

AIR WAR COLLEGE

AIR UNIVERSITY

**PARTNERING WITH CHINA:
A LIBERAL GRAND STRATEGY MODEL
FOR A GLOBALIZED WORLD**



Victor H. Mora, Lt Col, USAF

A Research Report Submitted to the Faculty

In Partial Fulfillment of the Graduation Requirements

15 February 2010

DISCLAIMER

The views expressed in this academic research paper are those of the author and do not reflect the official policy or position of the US government or the Department of Defense. In accordance with Air Force Instruction 51-303, it is not copyrighted, but is the property of the United States government.



Biography

Lieutenant Colonel Victor H. Mora is a U.S. Air Force aircraft maintenance officer assigned to the Air War College, Air University, Maxwell AFB, AL. He graduated from Seattle University 1987 with a Bachelor of Arts degree in Religious Studies and the Air Command and Staff College in 2004 with a Masters of Operational Art and Science. He has commanded three Air Force squadrons and served on two joint staffs.



Abstract

Globalization has resulted in a deeply interdependent international system. Strategists and policy makers must understand globalization and its effects on multiple aspects of social interaction in order to provide well informed national security policy recommendations. Of particular importance is globalized economics. A nation's economic strength is the foundation of its national power and lends credibility to the diplomatic, military and economic actions and policies a nation undertakes in the international environment. A nation's weakening economy will inevitably lead to a loss of national power and to a declining influence in the international system. Given the stagnant United States economy and the dynamic growth in emerging economies around the world, most notably China, how should the United States respond in order to maintain its position of leadership in the international system?

This research paper examines the nature of economic globalization, the shift from a unipolar to multipolar international environment, and the potential impact on United States' national security. It draws its conclusions from an extensive review of current literature covering globalization, political economics, and grand strategy. It examines William Scheuerman's four characteristics of the globalization phenomenon, globalization's effect on economics, and the interrelatedness of economic vitality and national strength, and concludes that a liberal internationalist approach is the best path forward for United States grand strategy. Because of interdependency brought about by globalization, cooperative global governance must replace the coercive democratization approach the United States has followed over the last decade. If pursued with the same vigor the United States demonstrated in Iraq and Afghanistan, the United States can rebuild its economic foundation and ensure a peaceful transition to a multilateral world order.

Introduction

The intensification of economic exchange...and the pressures for marketization are changing the nature of state power and state capacity, affecting the balance of power between states.¹

Globalization has changed, and continues to change, the international environment. In order to develop a coherent and relevant grand strategy, strategists must understand globalization and its effect on multiple aspects of social interaction. Nowhere is this more important than with economics. A nation's economic strength is the foundation of its national power, and national power lends credibility to the diplomatic, military and economic actions and policies a nation undertakes in the international environment to ensure its security and prosperity. In simple terms, power and influence follow money. Consequently a weakening economy leads to declining international influence.

Given that backdrop, when comparing the current condition of the United States' economy and the dynamic growth China has experienced with its economy over the past decade, several questions come to mind. Does economic globalization present a significant national security concern? Is it possible to manage the rise of emerging powers and develop cooperative power sharing relationships between responsible global actors? How should the United States deal with China's rise as a global actor? How does the United States' approach to China inform grand strategy writ large?

This research paper proposes that the way forward with United States – China relations is to pursue a liberal internationalist approach and deepen economic ties. Moreover, this liberal approach should be extrapolated to grand strategy writ large in order to bring America's actions in line with its proclaimed liberal democratic values and to ensure a peaceful transition to a multipolar world order.

Methodology

This research paper examines the nature of economic globalization and the potential impact on United States' national security, drawing its conclusions from an extensive review of current literature covering globalization, political economics, and grand strategy.² Globalization has diverse definitions thus the paper begins by establishing a common frame of reference using William Scheuerman's four characteristics of the globalization phenomenon. After establishing a common frame of reference, the paper focuses on globalization's effect on economics. Turning to the subject of national security, the next section examines the interrelatedness of economic vitality and national strength. Because of China's growing influence in the global economy, and its current and latent military power, the paper examines China's economy with that of the United States and provides a pragmatic approach to US – Chinese economic relations. The paper then parses lessons learned from the examination of US – Chinese relations and applies them to United States grand strategy writ large. The paper concludes by reflecting upon the implications such an approach has on sovereignty.

The Globalization Phenomenon

*Failure to account for the influence of globalization will make it increasingly difficult to understand changes in the balance of power, prospects for war, and strategic choices embraced by states.*³

Precisely articulating a definition of globalization is difficult. "Books on the topic of globalization often carry a tone of apology for not being able to offer a precise and generally agreed-on definition."⁴ This paper uses four fundamental characteristics of globalization that William Scheuerman identified following his examination of recent developments in social theory: deterritorialization, interconnectedness, velocity of social activity, and multi-pronged process. The following section summarizes and expands upon his discussion.⁵

Deterritorialization – Globalization decreases the barriers of distance to social interaction, thereby allowing social intercourse regardless of geographic location. The span of that social interaction ranges from a simple event such as staying in touch with friends and family across the globe to billion dollar transactions among financial institutions. As Scheuerman states “territory in the sense of a traditional sense of a geographically identifiable location no longer constitutes the whole of ‘social space’ in which human activity takes place.”⁶

Interconnectedness – The decline of geographic constraints to social interaction is directly attributable to the advent, proliferation, and continuous improvement of affordable mass communication. Satellite links and the internet allow an unprecedented level of global interconnectedness.

Velocity of social interaction – Satellite links and the internet also enable near real time communication. The influence of distant events of one actor in the international system on another happens almost instantaneously.

Multi-pronged process – Globalization cuts across all social interactions. “The multidisciplinary and multifaceted nature of globalization is obvious from its economic, financial, business, political, technological, environmental, cultural, educational, international relations, and national and international security-related dimensions.”⁷ Moreover, because interconnectedness is a core component of globalization, the disciplines themselves are inextricably linked. Thus one cannot speak of international security without accounting for political, economic, and cultural considerations.

It is critically important that strategists and policy makers understand the fundamental nature of globalization. Geographic separation is losing its significance as near real time mass communication connects events from one side of the globe with nations and publics on the other

side. This phenomenon should drive one to consider state and public reaction prior to implementing a policy or taking an action. This interconnectedness should also drive one to consider second and third order effects prior to implementing any policy in order to minimize unintended consequences. Nowhere is this more important than in the economic aspect of globalization.

Economic Globalization

*Globalization is often thought of first and foremost as an economic phenomenon – the increase in the volume and intensity of cross-border transactions.*⁸

In *The Economic Dimensions of Globalization* Dilip Das breaks down economic globalization into three distinct eras.⁹ First is the pre-modern era covering the period from the first half of the last millennium to the onset of the industrial revolution which was characterized by the expansion of trade in commodities but very little capital flow. Second is the modern era covering the period of the industrial revolution through World War II. This period is unique in that it demonstrated both the rise and fall of economic globalization. From approximately 1820 until the end of the 19th century “the rate of growth of world trade accelerated to 3.5 percent and remained high until the end of the nineteenth century”¹⁰ and “global exports as a proportion to global GDP increased from 4 percent to 8 percent between 1870 and 1914.”¹¹ The rise, however, was short lived and came crashing down with the onset of World War I resulting in a period of disintegrated global economies until the conclusion of World War II. Following the end of World War II the free world’s leaders and policy makers became convinced that the way to avoid the repetition of the events of 1914 – 1945 was to “cooperate and collaborate in economic, financial and political spheres.”¹² The return to an interconnected international environment marked the beginning of the third period of globalization - the contemporary era -

which continues into the present. The contemporary era has two significant developments which differentiate it from the pre-modern and modern eras of globalization. First, from approximately 1980 to the present, globalization has moved with an unprecedented level of speed and penetration. Second, economic globalization has shifted increasingly from trade in commodities to transnational financial transactions and capital flow, leading to a deeper interdependency between states.

As economic globalization continues to shrink the world at an unprecedented pace and with unprecedented penetration, the result is a world that is not only interconnected but also interdependent. Economic interdependence in the forms of commercial trade, finance, and foreign domestic investment boosts global economic vitality for those “in the game” but may also diminish a state’s maneuvering room during crises. States that embark upon unilateral actions without due consideration for second and third order effects may hurt themselves as well as their adversary. The National Intelligence Council’s 2025 Global Trends Report assesses that the globalization trend is likely to continue and will result in a shift in the international system from a unipolar to multipolar world. This shift from a United States dominated unipolar world to one of multi-polarity may set off alarm bells for those who see the world through a realist lens, but that need not be the case. The United States is still the world’s leading economic and military power and will continue to be so for the foreseeable future. However, the rise of additional economic poles in the international system changes the consequence calculus for unilateral hegemonic action and will place new limits on the freedom of maneuver that the United States has enjoyed since the end of the Cold War. Imprudent unilateral action could lead to destructive competition that diminishes the nation’s economic vitality which in turn would raise significant national security concerns.

Economic Vitality and National Security

*At the center of our efforts is a commitment to renew our economy which serves as the wellspring of American power.*¹³

The positive correlation between a nation's economic vitality and its ability to protect itself and its interests enjoys almost universal acceptance. At the basic level of national existence the discussion reduces to one question, "Can a state defend itself from the aggression of another?" This question of security is classically examined in light of military power which is a product of economic strength and political will necessary to maintain a standing armed force. As John Mearsheimer notes "Wealth is important because a state cannot build a powerful military if it does not have the money and technology to equip, train, and continually modernize its fighting forces."¹⁴ Although Mearsheimer is defining power from a realist perspective that places primacy on a nation's military power, one can easily extrapolate his logic to the other instruments of national power. For example, without wealth a nation does not have the means to develop or acquire technologies and resources to combat cyber warfare in the information age. Additionally an economically weak state will not be able to influence other states or promote its values or system of governance through foreign economic assistance. Thus, one can see how Mearsheimer's conclusion also applies to the diplomatic, informational and economic instruments of national power. Economic strength is a necessary condition to generate and sustain national power. A careful reading of President Obama's statement "At the center of our efforts is a commitment to renew our economy which serves as the wellspring of American power"¹⁵ reveals two significant implications for national security. First, the United States economy is in need of renewal. Second, and more importantly, failure to reinvigorate the economy will lead to a decline in power and influence in the international environment.

The lagging economy is the United States' most significant national security concern.

Faced with a staggering 15 trillion dollar national debt, an 8.6 percent unemployment rate, and a meager 1.6 percent growth in gross domestic product for 2011, the Obama administration must take immediate steps to reinvigorate the nation's economy. Raising additional revenue combined with significant budget cuts can help to reduce the overall debt, but is unlikely to redress the more consequential situation of a high unemployment rate and lack of economic growth. Job creation and economic growth relies upon consumer markets in which to sell goods and services and investment capital to establish or grow private enterprise. In a globalized world, that means looking beyond the nation's borders for new markets, increasing market share in existing markets, and encouraging foreign direct investment. "For a century and a half, investors have flocked to the United States because of the vibrancy and stability of our economy."¹⁶ The current economic conditions notwithstanding, the United States is still an attractive investment option. To whom will the United States look to increase trade and/or open the investment door? Is China, the country on track to become the second largest economy in the world, an acceptable partner?

The China Question

*The international system – as constructed following the Second World War – will be almost unrecognizable by 2025 owing to the rise of emerging powers, a globalizing economy, (and) an historic transfer of relative wealth and economic power from West to East.*¹⁷

The National Intelligence Council predicts that "by 2025 the international system will be a global multi-polar one with gaps in national power continuing to narrow between developed and developing countries."¹⁸ Of particular importance is the Council's assessment that "China is poised to have more impact on the world over the next 20 years than any other country (and) if current trends persist, by 2025 China will have the world's second largest economy."¹⁹ China is

the primary country of consequence for United States national security. China's rise as an economic power, and the attendant rise in China's latent military power, demands attention.²⁰

The numbers speak for themselves:

- 1) With \$3.2 trillion, China has the largest foreign exchange reserve in the world.²¹
- 2) With \$1.15 trillion in US securities, China is the United States' largest foreign investor.²²
- 3) China may have upwards of \$3 trillion, \$300 billion annually, available for international investment over the next ten years.²³ To put that into perspective, China's foreign direct investment in the United States between 2003-2010 was a modest \$11.7 billion, however that investment pushed capital into 35 of the 50 states.²⁴

China's economic rise need not necessarily lead to power politics and military and economic confrontation. China will not be a peer military competitor for the foreseeable future. This provides the United States a window of opportunity to develop a cooperative vice competitive relationship. Furthering economic interdependence between China and the United States may produce a partnership strong enough to withstand the inevitable disagreements that will arise between the two nations and serve as a disincentive to adopt confrontational courses of action. The overriding question is whether the United States can help China integrate into the global economic order without creating unnecessary tensions. Based upon the progress China has made over the past thirty years assimilating into the global market economy and the international financial sector, there is reason to be optimistic. China's membership in the World Trade Organization (WTO) and her agreement to abide by the rules and norms established by the WTO, demonstrates China's willingness to abide by international rules and norms. That is not to say that China's inclusion into the global free market has been free of objections. There are

significant concerns with China's refusal to float her currency and failure to respect intellectual property. However, attempting to slow down China's economic rise²⁵ to address these and other issues, short of military intervention, is nearly impossible.²⁶ Moreover, any coercive military posturing will have deleterious effects. "Our economic recovery at home will depend on exports and the ability of American firms to tap into the vast and growing consumer base of Asia."²⁷ With a population of 3 billion, China is the largest potential consumer base into which American firms can tap. Consequently, military or economic confrontation between the United States and China could close the very lucrative market the United States is trying to open.

Gaining market share in China's domestic market is one side of economic integration, garnering foreign direct investment to help grow gross domestic product is the other. While Americans in general are supportive of opening Chinese markets and the inflow of foreign capital, there is an almost palpable wariness of increasing Chinese ownership of companies within the United States.²⁸ Much of that concern stems from differing values, norms and governance between the two nations as well as the concern that "China might buy military-enhancing technologies that could augment its military threat to the United States, deny the United States critical production capacity, or use domestic operations in the U.S. home market to spy or plan sabotage."²⁹

Regarding the first objection, the United States must allow the liberal process to run its course. As mentioned earlier, China's acceptance of the WTO's rules and norms is indicative of the government's willingness to change its business practices to ensure China's participation in the global economy. Additionally, "Chinese values are changing dramatically, too – not necessarily in the direction of perfect harmony with American culture, but at least in a more liberal way."³⁰ This development is in line with classical liberal thought which theorizes that

economic prosperity gives rise to an educated middle class which over time drives changes in social consciousness. The important principle to understand is that a nation's turn to liberal values and norms does not happen overnight. Thus the United States should not establish Chinese adoption of American values as a precondition for allowing foreign direct investment.

The second group of concerns – China acquiring American military technology, denying access to critical manufacturing capability, and enabling espionage or sabotage – has been around for many years “and yet America has – through thoughtful screening procedures and sound policy regimes – managed to allay those legitimate national security concerns without closing American doors to foreign investment.”³¹ The United States has a robust process for screening potential foreign investors and, ideological differences notwithstanding, the United States policy towards China should be treated in the same manner as any other potential foreign investment

Overall China is on the right path and the United States should not be wary of her economic rise. Contrary rhetoric notwithstanding, the current level of financial interdependence between the two countries, developed over the past decades, has served, and will continue to serve, as a strong disincentive to open conflict. Although there is significant angst within the American public and government about increasing economic partnership with China, one need only look to the influx of Japanese investment in the United States in the 1980s to comprehend the overwhelmingly positive impact properly vetted foreign investment has on the American economy. “Japan's first investments in the United States in the 1980s were almost as controversial as China's, but in the following years, U.S. affiliates of Japanese companies invested hundreds of billions of dollars in the United States, and today employ nearly 700,000 Americans.”³² As Secretary of State Clinton noted, “A thriving America is good for China and a

thriving China is good for America.”³³ Any action from either side that threatens the economic vitality of the other will have significant negative repercussions. What, then, should the United States’ approach be towards China?

A Liberal Approach to US – China Relations

If one accepts the proposition that what is good for America is good for China and vice versa – a positive sum outcome – what approach should the United States pursue vis a vis China? The clearly defensible strategic route rests in liberal internationalism. Unlike the realist approach which interprets national developments in terms of competitive balance of power shifts, liberal internationalism provides the framework for cooperation and partnership. Rooted in the belief that a growing social consciousness recognizes the positive sum end achieved through cooperation and subscription to global governance, liberal internationalism promotes the development of free market economies, the participation in and reliance upon multilateral organizations to establish rules and norms, and the development of democratic governance. To ensure a peaceful and mutually beneficial rise of Chinese economic power and political influence regionally and globally, the United States should build upon common national interests and develop a coherent liberal strategy. The 2010 National Security Strategy outlines four enduring United States interests:

- 1) The security of the United States, its citizens, and U.S. allies and partners
- 2) A strong, innovative, and growing economy in an open international economic system that promotes opportunity and prosperity
- 3) Respect for universal values at home and around the world
- 4) An international order advanced by U.S. leadership that promotes peace, security, and opportunity through stronger cooperation to meet global challenges³⁴

One could replace U.S. with China and see that the American national interests are in line with

Chinese national interests. China too is concerned about the physical security of its nation, citizens and allies. China too is committed to a growing economy in an open international system. The term “universal” is subject to debate, but China would also agree to “respect for universal values at home and around the world” provided they are universally accepted and not just a United States interpretation of a universal value. Admittedly there are friction points between the eastern and western value structure, however, China’s support of United Nations Security Council Resolutions 1674 calling for the protection of civilians during times of conflict shows a willingness to support international norms when legitimized by a multilateral organization. Finally, China would subscribe to an international order in which Chinese leadership plays a role in meeting regional and global challenges. Thus the United States has much in common with China on which to build a solid partnership. Both nations acknowledge the need to provide for territorial security, the need to have an economic system open to the international community, respect for universal values, and a peaceful international order. The challenge will be to develop a cooperative relationship that leverages commonalities while working through differences through regional and global multilateral organizations.

As the global economic and military leader, the United States must take an active role in shaping China’s inclusion into the international system through existing multilateral regional and global institutions. “There is a demand from the region that America play an active role in the agenda-setting...and it is in our interests as well that they (regional multilateral organizations) be effective and responsive.”³⁵ This demand is an open invitation for the United States to balance America’s national interests with China’s national interests by developing “policies that maintain and reinforce multilateral economic institutions aimed at growing the global economy.”³⁶ In playing that active role, America must act with restraint and mutual respect. Policy makers must

understand that short of military intervention the United States does not have a viable option to prevent China's economic growth. Thus, the United States cannot unilaterally impose demands or constraints upon China and any policy proposition must demonstrate the potential to produce a positive sum result.

The third facet of liberalism is the promotion of democratic governance. Liberal theory proposes that economic development leads to modernization, a rise in the middle class and an increasing social consciousness that leads to the adoption of liberal democratic values and principles, ultimately leading to democratic governance. Inherent in liberal theory is a developmental timeline, thus American policy makers must temper expectations with the understanding that true reform takes time. The point here is that although the ultimate goal is democratic governance, it takes time to develop the social consciousness required to ensure a bottom up, vice a top down or external, transformation. America's best approach to promoting democracy is to not force change from the outside. Rather America must be the "City on the Hill" example and ensure that our actions are consonant with our liberal democratic values. When we act contrary to the proclaimed values, we run the risk of alienating the very societies and governments that we're trying to attract.

Managing China's rise is a complex task requiring participation from global and regional stakeholders. As demonstrated in the previous sections, because of the interdependent relationship between the United States and China, the prudent way forward is through cooperation, and more specifically through economic statecraft. Joining China to the United States economically is mutually beneficial and opens the doors for future diplomatic discourse and the sharing of American values. The overall success of this approach rests with China. Will she accept her role and the responsibilities that come with being a regional power and a major

global actor? Will China work in concert with regional and global actors or will she use her military strength to expand her influence? The United States' partners in Southeast Asia are understandably wary of China's significant current military strength and China's growing latent military power. Thus, it is incumbent upon the United States to assure its partners that they will not be abandoned should China act aggressively. The challenge is for the United States to ensure that this strong resolve to support her allies is not interpreted by China as hostile US intentions. Continued US military presence is still necessary to maintain peace in the region, but the United States must not wield that presence in a coercive manner. Coercive posturing will lead to defensive rather than cooperative positions and runs the risk of alienating the nation that will have increasing influence in the international environment, and from whom the United States can receive a jump start to its lagging economy. History will judge how peaceful China's rise will be, but from the United States' perspective, there is enough evidence to move forward together to "identify and expand areas of common interest, to work with China to build mutual trust, and to encourage China's active efforts in global problem-solving."³⁷ As Thomas Barnett notes "A smart America co-opts China's rise just as Britain shaped (America's) a century ago...we should steer (China's) rise to suit (America's) strategic purposes. And what China must do is what America did back then: build its military and rebrand it as a force for global security."³⁸

Extrapolating the China Model

Globalization and the shift of the international system from uni-polarity to multi-polarity is not a cause for alarm. These changes present the United States with an opportunity to reinforce the benefits of free market economies, provide global governance through strengthened multilateral organizations designed to establish international rules and norms, and to spread liberal democratic values. However, because of declining resources, America cannot be all

things to all nations, and thus her liberal grand strategy must be tempered by restraint; restraint in action to ensure that we do not tarnish the nation's reputation and position in the world, restraint in our response to the inevitable rise of new economic powers, restraint to ensure genuine consideration for other nations' cultural values and national security concerns, and restraint to ensure we do not allow our adversaries to lure us into "sap(ping) our strength by overextending our power."³⁹ While some bemoan the constraining force the rise of additional poles introduce, if the nation acts in accordance with America's core values, policy makers need not avoid the concept of restraint. The time is ripe for the Obama administration to embrace its role as a world leader and bring the United States' grand strategy in line with the liberal democratic values the nation espouses.

International Organizations and Sovereignty:

*States must be prepared to cede some sovereignty to world bodies if the international system is to function.*⁴⁰

A central tenet of liberal internationalism is the ordering of inter-state activities via multilateral organizations. Although not reaching the level of a global government, the establishment of international organizations implies supra-state governance and consequently the ceding of individual state rights to agreed-upon rules and norms. This results in a tension between state sovereignty and participating in a common good. As relative economic power shifts to accommodate emerging nations, how should the United States reorder the international system? The shift in the international system is primarily economically based, not military based. Logically then the United States should maintain primacy over the rules and norms governing the use of military power. However, with regards to the economic dimension of power, sound global leadership demands that the United States share that power cooperatively with the rising economic powers. "In areas where economic interdependence generates

incentives for states to coordinate and harmonize their policies, rule-based order should increase.”⁴¹ Thus the Obama administration must be willing to give up some level of control and work alongside the other major economic powers to establish mutually beneficial rules and norms. “The goal should be to redefine sovereignty for the era of globalisation, to find a balance between a world of fully sovereign states and an international system of either world government or anarchy.”⁴² This is a significant departure from the previous hegemonic liberal order, but as the global environment changes, the United States leadership approach must adapt to fit the new situation.

Conclusion

*The dogmas of the quiet past, are inadequate to the stormy present.
The occasion is piled high with difficulty, and we must rise with the
occasion. As our case is new, so we must think anew and act
anew.*

*President Abraham Lincoln
Annual message to Congress
December 1, 1862*

Globalization has changed the international landscape. The world is undeniably transitioning from uni-polarity to multi-polarity. The great power politics of the previous century must give way to a new paradigm of cooperation vice competition. America’s unilateral interventionist strategy of the last decade must give way to global governance through multilateral organizations. China is a rising power that, short of military intervention, cannot be denied its place on the world stage. Even if China’s growth could be slowed down or stopped, it is inadvisable to do so. With the United States economy barely limping along, alienating the nation that provides the greatest potential for consumer markets and foreign direct investment could lead to a further erosion of the American economic vitality. More importantly as economic influence goes, so too goes military and diplomatic influence. Admittedly it is not

immediate, but sustained economic stagnation will ultimately result in diminished national power. The United States should, therefore, work to further its economic partnership with China with the same vigor that it has pursued coercive democratization in Iraq and Afghanistan over the past decade. Moreover, the United States should use the China approach as a model for grand strategy writ large. It is time for United States to act upon the liberal ideology it has espoused for the past sixty years. China is not the only emerging power, and as the global economic and military leader the United States must play the central role in ensuring a peaceful transition to a multipolar world order. Globalization has created a world unseen in two generations.⁴³ Strategists and policy makers must think and act anew as the world forges ahead into the new world order.

Notes

(All notes appear in shortened form. For full details see the appropriate entry in the bibliography.)

1. Kirschner, "Globalization, Power, and Prospect", 24.
2. While this paper focuses on the economic interaction between the United States and China, the author acknowledges the additional need for an examination of comparative military power and strategic intentions between the two countries during the formulation of foreign policy. Thus this paper presents a necessary, but not sufficient, perspective for formulating US-China policy.
3. Kirschner, "Globalization and National Security", 1.
4. Aydinli, "Seeking Conceptual Links for Changing Paradigms" 231. Das, *The Economic Dimensions of Globalization*, also comments that many scholars lament the "vagueness and imprecision of the concepts of globalization", 5.
5. Scheurman, "Globalization" identifies five characteristics of globalization, but the fifth, that globalization is a long term process has little applicability to this paper.
6. Scheurman, "Globalization", 7.
7. Das, *The Economic Dimensions of Globalization*, 1.
8. Kirschner, "Globalization and National Security", 10.
9. This section follows Das survey of the progress of globalization through history.
10. Das, *The Economic Dimensions of Globalization*, 43.
11. Ibid, 44.
12. Ibid, 50.

13. Obama, *National Security Strategy*, 2.
14. Mearsheimer, *The Tragedy of Great Power Politics*, 61.
15. Obama, *National Security Strategy*, 2.
16. Rosen and Hanemann, "An American Open Door?", 12.
17. National Intelligence Council, "Global Trends 2025: A Transformed World", 1.
18. Ibid, vi.
19. Ibid.
20. Mearsheimer describes latent power as "the societal resources that a state has available to build military power...(of which)...the size of a state's population and its wealth are the two most important components." Mearsheimer, *The Tragedy of Great Power Politics*, 60.
21. Macau Times *China forex reserves top USD 3.2 trillion*.
22. US Treasury. *Major Foreign Holders of Treasury Securities*.
23. Rosen and Hanemann, "An American Open Door?", 22.
24. Ibid, 32.
25. In *The Tragedy of Great Power Politics* Mearsheimer proposes the United States slow China's growth to prevent her rise as a regional hegemon.
26. Kirschner provides a comprehensive rebuttal of Mearsheimer's position in "Globalization, Power, and Prospect".
27. Clinton, "America's Pacific Century."
28. Rosen and Hanemann, "An American Open Door?", 14
29. Ibid
30. Ibid, 49
31. Ibid 14
32. Ibid, 9
33. Clinton, "America's Pacific Century."
34. Obama, 2010 NSS
35. Clinton, "America's Pacific Century."
36. Lincoln, *Winners Without Losers*, 215.
37. Clinton, "America's Pacific Century".
38. Barnett, *Great Powers*, 69.
39. Obama, *National Security Strategy*, page 2 of transmittal letter.
40. Haas, "Sovereignty and Globalization".
41. Ikenberry, *Liberal Leviathan*, 305
42. Haas, "Sovereignty and Globalization".
43. The approach presented in this research paper emphasized how deepening economic integration can serve as a deterrent to military conflict. Although the general framework is applicable to other emerging states, the China approach cannot be applied in a cookie cutter fashion to other states. Specific research is necessary to understand the target states' current system in order to develop the proper US approach.

Bibliography

- Aydinli, Ersel. "Seeking Conceptual Links for Changing Paradigms". In *Globalization, Security and the Nation State: Paradigms in Transition*, edited by Ersel Aydinli and James N Rosenau 231-240. Albany, NY: State University of New York Press, 2005.
- Baker, Randall. "Challenges to Traditional Concepts of Sovereignty".
claswebs.spea.indiana.edu/bakerr/challenges_to_sovereignty.htm. Indiana, Sep 12, 2011.
- Barnett, Thomas P.M. *Great Powers: America and the World After Bush*. New York, NY: Penguin Group, 2009.
- Clinton, Hillary. "America's Pacific Century." *Foreign Policy*. Nov 2011.
http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century?page=full
(accessed Dec 12, 2011).
- Das, Dilip K. *The Economic Dimensions of Globaliozation*. New York, NY: Palgrave MacMillan, 2004.
- Ikenberry, John G. *Liberal Leviathan: The Origins, Crisis, and Transformation of the American World Order*. Princeton, NJ: Princeton University Press, 2011.
- Kirschner, Jonathan. "Globalization and National Security" In *Globalization and National Security*, edited by Jonathan Kirshner, 1-33. New York, NY: Taylor & Francis Group, LLC, 2006.
- Kirschner, Jonathan. "Globalization, Power, and Prospect." In *Globalization and National Security*, edited by Jonathan Kirshner, 321-340. New York, NY: Taylor & Francis Group, LLC, 2006.
- Lincoln, Edward J. *Winners Without Losers: Why American Should Care More About Global Economic Policy*. Ithica, NY: Cornell University Press, 2007.
- Macau Times. *China forex reserves top USD 3.2 trillion*. Oct 15, 2011.
<http://www.macaudailytimes.com.mo/business/30471-China-forex-reserves-top-USD-trillion.html> (accessed Dec 10, 2011).
- Mearsheimer, John J. *The Tragedy of Great power Politics*. New York, NY: W.W. Norton & Co, 2001.
- National Intelligence Council. "Global Trends 2025: A Transformed World." *National Intelligence Council*. November 2008. www.dni.gov/nic/PDF_2025/2025_Global_Trends_Final_Report.pdf (accessed September 9, 2011).
- Obama, Barack H. "National Security Strategy." Washington DC, 2010.

Rosen, Daniel H, and Thilo Hanemann. "An American Open Door? Maximizing the Benefits of Chinese Direct Foreign Investment." *Asia Society*. May 2011. <http://asiasociety.org/policy/center-us-china-relations/american-open-door> (accessed Dec 10, 2011).

Rosencrance, Richard N, and Arthur A Stein, . *No More States? Globalization, National Self-determinism, and Terrorism*. Lanham, MD: Rowman & Littlefield Publishers, 2006.

Scheuerman, William. "Globalization." *The Stanford Encyclopedia of Philosophy*. Edited by Edward N Zalta. Summer 2010. <http://plato.stanford.edu/archives/sum2010/entries/globalization> (accessed 9 29, 2011).

United State Treasury. *Major Foreign Holdes of Treasury Securities*. Dec 15, 2011. <http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/mfh.txt> (accessed Dec 15, 2011).

