

Managing China's Behavior

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INTRODUCTION

The U.S. strategy for addressing China's rise is central to national security and future world order. It will affect the likelihood and character of future wars, will have major economic and financial implications, and will shape global alliances and partnerships. Despite this topic's importance, there remains a lack of consensus at the most basic level, as to whether the United States should impede or accommodate China's rise. In order to best adapt to the changing geopolitical landscape, protect its interests, and encourage strategic coherence, the United States needs to actively manage China's international behavior by allowing it to expand its power and influence through acceptable means, while clearly identifying and aggressively penalizing unacceptable conduct.

There are those who believe the "central objective of U.S. grand strategy in the twenty-first century" should be to maintain U.S. dominance in the international system while containing China's rise.¹ Those who share this viewpoint believe that China's rise, even at a regional level, inherently threatens U.S. national interests and are highly critical of efforts taken to better "integrate" China into the international system.² This approach, however, entails significant risks as it may be economically and militarily unsustainable and can lead to conflict through the "Thucydides trap," with war being a common outcome when a rising power challenges a status quo power.³

¹ Robert D. Blackwill and Ashley J. Tellis, "Revising U.S. Grand Strategy Toward China," *Council on Foreign Relations*, Council Special Report No. 72 (March 2015): 4; Barry R. Posen and Andrew J. Ross, "Competing Visions for U.S. Grand Strategy," *International Security*, Vol 21, No. 3 (Winter 1996/97), 30-41; Robert Gilpin, *War and Change in World Politics* (Cambridge: Cambridge University Press, 1981). Quote from Blackwill and Tellis. Viewpoint consistent with Posen's and Ross' "primacy" definition. Posen and Ross state "primacy" is the "maximal realism of hegemonic stability theory" per Gilpin.

² Blackwill and Tellis, "Revising U.S. Grand Strategy Toward China," 5-6.

³ Graham Allison, "The Thucydides Trap," *Foreign Policy*, June 9, 2017, <http://foreignpolicy.com/2017/06/09/the-thucydides-trap/>; Thucydides, *History of the Peloponnesian War* (New York: Penguin Classics, 1972): 49.

For this strategy to prevent China from dominating Asia, however, the United States must be willing to impose significant repercussions for unacceptable behavior. Without prospective costs, China will simply continue on its current path, promulgating those international rules that it likes and disregarding the rest, as exemplified not only by its complete disregard for the 2016 Permanent Court of Arbitration in The Hague's ruling on its South China Sea claims but more blatantly by its cyber attack on the court during hearings.¹⁷ Penalizing coercive actions will demonstrate U.S. strength, limit the threat posed to U.S. allies and partners in the region, and prevent China's expansion by force. If feasible, the United States should seek international consensus and partners, but at times may be forced to act alone, which would require great resolve and entail considerable risk. Dependent on the severity of Chinese infractions, potential repercussions might include diplomatic actions, trade or financial reprisals, military demonstrations, material support for Chinese adversaries, or information warfare including cyber attacks, electronic warfare, public affairs, and psychological operations. While this would be a high-risk balancing act, there is little choice, as without the threat of sticks, China will simply eat the carrots.

To be clear, this paper advocates for managing China's conduct, because it is in the U.S. interest and not due to an inherent desire to uphold international norms. Accordingly, this strategy focuses on curtailing coercive behavior regardless of whether it defies an established international norm and willingly overlooks China's domestic transgressions. That said, a focus on preventing coercive behavior would broadly align with established rules for international conduct, even if not the intended objective. Nonetheless, actively managing

¹⁷ Blackwill and Tellis, "Revising U.S. Grand Strategy Toward China," 16-17; Ankit Panda, "International Court Issues Unanimous Award in Philippines v. China Case on South China Sea," *The Diplomat*, July 12, 2016, <http://thediplomat.com/2016/07/international-court-issues-unanimous-award-in-philippines-v-china-case-on-south-china-sea/>; Anni Piiparinen, "Phishing in the South China Sea: Cyber and Hybrid Warfare," *China-US Focus*, July 12, 2017, <http://www.chinausfocus.com/peace-security/phishing-in-the-south-china-sea-cyber-operations-and-hybrid-warfare-in-the-troubled-waters>.

Admittedly, by defining unacceptable behavior as coercive in nature, this approach does not directly address the “unfair” Chinese trade practices that the Trump administration cites as undercutting U.S. economic performance, since it would be unwise to respond to trade infractions with force.²⁶ It would be a stretch to define barriers to Chinese markets, intellectual property theft, and dumping, as coercive if not part of a larger campaign to force political concessions. Still, this behavior management approach to security is consistent with and could be expanded into a model for encouraging China to “adhere to and enforce [economic] rules of order.”²⁷ Such a model could be based on seeking behavior consistent with World Trade Organization standards with supporting diplomatic or economic actions designed to shape China’s behavior. This paper intentionally separates out non-coercive economic infractions, however, because U.S. responses should be different in two important aspects. In non-coercive economic scenarios, the United States should refrain from more provocative responses, like military demonstrations and information warfare, and should focus primarily on bilateral inequities, rather than including allies and partners.

Conceding to China a de facto sphere of influence would improve regional security by removing many of potential flashpoints for broader conflict as “the history of international relations shows convincingly that strategic pressure by one major power on another’s periphery areas is a recipe for instability.”²⁸ By insisting on acceptable conduct and pushing back against coercive threats, the United States could maintain its commitments to allies and partners and its international standing. Nevertheless, improved China-Taiwan relations achieved through peaceful means would reduce the likelihood that the United States would be forced to honor a problematic commitment from another era. Similarly, peaceful

²⁶ *National Security Strategy of the United States of America*, 17.

²⁷ *Ibid.*

²⁸ Greg Austin, “A New Engine for Pragmatism in the International Security Order?” in *China: New Engine of World Growth*, ed. Ross Garnaut and Ligang Song (Canberra: ANU Press, 2012): 462.

adjudication of South or East China Sea claims through joint development agreements would be another welcome relief, so long as the United States maintained freedom of navigation in accordance with customary international law. After all, little would serve the U.S. interest more poorly than engaging in a costly war over an island in the far reaches of the western Pacific. Acknowledging greater Chinese regional responsibility would also make North Korea efforts more consistent. The United States cannot demand that China be responsible for North Korea's conduct, if it does not acknowledge China's right to project power beyond its borders.

Expanded Chinese influence also has the potential to improve regional stability as China is forced to take a more active role internationally to protect its interests. With the number of challenges the United States is facing globally, it should be eager to divest responsibility for areas outside its core interests in order to lighten its burdens and reduce the likelihood of overreach.²⁹ While China has a reputation for providing “no strings attached” aid, its “noninterference” policy has evolved as Beijing has acted to promote stability in regions where it is heavily invested.³⁰ For example, China has over 2,500 peacekeepers committed to United Nations missions in Africa and has pledged \$100 million in support for the African Union.³¹ As China's economic ties are in many of the world's most troubled areas, it may well find maintaining a sphere of influence in these regions to be an expensive white elephant prize.

Third, a behavior management approach has the potential to be broadly supportable, because it is simple and can appeal to a wide spectrum of leaders and factions. For a strategy to be bipartisan and enduring in the United States of America, it must be easily understood

²⁹ Etzioni, “Spheres of Influence,” 119.

³⁰ Eleanor Albert, “China in Africa,” *Council on Foreign Relations*, July 12, 2017, <https://www.cfr.org/background/china-africa>.

³¹ Ibid.

and have wide-ranging appeal. Containment, the basis of U.S. strategy for the duration of the Cold War stands as the exemplar of these principles. It was intuitive and easily understood, especially in comparison to subsequently proposed U.S. grand strategies with labels like “New World Order,” “Enlargement,” and most recently “Principled Realism.”³² Moreover, administrations, both Republican and Democrat, with widely varying ideological inclinations accepted the strategy’s validity because it both protected U.S. interests and resounded with American values.

While “behavior management” has none of the eloquence associated with containment, it is also easily understood and has the potential to appeal to a wide range of ideological dispositions. For those most concerned about avoiding war with China, this approach offers a way to reduce tensions. For those focused on preventing overreach and preserving limited resources, this approach prudently concentrates only on the most essential U.S. security objectives. For those most concerned about limiting China’s expansion, this strategy’s muscular penalization of coercive behavior could satisfy many of their concerns. For those vested in upholding international norms or institutions, this approach offers a convenient confluence between its focus on preventing coercive behavior and established international standards. As a result, this strategy appears largely consistent with elements in the Trump administration’s national security strategy, including a desire to refocus policy objectives on national interests, compete with China more effectively, and force China to play fairly.³³ On the other hand, this sort of approach also could have been espoused by an Obama administration fully vested in “rules-based international order.”³⁴ While admittedly

³² Jeremi Suri, “American Grand Strategy from the Cold War’s End to 9/11,” *Orbis* (Fall 2009): 614; *National Security Strategy of the United States of America*, 1.

³³ *National Security Strategy of the United States of America*, 1-3.

³⁴ *National Security Strategy*, February 2015: 2.

this strategy will not wholly please everyone, it has the potential to be accepted widely enough to be unifying and enduring.

COUNTERARGUMENTS

For any proposed U.S.-China strategy, there are bound to be a number of valid concerns due to the complexity of the relationship and lack of an obvious way forward. For this strategy, two counterarguments in particular need to be addressed. First, China will not be a passive participant and, based on its past behavior, will likely resist being forced to comply with rules imposed on it by the “U.S.-dominated international order.”³⁵ Second, aggressively penalizing China, one of the world’s most powerful countries, is a high-risk activity fraught with escalation concerns. China is unlikely to respond well to reprisals for which the United States is judge, jury, and executioner.

Although it may well push back against having to follow U.S. established rules and perceived American hubris, Beijing may not be entirely resistant if it assesses that it can continue to progress towards its goals within the proposed framework. China may well perceive unambiguous U.S. acceptance of increased Chinese influence, along with an emphasis on state-on-state coercion rather than internal domestic behavior, as a net positive helping it to achieve its strategic goals, including “pacification of its... periphery” and “cement[ing] international status.”³⁶ Additionally, China has benefited tremendously from the U.S.-led international order and stability in the Pacific.³⁷ As illustrated by its leadership

³⁵ Blackwill and Tellis, “Revising U.S. Grand Strategy Toward China,” 6.

³⁶ Ibid, 13-17. Blackwill and Tellis assert that China’s strategic objectives are “maintain[ing] internal order,” “sustain[ing] high economic growth,” “pacification of its... periphery” and “cement[ing] international status.”

³⁷ Hal Brands and Peter Feaver, “Stress-Testing American Grand Strategy,” *Survival*, Vol. 58, No. 6 (December 2016-January 2017): 103.

on climate change and globalism, it may well determine that it is better to “soften” the liberal international system from the inside, rather than to directly “challenge world order.”³⁸

While China would be extremely unhappy with U.S. retribution to its coercive efforts, the bilateral relationship is likely strong enough to withstand turbulence and the United States could take prudent actions to minimize the chances of uncontrolled escalation. Currently, the overall U.S.-China relationship remains solid, despite a litany of irritants, including economic conflict, China’s gray zone actions in the East and South China Seas, U.S. support for Taiwan, and recriminations regarding North Korea. In fact, the “stability-instability paradox” indicates that while low-level conflict is more likely when highly destructive potential, normally nuclear but possibly economic, exists, that the likelihood of major war remains low.³⁹ Furthermore, there are ways to reduce the likelihood of escalation, including U.S. compliance with similar standards of conduct, demonstrating restraint along China’s periphery, and declaratory policy. By generally refraining from initiating coercive behavior, the United States would signal its seriousness about compliance and reduce potential charges of hypocrisy. Demonstrating restraint along China’s borders would reduce the number of opportunities to come into direct conflict and reduce China’s incentives to respond provocatively. Finally, through declaratory policy the United States needs to make abundantly clear to China the behavior that would result in penalties, which would be a challenge given recent precedent. Clarification of thresholds, however, is critical to avoiding misunderstanding and miscalculation.⁴⁰

³⁸ “Is China Challenging the United States for Global Leadership?,” *The Economist*, April 1, 2017, <https://www.economist.com/news/china/21719828-xi-jinping-talks-china-solution-without-specifying-what-means-china-challenging>; Austin, “A New Engine for Pragmatism,” 473-474. *The Economist* discusses China’s increasing international roles. The direct quotations are from Austin.

³⁹ Forrest E. Morgan et al, *Dangerous Thresholds: Managing Escalation in the 21st Century* (Santa Monica, California: RAND Corporation, 2008), 28.

⁴⁰ Morgan et al, *Dangerous Thresholds*, 24-25.

CONCLUSION

This strategy has risks and requires further analysis on potential methods to punish China for unacceptable behavior and manage the resulting escalation. Still, it is a sound and pragmatic approach that could be effective because it acknowledges the realities of the current strategic environment and protects vital U.S. interests. Additionally, this behavior management approach has the potential to draw the broad support required for sustained implementation. With this strategy, the United States can reduce the likelihood of conflict with China while simultaneously limiting its ability to dominate Asia or threaten the American homeland. It is a middle road between impeding or accommodating China's rise that offers many of the strengths of either extreme while avoiding provocation and maintaining America's global standing. This makes it a strategy worthy of strong consideration.