April 1997), 19.

<sup>51</sup> Robert Kagan, "The Illusion of 'Managing' China," *Washington Post*, May 15, 2005.

<sup>52</sup> Ibid.

<sup>53</sup> Kenneth Waltz, "Structural Realism after the Cold War," *International Security* 25, no. 1 (Summer 2000), 32.

<sup>54</sup> Charles Krauthammer, "Why We Must Contain China," *Time*, July 31, 1995, 72.

<sup>55</sup> Bill Gertz, *The China Threat: How the People's Republic Targets America* (Washington, DC: Regnery, 2000), 199.

<sup>56</sup> Robert B. Zoellick, "Whither China: From Membership to Responsibility?" (speech, National Committee on U.S. China Relations in New York, NY, September 21, 2005).

it will ultimately seek hegemony in the region. Condoleezza Rice argued the same point in the following manner:

Even if there is an argument for economic interaction with Beijing, China is still a potential threat to stability in the Asia-Pacific region. Its military power is currently no match for that of the United States. But that condition is not necessarily permanent. What we do know is that China is a great power with unresolved vital interests, particularly concerning Taiwan and the South China Sea. China resents the role of the United States in the Asia-Pacific region. This means that China is not a 'status quo' power but one that would like to alter Asia's balance of power in its own favor. That alone makes it a strategic competitor, not the 'strategic partner' the Clinton administration once called it. Add to this China's record of cooperation with Iran and Pakistan in the proliferation of ballistic-missile technology, and the security problem is obvious. China will do what it can to enhance its position, whether by stealing nuclear secrets or by trying to intimidate Taiwan.<sup>57</sup>

Former Deputy Secretary of State Robert Zoellick stated that "many Americans worry that the Chinese dragon will prove to be a fire-breather. There is a cauldron of anxiety about China."<sup>58</sup> In fact, China is following the same Monroe Doctrine (1823) of the United States when it comes to East Asia, and its desires to shape and influence East Asia are similar to that of the United States. Brzezinski and Mearshimer ask "why should we expect China to act differently than the United States?"<sup>59</sup> And Waldron concludes that "sooner or later, if present trends continue without change, war is probable in Asia."<sup>60</sup> In the security realm of the states, the discussion of intentions and capabilities has always been point of debate. As Thomas J. Christensen notes,

Although many have focused on intentions as well as capabilities, the most prevalent component of the [China threat] debate is the assessment

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<sup>57</sup> Condoleezza Rice, "Campaign 2000: Promoting the National Interest," *Foreign Affairs* 75, no. 1 (January- February 2000), 56.

<sup>58</sup> Zoellick, "Whither China: From Membership to Responsibility?"

<sup>59</sup> Zbigniew Brzezinski and John Mearsheimer, "Clash of the Titans," *Foreign Policy* 46 (January-February 2006), 46-49.

<sup>60</sup> Arthur Waldron, "How Not to Deal with China," *On the Issues* (Washington, DC: American Enterprise Institute, March 1, 1997).

of China's overall future military power compared with that of the United States and other East Asian regional powers.”<sup>61</sup>

## **B. MILITARY THREAT**

Now, in light of the above discussion, succeeding paragraphs analyze the China threat debate in light of its current capabilities and whether all these claims translate into China as a future threat to global security and the economic world or otherwise.

### **1. Military Spending**

It has been the general perception of China analysts since the fall of the Soviets that China's build-up and modernization of its military is to seek hegemony in the system. These claims are supported by three arguments: China's defense budget is considered to be actually higher than what is shown in official documents; China's enhanced military capabilities enable it to project power for globally-oriented objectives; China's military modernization is underway despite the fact that it does not face any external threats at the time.<sup>62</sup>

As per the U.S. Secretary of Defense, “analysis of data from 2005 through 2014 indicates China's officially-disclosed military budget grew at an average of 9.5 percent per year in inflation-adjusted terms over the period.”<sup>63</sup> Figure 2 shows the military expenditure trend of various states including China.

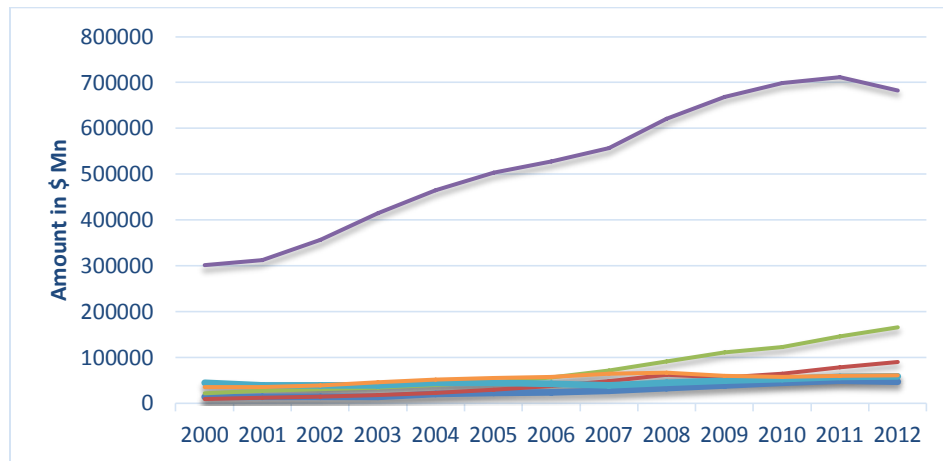
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<sup>61</sup> Thomas J. Christensen, "Posing Problems Without Catching Up: China's Rise and Challenges for U.S. Security Policy," *International Security* 25, no. 4 (2001): 5.

<sup>62</sup> Roy, "The 'China Threat' Issues: Major Arguments," 771.

<sup>63</sup> Office of the Secretary of Defense, *Annual Report to Congress, Military and Security Developments Involving the People's Republic of China 2015* (Washington, DC: Office of the Secretary of Defense, April 7, 2015), 49, [http://www.defense.gov/Portals/1/Documents/pubs/2015\\_China\\_Military\\_Power\\_Report.pdf](http://www.defense.gov/Portals/1/Documents/pubs/2015_China_Military_Power_Report.pdf).

Figure 2. Military Expenditure Data by Country, 1978–2012<sup>64</sup>



Bernstein and Munro contend China’s actual expenditure on military outfits is ten times greater than what the government actually advertises.<sup>65</sup> However; the U.S. Secretary of Defense assessment is significantly less. For example, its estimates find China’s actual military spending for 2014 to be \$165 billion as compared to the \$136 billion announced military spending by the Chinese government.<sup>66</sup> Still, if we compare China’s military spending with other states, Chinese military spending would seem quite moderate.

## 2. Military Capabilities

It can also be argued that “military spending can be seen as an indication of intentions, but not actual capabilities, as military capabilities require far more than spending.”<sup>67</sup> The data in Figure 2 reflects that China’s military spending is moderate, but still one cannot negate the hegemonic intentions of China or otherwise. It is again quite difficult to measure the exact capabilities vis-à-vis its offensive or defensive nature. In

<sup>64</sup> Stockholm International Peace Research Institute (SIPRI), “SIPRI Military Expenditure Database,” accessed August 21, 2015, <http://portal.sipri.org/publications/pages/expenditures/country-search>.

<sup>65</sup> Bernstein and Munro, “The Coming Conflict with America,” 25.

<sup>66</sup> Office of the Secretary of Defense, *Annual Report to Congress, Military and Security Developments Involving the People’s Republic of China 2015*.

<sup>67</sup> Al-Rodhan, “A Critique Of The China Threat Theory: A Systematic Analysis,” 41–66.

succeeding paragraphs, China's military modernization are discussed, as these are considered a better indicator of its future capabilities.

**a. *Naval Modernization***

China has made quite significant improvements in modernizing its ground forces, but still cannot be on par with the United States when it comes to naval domination in East Asia. China is also facing intelligence and logistical problems in extending its reach in the Indian Ocean. China's naval modernization, which started in the 1990s, is a broad-based effort that includes "a wide array of platform and weapon acquisition programs" and "improvements in maintenance and logistics, doctrine, personnel quality, education and training, and exercises."<sup>68</sup>

Proponents see China as a possible threat vis-a-vis its naval modernization scheme, as it is perceived as a challenge to the U.S. naval establishment in East Asia and also reflects a desire to compete against India within the Indian Ocean region. Indians also believe that Chinese modernization of the last two decades has created force imbalance between India and China. In addition to this balance of forces tilting toward China, "the deployment of new naval systems with force projection capabilities and modernization of missiles with greater precision and mobility would further limit India's options."<sup>69</sup>

According to a recent Congressional Research Service report, "the PLA Navy's goal over the coming decades is to become a stronger regional force that is able to project power across the greater Asia-Pacific region for high-intensity operations over a period of several months."<sup>70</sup> To achieve this, China is likely to establish several access points until 2025 to overcome its logistical issues in the Indian Ocean. These access points, which the Chinese regard as economic staging points, are worrisome for Indians who believe they

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<sup>68</sup> O'Rourke, "China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress," 5–6.

<sup>69</sup> Rajeswari Pillai Rajagopalan, "India's Perceptions and Responses to the Growth of Chinese Power," in *China's Power and Asian Security*, ed. Mingjiang Li and Kalyan M. Kemburi (New York, Routledge, 2014), 144.

<sup>70</sup> Office of the Secretary of Defense. *Annual Report to Congress, Military and Security Developments Involving the People's Republic of China 2015*, 41.

are encircled by the Chinese through this “String of Pearls.” Rajeswari has quoted the same fears expressed in a classified Indian document prepared by the Integrated Defense Staff of the Ministry of Defense, which considers these access points as “facilities that can be upgraded to naval bases,” and Gwadar Port would “facilitate enormous command and control capability for prospective Chinese presence in the IOR.”<sup>71</sup> For the time being,

Observers believe a near-term focus of China’s military modernization is to field a force that can succeed in a short duration conflict with Taiwan and act as an anti-access force to deter U.S. intervention or delay the arrival of U.S. forces, particularly naval and air forces, in such a conflict.<sup>72</sup>

The Secretary of Defense states that “the PLA Navy now possesses the largest number of vessels in Asia, with more than 300 surface ships, submarines, amphibious ships, and patrol craft,”<sup>73</sup> and that “the PLA Navy has the largest force of principal combatants, submarines, and amphibious warfare ships in Asia.”<sup>74</sup> Sustainability, however, will remain the problem for the Chinese Navy in the near future, especially in the Indian Ocean, where

China can at best hope to ‘show the flag’ for coercive and/or defensive purposes in those waters until after 2015. Nor would it apply to the blue water of the Western Pacific, particularly if opposed by U.S. or allied naval forces.<sup>75</sup>

#### ***b. Nuclear Weapons***

China’s nuclear weapons modernization program involves not only an increase in its stockpile of nuclear weapons and upgrade of its nuclear-capable land-, sea-, and air-based delivery systems. As of 2013, it was estimated that China had approximately 250

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<sup>71</sup> Rajagoplan, “India’s Perceptions and Responses to the Growth of Chinese Power,” 146.

<sup>72</sup> O’Rourke, “China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress,” ii.

<sup>73</sup> Office of the Secretary of Defense, *Annual Report to Congress, Military and Security Developments Involving the People’s Republic of China 2015*, 8.

<sup>74</sup> *Ibid.*, 79.

<sup>75</sup> *China’s Military Modernization and Its Impact on the U.S. and the Asia-Pacific: Statement before the U.S.-China Economic and Security Review Commission*, 110<sup>th</sup> Cong., (March 29, 2007) (statement of Cortez A. Cooper).

nuclear warheads in its arsenal, which is increasing at a slow rate.<sup>76</sup> Out of these, nearly 150, with mainly short and medium ranges, are estimated to be delivered by “land-based ballistic missiles, aircraft, and an emerging ballistic submarine fleet.”<sup>77</sup> Meanwhile, the number of long-range missiles is steadily declining. Per predictions of the U.S. intelligence community, “by the mid-2020s, China could more than double the number of warheads on missiles that are capable of threatening the United States to well over 100.”<sup>78</sup> “The capability of the arsenal is also increasing, with liquid-fuel and relatively inaccurate maneuverable missiles being replaced by solid-fuel and more accurate road-mobile missiles.”<sup>79</sup> As per an Federation of American Scientists [FAS] study analysis,

Although the United States has maintained extensive nuclear strike plans against Chinese targets for more than a half century, China has never responded by building large nuclear forces of its own and is unlikely to do so in the future. As a result, Chinese nuclear weapons are quantitatively and qualitatively much inferior to their U.S. counterparts...”<sup>80</sup>

One of the reasons for such constraint could be Chinese concerns about

the survivability of its minimum nuclear deterrent, and it spends considerable resources on dispersing and hiding its land-based missiles. This makes its submarine program puzzling, for it is much riskier to deploy nuclear weapons at sea, where submarines can be sunk by unfriendly forces, than to deploy them on land.<sup>81</sup>

### ***c. Technological Advancement***

It is important to note that the military power expressed in terms of numbers without quality can only give a false sense of security or threat to nations. As Nye argued, military power is “the ability to collect, process, and disseminate and integrate complex

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<sup>76</sup> Hans M. Kristensen and Robert S. Norris, “Chinese Nuclear Forces, 2013,” *Bulletin of the Atomic Scientists* 69, no. 6 (November/December 2013): 79.

<sup>77</sup> Ibid

<sup>78</sup> Kristensen and Norris, “Chinese nuclear forces, 2013,” 79.

<sup>79</sup> Ibid.

<sup>80</sup> 35. Hans Kristensen, Robert Norris, and Matthew McKinzie, *Chinese Nuclear Forces and U.S. Nuclear War Planning* (Washington, DC: Federation of American Scientists, November 2006), 2.

<sup>81</sup> Ibid., 83



systems of space-based surveillance, high speed computers, and ‘smart’ weapons.”<sup>82</sup> As the revolution in military affairs is transforming almost all the modern armies of the world, China is no exception. China is acquiring such technologies mainly through leveraging dual-use technologies. As per the U.S. Secretary of Defense, China has been making marked improvements to its homegrown technology and industrial sectors. However, the state “continues to rely on the acquisition of critical advanced and Western dual-use technology, components, equipment, and know-how.”<sup>83</sup> These purchases have resulted in the merging of partnerships and agreements ending in joint ventures with other countries, particularly the West.<sup>84</sup>

### **C. ECONOMIC THREAT**

China’s military modernization is no doubt linked with its unprecedented economic growth. China’s economy is estimated to have grown at approximately 9 percent per year during last two decades, which has tripled its GNP.<sup>85</sup> A Pew survey conducted in 2005 found that “66 percent of Americans perceived China to [pose] a serious threat to jobs in their country ... while 54 percent are concerned over the level of Chinese investment in their country.”<sup>86</sup> The same are the concerns of the respondents of other modernized states. In a 2006 BBC survey, “79 percent of Britain’s public viewed China as the leading threat to their nation’s economy.”<sup>87</sup>

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<sup>82</sup> 36. Nye, "The Challenge of China," p. 76.

<sup>83</sup> Annual Report to Congress, Military and Security Developments Involving the People’s Republic of China 2015, p. 715

<sup>84</sup> Ibid.

<sup>85</sup> Nye, "The Challenge of China," p. 75.

<sup>86</sup> Ipsos-Reid. *A Public Opinion Survey of Canadians and Americans About China*.

<sup>87</sup> BBC News. "China 'Main Threat to UK Economy,'" February 6, 2006, <http://news.bbc.co.uk/2/hi/business/4686306.stm>.

## 1. China's Violations of Intellectual Property

It is estimated that U.S. industries have suffered a loss of approximately \$2 billion per year as China continuously violates intellectual property rights.<sup>88</sup> Though most observers do not consider China to be the only violator, some claim the Chinese government to be the biggest violator and that China is not only benefitting from it economically, but militarily as well.<sup>89</sup> China remains under scrutiny on this issue, but it is also believed to be only a sign of various other aspects of economic competition between the United States and China.<sup>90</sup> On the whole, Chinese enterprises produce goods and services that were initially developed outside of China. The most successful of these are companies that are providing global production assemblage of technology of foreign manufacturers.<sup>91</sup> In fact, most of the added value with regard to technology exports originates outside of China; “over 85% of these exports are produced in either joint ventures or wholly owned foreign subsidiaries of multinationals based in advanced capitalist countries.”<sup>92</sup>

In order to counter this trend, Chinese leaders are promoting ‘indigenous innovation.’ Distinct technical benchmarks in the information technology sector serve as the centerpiece of their agenda. It is their desire that, given China’s share of the international market, other nations will commit to these standards. However, so far, this effort has been mostly unsuccessful.<sup>93</sup> Relatedly, China has also expressed commitments in spurring scientific innovation. This intent is reflected in the state’s research and

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<sup>88</sup> Marcus Noland. “*Working Papers: US-China Economic Relations*”, Peterson Institute for International Economics, <http://www.iie.com/publications/wp/print.cfm?ResearchId=162&doc=pub>, accessed 15 September, 2015

<sup>89</sup> Bill Gertz, “Thefts of U.S. Technology Boost China's Weaponry,” *Washington Times*, June 27, 2005.

<sup>90</sup> Robert S. Ross, “Why Our Hardliners Are Wrong,” *The National Interest*, Fall 1997, 43.

<sup>91</sup> Dieter Ernst and Barry Naughton, “China’s Emerging Industrial Economy—Insights from the IT Industry,” in *China’s Emerging Political Economy: Capitalism in the Dragon’s Lair*, ed. Christopher A. McNally (New York: Routledge, 2007), 39–59.

<sup>92</sup> Arthur Kroeber, “China’s Push to Innovate in Information Technology,” in *Innovation with Chinese Characteristics: High-Tech Research in China*, ed. Linda Jakobson (Hampshire, England: Palgrave Macmillan, 2007), 37–70.

<sup>93</sup> Scott Kennedy, “The Myth of the Beijing Consensus,” *Journal of Contemporary China*- 19, no. 65 (June 2010), 469.

development budget, which increased from 1.75 percent to 2.2 percent in 2015. This increase has led China to become the world's second largest contributor of research and development. This has positioned China to become a leading contributor in idea generation.

## **2. China's Cheap Labor: Outsourcing and Loss of Jobs**

Outsourcing to China is a permanent political debate not only in the United States, but in the Western world as well. Many multinational companies that wanted to benefit from the lower labor costs offered by the Chinese outsourced their industries to China.<sup>94</sup> "In 2009, 153 of the largest 200 exporters in China were firms with a foreign stake."<sup>95</sup> The belief that China is stealing the foreign direct investment (FDI) of the United States or some other country is also not correct, but these countries are losing business to others. Still, as compared to the United States' erratic incremental growth, China has been quite constant in this regard. During 2014, China's share of global FDI reached up to nearly \$128 billion as compared to \$123.9 billion in 2013, "while investments in the United States fell to \$86 billion from \$230.8 billion."<sup>96</sup> This is demonstrated in Figure 3.

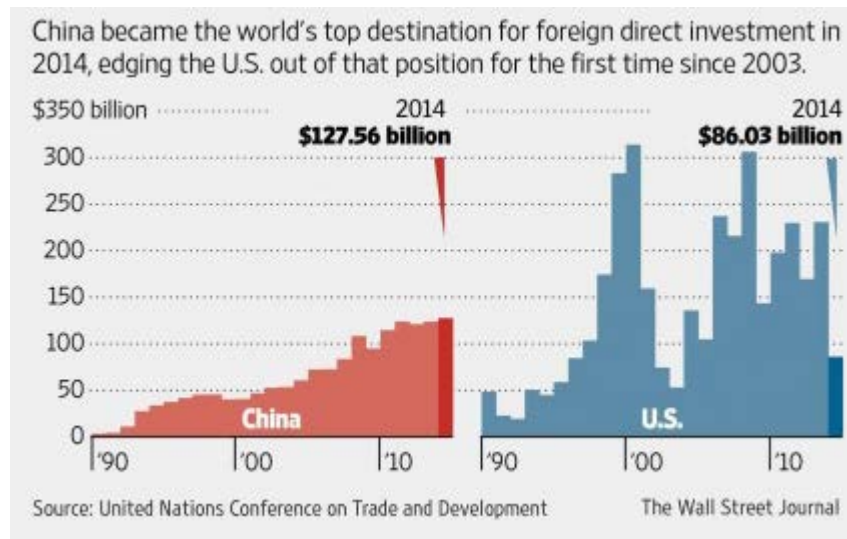
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<sup>94</sup> Stock Whiz. "China's Competitive Edge: Beyond Cheap Labor - Part 1," Seeking Alpha. May 7, 2012, <http://seekingalpha.com/article/565781-chinas-competitive-edge-beyond-cheap-labor-part-1>, accessed 15 August 2015.

<sup>95</sup> Ibid.

<sup>96</sup> Kelly Diamond, "China Passes U.S. ... AGAIN!" Global Wealth Protection, February 1, 2015, [www.globalwealthprotection.com/china-passes-u-s/](http://www.globalwealthprotection.com/china-passes-u-s/)

Figure 3. FDI Comparison: United States and China<sup>97</sup>



That meant the loss of industrial and manufacturing jobs of outsourcing states to all cheap labor countries. But China is not alone in this regard. Many developing nations offer the same comparative advantage of cheap labor to attract multinational companies.<sup>98</sup> As Kelly mentioned the numbers of the United Nations (UN) report of 2014, according to which Asian developing countries achieved 15% rise in foreign investment to an all-time high of \$492 billion. While India achieved an exceptional increase of 26% to \$35 billion in FDI.<sup>99</sup>

Fear has also been expressed by scholars and policy makers of Southeast Asia about losing economic prospects of the Association of Southeast Asian Nations (ASEAN) nations to the sustained expansion of the Chinese economy. The most prominent discussion point of all the expressed fear is the diversion of FDI to China. Wong and Chan's analysis finds a correlation between the rise in FDI to China and the decrease in Southeast Asia and concludes that "much of regional FDI [has been] diverted from ASEAN in favor of China."<sup>100</sup> Same is the belief in the United States that

<sup>97</sup> Diamond, "China Passes U.S. ... AGAIN!"

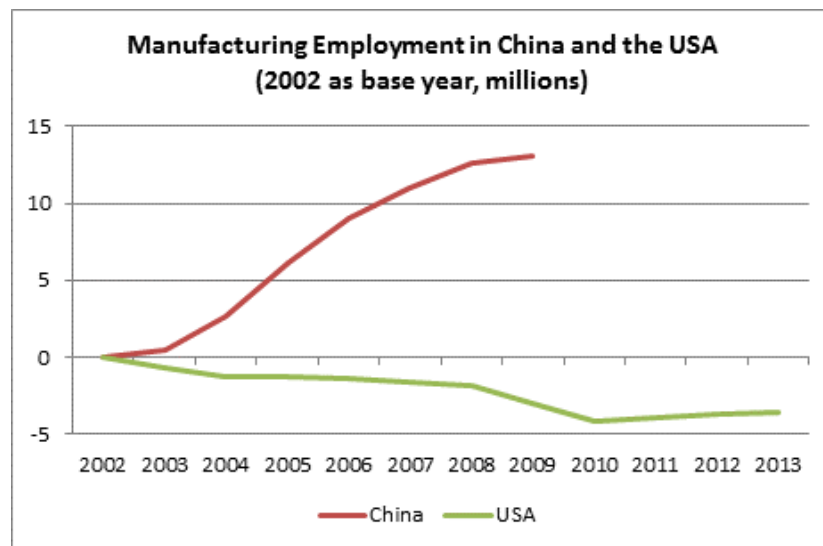
<sup>98</sup> Ibid.

<sup>99</sup> Ibid.

<sup>100</sup> John Wong and Sarah Chan, "China-ASEAN Free Trade Agreement: Shaping Future Economic Relations," *Asian Survey* 43, no. 3 (May/June 2003) 523.

Americans are losing their jobs due to China's cheap labor.<sup>101</sup> The increase in the manufacturing workforce of China since 2002 is not only more than the entire manufacturing workforce of the United States, but is also more than double the workforce of what the United States lost during the same period.<sup>102</sup> This can be seen in Figure 4.

Figure 4. Comparison of Manufacturing Employment in the United States and China<sup>103</sup>



However, with China's "currency revaluation and an increase in the minimum wage,"<sup>104</sup> this advantage of cheap labor will not last long. Such government policies in China are likely to minimize the benefits to manufacturers and investors in China, and they will be forced to look for other venues to invest their money.

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<sup>101</sup> Ben Miller, "If Manufacturing Employment is Dead Then Take a Look at China's Zombie Apocalypse," The Innovation Files, April 23, 2014, [www.innovationfiles.org/china-manufacturing-employment/](http://www.innovationfiles.org/china-manufacturing-employment/).

<sup>102</sup> Ibid.

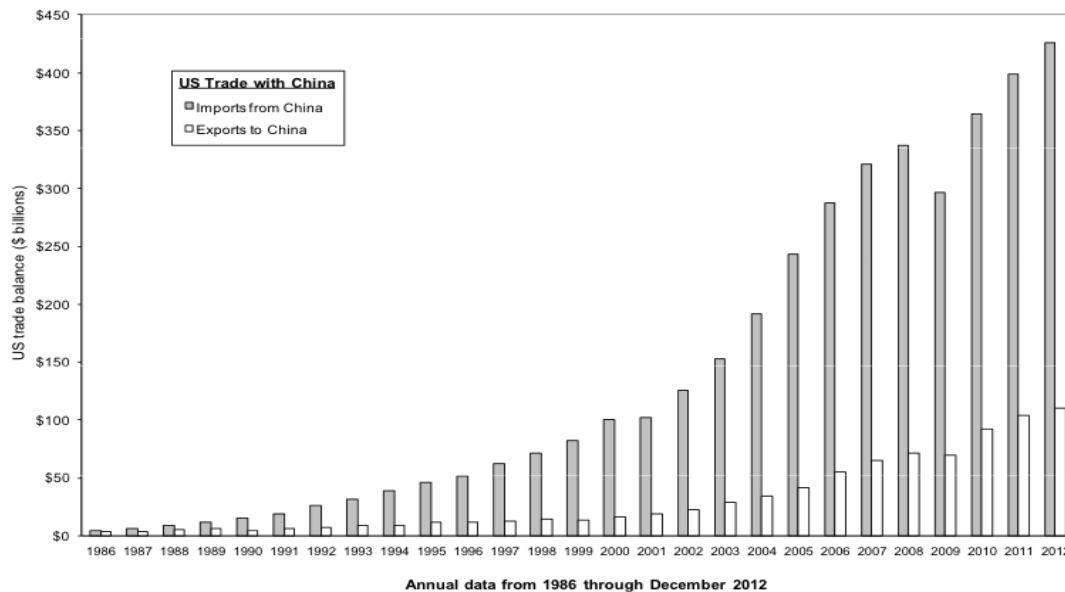
<sup>103</sup> Ibid.

<sup>104</sup> Stock Whiz, "China's Competitive Edge: Beyond Cheap Labor - Part 1."

### 3. Trade Deficit

China had been the largest creditor to the United States for several years. During all these years, the trade deficit between the United States and China kept growing in favor of China. As per the data of U.S. Census Bureau, China reached a trade surplus of \$343 billion by the end of 2014, as compared to \$1.66 billion in 1986.<sup>105</sup> It should also be noted that China has only contributed to one-third of the total growth of the U.S. trade deficit over the years, while the total trade deficit of the United States reflects further imbalances with many other nations.<sup>106</sup>

Figure 5. China-U.S. Trade<sup>107</sup>



China's foreign reserves grew from \$2.3 billion to \$3.8 trillion from 1977 to 2014.<sup>108</sup> Some argue that if China decides to dump its reserves, that will put the United

<sup>105</sup> U.S. Census Bureau, "Trade in Goods with China," last modified September 10, 2015, <http://www.census.gov/foreign-trade/balance/c5700.html>.

<sup>106</sup> Nye, "The Challenge of China," 76

<sup>107</sup> Ro, Sam, "CHART: How America's Trade Deficit with China Exploded from Nothing to \$316 Billion in 26 Years," April 10, 2013, <http://www.businessinsider.com/chart-us-trade-deficit-with-china-2013-4>.

States in a vulnerable position. On the contrary, another argument suggests that this action of China could also cause the collapse of its own economy.<sup>109</sup> Foreign reserves are now part of a healthy Chinese economy, and China would not be that irrational to liquidate its holdings.

#### **4. China's Manipulation of Its Currency**

China has undervalued the Yuan, its form of currency, since the 1990s. Analysts have not agreed on the extent of this undervaluation, which has been widely believed to be at least 20 percent.<sup>110</sup> This kept Chinese goods prices quite lower than its competitors and led to more exports, especially to the United States. Faced with pressure from the United States and other competing economies, China has ultimately "revalued the yuan by approximately 2.1 percent."<sup>111</sup>

#### **D. IDEOLOGICAL THREAT**

Though, broad liberalization by Beijing during the last few decades, being in line with the conventional explanations for economic development, deserves the credit. But still there are a few scholars who are of the view that just as significant as liberalization are the distinct structural reforms that the state has overseen, which have enabled China to reform economically, but not politically.<sup>112</sup> This model is quite attractive to developing countries, especially to those regimes who do not wish to have political liberalization in their states. But Ding points out in his study, as shown in Table 1, that the Chinese model is attractive to all developing countries, irrespective of regime type.<sup>113</sup>

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<sup>108</sup> Chinability. "China's Foreign Exchange Reserves, 1977–2014," March 11, 2015, <http://www.chinability.com/Reserves.htm>.

<sup>109</sup> Nye, "The Challenge of China," 76.

<sup>110</sup> Gene Hsin Chang and Qin Shao, "How Much Is the Chinese Currency Undervalued?" *China Economic Review* 15 (2005): 369.

<sup>111</sup> Rich Miller, "China's Revaluation: Don't Fret," *Business Week*, July 26, 2005.

<sup>112</sup> He Li, "The Chinese Path of Economic Reform and Its Implications," *Asian Affairs* 31, no. 4 (Winter 2005): 197.

<sup>113</sup> Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power", *East Asia* 23, no. 4 (Winter 2006): 29.

Table 1. Countries Showing Interest in “Beijing Consensus”<sup>114</sup>

Region	Countries	Regime type
East/Southeast Asia	N. Korea, Vietnam, Laos	Communist
Eurasia Russia	Kazakhstan, Uzbekistan, Turkmenistan	Post-communist
South Asia	India	Liberal democracy
Middle East	Iran	Authoritarian
Latin America	Brazil	Liberal democracy
Africa	Zimbabwe	Authoritarian

China has been very active in using macro and micro economic policy to shape their economy. Some of these practices have been borrowed from their neighbors. The People’s Republic of China (PRC), just like Singapore, is trying to have a free market economy while still exercising an authoritarian government.<sup>115</sup> “Joshua Cooper Ramo labels what he sees as China’s unique approach as the ‘Beijing Consensus’ (BC, beijing gongshi), thereby distinguishing it from the ‘Washington Consensus’ (WC, huashengdun gongshi), which connotes a more conventional development approach.”<sup>116</sup> But mostly it is referred as the ‘China Model.’ “Interpretations of the China Model vary far and wide, and none stand up well as a rigorous summary of a distinctive Chinese developmental experience.”<sup>117</sup> What has become evident is China distinguishing itself as a gradual reform state, rather than adopting the ‘shock therapy’ approach that has been linked to central Europe.<sup>118</sup> In this sense, China’s state structure is “socialist with Chinese

<sup>114</sup> Huang and Ding, “Dragon’s Underbelly: An Analysis of China’s Soft Power,” 29.

<sup>115</sup> Denny Roy, "Singapore, China, and the 'Soft-Authoritarian Challenge,'" *Asian Survey* 34, no. 3 (March 1994): 34-45.

<sup>116</sup> Kennedy, “The Myth of the Beijing Consensus,” 461.

<sup>117</sup> Ibid.

<sup>118</sup> Nazneen Barma, “Chinese Developmental Model”, (lecture, Naval Postgraduate School, Monterey, CA, Spring 2015).

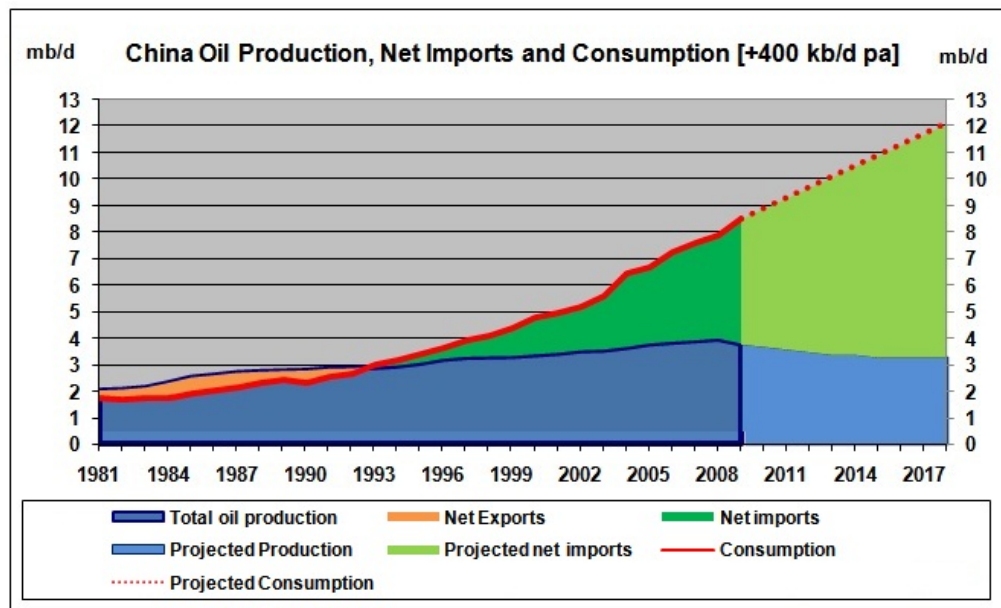


characteristics.”<sup>119</sup> In essence, China has maintained an economic growth program while maintaining its original political institutions.<sup>120</sup>

## E. SURGE IN ENERGY DEMAND

China aims at increasing its GDP four times from 2000 to 2020. The major hurdle for China in achieving its objective is required energy. China’s “energy demand has taken front stage in considering China’s mercantilist measures.”<sup>121</sup> For example, the state’s rate of oil consumption has grown four times between 1985 and 2005, while this speed of growth is expected to stay constant over the next twenty years.<sup>122</sup> Currently, 40 percent of China’s oil demand is met through imports, which is likely to increase with a decline in its domestic supply. This is demonstrated in Figure 6.

Figure 6. China’s Oil Production and Demand<sup>123</sup>



<sup>119</sup> Kennedy, Scott, 'The Myth of the Beijing Consensus', p. 461

<sup>120</sup> Naazneen Barma & ElY Ratner, 'China's Illiberal Challenge', democracyjournal.org, p.57

<sup>121</sup> Gertz, "Chinese Dragon Awakens."

<sup>122</sup> Ibid.

<sup>123</sup> [http://www.crudeoilpeak.com/wp-content/gallery/china/china\\_oil\\_production\\_net\\_imports\\_consumption\\_1981\\_2018.jpg](http://www.crudeoilpeak.com/wp-content/gallery/china/china_oil_production_net_imports_consumption_1981_2018.jpg).

Population growth and resource consumption go hand-in-hand. BBC business reporter Richard Anderson highlighted in “Resource Depletion: Opportunity or Looming Catastrophe?” that “while demand for resources from an exploding and wealthier population soars, finding and extracting new sources of supply is becoming increasingly difficult and expensive.”<sup>124</sup> Michael Klare, a Five College Consortium professor, said, “the world needs more oil and gas than ever before, and an ever-increasing share of this energy is likely to be derived from offshore reservoirs.”<sup>125</sup> BBC editor, Peter Goodchild explains, “to maintain industrial society, the production of steel cannot be curtailed: there are no ‘green’ materials for the construction of skyscrapers, large bridges, automobiles, machinery, or tools.”<sup>126</sup>

China’s steel production is nearly seven times that of the United States, the world’s number two producer. Moreover, China’s production exceeds the rest of the world production combined. The United States is the number one steel importer, with China ranking seventh. The fact that China is the largest producer and the seventh largest importer provides strong evidence that China cannot keep pace with its population growth.<sup>127</sup> Additionally, the Chinese are using steel to build naval ships and submarines at a faster pace than any other nation in the world, including the U.S.<sup>128</sup> Admiral Locklear reinforced this fact to the House Appropriations Committee, saying, “China continues an aggressive ship building program to produce and field advanced frigates, destroyers, and the first in-class cruiser-sized warship.”<sup>129</sup> For the first time since World War II, a naval

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<sup>124</sup> Richard Anderson, "Resource Depletion: Opportunity or Looming Catastrophe?," BBC, June 12, 2012, <http://www.bbc.com/news/business-16391040>.

<sup>125</sup> Michael T. Klare, "The Growing Threat of Maritime Conflict," *Global Trends* 112, no. 750 (January 2013): 27.

<sup>126</sup> Peter Goodchild, "Depletion of Key Resources: Facts at Your Fingertips," *Culture Change*, January 27, 2010, 2010.

<sup>127</sup> World Steel Association, "World Steel in Figures 2014", <https://www.worldsteel.org/dms/internetDocumentList/bookshop/World-Steel-in-Figures-2014/document/World%20Steel%20in%20Figures%202014%20Final.pdf> (accessed September 15, 2015).

<sup>128</sup> Gabe Collins and Andrew Erickson, "U.S. Navy Take Notice: China is Becoming a World-Class Military Shipbuilder," *The Diplomat*, November 1, 2012, <http://thediplomat.com/2012/11/u-s-navy-take-notice-china-is-becoming-a-world-class-military-shipbuilder/1/>.

<sup>129</sup> Samuel J. Locklear, III, "PACOM before the House Appropriations Committee Remarks (speech, Washington, DC, March 18, 2015).

power is emerging, measured by ship quantity and quality equal to the U.S., provided that the Chinese continue to devote resources and maintain their political will.

China's zealous dispute over the resource-abundant Spratly Islands, Scarborough Shoal, and Paracel Islands is further evidence of their resource dependency. For decades, the Chinese did little to enforce their "claimed" territorial borders. However, recently, the Chinese have been constructing islands from shallow reefs, which they regard as sovereign territory that carries with it 200 miles of Economic Exclusion Zone rights.<sup>130</sup> These previously underwater reefs are capable of landing airplanes, drilling for oil, and pumping natural gas.<sup>131</sup> The Philippines, Vietnamese, and Taiwanese governments have all voiced complaints to the United Nations regarding China's aggressive behavior.

Disregarding numbers, the primary concern is China's swelling oil consumption, which may result in a resource war between the United States and China over access to energy sources. If China on one hand started developing key alliances with resource-wealthy countries throughout the globe, it has also evolved grand strategies to meet resource scarcity through alternative energies and conservation.<sup>132</sup> However, because China and all other industrialized countries need energy to fuel their economies, competition over energy resources will always remain.

After having discussed China's rise and its implication on global peace in light of various arguments presented by international scholars and policy makers, next chapter will cover Chinese efforts in refuting all such apprehensions and Chinese endeavors to convince the world of its peaceful rise by utilizing its soft power. Chapter IV will first present Chinese discourse on the concept of soft power as compared to western concept already discussed in chapter II. Then I will briefly discuss the objectives of Chinese soft power, and finally the resources utilized to achieve those objectives.

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<sup>130</sup> Rupert Wingfield-Hayes, "China's Island Factory," BBC, September 9, 2014, <http://www.bbc.com/news/magazine-29107792>.

<sup>131</sup> Katie Hunt, "Report: China Building 'Airstrip Capable' Island in Disputed Waters," CNN, November 24, 2014, <http://www.cnn.com/2014/11/24/world/asia/china-south-china-sea/>.

<sup>132</sup> Zheng Bijan, "China's Peaceful Rise to Great-Power Status," *Foreign Affairs* 84, no. 5 (September-October, 2005): 22.

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## IV. CHINA'S DISCOURSE ON SOFT POWER

### A. SOFT POWER WITH CHINESE CHARACTERISTICS

China's exercise of hard power during the Taiwan Strait crisis of 1995–1996 and Mischief Island incident brought setbacks to the Chinese image in the world. Just a year or two later, during the 1997 Asian financial crisis, while Western nations were slow to react to the crisis, Beijing's timely decision not to devalue its currency was perceived as standing up for Asia. This is the time experts consider as the moment when Chinese soft power began to emerge.<sup>133</sup> Beijing recognized the efficacy of using soft power. Instead of resorting to military action, China started using a less confrontational approach to resolve its issues with other states. China's effort of proclaiming itself as leader within the developing world during the Bandung Conference is a strategy "Beijing is reasserting today."<sup>134</sup> The signing of a code of conduct over the disputed boundaries in the South China Sea in 2002, and agreement to establish a China–ASEAN Free Trade Area within a decade are examples of it.<sup>135</sup> The world has become more concerned with rising Chinese soft power. Few consider it competing with the United States' concept of soft power and even have pointed towards the "rise of Chinese soft power and decline of American soft power."<sup>136</sup>

Despite the fact there is intense debate among Chinese scholars about 'soft power,' "China has yet to develop a comprehensive, coherent, national soft-power strategy although there are disparate policies toward this end."<sup>137</sup> China's policy of utilizing soft power is as of yet ad hoc. Contrary to Kurlantzick's declaration of Chinese soft power as a 'charm offensive,' Bonnie S. Glaser and Melissa E. Murphy consider it to

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<sup>133</sup> Michael Glosny, "Heading toward a Win–Win Future? Recent Developments in China's Policy toward Southeast Asia," *Asian Security* 2, no. 1 (2006): 28.

<sup>134</sup> Kurlantzick, *Charm Offensive*, 13.

<sup>135</sup> Bonnie S. Glaser, and Melissa E. Murphy, "Soft Power with Chinese Characteristics: The Ongoing Debate." *Chinese Soft Power and Its Implications for the United States: Competition and Cooperation in the Developing World, A Report of the CSIS Smart Power Initiative*, ed. Carola McGiffert (Washington, DC: Center for Strategic and International Studies, 2009), 11.

<sup>136</sup> Nye, "The rise of China's soft power."

<sup>137</sup> Glaser and Murphy. "Soft power with Chinese Characteristics: The Ongoing Debate," 11.

be more reactive to counter China's threat perception.<sup>138</sup> In their view Chinese leaders do not want to initiate competition with the West and the United States by promoting "socialist values as an alternative to Western values," but they still see this possibility in the future once China is more powerful and has a bigger role at the global level.<sup>139</sup> At present, China just wants to present its softer image by promoting Chinese culture. As per Glaser and Murphy:

The mainstream intellectual view is that culture is the core resource of a state's power. This view has been embraced by China's leadership, resulting in expanded funding for the development of China's cultural soft-power resources at home and its expansion abroad."<sup>140</sup>

Despite the fact that China is making progress in softening its image by benefitting from many opportunities, it still has to overcome significant challenges it faces in terms of its public diplomacy. The same principle of centralism that is the base of China's authoritarian regime is found missing in Chinese diplomacy. The Chinese diplomatic system is quite complicated, where responsibilities are divided among many departments and groups. There are separate ministries and departments without any central controlling authority to look into different aspects of public diplomacy, such as cultural diplomacy, media diplomacy, and public diplomacy with other socialist countries.<sup>141</sup> While every department recognizes the significance of public diplomacy, individual segments follow their own path with no central authority. As a historically strong state with a weak society, China has not been successful in utilizing the resources of transnational agencies and nongovernmental organizations (NGOs) to implement a coherent policy towards public diplomacy.<sup>142</sup>

In China, public diplomacy, which was an unacquainted concept, has become quite popular among Chinese scholars over the past few years. Students are choosing it as

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<sup>138</sup> Glaser, and Murphy, "Soft power with Chinese Characteristics: The Ongoing Debate," 10.

<sup>139</sup> Ibid.

<sup>140</sup> Ibid.

<sup>141</sup> Yiwei Wang, "Public Diplomacy and the Rise of Chinese Soft Power," *Annals of the American Academy of Political and Social Science* 616, *Public Diplomacy in a Changing World* (March 2008): 265.

<sup>142</sup> Ibid.

their thesis topic and Chinese newspapers are writing about it quite frequently.<sup>143</sup> The Chinese normally use the term “*dui wai xuan chuan* or *wai xuan* (external propaganda)”<sup>144</sup> to advertise Chinese achievements and improve its image overseas. Unlike its English meaning of the term, in Chinese, *xuan chuan* (propaganda) has progressive implications correlated with all the actions that support it.<sup>145</sup> *Xuan chuan* has two further sub-categories: “*nei xuan* (internal propaganda) and *wai xuan* (external propaganda).”<sup>146</sup> Though Beijing is quite successful in *nei xuan* (internal propaganda), it is quite weak in *wai xuan* (external propaganda) or public diplomacy, and the reason for this is the mixing of external and internal propaganda by the Chinese government.

On March 19, 2004, during the inaugural address of the new Division for Public Diplomacy under the Information Department of the Ministry of Foreign Affairs, Chinese Assistant Foreign Minister Shen Guofang elaborated the goal of public diplomacy by saying, “the basic goal of public diplomacy is to enhance the exchanges and interaction with the public in order to guide and win the understanding and support of the public for foreign policies.”<sup>147</sup> Foreign Minister Zhaoxing Li added to this by saying, “we have actively conducted public diplomacy by publicizing China’s foreign policies and activities to the Chinese public, thus winning their understanding and support.”<sup>148</sup> This reflects that when they say “public,” it means “Chinese public,” and public diplomacy for them is what Americans call “public affairs.” This is because of what the Chinese government has always believed, that “foreign policy must be an extension of domestic policy and that diplomacy should serve domestic politics.”<sup>149</sup>

At the same time, the Chinese believe in “*minjian waijiao* (people-to people diplomacy),” and the Chinese, just like the French, rely on cultural diplomacy more,

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<sup>143</sup> Wang, “Public Diplomacy and the Rise of Chinese Soft Power,” 258.

<sup>144</sup> *Ibid.*, 259.

<sup>145</sup> *Ibid.*

<sup>146</sup> *Ibid.*

<sup>147</sup> *Ibid.*, 260.

<sup>148</sup> *Ibid.*, 260.

<sup>149</sup> *Ibid.*, 260.

rather than emphasizing the use of media like the United States.<sup>150</sup> The reason for this is non-integration of Chinese media at global level, whereas Chinese culture is highly developed. “Landmarks in recent exchange and cultural diplomacy have included the Chinese-French Cultural Year in 2004, the Chinese-Russian National Year in 2005, and the Chinese-Indian Friend Year in 2006.”<sup>151</sup> China’s promotion of culture is a vital element of their public diplomacy tactic. Joshua Kurlantzick offers a different perspective on soft power while relating it to China:

In the context of China, both the Chinese government and many nations influenced by China enunciate a broader idea of soft power than did Nye. For the Chinese, soft power means anything outside of the military and security realm, including not only popular culture and public diplomacy but also more coercive economic and diplomatic levers like aid and investment and participation in multilateral organizations that are Nye’s carrots and sticks.<sup>152</sup>

Kurlantzick further explains that authoritarian regimes seeking to remain in power may find Beijing’s level of assistance and investment attractive, while it is democratic states that are attracted to the ability of soft power to generate support of the public.<sup>153</sup>

Realizing the importance of the level of education of bureaucrats in the formulation of sound policies, the Chinese government has laid quite an emphasis on raising the education standards of these officials. It’s not only the senior officials, but midlevel bureaucrats, too, who have sought higher education. “In 1982 only 20 percent of China’s provincial leaders had attended college. In 2002, this number was 98 percent...and those under 54, two-thirds hold Masters or PhD degrees.”<sup>154</sup> Though Beijing is putting in efforts in educating its diplomats, the bureaucratic system needs reforms. Chinese diplomats are considered to be overcautious. One foreign observer commented,

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<sup>150</sup> Wang, “Public Diplomacy and the Rise of Chinese Soft Power,” 259.

<sup>151</sup> Ibid.

<sup>152</sup> Kurlantzick, “China’s Charm: Implications of Chinese Soft Power,” *Carnegie Endowment for International Peace* 47 (June 2006): 1.

<sup>153</sup> Ibid., 2.

<sup>154</sup> Joshua Cooper Ramo, *The Beijing Consensus* (London, England: Foreign Policy Center, 2004), 19–20.



The recent SARS and Avian Flu epidemics reveal that public diplomacy is essentially reactive rather than pro-active; defensive; secretive; potentially dishonest; and, for purely political expediency, too cautious and slow in responding to crises that have increasingly already been reported in the foreign media.<sup>155</sup>

Additionally, the Bureau of Policy Planning that has been created by China has centered on a long-term vision, and strategies such as the 'charm offensive' have thus been developed.<sup>156</sup> The Publicity Department, established after the end of the Cold War, seeks five main objectives, "publicizing China's assertions to the outside world, forming a desirable image of the state, issuing rebuttals to distorted overseas reports about China, improving the international environment surrounding China, and exerting influence on the policy decisions of foreign countries."<sup>157</sup>

## **B. CHINA'S SOFT POWER: OBJECTIVES**

### **1. Indicator of Major Power Status**

The strategic circles of China firmly believe that a state's status is determined by its ability to project its soft power coupled with its hard power to "maintain advantageous position in international competition."<sup>158</sup> One cannot separate soft power from China's rise, as any world power must present an attractive culture and social values to the publics of other countries. As Luo Jianbo has argued, "if a major power cannot provide some guiding moral or cultural ideals of universal value for the international society, its major power status is unlikely to be acknowledged by other states, and even its own development is hard to be sustained."<sup>159</sup> So if China desires to rise to the major power

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<sup>155</sup> Gary D. Rawnsley, "A Survey of China's Public Diplomacy," USC Center on Public Diplomacy, May 2 2007, [http://uscpublicdiplomacy.com/index.php/newsroom/pdblog\\_detail/070502\\_a\\_survey\\_of\\_chinas\\_public\\_diplomacy/](http://uscpublicdiplomacy.com/index.php/newsroom/pdblog_detail/070502_a_survey_of_chinas_public_diplomacy/).

<sup>156</sup> Evan S. Medeiros and M. Taylor Fravel, "China's New Diplomacy," *Foreign Affairs* 6 (2003): 22.

<sup>157</sup> Rumi Aoyama. *Chinese Diplomacy in the Multimedia Age: Public Diplomacy and Civil Diplomacy*, (Tokyo, Japan: Waseda University Global Institute for Asian Regional Integration, , December 2004).

<sup>158</sup> Li Mingjiang, "China Debates Soft Power," *Chinese Journal of International Politics* 2 (2008): 299.

<sup>159</sup> Ibid.

status and wishes to get recognition from the world community as well, then China must present attractive values to the world that are acceptable to all societies of the world.

If one group of Chinese scholars considers soft power projection aimed towards the international community to get the recognition of great power status, another school of thought, which is in line with Hu-Wen leadership, wants soft power to create favorable domestic environments to gain a peaceful rise through ‘harmonious society.’<sup>160</sup> In their view, China has to tackle with domestic challenges first to achieve stability through “more attention to culture, national cohesion, morality and institutions.”<sup>161</sup>

## **2. Repudiating “China Threat Theory”**

The primary objective of Chinese soft power is to rebut the “China threat” perception and sway the international community to accept the peaceful rise of China.<sup>162</sup> To that end, as President Hu Jintao mentioned during a meeting with Chinese diplomats that China has to shape the perception of the world in China’s favor during an “important period of strategic opportunity,” China should endeavor to ensure four “environments”: “a peaceful and stable international environment; a neighbourly and friendly environment in surrounding regions; a cooperative environment based on equality and mutual benefits; and an objective and friendly media environment.”<sup>163</sup> This externally focused soft power will keep the neighborhood of China peaceful and would not allow the tensions to escalate. The Chinese policy makers are aware of the fact that their building of hard power—military and economic—has to be in sync with its perception in the world. Otherwise, if other states are going to feel threatened by China’s rise, they may balance against China to prohibit its expansion of hard power.

## **3. Keeping Up with the Soft Power Race**

Just like many international strategists, Chinese also acknowledges that the role military power alone used to play in achieving national objectives is not that highly

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<sup>160</sup> Mingjiang, “China Debates Soft Power,” 299.

<sup>161</sup> Ibid.

<sup>162</sup> Ibid., 300.

<sup>163</sup> Ibid.

regarded in the current international environment. In the words of Zhang Jianjing, a Chinese analyst, “the competition among nation states appears to be a rivalry of hard power, but behind such rivalry is the competition between institutions, civilizations, and strategies, which are essentially the rivalry of soft power.”<sup>164</sup> International competition is governed by new rules, and multidimensional approaches have appeared to play a significant role in this power-seeking game. China is faced with the same challenge of competing for soft power with other major powers in the long term. Every major state like the United States, India, Japan, and European countries have intensified their soft power efforts. In this bazaar of goodwill perception, every country is marketing to promote its own brand. China does not want to lag behind in this race.

The Chinese are also worried about the way American culture is making headway in the younger Chinese generation. The same fear was sounded in an essay by Hu Jintao, China’s president, when he warned the Chinese community by saying, “We must clearly see that international hostile forces are intensifying the strategic plot of Westernizing and dividing China, and ideological and cultural fields are the focal areas of their long term infiltration.” He added that “the international culture of the West is strong while we are weak.”<sup>165</sup> The infiltration of liberal political ideology in Chinese society is also making the Chinese political elite fearful, an ideology that may endanger the legitimacy of their government. To limit the damage, “Beijing has also raised defenses. It limits foreign films to only 20 per year, subsidizes Chinese companies creating cultural products, and has restricted Chinese television shows that are imitations of Western entertainment programs.”<sup>166</sup> As Li Haijuan has suggested, “The competition of cultural power is the core of soft power contention.”<sup>167</sup> So China not only has to counter the influence of soft power of other countries externally, but they have to work hard internally to achieve a ‘harmonious society.’

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<sup>164</sup> Mingjiang, “China Debates Soft Power,” 301..

<sup>165</sup> Joseph S. Nye Jr., “Why China is Weak in Soft Power,” New York Times, January 17, 2012.

<sup>166</sup> Nye Jr., “Why China is Weak in Soft Power.”

<sup>167</sup> Mingjiang, “China Debates Soft Power,” 303.

## C. CHINA'S MECHANISM OF SOFT POWER

### 1. Culture

#### a. *Culture: As a Source of Soft Power*

Levels of attractiveness produced by different traits of one state's culture are different from other states.<sup>168</sup> What is considered attractive in one country may attract people of another country or specific segments of society. "Culture is the set of values and practices that create meaning for a society."<sup>169</sup> Generally, culture is divided as high culture and popular culture. If high culture appeals to the elites of society, popular culture attracts the general public.<sup>170</sup> High culture relates to areas such as literature, art, and education.<sup>171</sup> Most would regard high culture to be more productive with respect to its contribution in soft power.<sup>172</sup> Secretary of State Colin Powell said, "I can think of no more valuable asset to our country than the friendship of future world leaders who have been educated here."<sup>173</sup>

Critics regard popular culture as having little political effect and being crude commercialism, and consider it as mass entertainment.<sup>174</sup> The poet Carl Sandburg stated, "What, Hollywood's more important than Harvard? The answer is, not as clean as Harvard, but nevertheless, further reaching."<sup>175</sup> Popular culture has more reach and easy access than higher culture, just like the movies and other forms of mass entertainment, and can spread more ideas than forms of higher culture. By expressing and supporting universal values that others desire, a state becomes more legitimate in the eyes of its audience.

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<sup>168</sup> Nye Jr., "Soft Power: The Means to Success in World Politics," 11.

<sup>169</sup> Ibid.

<sup>170</sup> Kurlantzick, "China's Charm: Implications of Chinese Soft Power," 1.

<sup>171</sup> Ibid.

<sup>172</sup> Nye, Jr., "Soft Power: The Means to Success in World Politics," 44.

<sup>173</sup> Collin Powell, "Statement on International Education Week 2001," U.S. Department of State, August 7, 2001, <http://www.state.gov/secretary/rm/2001/4462.html>.

<sup>174</sup> Nye, Jr., "Soft Power: The Means to Success in World Politics," 46.

<sup>175</sup> Reinhold Wagnleitner, *Coca-Colonization and the Cold War* (Chapel Hill: University of North Carolina Press, 1994), 222.

**b. Confucianism: Base of Chinese Culture**

Chinese civilization is the primary basis of China's soft power, which enables China to inform a new identity that is based on Asian values. In constructivists' understanding, the historical past carries significant value in forming the new identity of the present to be used as a narrative to motivate the people.<sup>176</sup> Chinese civilization, which has a history of several thousand years, is shared by neighboring countries and also influenced few during that long interaction, and therefore has all the potential to call upon common interests among the same neighbors. If we understand this aspect, it is only then that we truly can determine the importance of Chinese culture with regard to China's soft power. Thus, the history of China and formation of its civilization are important notions, as they cannot be changed. These elements are instrumental in creating an "imagined" Asian identity and values.<sup>177</sup>

Though there are many attributes of Chinese civilization, Confucianism is a core factor that presents a different perspective of Chinese values and vision from that of the West. East Asian countries are well familiar with Confucianism, and it carries universal meaning in this region, just like human rights or the notion of democracy in the West. In fact, a cause of the East Asian economic miracle is considered to be the same Confucianism, and the present rise of China has again brought it into the limelight, enabling individuals the ability to carry out Asian values that are inherent to their identity.

Since the Jiang Zemin era, various efforts have been made to introduce Confucianism as a major ideology in place of socialist ideas. For example, 'Outline of Implementation of National Morality (Guomin daode shishi gangyao),' enacted by China in 2001, merges Confucian morals with socialist collectivism.<sup>178</sup> These attempts were broadened even more in the Hu Jintao era. "From the Confucian version of democracy

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<sup>176</sup> Paris Yeros, "Introduction: On the Uses and Implications of Constructivism," in *Ethnicity and Nationalism in Africa: Constructivist Reflections and Contemporary Politics*, ed. Paris Yeros (London: Macmillan, 1999), 1–14.

<sup>177</sup> Young Cho Nam and Jong Ho Jeong, "China's Soft Power: Discussions, Resources, and Prospects," *Asian Survey* 48, no. 3 (May/June 2008): 469–470.

<sup>178</sup> Nam and Jeong, "China's Soft Power: Discussions, Resources, and Prospects," 470–471.

(minben zhuyi), elements have been drawn and recast in terms such as ‘considering people as fundamental’, ‘close to the people’, ‘harmonious society’, and a ‘socialist view of honor and disgrace.’”<sup>179</sup> China’s diplomatic ideas also include Confucius beliefs. “Diplomatic principles such as ‘live peacefully with neighbors, bring prosperity to them, and provide safety to them’ and a ‘harmonious world’ are all taken from Confucianism.”<sup>180</sup> China plans to reestablish Confucianism quite systematically as an inherently Chinese civilization and vision.

### *c. Confucius Institutes*

President Hu Jintao, during his address to the Australian Parliament on October 24, 2003, announced that “Chinese culture belongs not only to the Chinese but also the whole world...We stand ready to step up cultural exchanges with the rest of the world in a joint promotion of cultural prosperity.”<sup>181</sup> To provide Chinese language and cultural resources, the Chinese Ministry of Education has set up 480 Confucius Institutes around the world.<sup>182</sup> The character of each institute is unique in its own way, but the main mission is “promoting Chinese language and culture and supporting local Chinese [language] teaching.”<sup>183</sup> These Confucius Institutes have three main objectives: “to teach Chinese, to promote cultural exchange, and to facilitate business activity.”<sup>184</sup>

One of the duties of the Confucius Institutes is “to accept both supervision from and assessments made by the headquarters.”<sup>185</sup> Furthermore, any overseas university that wishes to have a Confucius Institute must “accept Confucius Institutes’ operation model

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<sup>179</sup> Ibid., 471.

<sup>180</sup> Ibid.

<sup>181</sup> Hu, Jintao, “‘Constantly Increasing Common Ground:’ Hu’s Speech to Australian Parliament,” October 24, 2003, <http://www.australianpolitics.com/news/2003/10/03-10-24b.shtml>.

<sup>182</sup> UCLA Confucius Institute, “Confucius Institutes Worldwide,” accessed September 15, 2015, <http://www.confucius.ucla.edu/about-us/confucius-institutes-worldwide>.

<sup>183</sup> Office of Chinese Language Council International, “Introduction to the ‘Confucius Institute’ Project,” accessed September 15, 2015, <http://english.hanban.edu.cn/market/HanBanE/412360.htm>.

<sup>184</sup> Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power,” 651.

<sup>185</sup> Office of Chinese Language Council International, “Constitution and By-Laws of the Confucius Institutes,” accessed September 15, 2015, [http://www.hanban.org/en\\_hanban/kzxy\\_list.php?ithd=xyzc](http://www.hanban.org/en_hanban/kzxy_list.php?ithd=xyzc).

and teaching model and be able to accept the oversight, evaluation and certification by the Head Office once the institute is established.”<sup>186</sup> Section VIII, Item D (1) makes clear, “All institutes must use the unified set of teaching materials supplied by the Head Office.”<sup>187</sup> If Confucius Institutes have to work within these parameters then “one can see how some of these provisions might create problems or tensions between the headquarters and the overseas Confucius Institutes.”<sup>188</sup>

These laws of the Confucius Institutes also limit the academic liberty of the teachers and students by directing that they “shall not contravene concerning the laws and regulations of China” and “shall not involve or participate in any activities that are not consistent with the missions of the Confucius Institute.”<sup>189</sup> Financing the establishment of the Confucius Institutes in international universities and demanding them to speak only that which is in line with Beijing’s policies does not come into the sphere of soft power. “The concern has been that Hanban will have a great deal of power in influencing teaching and other language and cultural promotion activities, either directly or indirectly.”<sup>190</sup>

#### *d. Attracting Foreign Students*

There is a general consensus about China’s steady increase in its support for cultural and education exchanges. China is also making efforts to attract foreign students to study in China. China had been offering scholarships to African students who, before undergoing their professional courses in medicine, technology, engineering, etc., have to spend two years learning Chinese language. Students from East Asian countries are also attracted to study in China on self-finance. As Wuthnow has cited, there were 140,000

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<sup>186</sup> Office of Chinese Language Council International, “Standard Model for Confucius Institutes,” accessed September 15, 2015, <http://english.hanban.edu.cn/market/HanBanE/412379.htm>.

<sup>187</sup> Ibid.

<sup>188</sup> Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power,” 661.

<sup>189</sup> Office of Chinese Language Council International, “Constitution and By-Laws of the Confucius Institutes.”

<sup>190</sup> Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power,” 662

foreign students studying in China in 2006, out of which 75 percent were East Asians.<sup>191</sup> China is also investing billions of dollars to upgrade its universities to bring those at par with leading universities in the world. To that end, China is not only providing the latest research facilities in these universities, but is also hiring leading academics by offering attractive packages.<sup>192</sup>

What is attracting these foreign students to study in China? Better education facilities, cheaper education, the attraction of Chinese Culture, or better job or business opportunities by studying in the fastest growing economy of the world? As per a report by Wei Wanchuan, “A 2003 survey of 100 Southeast Asian students in a Chinese university revealed that 43 percent of the respondents chose ‘interest in Chinese culture’, as opposed to 31 percent who cited ‘future job needs’, as the primary reason of learning Chinese.”<sup>193</sup> The number of foreign students over the past decade has tripled to 110,000 from 36,000,<sup>194</sup> out of which, seventy five percent of the students majored in academic disciplines of cultural concern.<sup>195</sup>

*e. Chinese Studying Abroad*

A large number of Chinese are also part of the university students in all of the developed countries and “form either the largest or second largest proportion of foreign students in Japan, the USA, the UK, Australia, and Canada,”<sup>196</sup> which “implies a growing Chinese presence amid an intellectual and social bonding of social elites; also that Mandarin is likely to become an important international business language, especially in Asia.”<sup>197</sup>

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<sup>191</sup> Joel Wuthnow, “The Concept of Soft Power in China’s Strategic Discourse,” *Issues and Studies* 44, no. 2 (2008): 13.

<sup>192</sup> Alan Hunter, ‘Soft Power: China on the Global Stage’, *Chinese Journal of International Politics*, vol. 2, 2009, p.385.

<sup>193</sup> Huang and Ding, “Dragon’s Underbelly: An Analysis of China’s Soft Power,” 26.

<sup>194</sup> Nye, Jr., “The Rise of China’s Soft Power.”

<sup>195</sup> Bates Gill and Yanzhong Huang, “Sources and limits of Chinese ‘Soft Power’”, 18.

<sup>196</sup> Alan Hunter, “Soft Power: China on the Global Stage,” 385.

<sup>197</sup> Alan Hunter, “Soft Power: China on the Global Stage,” 385.



*f. Tourism*

Easing immigration requirements has allowed Chinese natives the ability to travel and conduct business, thereby encouraging the Chinese sense of culture and the Chinese language through mutual interaction. The trade organization of Chinese labor contractors states that “the number of Chinese workers heading abroad is rising by nearly 20 percent per year; some will overstay their visa and never come home.”<sup>198</sup> As per various sources, there are up to 300,000 Chinese travelers who have travelled to South Africa,<sup>199</sup> whereas, around 120,000 Chinese migrants entered Thailand alone in 2003.<sup>200</sup> The number of Chinese migrants to other parts of Asia is even larger than that. Not only are these migrants changing the demographic of these regions, but they are growing China’s power and spreading Chinese culture by means of local businesses, agricultural sectors, and daily person-to-person contact.<sup>201</sup> A huge increase is seen in the number of Chinese visiting foreign countries. On average there is an increase of more than 8 million Chinese per year visiting abroad. This is demonstrated in Figure 7.

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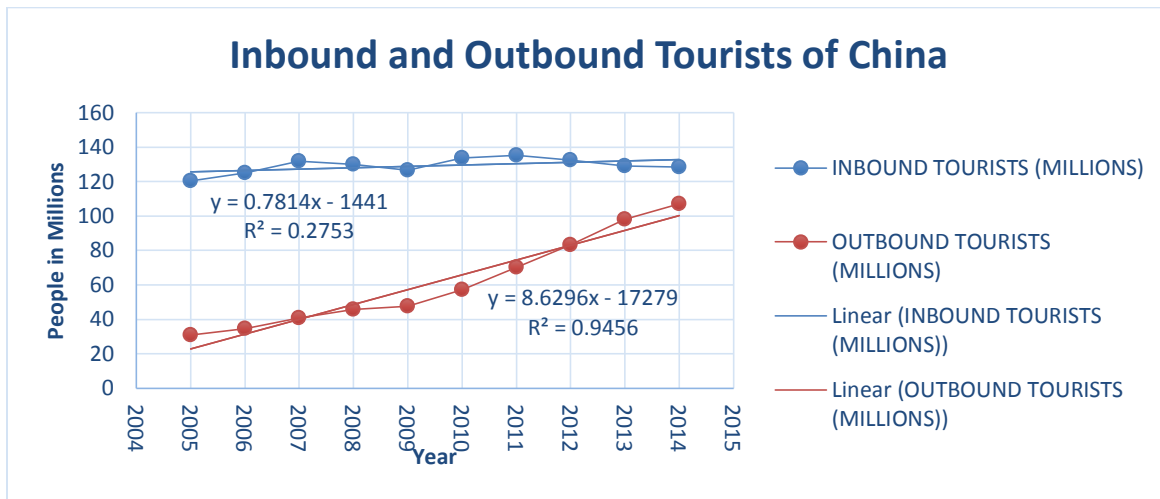
<sup>198</sup> Kurlantzick, *Charm Offensive*, 104.

<sup>199</sup> Barry Sautman, “Friends and Interests: China’s Distinctive Links with Africa” (Center on China’s Transnational Relations Working Paper No. 12), (Hong Kong: Hong Kong University of Science and Technology, 2006).

<sup>200</sup> David Fullbrook, “Chinese Migrants and the Power of Guanxi,” *Asia Times*, July 30, 2004.

<sup>201</sup> *Ibid*.

Figure 7. Increase in Inbound and Outbound Tourists of China<sup>202</sup>



According to Hunter, “The phenomenon of positive cultural interaction between China and its neighbors is reinforced by growing international tourism to China and of Chinese tourists to overseas holiday destinations.”<sup>203</sup> Despite the efforts of the Chinese government to attract overseas tourists, the number of inbound tourists had been slightly declining. The trend of tourists visiting China remained upward till 2007, but then suddenly started declining and remained so until 2014. Other than appreciation in Chinese currency, which led to an increase in travel expenditure in China, Chinese “traditional travel itineraries and products lack novelty and competitiveness,”<sup>204</sup> which force the tourists to move to destinations other than China. Corruption in China has also contributed to lowering the image of China among overseas tourists. Foreign visitors are also worried by air pollution and the hygienic condition of Chinese food market.<sup>205</sup>

<sup>202</sup> Travel China Guide, “China Tourism,” <http://www.travelchinaguide.com/tourism/>, accessed 15 September, 2015

<sup>203</sup> Hunter, “Soft Power: China on the Global Stage,” 386.

<sup>204</sup> Travel China Guide, “China Tourism.”

<sup>205</sup> Ibid.

**g. *Chinese Media: Expanding with Questionable Reliability***

Until 1978, the Chinese international media under the communist regime of China was limited to crude propaganda: “translations of The Little Red Book, the Pravda-like Beijing Review, and two rather bizarre English language illustrated propaganda monthlies.”<sup>206</sup> Now China has not only achieved success in movies, but China is dominating the Chinese language media of East Asia with its news coverage and music industry. Chinese media domination is not limited to Chinese language only; China has also invested heavily in English language news and entertainment media as well.<sup>207</sup> According to Nye,

In 2009, Beijing announced plans to spend billions of dollars to develop global media giants to compete with Bloomberg, Time Warner and Viacom. China invested \$8.9 billion in external publicity work, including a 24-hour Xinhua cable news channel designed to imitate Al Jazeera.<sup>208</sup>

State-controlled media is another weakness by which China cannot influence the international audience who are used to liberal media. “It will be some time before the Chinese mass media, with its lack of competitiveness caused by strict government restrictions on the media, can start winning large audiences abroad.”<sup>209</sup> Not allowing free access to foreign media inside China was another hurdle that was to be removed. It is since 2007 that China permitted international media agencies to conduct interviews with people and organizations without the regime’s approval. Now that the step has been initiated, it is not fully exploited.<sup>210</sup>

**2. *Foreign Policy***

**a. *Foreign Policy: As a Source of Soft Power***

A government’s political values and foreign policies are another source of soft power. Classic realists consider relationships between states to depend on notions of

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<sup>206</sup> Hunter, “Soft Power: China on the Global Stage,” 386.

<sup>207</sup> Ibid.

<sup>208</sup> Nye Jr., “Why China is Weak in Soft Power.”

<sup>209</sup> Aoyama, *Chinese Diplomacy in the Multimedia Age: Public Diplomacy and Civil Diplomacy*.

<sup>210</sup> Wang, “Public Diplomacy and the Rise of Chinese Soft Power,” 265.

honor and reputation.<sup>211</sup> In fact, Hans J. Morgenthau defines prestige as one of the three forms of foreign policy. This policy of prestige has the function of “impress[ing] other nations with the power one’s own nation actually possesses, or with the power it believes, or want the other nations to believe, it possesses.”<sup>212</sup>

While political and cultural elements support power such a projection, a nation’s foreign policy is still subject to change under the governments’ control.<sup>213</sup> It can be expected that countries will follow policy that supports their national interest; however, how their interests are defined is subject to change.<sup>214</sup> Relatedly, soft power can inform foreign policy because the state is seen as a moral authority, and here it has a greater opportunity to employ its agenda in a method that causes others states to fail in expressing different preferences because their desires seem to be unrealistic in comparison. According to Nye,

... co-optive (soft) power is the ability of a country to structure a situation so that other countries develop preferences or define their interests in ways consistent with its own. This power tends to arise from such resources as cultural and ideological attraction as well as rules and institutions of international regimes.<sup>215</sup>

Nye believes that a strong foreign policy should focus on maintaining cultural and public diplomacy, advocating transferring public goods, partaking in multilateral cooperation, and advocating for human rights.<sup>216</sup> In this sense, policy based on broadly held principles is likely to invite cooperation. Foreign policies, if perceived as moral and legitimate, can contribute to a state’s soft power. Enough soft power, once accumulated, allows a country to gain a manipulative position by which it “makes others fail to express some preferences because they seem to be too unrealistic.”<sup>217</sup> In Lundestad’s assessment,

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<sup>211</sup> Morgenthau, *Politics among Nations: The Struggle for Power and Peace*, 69.

<sup>212</sup> *Ibid.*, 70.

<sup>213</sup> Nye, Jr., “Soft Power: The Means to Success in World Politics,” 68.

<sup>214</sup> *Ibid.*, 60.

<sup>215</sup> Nye, Jr., “Soft Power,” 80.

<sup>216</sup> Nye, Jr., “Soft Power and American Foreign Policy,” 255–270.

<sup>217</sup> Nye, Jr., *Soft Power: The Means to Success in World Politics*, 7.

during the second half of the 1900s, U.S.-led Cold War coalitions were based on this sense of shared principles. In the case of the United States and its allies, these values were notions of democracy, federalism, and free markets.<sup>218</sup> But later on, the United States' decision to invade Iraq in 2003, similar to unpopular policies with respect to Vietnam, brought American soft power to decline. In the case of China, Mao Zedong's foreign policy portrayed the image of China as an ideologically threatening state.<sup>219</sup> Beijing's past use of military force to settle its strategic issues was not received well. Its multiple clashes in the South China Sea and occupation of one of the Spratly islands only supported this fact. But the Asian Financial Crisis of 1997 is considered as a turning point in Beijing's foreign policy.

***b. Transformation of Chinese Foreign Policy Over the Years***

Post-Mao leadership of the Chinese Communist Party (CCP) reformed China's foreign policy while adopting less confrontational and a rather more constructive approach to deal with global and regional affairs.<sup>220</sup> In the 1980s, with the same guidance in mind, China started adjusting its foreign relations with a view to attain a peaceful international environment. Learning from the lessons of its foreign policy of the Mao Era, and most importantly learning from the experience of the international communism movement, the CCP reformed its foreign policy guidelines for the attainment of a new international order.<sup>221</sup> In summary, China's new concept of desired international order includes the following guidelines:

- (1) Every state has the right to choose its own social political, economic systems and development roads, any state (especially great powers) should not interfere with other countries' internal affairs, and should not impose its values, ideologies and development models onto other countries;
- (2) Mutual respect of sovereignty and territorial integrity;
- (3) International disputes should be settled by peaceful negotiations on a just basis;
- (4) States have equal rights to engage in the coordination of world issues;

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<sup>218</sup> Ibid., 61.

<sup>219</sup> Gill and Huang, "Sources and Limits of Chinese 'Soft Power,'" *Survival* 48, no. 2 (2006): 21.

<sup>220</sup> Medeiros and Fravel, "China's New Diplomacy," 22–35.

<sup>221</sup> Ding, Sheng. "Soft Power and The Rise Of China: An Assessment of China's Soft Power in Its Modernization Process" (PhD diss., Rutgers, The State University of New Jersey, 2006), 168.

power politics and hegemonism are to be blamed and should be done away with; (5) Reform the existing old international economic order, and a new international economic order based on justice, equality and mutual benefits should replace the old one; (6) the UN should play a full and key role in establishing the new international order.<sup>222</sup>

With the same guidelines, despite a few missteps, China made great successes in foreign relations during the 1980s and 1990s. Beijing was not only successful in creating a comparatively more favorable international environment for its national economic edifice, but pushed it further to gain more liberal economic policy. China's international situation has developed further during the 21st century. China has adopted a more flexible approach in bilateral relations, engaged itself more in multilateral organizations, and shown a more responsible approach towards security issues. "The changes represent an attempt by Chinese leaders to rebuild its post-Tiananmen national image, protect and promote Chinese economic interests, and enhance their security."<sup>223</sup>

***c. Peaceful Rise and Peaceful Development: Rebutting China's Military Threat***

Being cognizant of the fact that the world is apprehensive about China's rise and its potential implications, Chinese officials offered many narratives which portrayed China as a peace seeking country. The first was China's promulgation of "New Security Concept" in 1997 by President Jiang Zemin to replace "Old Cold War security outlook." This concept advocated "mutual trust and benefit, equality, interdependence, cooperative security, and international norms."<sup>224</sup> Then in the spring of 2003, Zheng Bijian, senior party adviser, announced Beijing's policy of "peaceful rise."<sup>225</sup> According to Zheng's statement, the peaceful rise of China is ongoing since 1978 and is likely to continue until the mid-21st century.<sup>226</sup> Beijing portrays a message that its growing economy, coupled

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<sup>222</sup> Ding, "Soft Power and The Rise Of China: An Assessment of China's Soft Power in Its Modernization Process," 168.

<sup>223</sup> Ibid.

<sup>224</sup> Evelyn Goh, "The Modes of China's Influence: Cases from Southeast Asia," *Asian Survey* 54, no. 5 (September/October 2014): 838.

<sup>225</sup> Elizabeth Economy, "China's Rise in Southeast Asia: Implications for Japan and the United States," *Japan Focus*, October 6, 2005, <http://www.japanfocus.org/products/topdf/1815>.

<sup>226</sup> Ibid.

with political and military might, will not only promote peaceful trade, but will contribute to global security and address transitional challenges as well.<sup>227</sup>

The significance of the concept of the peaceful rise theory as was proposed in the Hu Jintao era, was in effect a reflection of an intention of the Chinese government to declare the expansion of China's national power and its presumed rise to global power status, with a view to convince neighboring Asian countries to accept this declaration.<sup>228</sup>

The contents of the peaceful rise theory are relatively simple. Zheng Bijian, has presented four arguments to support his China's peaceful rise theory. First, despite the fact that China's economic development is quite rapid, which it achieved in a very short period of time, it had to start from a very low level, so still it is not that significant where the country's leadership has to accommodate a population of 1.3 billion. So China still needs to focus all its efforts on its internal development for the next few decades. Second, China's development strategy is not to detach itself from the international community, but to increase its participation. Third, while China is pursuing independent development strategies, it does not pursue to harm other states. Fourth, the PRC's current economic growth is supporting Asia's development and stability on the whole.<sup>229</sup>

In some Chinese researchers' view, the implication of the proposal of the peaceful rise theory is actually the transformation of China's foreign policy in three ways: shift to neighbor-centered diplomacy instead of American-centered diplomacy; more focused diplomatic objectives to gain the role of global leadership rather than merely obtaining an acceptable place in international society; and the transformation from economic development focused diplomatic strategy to one centered on enhancing its comprehensive national power. In a nut shell, the peaceful rise theory symbolically declares the transformation of China's global strategy orientation from internal to external.<sup>230</sup>

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<sup>227</sup> Ibid.

<sup>228</sup> Young Cho Nam and Jong Ho Jeong, "China's Soft Power: Discussions, Resources, and Prospects," *Asian Survey* 48, no. 3 (May/June 2008): 467.

<sup>229</sup> Nam and Jeong, China's Soft Power: Discussions, Resources, and Prospects," 468.

<sup>230</sup> Nam and Jeong, "China's Soft Power: Discussions, Resources, and Prospects,"

After having been mentioned by Premier Wen Jiabao and subsequently by Hu Jintao the same month during the 110th birthday celebration of Mao Zedong, the peaceful rise theory gained greater visibility. However, since April 2004 the term “peaceful rise” was replaced with “peaceful development,” and both Hu and Wen used the later term from then on. During a lecture at the Boao Forum in April 2004, Hu Jintao, while describing China’s foreign policy, used the term “peaceful development” instead of “peaceful rise.” This reflected the decision of the Chinese government not to officially use the term “peaceful rise.”<sup>231</sup>

The State Council Information Office of China issued a White Paper in December 2005 which explains the ‘peaceful development theory.’ The document emphasizes that peaceful development is inevitable for China’s modernization and development because it will create a peaceful global environment and facilitate world peace. It further explains that China has relied on its own capabilities and innovation to achieve this development while gradually opening up and accommodating globalization trends with an effort to realize mutual benefits with other countries. The document also assures that China adheres to the principles of peace, cooperation, and development, while endeavoring for prosperity.<sup>232</sup>

By comparing both theories, the peaceful rise theory and peaceful development theory, we can find very little difference in the content of both. Other than the inclusion of a new phrase of ‘harmonious world,’ peaceful development is actually a re-terming of peaceful rise theory. This leaves us to infer that China has not on the whole discarded the ideas presented in the peaceful rise theory. Still, the significance of the change of terminology from ‘peaceful rise’ to ‘peaceful development’ cannot be denied. It reflects that China still does not want to show the world that it is rising, because rise reflects a power transition; development does not.<sup>233</sup>

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<sup>231</sup> Ibid., 467.

<sup>232</sup> Ibid., 468.

<sup>233</sup> Nam and Jeong, “China’s Soft Power: Discussions, Resources, and Prospects,” 469.



**d. Win-Win Strategy: Refuting China's Economic Threat**

During the 1990s, most of the industrialized countries of the world in general and ASEAN countries in particular were fearful of 'China threat,' which mostly related to the economic growth of China coming at the expense of these countries. To address the concerns of these countries related to trade and financial stability, China introduced various policy options. China's emphasis on a 'win-win' strategy and follow-up actions not only help in reducing the economic concerns of these states, but ASEAN countries have become more optimistic about China's growing economy and consider it a driving force in economic development in Southeast Asia.<sup>234</sup>

After China joined the WTO, ASEAN states got more concerned about their markets being flooded with cheaper Chinese goods. They were worried about their inability to compete with China's cheap labor and that they would eventually lose the international market.<sup>235</sup> These apprehensions were due to the overlapping exports of these countries with China's exports,<sup>236</sup> and during recent years these countries have been losing their share of export in Japanese and American markets.<sup>237</sup> Chinese officials have not negated the concerns of these countries, but while acknowledging these, have also suggested policy options to address their worries, thereby showing that China's economic growth is not a threat to them.<sup>238</sup> China's growing economy has also increased China's bilateral trade with ASEAN countries, which increased four times from 1997 until 2004.<sup>239</sup> Though this Sino-ASEAN bilateral trade is incomparable with China's

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<sup>234</sup> Glosny, "Heading toward a Win-Win Future? Recent Developments in China's Policy toward Southeast Asia," 28.

<sup>235</sup> Michael Richardson, "China's Growth Weighs on Neighboring Countries," *International Herald Tribune*, August 18, 2001.

<sup>236</sup> Chi Hung Kwan, "Why ASEAN Did Not Seek a Stronger Yuan: Apprehension over the Spread of Currency Appreciation Pressures," *China Transition, Research Institute of Economy, Trade and Industry*, October 3, 2003 2.

<sup>237</sup> Mari Pangestu, "China's Economic Rise and the Responses of ASEAN," in *The Rise of China and a Changing East Asian Order*, ed. Kokubun Ryosei and Wang Jisi (Tokyo: Japan Center for International Exchange, 2004), 241–263.

<sup>238</sup> Glosny, "Heading toward a Win-Win Future? Recent Developments in China's Policy toward Southeast Asia," 29.

<sup>239</sup> Glosny, "Heading toward a Win-Win Future? Recent Developments in China's Policy toward Southeast Asia," 30.

trade with bigger states, it has conveyed the signal that China's economic growth is a driving factor for other all the developing countries.

*e. Asia-Focused Foreign Policy: Countering Balancing against China*

During the past few years, Chinese leaders, with a view to soothe regional states, have made orientations to “becoming friends and partners with neighbors (yulinweishan, yilinweiban),” and have labeled China as a “friendly elephant (youthao de daxiang)” which will build an “amicable, tranquil, and prosperous neighborhood.”<sup>240</sup> China had been expressing the same type of statements for its neighbors even in the past, which conveyed the message of trust and assurance of friendship. During the 1960s and 1970s, while China was expressing the same friendly rhetoric, it attempted to meddle in the affairs of Southeast Asian countries by promoting the spread of revolution, which created mistrust and suspicion among Southeast Asian countries, and that mistrust lasted for years.<sup>241</sup> However, during 1990s, PRC has been quite consistent in backing up its rhetoric of goodwill and friendship towards ASEAN countries by taking practical steps. During the 1990s, Asian officials expressed unease over China's rapid economic development and Beijing's aggressive foreign policy; China condemned all such claims as baseless and suggested that those perceptions of China are actually influenced by the Western media's “China threat theory.”<sup>242</sup> It was the time when Chinese officials and specialists realized that China's foreign stance has started “to push the ASEAN countries toward joining an anti-China coalition that would hinder China's economic development.”<sup>243</sup>

Beijing's decision of not devaluing the Yuan, an action that would have triggered a domino effect of sinking other currencies in the region, was considered as China standing up for Asia. This decision, along with Beijing's limited but generous financial bailout of its neighbors, created a great amount of goodwill for Beijing. The Chinese

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<sup>240</sup> Ibid., 24.

<sup>241</sup> Ibid.

<sup>242</sup> Ibid.

<sup>243</sup> Ibid., 22.

leadership saw the light. Beijing's third and fourth generation of leaders utilized a multifaceted approach in pursuit of its objectives while introducing a plethora of "xinsiwei" (new thinking).<sup>244</sup> They focused more on multilateralism and image-building as the core for China's new foreign policy. To this end, China is rising to become a global power with its use of soft power. It is implementing diplomatic strategies while it is also examining its national interests. This is evident in the application of foreign policy during China's Hu Jintao era. As the Chinese President Hu Jintao during his address at the 2004 Boao Forum stated,

The very purpose of China's foreign policy is to maintain world peace and promote common development. China always practices what it preaches. Persisting in building good-neighborly relationships and partnerships with the neighboring countries, we pursue a policy of bringing harmony, security and prosperity to neighbors and dedicate ourselves to strengthening mutual trust and cooperation with the fellow Asian countries, easing up hot spot tensions, and striving to maintain peace and tranquility in Asia.<sup>245</sup>

Glosny has identified four goals of Chinese foreign policy: "maintain a stable peripheral environment for regime security and economic modernization; improve China's image to reduce fears of an aggressive, threatening China; maintain territorial sovereignty and prevent the de jure independence of Taiwan; and increase power and influence to become a regional or global great power."<sup>246</sup> Being able to uphold friendly commitments with Southeast Asia is critical in attaining the rest of the goals of China's foreign policy.

China's security and economic concerns are traditional, which make China's periphery vitally important for China. The collapse of dynasties and internal chaos produced by foreign invaders on China's periphery in the past has casted deep fears in the

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<sup>244</sup> Gill and Huang, "Sources and limits of Chinese 'Soft Power,'" 21.

<sup>245</sup> Hu, Jintao, "China's Development is an Opportunity for Asia," (speech, Opening Ceremony of the Boao Forum for Asia 2004 Annual Conference, Boao, China, April 24, 2004), [http://news.xinhuanet.com/english/2004-04/24/content\\_1438306.htm](http://news.xinhuanet.com/english/2004-04/24/content_1438306.htm), accessed 15 September, 2015.

<sup>246</sup> Glosny, "Heading toward a Win-Win Future? Recent Developments in China's Policy toward Southeast Asia," 26.

minds of Chinese decision makers.<sup>247</sup> Southeast Asia served as a base to foreigners to invade China. There are also the views of different scholars that all the neighboring states of China who feel threatened by 'China's rise' may balance against it by adopting more pro-U.S. policies, and it may hamper China's economic development as well. So "maintaining good relations with Southeast Asia will help stabilize China's peripheral security environment, allowing China to focus on economic development during the 'period of strategic opportunity.'"<sup>248</sup> It is also argued that China has to have strong footing in its own region, just like other great powers of the past, to reach the status of a great power.<sup>249</sup>

It is still difficult to conclude whether China has proved itself as a 'responsible stakeholder' at the international level or has become good neighbor, but seeing China's recent contributions for prosperity and peace, we can say that China has become a better neighbor. "China's active policy to address Southeast Asia's fears about the future impact of a stronger China has made these states more optimistic and hopeful that a more powerful China will be a force for peace, stability, and prosperity in the short-to-medium term."<sup>250</sup> However, these states are still concerned that in the long term a more powerful China may seek hegemony in the region.

*f. Emerging as a Responsible Stakeholder*

*(1) Going by the International Norms*

Beijing's engagement in multilateral organizations, interest in international nonproliferation agreements, and increased involvement in United Nations missions like those in East Timor, Liberia, or Haiti is a reflection of China's positive role in international affairs as a responsible great power. Beijing has also played a role of responsible mediator between developing nations' disputes.<sup>251</sup> When in early 2003,

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<sup>247</sup> Ibid.

<sup>248</sup> Ibid.

<sup>249</sup> Ibid., 27.

<sup>250</sup> Ibid., 25.

<sup>251</sup> Joseph S. Nye Jr. "The Rise of China's Soft Power" The Asian Wall Street Journal, 29 December 2005.

Thailand and Cambodia were on the verge of a severe border war, China stepped in to settle the issue. Wang Yi, Chinese vice foreign minister, invited both Cambodian and Thai representatives to Beijing to resolve their differences. Seeing the risk of cessation of trade and aid by China, both countries realized that continuing the tension was not favorable to either. As a result of successful mediation by China, both countries normalized their relationship, and China continued its aid and trade to Thailand and Cambodia.<sup>252</sup>

Most importantly, China was the major player during Six-Party Talks on the North Korean nuclear program. China was the only hope for Washington, Moscow, Tokyo, and Seoul to host the six-way talks. China, through increased aid to North Korea, was successful in tempting Kim Jong II to come to the negotiation table.<sup>253</sup> However, once North Korea withdrew from the Six-Party Talks, Beijing not only froze North Korea's holdings in several banks in Macau, but also shut down an oil pipeline to Pyongyang. On the North Korea nuclear weapon test, China not only agreed to UN sanctions on Pyongyang, but ceased all oil exports to North Korea.<sup>254</sup> A non-nuclear Pyongyang is also in the self-interest of Beijing, as North Korean nuclear capability will enable Kim the ultimate deterrence, which may reduce Beijing's influence over Pyongyang.<sup>255</sup> But accomplishment in achieving a nuclear-free North Korea would win China the respect of all involved nations.

China's recent compliance with international norms can be seen in Table 2.

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<sup>252</sup> Xinhua News Agency, "China Hopes Thailand, Cambodia Settle Unrest Calmly," January 30, 2003, <http://china.org.cn/english/2003/Jan/54849.htm>, accessed 15 September, 2015

<sup>253</sup> International Crisis Group, *China and North Korea: Comrades Forever?* (Asia Report No. 112) (Brussels: International Crisis Group, February 2006); Robert Marquand, "U.S. Looks to China to Influence North Korea," *Christian Science Monitor*, July 10, 2006.

<sup>254</sup> Ibid.

<sup>255</sup> Michael Auslin, "The China Card," *The Wall Street Journal*, February 2, 2006.

Table 2. China's Compliance with International Norms<sup>256</sup>

Item	Compliance History	Score
Sovereignty	One of the strongest defenders	Excellent
Free trade	Has made substantial headway in almost every area except the enforcement of intellectual property rights	Good
Nonproliferation and arms control	Currently appears to be fairly comprehensive, but a colorful history of noncompliance and negligent oversight exists as well	Fair
National self determination	Routinely being accused of violating this norm in the case of Tibet, Xinjiang, and Taiwan, although the accusation at times misconstrues the norm (absolute right of any ethnic groups to sovereign independence is not recognized in international law)	Fair
Human rights	Expanded social/political/religious freedom coexists with routine violation of political and legal rights; still coddling dictators in the developing world; focus on social and economic rights (as opposed to political and civil liberties)	Poor to fair

## (2) *Multilateralism*

In the late 1990s, Beijing, with a view to guarantee its country's security, introduced a "new security concept" that allowed China to build mutual trust with neighboring countries through multilateral organizations. The 'Treaty of Amity and Cooperation' enabled China to end several of its border disputes, as this document committed ten countries in the ASEAN to respect the sovereignty and equality of all member countries. China signed several bilateral cooperative agreements with several Asian countries, which also included the Southeast Asian Nuclear Weapon Free Zone agreement. Beijing also originated a code of conduct on the South China Sea.<sup>257</sup>

<sup>256</sup> Huang and Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," 30.

<sup>257</sup> Philip Saunders, *China's Global Activism: Strategy, Drivers, and Tools* (Washington DC: National Defense University Press, 2006).

China not only supported the first East Asia Summit for ASEAN Regional Forum but also rendered support in creating an Asia Cooperation Fund.<sup>258</sup> China also “joined the ‘Organization of American States’ as an observer, and the Inter-American Development Bank.”<sup>259</sup> China also signed an agreement with the Andean Community to establish closer relations. To raise cooperation on development, economic, diplomatic, and health matters with African countries, China “established a ‘Forum on China-Africa Cooperation’ in 2000 and the ‘Program for China-Africa Cooperation in Economic and Social Development.’”<sup>260</sup> China also rendered aid to the African Union and had been quite vital in the African Development Bank affairs through the increased involvement of the Chinese Development Bank.<sup>261</sup>

***g. Limiting Factors***

***(1) Energy-Driven Foreign Policy***

Though Beijing’s procurement of energy resources does not equate to that of European or American companies, its investment to secure future energy requirements is clearly visible in its foreign policy. Chinese companies have accumulated energy holdings in energy-rich countries such as Nigeria, Sudan, Venezuela, Kazakhstan, Peru, Saudi Arabia, and Iran. Nevertheless, the PRC does not need to persuade countries with small energy resources. China supported Sudan by financing huge projects that were completed before time to create goodwill among the Sudanese public for Dictator Omar Bashir.<sup>262</sup> Similarly, China offered greater cooperation and aid to Philippines President Macapagal-Arroyo during his state visit to China, with a demand to withdraw Philippine troops from Iraq with a view to waver U.S.-Filipino relations.<sup>263</sup> What all these countries have are energy resources that can feed China’s growing industry, which gives a clear

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<sup>258</sup> Philip Saunders, *China’s Global Activism: Strategy, Drivers, and Tools*

<sup>259</sup> Ibid

<sup>260</sup> Seth Mydans, “China’s ‘soft power’ winning allies in Asia,” *International Herald Tribune*, July 11, 2007.

<sup>261</sup> Ibid.

<sup>262</sup> Andrew Erickson and Lyle Goldstein, “Hoping for the Best, Preparing for the Worst: China’s Response to US Hegemony,” *The Journal of Strategic Studies* 29, no.6 (December 2006): 963.

<sup>263</sup> Kurlantzick, *Charm Offensive*, 55.

inclination to Chinese foreign policy to have its own favorite government in these countries to establish better relations.

The China-Turkmenistan gas pipeline project agreement is a big step toward this where Turkmenistan has realigned its relations away from its former partner in Russia. Earlier, Russia and Ukraine had been squeezing Turkmenistan as both countries controlled the only export routes for Turkmenistan's natural gas. With a view to break free from Russia's influence, Turkmenistan has found this project with China a solution to its problems.<sup>264</sup> Again, a \$5 billion business park for the oil industry is to be built outside Beijing by a Bahrain developer.<sup>265</sup> China's noninvolvement policy in domestic political affairs of smaller nations has swayed these nations to have better relations with China.

## (2) *Taiwan and One China Policy*

China has used more of its coercive or inducement power instead of its power of attraction to deal with Taiwan when it clashes with its 'One China Policy.' China had been very successful in isolating Taiwan. China has gotten maximum success in Latin America and Africa, where countries are abandoning Taipei and have started formally recognizing Beijing for closer relations. Economic benefits offered by China have influenced Peru, Venezuela, Brazil, Grenada, Bolivia, Dominica, and Guatemala to shift recognition to Beijing.<sup>266</sup> The same trend is seen in Africa. Promised aid and economic cooperation agreements by China have convinced Liberia, South Africa, Senegal, and the Central African Republic to switch their recognition from Taiwan to China.

Beijing has used a very aggressive stance against those states that still recognize Taiwan. Macedonia's inability to get a peacekeeping bill due to China's veto in the UN Security Council was the cost Macedonia had to pay for its establishment of diplomatic relations with Taiwan. Again in September 2005, at the UN General Assembly, duty-free

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<sup>264</sup> Terence Poon and Shai Oster, "China, Turkmenistan Sign Gas Deals," *The Wall Street Journal*, July 18, 2007.

<sup>265</sup> Ibid.

<sup>266</sup> C. Fred Bergsten et al., *China: The Balance Sheet: What the World Needs to Know Now About the Emerging Superpower* (New York: Public Affairs, 2006), 119.



entry to exports and debt forgiveness was offered by President Hu to the world's poor countries, but this offer was not valid for those countries that recognized Taiwan.<sup>267</sup>

In Southeast Asia, the informal embassies of Taiwan have been forced out of Cambodia, and Philippine. Indonesian, and Malaysian governments have canceled all informal visits to and from Taiwan.<sup>268</sup> Beijing has also attempted to entice Australia through favorable trade conditions, and high level political visits in an endeavor to sway Australia against assisting Americans in case of any war over Taiwan.<sup>269</sup>

To summarize, it is believed by most of the international and Chinese scholars that though China has invested heavily in its sources of soft power, but Chinese concept of soft power still requires refinement. China is trying to emerge as a 'responsible stake holder' in international affairs by engaging itself multilaterally, yet Chinese strong stance on Taiwan and Tibet issues, and the role of energy resources in formulation of its foreign policy may limit its success in achieving the desired results out of its soft power. China's over reliance on culture as source of soft power, while overlooking the importance of political values as source of soft power could be another limiting factor. But question still remains that how successful China is in its efforts of its soft power. Next chapter will analyze the success or failure of China's soft power using both qualitative and quantitative methods. While using different opinion polls as a dependent variable as a basis of the world's perception about China, various aspects of Chinese cultural sources of influence, and economic and military threats are used as independent variables. This way I will try to find out the correlation of these aspects with the success of Chinese soft power or otherwise.

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<sup>267</sup> Bergsten et al., *China: The Balance Sheet*, 120.

<sup>268</sup> Ibid.

<sup>269</sup> Bill Gertz. "Defector: China's 'Enemy' is U.S.," *The Washington Times*, July 4–10, 2005.

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## V. CHINESE SOFT POWER: SUCCESS OR FAILURE?

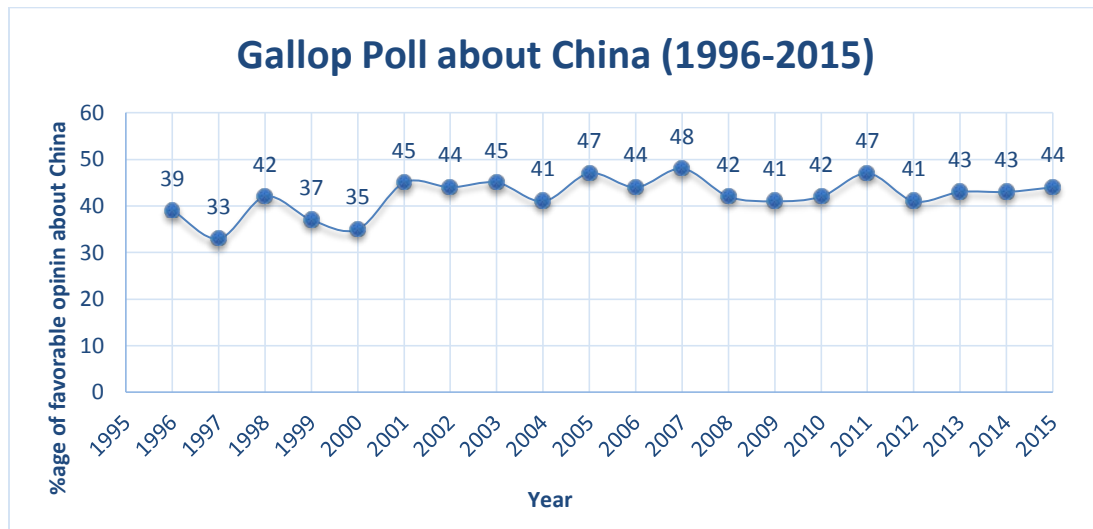
The struggle for soft power in Asia is becoming increasingly intense—a race of better national image-building through public diplomacy is not less significant than an arms race. All the major states are refining their weapons of mass influence and finding new strategies to use these more efficiently. Gauging the success achieved by any of the states in this multi-faceted market of ideas is quite difficult. It is also quite difficult to determine that how much of this stockpile of soft power helped achieve a set objective in foreign policy. Public diplomacy can have short- to long-term objectives, for which a continuous effort is crucial, so hoping for sudden impacts may not be possible. Correlating the efforts and effects in a short span of time may also lead to erroneous analysis.

At the same time, as the type of public diplomacy effort may vary to influence the general public or political elites, so public opinion polls about the image of a particular country may not correspond to the thinking of the policy makers of the same country. Therefore, one has to be very cautious while inferring about the success achieved by the public diplomacy in light of these opinion polls. Sometimes, little or no positive correlation between the investments made in public diplomacy and international perception of that state may be quite unusual. The results appear to be the same with regard to China. As per a Chicago Council on Global Affairs report, Chinese soft power has not performed that well as predicted by its “charm offensive.”<sup>270</sup> Figure 8 illustrates the same story, where the positive perception of people about China has declined over the past few years.

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<sup>270</sup> C. B. Whitney and David Shambaugh, *Soft Power in Asia: Results of a 2008 Multinational Survey of Public Opinion*, (Chicago: The Chicago Council on Global Affairs, 2009), 2.

Figure 8. China's Positive Image in the World over the Years<sup>271</sup>



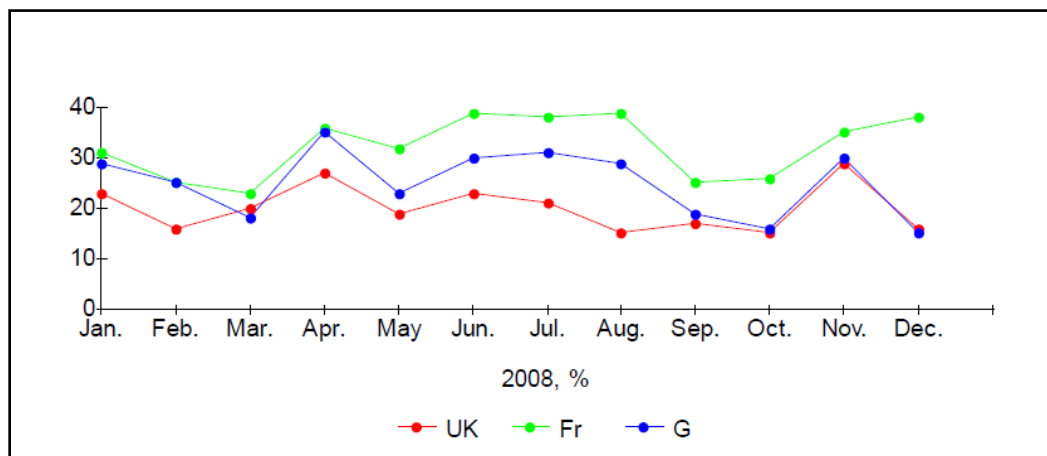
In this section, I try to analyze the success or failure of China's soft power using both qualitative and quantitative methods. First, I see how the views about China have changed over the years in different parts of the world. Then, I use different opinion polls as a dependent variable as a basis of the world's perception about China. Various aspects of Chinese cultural sources of influence, and economic and military threats are used as independent variables. Using a t-test, I try to find out the correlation of these aspects with the success of Chinese soft power or otherwise.

#### A. MEASURING THE SUCCESS

It may be argued that these poll data do not cover all the aspects of public opinion about a particular country, but we still cannot dismiss this option when it comes to analyzing the success or failure of a country's public diplomacy. At the same time, we should also be cognizant of the various factors influencing the opinion of people surveyed: the timing of the survey conducted and sample selection. To explain these factors, Hooge gave the sample poll data of three Western European countries whose perception about China kept changing due to China's changing policies on internal issues or the events happening in some other part of the world. This is illustrated in Figure 9.

<sup>271</sup> Gallup, "Country Ratings," February 8, 2015, <http://www.gallup.com/poll/1624/perceptions-foreign-countries.aspx>.

Figure 9. Change in Views in Western Europeans Who Considered China as the Greatest Threat to Global Stability<sup>272</sup>



The crackdown of riots in Tibet during the month of March 2008 and criticism by international media that followed it may have led to growing concern in Europeans about China. These apprehensions were revealed during the poll of April 2008, where we see a sudden increase in the percentage of people viewing China as threat, as compared to the polls of March of that same year. But China's widely praised response to the Sichuan earthquake brought goodwill for China, which we can see in May's poll. Russia's invasion of Georgia in August shifted the focus of the media and people towards Russia, and in September, people did not view China as that big a threat.<sup>273</sup> This explains further how important the timing and the sample selection of the surveys are. But despite all these limitations, these surveys can still help to a great extent in knowing the perceptions of the people about a particular state at some given time.

## B. CHINA: FRIEND OR FOE?

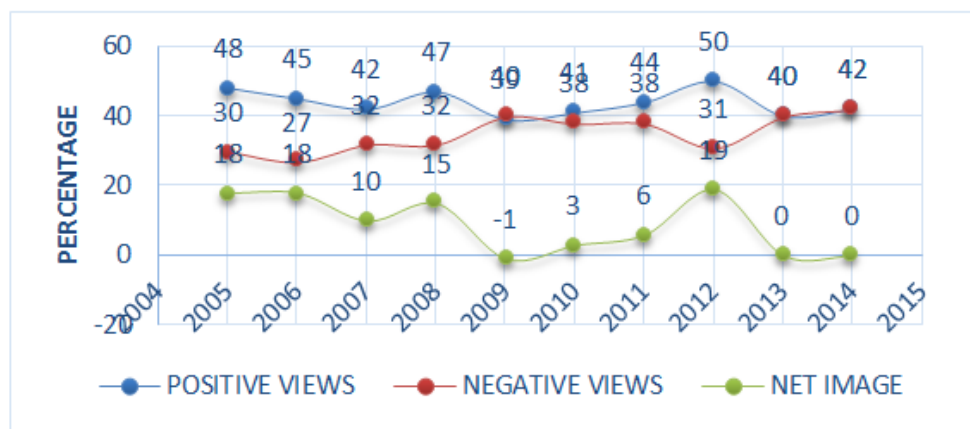
In a 2005 BBC World Service "survey conducted in 22 states around the world ... China is viewed as having a mainly positive influence in the world by a majority or plurality of citizens in 14 countries. On average across all countries polled (excluding

<sup>272</sup> d'Hooghe, Ingrid, *The Limits of China's Soft Power in Europe: Beijing's Public Diplomacy Puzzle* (Clingendael Diplomacy Papers No. 25) (The Hague: Netherlands Institute of International Relations, 2010), 13.

<sup>273</sup> Ibid.

China itself), almost half (48%) see China's influence as positive and just 30 percent see it as negative."<sup>274</sup> Though there had been ups and downs in global perceptions, by 2014 the percentage of people viewing China's influence positively came down to 42 percent, while same percent viewed it negatively.<sup>275</sup> So overall, 18 percent of people's views about China changed from positive to negative during the last 9 years. This is shown in Figure 10.

Figure 10. Global Views about China<sup>276</sup>



<sup>274</sup> Program on International Policy Attitudes and GlobeScan, *22-Nation Poll Shows China Viewed Positively by Most Countries Including Its Asian Neighbors* (Washington, DC: Program on International Policy Attitudes, March 2005), [http://www.pipa.org/OnlineReports/China/China\\_Mar05/China\\_Mar05\\_rpt.pdf](http://www.pipa.org/OnlineReports/China/China_Mar05/China_Mar05_rpt.pdf) . 1

<sup>275</sup> Program on International Policy Attitudes and GlobeScan, *Negative views of Russia on the Rise: Global Poll* (Washington, DC: Program on International Policy Attitudes, June 2014), <http://downloads.bbc.co.uk/mediacentre/country-rating-poll.pdf> . 37.

<sup>276</sup> Data source BBC World Service, BBC World Service Program on International Policy Attitudes. The 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013 and 2014 BBC World Service Polls can be found at: [http://www.pipa.org/OnlineReports/China/China\\_Mar05/China\\_Mar05\\_rpt.pdf](http://www.pipa.org/OnlineReports/China/China_Mar05/China_Mar05_rpt.pdf) ; [http://www.globescan.com/news\\_archives/bbc06-3/](http://www.globescan.com/news_archives/bbc06-3/) ; [http://www.worldpublicopinion.org/pipa/pdf/mar07/BBC\\_VIEWScountries\\_Mar07\\_pr.pdf](http://www.worldpublicopinion.org/pipa/pdf/mar07/BBC_VIEWScountries_Mar07_pr.pdf) ; [http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/02\\_04\\_08\\_globalview.pdf](http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/02_04_08_globalview.pdf) ; [http://www.worldpublicopinion.org/pipa/pdf/feb09/BBCEvals\\_Feb09\\_rpt.pdf](http://www.worldpublicopinion.org/pipa/pdf/feb09/BBCEvals_Feb09_rpt.pdf) ; [http://www.worldpublicopinion.org/pipa/pipa/pdf/apr10/BBCViews\\_Apr10\\_rpt.pdf](http://www.worldpublicopinion.org/pipa/pipa/pdf/apr10/BBCViews_Apr10_rpt.pdf) ; [http://www.worldpublicopinion.org/pipa/pdf/mar11/BBCEvalsUS\\_Mar11\\_rpt.pdf](http://www.worldpublicopinion.org/pipa/pdf/mar11/BBCEvalsUS_Mar11_rpt.pdf) ; [http://www.globescan.com/images/images/pressreleases/bbc2012\\_country\\_ratings/2012\\_bbc\\_country%20rating%20final%20080512.pdf](http://www.globescan.com/images/images/pressreleases/bbc2012_country_ratings/2012_bbc_country%20rating%20final%20080512.pdf) ; [http://www.globescan.com/images/images/pressreleases/bbc2013\\_country\\_ratings/2013\\_country\\_rating\\_poll\\_bbc\\_globescan.pdf](http://www.globescan.com/images/images/pressreleases/bbc2013_country_ratings/2013_country_rating_poll_bbc_globescan.pdf) <http://downloads.bbc.co.uk/mediacentre/country-rating-poll.pdf>

These overall figures may suggest that China's soft power has failed to deliver, but yet we cannot draw this conclusion with certainty, as we do not know what would have been the world's perception about China if China's soft power efforts had not been in place. The situation could have been worse for China, which warrants even more detailed study of the facts. Figure 10 shows that the most favorable views came during the 2012 survey, and this change was only because almost all of the countries of North America and the West had their all-time highest positive perception about China. But this lasted for only one year. However, the most striking are the results of the 2009 BBC Service survey. Conducted just a few months after the Beijing Olympics, this is the only time when percentage of people viewing China's influence negatively was more than the people viewing it positively. Within one year, China lost 16 points.

It is mostly argued that China is posing a threat to the world because of its expanding military power and growing economy. But a t-test could not find the correlation between the world's negative perception about China over the last ten years of BBC polls (as a dependent variable) with China's military spending and GDP growth (as independent variables). At 95 percent confidence level, the p-values for GDP growth and China's military spending are 0.167654475 and 0.12032469, respectively. Since the value for both of the independent variables is greater than 0.025, this means that neither of the variables has any significant effect on the world's negative perception of China. This is demonstrated in Figure 11.

Figure 11. China's Negative Perception vis-a-vis its GDP Growth and Defense Spending



During the 2012 BBC survey, 30 percent of people having unfavorable views about China, mentioned ‘China’s economy, products, and services’ as the reason for their negative perception about China. But this was the same reason 50 percent of the people perceived China’s influence in the world favorably.<sup>277</sup> In a 2014 Pew survey, 53 percent of people viewed the growing economy of China as a good thing for their countries, while only 23 percent considered it otherwise.<sup>278</sup> In the same survey, once the Asian public was asked about their top choice of country as ally or threat, the majority of three countries—Japan, Philippines, and Vietnam—viewed China as a threat (see Figure 12).<sup>279</sup> Though no recent BBC poll data is available for China’s perception in the Philippines and Vietnam, China has had an extremely negative perception in Japan for the last ten years. Even in a 2014 BBC survey, only 3 percent of Japanese viewed China positively. The majority of Americans regard Russia as its biggest threat, whereas for most Indians, Pakistan is a threat. So it can be argued that though it is quite difficult to rewrite the historical narratives with only decades of soft power. We might also,

<sup>277</sup> BBC World Service Poll of 2012

<sup>278</sup> Pew Research Center, *Global Opposition to U.S. Surveillance and Drones, but Limited Harm to America’s Image*, (Washington, DC: Pew Research Center, 2014), 28, <http://www.pewglobal.org/files/2014/07/2014-07-14-Balance-of-Power.pdf>

<sup>279</sup> *Ibid.*, 38.



however, contribute this to the success of Chinese soft power, which has been able to sway the world of its ‘peaceful development’.

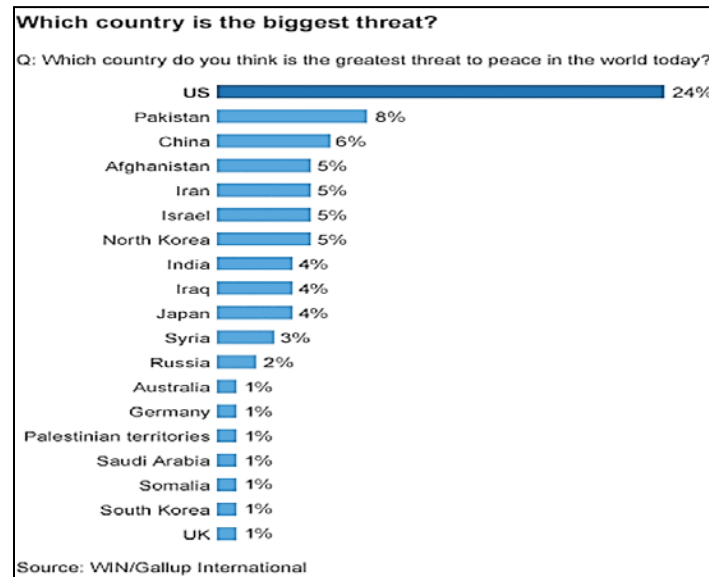
As per a Gallup Poll survey of 2013, 24 percent of people viewed the United States as the biggest threat to global peace, followed by Pakistan with 8 percent and China by 6 percent.<sup>280</sup> Although the United States is widely viewed as posing the greatest threat to global peace, the results of the same survey show that it is still the most desired country to live in. The polls conducted just after the controversial airstrikes by the United States on Syria may have shaped the perception of the public about the United States, whereas, Pakistan’s unenviable position got this boost from its neighbor and arch rival, India, which is home to 15 percent of the world’s population. This also reflects that though the perception of the international public about China may be deteriorating, people do not feel threatened by China’s rise. The reason of this decline may lie in mostly political values. In a 2012 BBC survey, 27 percent of people mentioned China’s way of treating its people as the reason for their disapproval, followed closely by 25 percent who considered China’s foreign policy as the main reason for their negative views about China.<sup>281</sup>

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<sup>280</sup> Worldwide Independent Network of Market Research and Gallup International, “WIN/Gallup International’s annual global End of Year survey shows a brighter outlook for 2014,” December 30, 2013, <http://www.wingia.com/web/files/services/33/file/33.pdf?1442998254>

<sup>281</sup> BBC World Service Poll of 2012.

Figure 12. World's Perception about Countries Posing a Threat to the World's Peace<sup>282</sup>

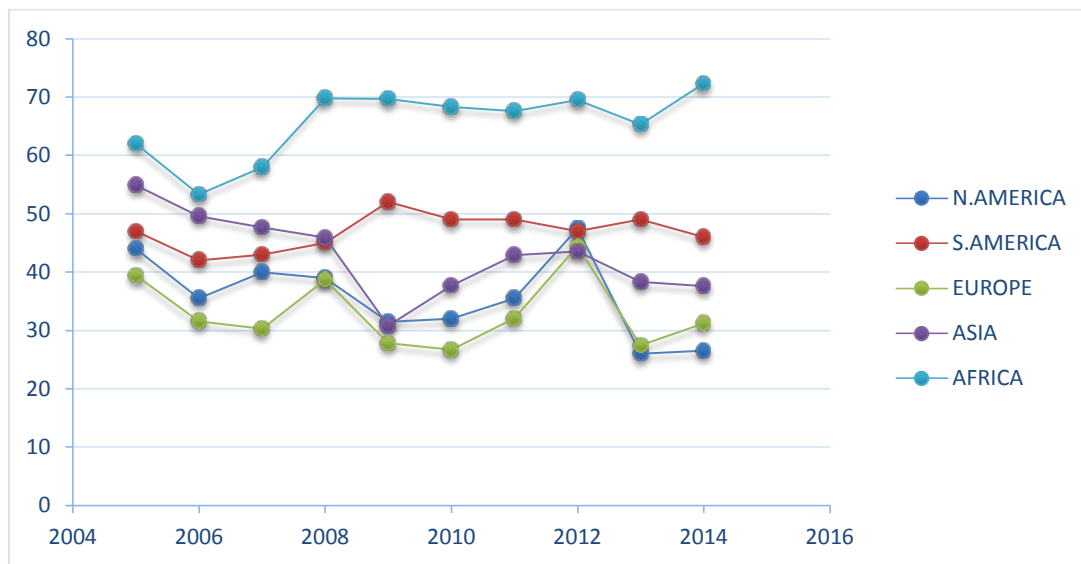


### C. REGION-WISE PERCEPTION VARIATION

The impact of Chinese soft power varies with each region (see Figure 13). Despite a few ups and downs observed during the last ten years of BBC survey reports, China is mostly viewed favorably in Africa and Latin America. On average, China's favorability graph is rising in these regions by 1.37 percent per year in Africa and 0.42 percent per year in Latin America. In rest of the world, positive views about China are at a decline. In the developed world of North America and Europe, on average, Chinese favorability is dropping at a rate of 1.19 percent per year and 0.32 percent per year, respectively. The most shocking decline in positive perception about China is seen in its own neighborhood. In Asia, every year 1.56 percent Asians do not see China favorably anymore.

<sup>282</sup> Source <http://www.bbc.com/news/world-25496299>.

Figure 13. Region-wise Positive Views about China<sup>283</sup>



However, within each region, one can find different impacts of Chinese public diplomacy on different countries. In the next few paragraphs, I discuss each region and how people view China in different countries of these regions. As discussed earlier, China is seen more favorably in Africa and Latin America, so I try to find out the relationship between various aspects of soft power and better perception-building by China in these regions.

### 1. Asia-Tough Neighborhood

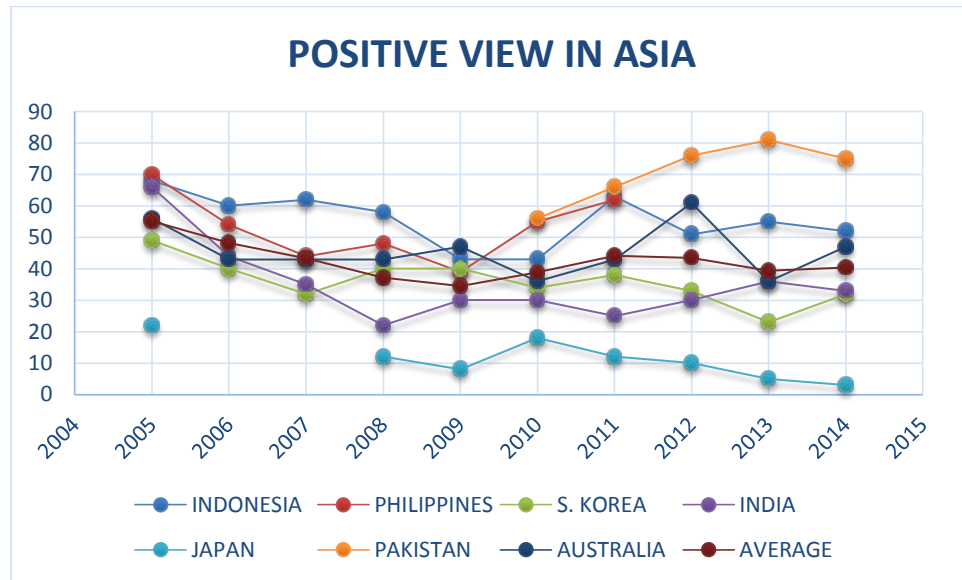
Perceptions of China were better in Asia in 2005, when “55 percent of people viewed Chinese influence as mainly positive.”<sup>284</sup> However, in later BBC polls, China’s image in Asia declined in spite of its huge efforts in its soft power. As of 2014, around 40 percent of Asians hold positive views about China. This is even below the global average, which is 42 percent. However, in 2014, these positive perceptions among Asians match with negative views about China, which have increased to 42 percent as compared to

<sup>283</sup> Data source BBC World Service, BBC World Service Program on International Policy Attitudes

<sup>284</sup> Program on International Policy Attitudes and GlobeScan, *22-Nation Poll Shows China Viewed Positively by Most Countries Including Its Asian Neighbors*: 1.

2005's negative views of 24 percent. An overview of these statistics is provided in Figure 14.

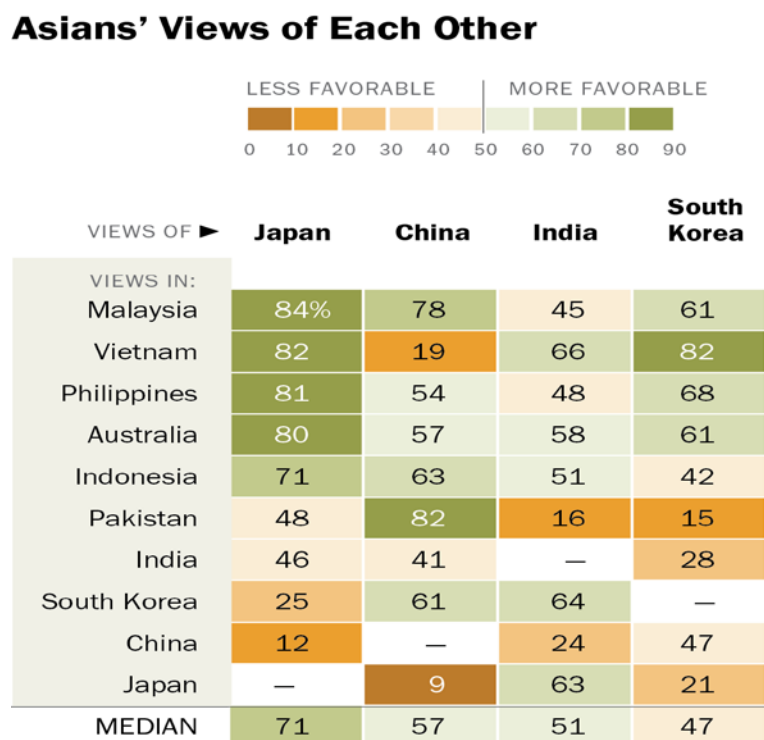
Figure 14. Positive Views about China in Asia



Despite the decline of China's positive influence among Asian countries, it is still ahead of the United States and India, who both are considered by 36 percent of Asians to have positive influence in the world. At the same time, both of these countries have lesser negative perceptions in Asian states as compared to China. Another survey conducted in 2015 by the Pew Research Center reported, "Publics in the Asia-Pacific region generally see each other favorably, with a few exceptions that reflect deeper historical antagonisms, especially between China, Japan and South Korea"<sup>285</sup> (see Figure 15 for views of Asians about each other), and the same is the case between India and Pakistan. As the data of the survey further revealed, the younger generation of these countries had better opinions of other states of the same region. So we can say that the soft power of these countries is somehow influencing the mindset of the general public, if not completely so.

<sup>285</sup> Pew Research Center, *How Asia-Pacific Publics See Each Other and Their National Leaders* (Washington, DC: Pew Research Center, 2015), 4, [www.pewglobal.org/files/2015/09/Pew-Research-Center-Asian-Views-of-Each-Other-Report-FINAL-September-2-2015.pdf](http://www.pewglobal.org/files/2015/09/Pew-Research-Center-Asian-Views-of-Each-Other-Report-FINAL-September-2-2015.pdf), accessed 15 September, 2015.

Figure 15. How Asians View Each Other<sup>286</sup>



China realizes that its economic and military might may frighten its neighbors the most. This fear may force these countries to balance against China through alliances with the United States and other Western countries. But if China is successful in convincing its neighbors of its ‘peaceful rise’ and ‘win-win’ slogans through public diplomacy, then these Asian countries may not feel the need to balance against China. It is through the success of the United States’ policies that Canada and Mexico do not feel the need to seek help from any external power to deal with the United States.<sup>287</sup>

## 2. North America and the West: Tough Turf for China

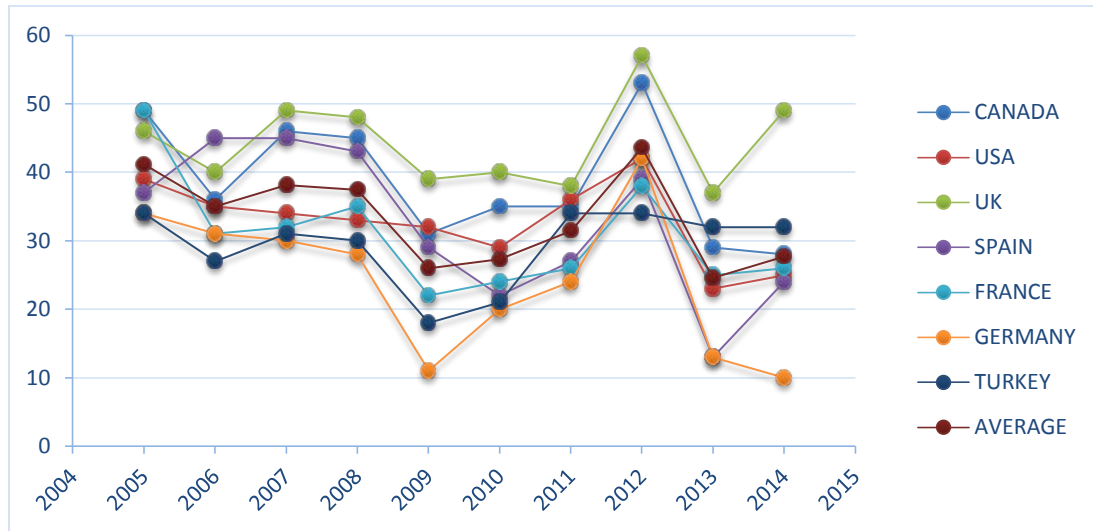
China, which had 41 percent positive views in North America and Western Europe in 2005, has come down to around 28 percent by 2014. The only time China had the most favorable views in these regions was during 2012, when 44 percent people of

<sup>286</sup> Pew Research Center, *How Asia-Pacific Publics See Each Other and Their National Leaders*, 4.

<sup>287</sup> Nye, Jr., “Why China is Weak in Soft Power.”

these countries viewed China's influence in the world as positive. But at the same time, positive views about China dropped in Russia by 6 points. This reflects the challenge faced by Chinese soft power, which has to find balance while interacting with different ideologies. These results are visible in Figure 16.

Figure 16. Positive Views about China in North America and Western European Countries<sup>288</sup>



China has to gain much in Europe to achieve the desired results from its soft power. During the 1990s, Europeans were optimistic about China and perceived that political reforms would follow the liberal economy of China. During that honeymoon period, Americans and Europeans gave China the benefit of the doubt and viewed it more favorably. But the situation changed after 2006, when the growing trade deficit of all of these countries with China and the human rights situation within China made all countries more worried about the future intentions of China. The perceptions about China among these countries vary significantly. If Europeans see China as an economic competitor and are worried about the political values of China, Americans are found doubtful about the 'peaceful rise' rhetoric of China.

<sup>288</sup> Data source BBC World Service, BBC World Service Program on International Policy Attitudes

Political values and human rights issues are the biggest liabilities for Chinese soft power in the Western world. Europeans do not approve of the authoritative nature of the Chinese regime. China tries to persuade all of these democratic developed countries with the idea of ‘Socialism with Chinese Characteristics’ by advocating that a person “should be able to feed himself before he can cast a ballot.”<sup>289</sup> Europeans, while seeing the world’s biggest foreign currency reserves held by China, are not convinced by China’s view point that China, still being a developing country, cannot give much priority to civil and political rights.

The Tibet issue has also gained much attention in Europe after 2008. The PRC’s crackdown on Tibetan protestors during 2008 also became one of the biggest reasons for the decline in positive perception about China in Western world. The Harris Poll of 2008 finds 53 percent of the British, 67 percent of the French, and 74 percent of Germans holding the opinion that China should not be ruling Tibet.<sup>290</sup>

### **3. Africa and Latin America: China’s Growing Influence**

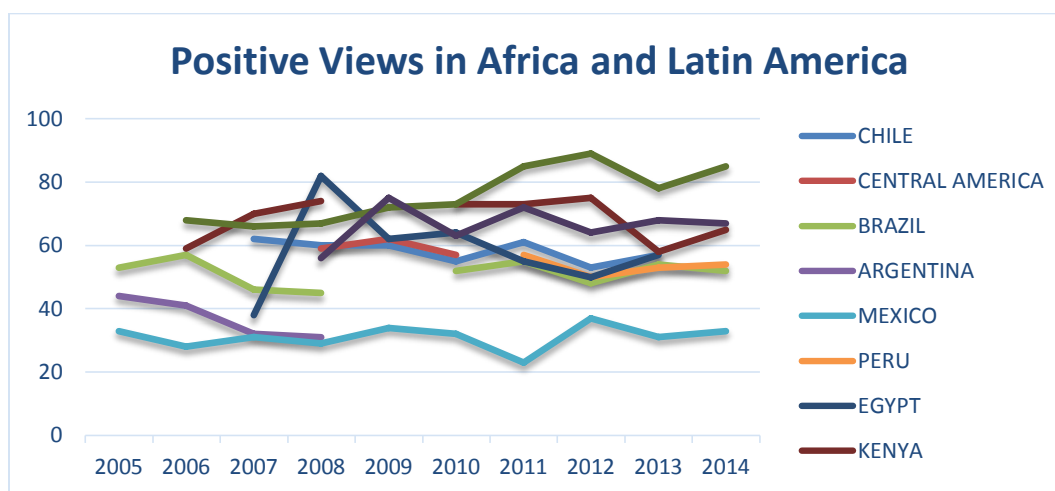
Continuous increase or steadiness in the positive perception of China in Africa and Latin America is proof of its growing impact in these regions. Except for Mexico and Argentina, the positive views in these countries generally remained more than 40 percent. In a 2004 BBC survey, 46 percent of the public of Latin America perceived China’s influence in the world positively, which was the same even during the 2014 BBC survey. However, in African countries, this positive perception grew from 55 percent to 65 percent during 10 years. These results are shown in Figure 17.

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<sup>289</sup> Dan Tian, “Human Rights can be Manifested Differently,” China Daily, December 12, 2005.

<sup>290</sup> d’Hooghe, *The Limits of China’s Soft Power in Europe*, 22.

Figure 17. Positive Views about China in Africa and Latin America<sup>291</sup>



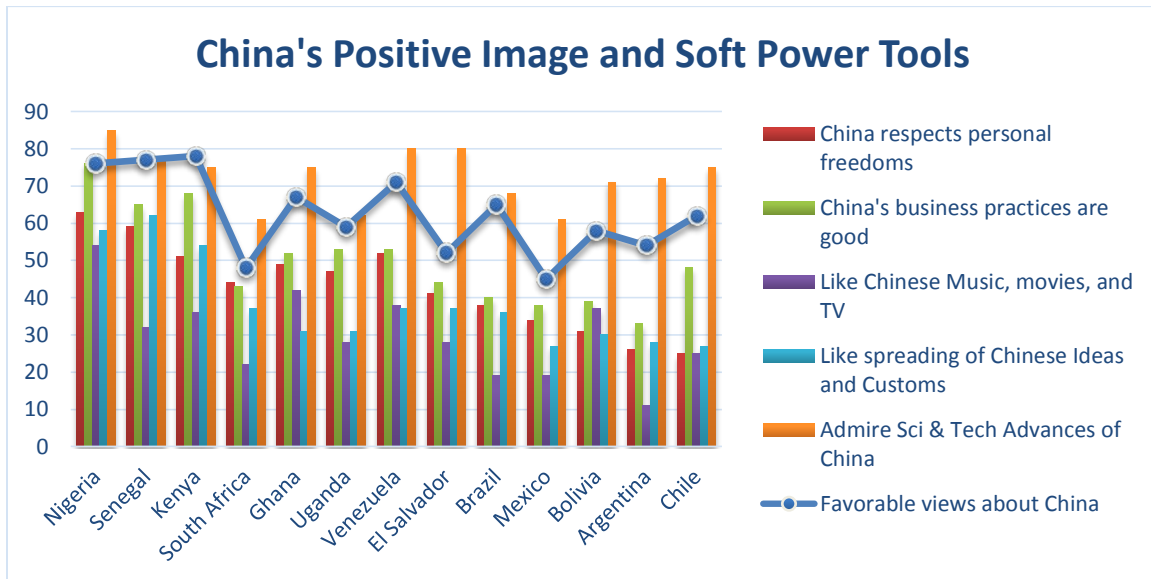
Is this success in these regions due to the public diplomacy of China or something else? To find the reason behind this success, I ran a t-test based on the data of Pew's Global Attitude Survey of 2013. I tried to find the correlation between the positive image of China (as a dependent variable) and the views of the same public about different tools of China's soft power (as an independent variable): China's respect of personal freedom, China's business practices, China's entertainment industry, China's development in science and technology, and Chinese ideas and customs. The p-values for all independent variables are greater than 0.025, which means that neither of them is significant enough on the 95 percent confidence level to have played a role in positive perception building of China among publics of these countries. Though people had a lot of admiration of China's development in science and technology and they also liked the business practices of China, China scored worst on the cultural aspect. Chinese music and movies are unable to attract the people of foreign countries. People also did not like the spreading of Chinese ideas and customs.<sup>292</sup> These results are shown in Figure 17.

<sup>291</sup> Data source BBC World Service, BBC World Service Program on International Policy Attitudes

<sup>292</sup> Pew Research Center, *Global Attitudes Project 2013 Spring Survey Topline Results* (Washington, DC: Pew Research Center, 2013), <http://www.pewglobal.org/files/2013/07/Pew-Research-Global-Attitudes-Project-Balance-of-Power-TOPLINE-July-18-2013.pdf>. Accessed 15 September, 2015.



Figure 18. China's Positive Image in 2013 and Views about Tools of its Soft Power<sup>293</sup>



Kurlantzick also considers the Chinese development model to have made a considerable impression in the developing world:

China seems to have enjoyed striking success and poverty reduction that other developing countries can't help but notice. At the same time, the Washington Consensus has failed many developing nations. During the late 1980s and 1990s, many African and Latin American nations opened their economies, slashed their tariffs and undertook other painful economic reforms, yet few nations in either Latin America or Africa saw their economies take off.<sup>294</sup>

Economic aid and investment have been playing a major role in perception building of China in Africa and Latin America. In Latin American countries, 39 commercial agreements were signed in November 2004 by Chinese President Hu, with huge investments of US\$20 billion in Argentina alone.<sup>295</sup> A key agreement on oil and gas explorations was also signed in 2005 by Vice President Zeng with Venezuelan President

<sup>293</sup> Pew Research Center, *Global Attitudes Project 2013 Spring Survey Topline Results*.

<sup>294</sup> Kurlantzick, *Charm Offensive: How China's Soft Power Is Transforming the World*, 57.

<sup>295</sup> Hunter, "Soft Power: China on the Global Stage," *Chinese Journal of International Politics*. 2, (2009): 383.

Hugo Chavez.<sup>296</sup> “By 2005, China had offered more than US\$50 billion of investment to countries within the U.S. ‘backyard’, and has pursued a similar strategy in sub-Saharan African countries.”<sup>297</sup>

#### **D. CAUSES/LIMITATIONS OF CHINESE SOFT POWER**

The results from other surveys like the Gallup Poll, Pew Global Attitudes Project Survey, and Nation Brands Index are almost the same as that of the BBC World Service polls where China could not show a steady score on the soft power index. Even when we disaggregate soft power into its cultural, economic, foreign relations, and political values dimensions, China still lags behind many developed states. It scored worst on public perceptions about political dimensions of soft power as compared to cultural and economic dimensions. So divergent to the belief that public diplomacy shapes public opinion,<sup>298</sup> efforts put in by the United States, India, and particularly the recent surge of public diplomacy in China vis-à-vis the perceptions of the world about these countries suggests that there is little evidence to propose that all such efforts in public diplomacy had some positive effects.

The positive effects of all such efforts changed public perceptions into negative ones due to some domestic or international event. Sometimes, all the tools of soft power could not follow the parallel or convergent paths that could have maintained or boosted the positive image. But any divergent action in the economic, diplomatic, or domestic political values sphere cast a negative influence on the perceived image of the state. If the recent involvement of the United States in the affairs of Middle Eastern countries caused the decline in the positive image of the United States, it helped China to gain positive scores. Similarly, U.S. policies in Afghanistan and India and drone strikes inside Pakistan created the vacuum of goodwill to be filled in quickly by China. In the case of China, its actions at home and abroad and its concept of state sovereignty makes it difficult for the PRC to promote itself.

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<sup>296</sup> Ibid.

<sup>297</sup> Hunter, “Soft Power: China on the Global Stage,”: 383.

<sup>298</sup> Ian Hall and Frank Smith, “The Struggle for Soft Power in Asia: Public Diplomacy and Regional Competition,” *Asian Security* 9, no. 1 (2013): 17.

In Nye's view, the countries whose culture is closer to prevailing norms, whose international and domestic actions boost their credibility, and who can influence the framing of issues by virtue of holding and accessing multiple channels of communications would succeed in projecting their soft power.<sup>299</sup> Some of the ideals held by China not only clash with existing international norms, but China also lacks credibility in the exercise of its public diplomacy. As Peter Ford cited Gong Wenxiang, a journalism professor, "If the medium lacks credibility, it is unthinkable that it will improve the country's image."<sup>300</sup> China's political system, based on the state-centered model, and the issue of credibility are closely linked. The foreign audience does not trust the state organizations of China as messengers. Opaque political decision-making, the authoritative nature of the Chinese government, and the perceived mastery of the Chinese on the use of propaganda raises question marks on the legitimacy of all statements made by any communication medium on behalf of its people. This control mechanism hampers the utility of China's soft power.

Of course, we are not sure what perceptions the international community might have about China in a counterfactual scenario, had China not invested so much in its tools of mass influence. But China could not achieve that big bang that Chinese policy makers may have expected as a result of their heavy investment in the application of Chinese soft power. But despite all these highs and lows in either negative or positive perceptions about China, when we compare China's performance with other states in the world like the United States, India, or Japan, we find the similar tidal results. We can also argue that China's fate may have been similar to North Korea, which unlike China, hardly put in any efforts in building its soft power using public diplomacy and as a result is suffering a statistically considerable decline in international perceptions.

China may have been successful in changing the opinion of the common public or elites of other countries through public diplomacy, but how much of an affect it had on the policy formulation of those countries towards China cannot be ascertained. One

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<sup>299</sup> Nye, Jr., *The Paradox of American Power: Why the World's Only Superpower Can't Do it Alone*, 69.

<sup>300</sup> Peter Ford, "Beijing Launching a 'Chinese CNN' to Burnish Image Abroad," *Christian Science Monitor*, February 5, 2009.

aspect of it is that the policy-making process is quite complex; sometimes governments may formulate policies as per the wishes of the masses, but sometimes these policies might also go against the public demand due to so many other considerations. “In all likelihood, however, most signals sent through public diplomacy are simply lost in the overwhelming noise created by all of the other ideas at play.”<sup>301</sup> In such a situation, China may fail to achieve its desired results owing to so many other forces at play.

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<sup>301</sup> Ian Hall and Frank Smith, “The Struggle for Soft Power in Asia: Public Diplomacy and Regional Competition,” 10.

## VI. CONCLUSIONS AND IMPLICATIONS

As China is progressing and its national power is increasing, it faces multiple challenges in projecting its soft power. It not only has to rid itself from the international perception of 'China threat theory,' but it also has to convince its neighboring Asian countries to accept its rise willingly. It is only after this that China can secure the right to speak in international affairs as a responsible power. Though peaceful rise theory was introduced with the same purpose, Beijing still faced the challenge of justifying its declaration of its rise to the international community. Through this theory, China wanted to make its rise public, with a view to seek acknowledgement of its neighboring countries; at the same time Chinese officials are apprehensive of probable negative reactions from other nations. As a consequence, the peaceful development theory replaced the peaceful rise theory, but that change is only in name and not in the content of the newly introduced theory. In any case, China will watchfully implement its foreign policy under the guideline of the peaceful development theory and will continue working to strengthen its status in Asia.

If on one hand, I could not find any significant relation between China's tools of soft power and its positive perception building in the international community, I could also not find any significant effect of China's rise on negative perception building among the international community about China. We cannot say with certainty whether or not China's soft power has succeeded, as there are still many obstacles in China's path to strengthen its influence through soft power. An authoritarian political system, widespread corruption, Beijing's concept of sovereignty, a flaccid human rights realization, and illiberal capitalism are a few major hurdles that China has to cross to win international support in recognition of its peaceful rise.

As the data of different polls has indicated, China's perception is different in different parts of the world. China may have had the chance of achieving goodwill in developing countries due to their economic interests or impressing their elites through the 'Chinese development model,' but achieving a positive perception in the West remains an uphill task for Chinese public diplomacy. It would require a liberal political system, just

like a liberal economy. If another analysis is done with more sophistication, it may be revealed that the projection of soft power by any country has to be tailored as per the suitability of the mindset of the public of a particular region. Alan Hunter has suggested three key areas for China: “developed countries; developing countries; and the neighbouring region of Southeast Asia.”<sup>302</sup>

However, to correctly analyze China’s soft power, we need to shift our attention from China’s rapid economic and military growth, and rather focus more on how China is achieving that growth. China needs to keep a balance between Chinese and international trends. While expressing in its own way, China must also bear in mind that the only favorable way of communication is that which can be understood and accepted globally. China should continue its endeavors to be a responsible stake holder to achieve its peaceful rise in a way that can satisfy the international community.

The success of China’s soft power will depend on the sources China uses to achieve its desired effects. China’s over-reliance on culture may not yield the results China has in mind. People may be attracted to Chinese food or art, but this may not shape their perception about the Chinese government. A large number of people are learning the Chinese language, and there is also a steady increase in tourists visiting China, but it cannot be an indicator of China’s attraction. Motives could be business-oriented as well.

When we compare the Chinese concept of soft power with the concept practiced by any other developed country, it becomes evident that the Chinese concept lacks confidence. One hardly finds Chinese analysts discussing political values to be incorporated in the Chinese concept of soft power. They either totally neglect or downplay the role of political values in projecting China’s soft power. While the American or any other democratic country’s concept of soft power discusses the socio-political system, Chinese authors stress the relative nature of Chinese culture. This concept of relativity if on one side is to convince the world that Western cultural ideologies cannot suit the Chinese environment, it also conveys the message that political values also have to conform to the culture and history of the state. Talking about political

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302 Hunter, “Soft Power: China on the Global Stage,” 397.

values may endanger the legitimacy of the CCP. “This is perhaps why official documents or statements emphasize the role of culture to the extent of overlooking political values, as a source of China’s soft power.”<sup>303</sup>

China without doubt has invested a lot in projecting its soft power. China has allotted considerable financial resources in projecting its positive image in the world through organizing grand cultural activities throughout the world, sponsoring Confucius Institutes in so many countries, and enhancing the capacity and reach of its mass media. China has invested billions of dollars in Africa and Latin America to establish a foothold. Yet “Chinese intellectuals seem uncertain about the ultimate destiny of China’s soft power.”<sup>304</sup> Many scholars who have analyzed the effectiveness and impact of Chinese soft power have mostly reached the conclusion that “Soft power remains Beijing’s underbelly and China still has a long way to go to become a true global leader.”<sup>305</sup> Many may be fearful about China’s ‘charm offensive,’ but most of the studies of not only western scholars, but Chinese authors as well, suggest that China has to do much more to achieve the ‘big bang’ that Beijing has in mind.

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<sup>303</sup> Li Mingjiang, ‘China Debates Soft Power’, *Chinese Journal of International Politics*, vol. 2, 2008, p.307.

<sup>304</sup> *Ibid.*, 308.

<sup>305</sup> Yanzhong Huang and Sheng Ding, “Dragon’s Underbelly: An Analysis of China’s Soft Power,” *East Asia*, vol. 23, no. 4, 2006, 22–44.

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