

## COMMENT INSIGHT & OPINION

# How a softer approach by the US to balancing a rising China could pay dividends

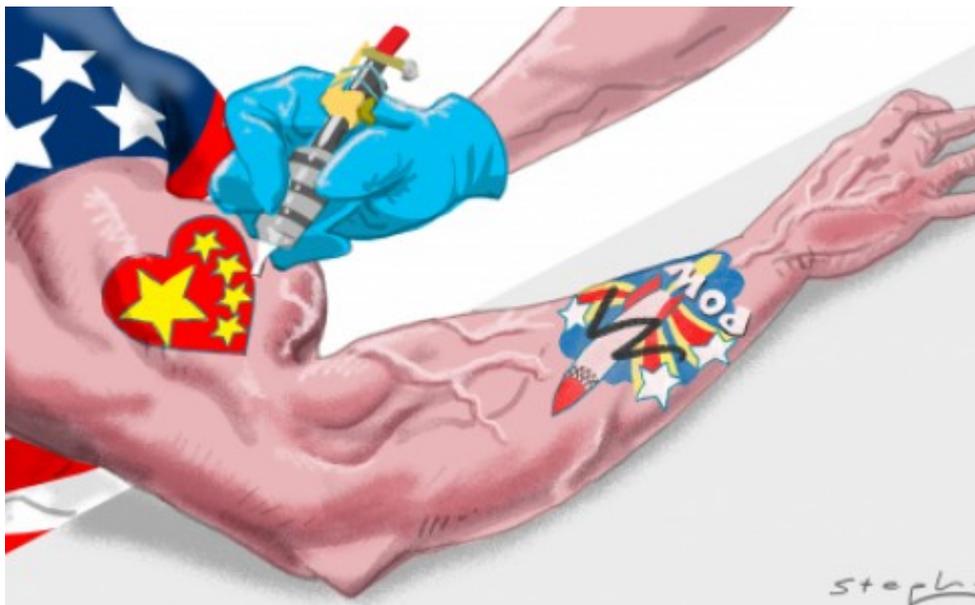
Andrew Leung says the US can better balance a rising China by bridging differences in ideas and values

PUBLISHED : Sunday, 08 November, 2015, 12:41pm

UPDATED : Sunday, 08 November, 2015, 12:41pm

Andrew Leung

SCMP



America will find a soft-power approach to be more fruitful in the long term.

America has vowed to continue freedom of navigation operations such as those conducted by USS Lassen to challenge China's island-building activities in the South China Sea under the UN Convention on the Law of the Sea. This is part of America's Asia-Pacific military strategy to maintain freedom of navigation and to "rebalance" against a more assertive China.

The stakes are high on both sides. America wants to pre-empt the risk, however far-fetched, of China imposing a "Monroe Doctrine" in the Asia Pacific. Besides the Malacca Strait choke point controlled by the Seventh Fleet, US power projection has been fortified by stronger regional military alliances. The Asia "pivot" aims to deploy 60 per cent of global US naval assets to the region by 2020. Meanwhile, Japan has revised its pacifist constitution to permit

"collective self-defence" with allies including the US. Balancing against China is clearly the unspoken agenda.

For China, the South China Sea is not just about territorial integrity but also about vital sea routes for trade and import of resources, on which national security and regime stability depend. China has long been uncomfortable with perceived encirclement by "island chains" imposed by US navies operating from Okinawa and Guam. Decades of phenomenal economic growth have enabled China to upgrade a wide range of asymmetric military capabilities and Beijing now feels confident in safeguarding vital sea lanes in the Dongsha (Pratas) Islands, the Xisha (Paracel) Islands, and the Nansha (Spratly) Islands, critical choke points in the South China Sea. The intention to project naval power for national defence is clear in China's first-ever white paper on military strategy published in May.



US Secretary of Defense Ash Carter (right) and Navy Cmdr Robert C. Francis Jr look at USS Lassen from their vantage on the aircraft carrier Theodore Roosevelt in the South China Sea on Thursday. Photo: Reuters

Nevertheless, both sides are wary of dangers of unintended escalation. A major war in the region, let alone nuclear Armageddon, is not something either wants to contemplate. Both agree on the imperatives of crisis management and continuing military-to-military dialogue according to the Code for Unplanned Encounters at Sea.

The other theatre of US-China hard-power tussle is economic. The recently concluded Trans-Pacific Partnership (TPP), of 12 nations representing 40 per cent of the global economy, excludes China. The aim is to form a US-led economic coalition with higher labour and environmental standards. In addition, the US is negotiating the Trans-Atlantic Trade and Investment Partnership to form the world's largest free-trade bloc with the European Union.

China's trump card is its economic centrality, firmly locked into the global production and value chain. Look into any gadget and one will find China embedded. Six of the top eight container ports are located in China, including Hong Kong. Moreover, there is an alphabet-soup of bilateral or regional free trade agreements where China already enjoys a central role.

Under negotiation is the Regional Comprehensive Economic Partnership comprising all Asean members and their free-trade partners.

The cold war mindset is passé. Aircraft carriers and supersonic bombers cannot sustain economic growth, job creation and social stability.

The scale and centrality of China's economic linkages are unlikely to change very much as a result of exclusive trade agreements or military alliances. Few, if any, of America's military allies want to choose between the two great powers, as virtually all rely on China for markets and jobs.

It is also becoming clear to the EU on which side their bread is likely to be buttered. Note how quickly the UK, a key US ally, jumped on the China-led Asian Infrastructure Investment Bank bandwagon. The UK recently greeted President Xi Jinping's state visit with uncharacteristic pomp. This was followed by visits to Beijing of German Chancellor Angela Merkel, French President Francois Hollande, and King Willem-Alexander of the Netherlands.

China's "one belt, one road" initiative offers an ambitious blueprint linking the nation's vast market to Europe, Central Asia and Eurasia, including potential investments in high-speed rail, ports and expressways. The scheme is also calculated to open up alternative routes for flows of energy, minerals, trade and investment, bypassing the choke points in the South China Sea.



Xi Jinping and British Prime Minister David Cameron enjoy a pint of beer during Xi's recent state visit. Photo: AFP

A more promising theatre in which to balance against a rising China, however, is institutional. The TPP is partly designed to spread adherence to higher standards. Future "one belt, one road" economic linkages with Western Europe will also offer many opportunities for assimilating China into global values and norms.

Moreover, China has embraced the world in knowledge and education. The nation is turning out around 7 million university graduates a year, adding up to some 200 million by 2030. Many will have been educated abroad in Western universities. At the same time, China is

changing course towards a more sustainable model of development, including innovation, higher value-added production, a greener economy, a more equitable and inclusive society, and the rule of law. There will be a cornucopia of opportunities for bridging differences in ideas and value systems.

The cold war mindset is passé. Aircraft carriers and supersonic bombers cannot sustain economic growth, job creation and social stability. Nor can they change a world where the US and China increasingly share common interests ranging from trade and investment to anti-terrorism, climate change and global governance.

During his state visit to the US, Xi stressed that the so-called "Thucydides Trap" engulfing past rival great powers need not be repeated. In an interconnected world, power can be projected as much, if not more so, by value systems as by military dominance or economic connectivity.

**Andrew K. P. Leung is an international and independent China specialist based in Hong Kong**