

# Chinese Strategic Thinking on Multilateral Regional Security in Northeast Asia

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by Gilbert Rozman

**Gilbert Rozman** is the Musgrave Professor of Sociology at Princeton University. His research concentrates on China, Japan, Russia, and South Korea, including comparisons, bilateral relations, and regionalism. Among his most recent books are *Northeast Asia's Stunted Regionalism: Bilateral Distrust in the Shadow of Globalization* (2004) and *U.S. Leadership, History, and Bilateral Relations in Northeast Asia* (editor), (Cambridge, 2011). This article is a revised version of a paper delivered at FPRI's annual Asia program conference, in November 2010, cohosted by the Reserve Officers Association in Washington, D.C.

*Abstract: This article argues that multilateral mechanisms for addressing security issues in East Asia are weak and that a key reason is the hollowness of China's ostensible and much-touted commitment to multilateralism. This is especially troubling when the region faces major security challenges and regional relations (and China's approach to them) appear to be moving from "economics in command" to "security in command." The article concludes with a prediction that "A coordinated approach to combining alliances and quasi-alliances exclusive of China with multilateralism inclusive of it will best test China's intentions during this decade."*

In 2010, security in East Asia drew attention beyond anything seen since the cold war. North Korea's torpedoing of the South Korean naval vessel Cheonan in the Yellow Sea and later artillery attack on a South Korean island, Japan's seizure of a Chinese fishing boat after it rammed two Japanese coast guard vessels in the East China Sea, and sharp Sino-U.S. rhetorical exchanges over the South China Sea, all heightened tension. In the struggle to manage the rising tensions, three multilateral frameworks face possible adjustments which depend on China's support and test its intentions. While at present these adjustments remain at a preliminary stage, analysis of China's strategic thinking offers clues regarding its objectives in this process. If economics loomed as the principal concern in the past two decades of institution building in East Asia, security is taking center stage in the quest for regional reorganization that China prioritizes for the impending decade.<sup>1</sup>

<sup>1</sup> Chinese sources put the onus on the United States as the force transforming the status quo and strategizing to block East Asian regionalism. Rather than explain that a more powerful China is shifting its strategy to gain regional leadership, they blame the United States for intensifying containment of China, which China must counter. See, for example, Xin Qiang, "Dongya yitihua yu Meiguo de zhanlue yingdui," *Shijie jingji yu zhengzh* Nov. 6, 2009, pp. 47-48.

China strongly supports early revival of the Six-Party Talks after it refused to endorse the report of the South Korean led multinational investigation that blamed North Korea for the sinking. Yet, given the breakdown of the Six-Party Talks in 2008 after five uncertain years, what kind of tradeoffs does China have in mind? Recently having launched trilateralism with Japan and South Korea, is China ready to put it at risk by continuing to demonize Japan for the maritime clash? Finally, while it has no real choice but to accommodate the Association of Southeast Asian Nations (ASEAN's) decision to enlarge the East Asian Summit, adding the United States and Russia, how are its bilateral actions to draw a sharper line between Southeast Asian states likely to impact the expanded ASEAN + 8?

The Hu Jintao era since 2002 has been characterized by a rise in Chinese assertiveness, which accelerated in 2008 around the time of the Beijing Olympics, again with the global financial crisis, and, most visibly—despite President Barack Obama's outreach to China—since late 2009. Growing confidence in economic and military power underscores arrogant rhetoric from many Chinese officials. Even before these challenges in 2010, there was ample reason to doubt China's commitment to multilateralism except as an expedient way to manage another great power's ambitions and to pave the way for more assertive Chinese bilateralism.<sup>2</sup> To what extent are China's responses today an extension of these earlier trends as opposed to a strategic shift reflecting its even greater clout?

The messages from Chinese officials and experts have not been consistent. High-ranking military officers have recently been outspoken in statements related to each of the three outbreaks of tension. Their strident views are at least tolerated, in contrast to the way military personnel are disciplined in the United States and Japan for openly dissenting on major policy matters. Party and government leaders in civilian posts put different types of spin on their defense of state policies, ranging from confident claims that China is approaching the United States in overall power and must be treated with new respect to modest discounting of China's power in the next decades with assurances that U.S. power will not be challenged. The academic community also takes varied stances, including many who echo the hard line, at least in the way they frame issues of praise and blame. On the security issues near China's borders the military's influence is considerable, and the more coherent worldview comes from those who are confident of China's rising power. Although I discount the most strident views, my analysis is weighted toward assertiveness.<sup>3</sup>

<sup>2</sup> Gilbert Rozman, *Chinese Strategic Thought toward Asia* (New York: Palgrave, 2010); Gilbert Rozman, "Post Cold War Evolution of Chinese Thinking on Regional Institutions in Northeast Asia," *Journal of Contemporary China*, September 2010, pp. 605-20.

<sup>3</sup> A review of articles from Xinhua press, *Global Times*, *People's Daily*, and other Chinese sources in Chinese and English regarding the main international disputes in 2010 supports the conclusion that the assertive position predominates, reflecting the tight censorship required for publication on sensitive issues.

This article assesses China's strategic thinking concerning the Six-Party Talks, East Asian trilateralism, and the East Asian Summit with the aim of discerning the causes of its responses in 2010. Among the possible causes, three receive primary attention. First, since all of the challenges of urgent interest are maritime disputes, many have argued that China's objective is to gain control over seabed resources or energy security. Second, given increasing criticism of U.S. hegemony and alliances, a principal interpretation is that China is flexing the muscles of a rising power against the existing global and regional power. More than energy security, hard power is at the core of the intensified competition. Third, with territorial disputes connected to historical memories part of each dispute, an alternate explanation centers on revival of a national identity rooted in a sinocentric approach to the surrounding region.<sup>4</sup> Some combination of the three factors may also be at work. All of these perspectives are considered for each of the three groupings as they face uncertain reorganization.

In addition to searching for causality, this essay also strives to identify what China is seeking from the three organizations of concern here. While it approached transitional forms of these organizations for earlier aims, its newly articulated aims have different implications. In each case, U.S. alliances and defense partnerships are perceived as affecting the way these organizations can operate.<sup>5</sup> I assess China's intentions not only in the reorganization of multilateral institutions, but also for how it seeks to influence the United States and its alliances and the front-line states: in the Six-Party Talks, South Korea; in the East China Sea dispute, Japan; and in the competition over the South China Sea, ASEAN as the collective voice of Southeast Asia, while also considering Indonesia, Vietnam, and other states most affected.

### **Reconceptualizing the Six-Party Talks**

After the Six-Party Talks began in August 2003, discussion of China's role generally took the form of whether it would remain passive or become more active, whether it was just a reluctant participant or would become a firm supporter of the multilateral mechanisms generated through the talks. The impression prevailed that China agreed to host the talks as a means to avert a military conflict that it feared could result from the Donald

<sup>4</sup> William A. Callahan, *China: The Pessimist Nation* (Oxford: Oxford University Press, 2010).

<sup>5</sup> On the Cheonan sinking and the fishing boat incident Chinese coverage dwells on alliance responses as if they are the real threat to regional security and indicative of a more aggressive U.S. posture. On the South China Sea dispute Chinese sources see the United States as instigating regional resistance for purposes of containment. See "Why China Opposes US-South Korean Military Exercises in the Yellow Sea," *People's Daily*, July 19, 2010; "Shei tiaojile Zhongri jian zhechang she Diaoyudao wenti de yanzhong fengbo?" *Huanqiu shibao*, September 24, 2010.

Rumsfeld-Dick Cheney line and to get the two sides talking to each other in order to narrow the gap between the U.S. denuclearization obsession and the North Korean insistence on normalization of relations. As George W. Bush, influenced by Condoleezza Rice as the new secretary of state, showed signs of some flexibility and Roh Moo-hyun showcased new rewards to North Korea, China took a more active role as mediator in September 2005 to get agreement on the Joint Statement. This provided some detail on a multi-stage process, suggesting a conceptual blueprint for resolving the crisis. In the “word-for-word” trade-offs that promised each side what it sought there was vagueness about the timing of critical decisions that might lead either side to determine if it was being tricked by an adversary that did not intend to proceed in good faith. If China was keen on keeping the process going without clear priority on denuclearization, its activism did not yet reveal its broader objectives.<sup>6</sup>

The impression arose that China’s interest in the Six-Party Talks remained limited to peace and stability. It wanted to avert a massive flow of refugees into its Northeast provinces, an outbreak of war that could undermine regional security, or even a tense atmosphere that would tighten the U.S. alliances with South Korea and Japan and threaten proliferation of nuclear weapons along its borders. After North Korea fired a spate of missiles and then tested a nuclear weapon, China’s responses at the United Nations Security Council were consistent with this interpretation of its limited objectives for the Six-Party Talks. When the United States changed course in the next three months to stress direct talks with North Korea and promise to drop the financial sanctions putting banks on notice, the Six-Party Talks produced what appeared to be a tacit understanding between Beijing, taking a harder line, and Washington, taking a softer line, as they worked together to achieve a shared goal. After many years of painstakingly explaining U.S. reasoning about the growing scope of common interests, many officials were optimistic that China’s understanding of how multilateralism serves to manage the North Korean threat to regional stability was converging with that of the United States. Optimism peaked from early 2007 and continued in 2008 as Sino-U.S. cooperation on Taiwan and the election of the moderate Ma Ying-jeou as president there seemed to confirm hopes for stability.

The February 2007 Joint Agreement produced an action plan, tantalizing in its short timetable for realizing multiple objectives and in establishing a working group (#5) for forging a regional, multilateral security mechanism. Although most attention turned to direct U.S.-North Korean talks under this rubric, for roughly 18 months Sino-U.S. cooperation was conducive to the progress being made and lifted hopes that the Six-Party Talks could evolve into

<sup>6</sup> Yoichi Funabashi, *The Peninsula Question: A Chronicle of the Second Korean Nuclear Crisis* (Washington, DC: Brookings Institution, 2007).

a lasting security framework. China apparently recognized it was strengthening its claim to “peaceful rise” through this venue.<sup>7</sup> The talks gave it increased soft power, while contributing to improved bilateral relations with all of the other parties: North Korea following a decade of troubled relations after China’s normalization with South Korea; Russia, which increasingly coordinated with China and accepted its leading role; Japan, with which ties were improving despite a refusal to support the Joint Agreement due to the absence of progress on the abduction issue; and especially the United States. It is no exaggeration to suggest that the Six-Party Talks had become a symbol of China’s constructive commitment to stability through Asian multilateralism. An early hint of trouble, however, came when Sino-South Korean relations deteriorated in the first half of 2008 as China found newly elected Lee Myung-bak insufficiently deferential.

From the time of North Korea’s rejection of U.S. demands for verification to conclude the second stage of the Joint Agreement to the Cheonan sinking, China’s response to the crisis belied earlier assumptions about its attitude toward the Six-Party Talks. Although it condemned the North’s nuclear test and voted for Security Council sanctions, the thrust of its rhetoric increasingly put the talks in a different context.<sup>8</sup> For those who had reasoned that China’s tendency to blame the United States for the absence of progress in the first rounds of the talks was due to the Bush administration’s hard line, the new evidence indicated that even as Barack Obama took office with a softer line, following Bush’s shift in direction, this fell well short of what China sought. By 2010, China again seemed to be blaming the United States no less than North Korea for the impasse, as it pressed for resumption of the Six-Party Talks with an altered agenda. The Cheonan sinking, for which North Korea denied involvement, demonstrated China’s refusal to assign blame, as it put pressure on the North only to create a climate conducive to resumption of the talks while showing defiance toward South Korea and others, which sought an apology. At the end of 2010, China refused to blame North Korea for a deadly artillery barrage on South Korea’s Yeonpyeong island despite Russia’s condemnation and intensified coordination of Washington, Seoul, and Tokyo directed at eliciting a response from Beijing. The crisis over North Korea was turning into a test of Chinese truculence.

As the driving force in the establishment of the Six-Party Talks, Washington placed denuclearization in the forefront and gradually tolerated consideration of some other issues. In contrast, as the driving force behind a revival of the Six-Party Talks, Beijing has in mind regional security and the

<sup>7</sup> Gilbert Rozman, “Turning the Six-Party Talks into a Multilateral Security Framework for Northeast Asia,” in KEI 2008 Towards Sustainable Economic & Security Relations in East Asia: U.S. and ROK Policy Options, *Joint U.S.—Korea Academic Studies*, Vol. 18, 2008, pp. 149–66.

<sup>8</sup> Gilbert Rozman, *Strategic Thinking about the Korean Nuclear Crisis: Four Parties Caught between North Korea and the United States* (New York: Palgrave, 2011 revised edition), Ch. 11.

reunification process on the peninsula with acceptance of denuclearization as a theme to be addressed in stages. Yet, unlike the working group formed in 2007 to seek new regional security architecture, it is focused on a group unacknowledged in the Joint Agreement but urgently sought by Pyongyang in order to reach agreement on a peace treaty to replace the armistice at the end of the Korean War.

Ostensibly, this is a revival of the four-party talks of the late 1990s, which at the core are bilateral talks between the United States and North Korea that encompass a wide array of issues related to military deployments on the peninsula. They are aimed at weakening the U.S.-South Korean alliance in return for some redeployment or disarmament by North Korea. These disarmament talks put South Korea in an awkward position; its voice may be ignored in the U.S. pursuit of denuclearization and non-proliferation, while they are not likely to impose sacrifice on China, whose voice will be hard to stifle. As the process undercuts the sanctions on North Korea and delays decisions on denuclearization, the transitional stability in Northeast Asia may undermine South Korean confidence, cast doubt in Japan on the U.S. alliance, and serve to adjust the balance of power in the region. No wonder that the Obama administration kept stressing in the second half of 2010 its close ties to South Korea, that a stronger alliance is essential, and that improved North-South relations are a precondition for resuming the Six-Party Talks. In December, trilateral cohesion with Seoul and Tokyo reached a postwar peak, while Beijing was posturing that the alliance responses were fueling instability and raising the chance of war.

In 2008-10, Chinese leaders and public opinion were angered by Lee Myung-bak's tilt toward the United States and even Japan. Expectations for a balanced great power status, where South Korean leaders deferred to both U.S. and Chinese will, had been dashed. No country better symbolizes China's traditional sinocentric order than South Korea. Revitalizing the Six-Party Talks with emphasis on a peace treaty, as China gains increasing economic leverage over North Korea, promises to teach a lesson to Lee and like-minded conservatives. Observers who see restarting the talks as a return to the momentum of 2000—before George Bush rejected Clinton's foreign policy or as an extension of 2008 before the hiatus in the talks—are missing the new realities of North Korea's nuclear weapons, China's rapid rise as a military power, and China's assertiveness through bilateral ties with the North and regional policy. If China shifted from passive neutrality in the first nuclear crisis to reliable middle man in the second, this third phase promises to bring another qualitative shift.<sup>9</sup>

The Chinese seek to use these talks for maximal transformation of regional security. The maximalists—many from the military<sup>10</sup>—would postpone

<sup>9</sup> Liu Liang, "Cung Chao he wenti kan Zhongguo canyu quanqixing wenti jiejie de 'liang' yu 'du,'" *Liaodong xueyuan xuebao*, Nov. 6, 2010 pp. 145-48.

<sup>10</sup> David M. Finkelstein and Kristen Gunness, eds., *Civil-Military Relations in Today's China: Swimming in a New Sea* (Armonk, NY: M.E. Sharpe, 2007).

discussion of denuclearization in favor of a U.S.-North Korean agreement satisfactory to China and imposed on a reluctant South Korea as a peace treaty. In order to assure Pyongyang, Washington would have to change its own security posture likely including sharply reducing its forces on the peninsula and attenuating its alliance with South Korea. In the process, the balance on the peninsula affecting the prospects for reunification would change. Multilateralism would be welcome to Beijing as a means to ensure its dominance on the Korean peninsula and a shift away from the U.S. alliance system as the guarantor of regional security.

To be sure, U.S. leaders as well as the South Korean conservative establishment will not countenance this transformation. An increased threat from North Korea, as in a growing danger of proliferation of WMD, might appear to China to convince U.S. leaders otherwise. Failure to contain the North Korean threat might also lead South Koreans to lose confidence in their own leaders as well as their ally as they turn again to progressives and rely on China too. China's strategic thinking is not a blueprint for overnight change. By helping North Korea's economy to revive and, in the process making it even more dependent, the leadership in China can proceed deliberately as others become more desperate. Yet, this is a risky strategy, since the impatience of North Korea makes further provocations probable and the determination of the allies is likely to lead to retaliation in an atmosphere where China is blamed.

All three of the motives operate in this case. As exposed in the Koguryo controversy, China is driven by a sinocentric view of the peninsula.<sup>11</sup> If part of it once belonged to China and all of it long deferred to China, the claims are historic. Making both sides of Korea economically dependent—while gaining control over the North's natural resources and a corridor to provide Northeast China an outlet to the sea—was increasingly China's objective on the heels of the 2004 eruption of Koguryo as an issue. Finally, warnings against the U.S. aircraft carrier *George Washington* entering the Yellow Sea as China's military power becomes a more serious threat to the Seventh Fleet demonstrate an additional motive. The fact that the sinocentric factor emerged first suggests its primacy, but all three factors now operate in tandem. In diplomatic circles, officials are careful to retain the language of the Joint Statement and the priority of denuclearization. There is no official declaration of a strategy for the transformation of the Six-Party Talks to serve the deeper interests raised in Chinese sources. The value of multilateralism continues to be recognized. Signs of a shift in strategic thinking may, for a time, be reconciled with such continuities even if recent discourse points to a new approach to the talks.

<sup>11</sup>Jae Ho Chung, "China's 'Soft' Clash with South Korea: The History War and Beyond," *Asian Survey*, (May/June 2009), pp. 468-83.

## Forging a Framework of Trilateralism

In 2008, trilateralism gingerly advanced from what had begun in 1999 as a breakfast meeting in conjunction with the ASEAN + 3 summit to a separate forum with economics in the forefront and welcome possibilities for realizing on a smaller scale than ASEAN + 3 the goal of an East Asian community. Although South Korea is a participant, since the end of the 1990s, Japan has remained the principal target of regionalism. China's leaders realized as early as the 1980s that Japanese officials were eager to achieve Asian regionalism, which they initially attributed to an unhealthy drive for leadership.<sup>12</sup> In the midst of the Asian financial crisis the leaders at last put Japan's aspirations in a more favorable light, while also feeling more confident that their country could check Japan.<sup>13</sup> A decade later China was much more ardent in its desire for regionalism, welcoming both ASEAN + 3 advances and the development of Sino-Japanese-South Korean multilateralism. It avidly pursued a three-way FTA, as a marker that would reinforce the notion of regionalism. In this context, it nurtured the image of ever-improving Sino-Japanese bilateral ties.<sup>14</sup> Yet, China's hardened attitude toward Japan as well as South Korea left the notion of community in doubt.

Despite the fact that Japanese interest in regionalism lingered, Chinese feared that the "China threat" theme, which had become popular in the mid-1990s, would lead the Japanese to tighten their alliance with the United States and treat their country as a rival. Given the rapid economic integration of the Chinese and Japanese as well as South Korean economies, the logic of economic regionalism could be used to keep Japan from turning hostile. Yet, the objective was changing from restraining leaders in Japan from insensitive behavior and public opinion from alarm about China's rise to establishing a new regional framework based on principles advocated by China. If Chinese leaders seemed content with the atmospherics of cordial relations and even more with the emergence of Democratic Party of Japan (DPJ) leadership putting new priority on relations, this proved insufficient in 2010 when China grew restless over many issues and saw the DPJ retreating from any effort to challenge the U.S. alliance.

In mid-2009, China was at a crossroads as some academics strove to check a hard-line shift in foreign policy. In the forefront of this struggle was

<sup>12</sup> Gilbert Rozman, "China's Changing Images of Japan 1989-2001: The Struggle to Balance Partnership and Rivalry," *International Relations of the Asia-Pacific*, Winter 2002, pp. 95-129.

<sup>13</sup> Gilbert Rozman, "New Challenges in the Regional Integration of China and Japan in 2005," in Satow Toyoshi and Li Enmin, eds., *The Possibility of an East Asian Community: Retinking the Sino-Japanese Relationship* (Tokyo: Ochanomizu shobo, 2006), pp. 389-410.

<sup>14</sup> Gilbert Rozman, "Narrowing the Values Gap in Sino-Japanese Relations: Lessons from 2006-2008," in Gerrit Gong and Victor Teo, eds., *Reconceptualizing the Divide: Identity, Memory, and Nationalism in Sino-Japanese Relations* (Cambridge: Cambridge Scholars Publishing, 2010), pp. 25-51.

Zhang Yunling, the long-time spokesperson for China's thinking about regionalism. Countering the argument that the Obama administration was joining with Japan to hijack East Asian regionalism in favor of more inclusive regionalism aimed at containing China, Zhang published a detailed rebuttal of various factors allegedly driving a shift in Chinese views. If others were interpreting the new financial crisis as a parallel opportunity to the 1997 crisis for boosting regionalism, Zhang warned of differences, pointed to Japan overreaching in seeking regional leadership in the 1990s, and identified pitfalls in China moving quickly to put itself at the center. His analysis gave priority to Japan as critical to China's aspirations toward ASEAN and regionalism. He urged patience while taking advantage of considerable potential for further cooperation.<sup>15</sup> China's policy choices proved that Zhang did not prevail, and the framing of discussions about both Japan and South Korea increasingly demonstrated that multilateralism was fading.

Just as the *Cheonan* sinking best revealed China's new approach to the crisis over North Korea, the September 2010 arrest of a Chinese fishing boat captain for ramming two Japanese patrol boats in the East China Sea near disputed islands put the spotlight on a more aggressive Chinese stance toward Japan. Instead of following Japanese advice to tone down the rhetoric and allow the judicial inquiry to proceed in a normal manner, China escalated the dispute with threats of retaliation, talk of economic sanctions, and suspension of high-level meetings.

The result was both to put the territorial issue in the forefront of bilateral relations and to make this a test of wills where whichever side blinked first would lose face for failing to defend its sovereignty. Similar to the earlier Yasukuni Shrine standoff, this clash aroused deep emotions, while severely damaging mutual images of the two East Asian states. Kan Naoto decided to free the Chinese captain, but China refused to recognize this step as the end of the crisis, insisting on a Japanese apology as well. Blamed for failing to defend Japanese sovereignty, Kan insisted that there would be no apology, while in response to China's demands for damages he called for China to pay for the repair of the Japanese ships. As much as the Japanese had tried to put this clash behind them, the Chinese kept the spotlight on it. This proved popular with an aroused public, even if it sullied the image of China's "peaceful rise," as did other Chinese assertiveness.

From the fall of 2006, China had officially been framing problems with Japan narrowly, avoiding linkage with historical memories that could inflame the public and revert to the mutual recriminations of the Koizumi period. The fishing boat case came amidst a Chinese-initiated downward spiral. Differences over territorial limits make the Senkaku/Diaoyu island dispute the center

<sup>15</sup> Zhang Yunling, "Dongya quyì hezuo de xīn qushi," *Dangdai Yatai*, Nov. 4, 2009, pp. 4-16.

of attention, which, in turn, is a symptom of China's humiliation through Japan's expansionism.

History lurks close to the surface in Sino-Japanese relations. Assuming that Japan remained humble and China continued to appreciate such restraint, then the benefits of closer economic coordination were likely to be weighed against resentment that China is finding new forms of protectionism, currency manipulation, or obligatory technological transfer. If China had provided sufficient reassurance on these matters, Japan most likely would have considered trilateralism beneficial. Yet, growing military tensions cast a dark shadow, threatening the trilateral agenda. In 2010 China did not seem concerned about that problem, although it did forestall anti-Japanese demonstrations similar to those in 2005 that opened the door to threats of violence and boycotts.

Appointment of DPJ dignitary Maehara Seiji as foreign minister in September 2010—in the midst of the dispute over the fishing boat and territorial issues—signaled that the new Kan Naoto cabinet would boost ties with the United States. Known for keen interest in diplomatic and security matters, Maehara is a strong backer of the U.S. alliance. Yet, there was no sign that Kan or other DPJ leaders sought to derail the trilateralism with China already achieved. Japanese stressed compartmentalization, continuing to boost economic ties with China as their main trading partner while sustaining security ties with their ally, the United States. Chinese sources, however, put stress on linkage, pressuring Japan to change its ways through multiple means. When exports of rare-earth metals were stopped after the fishing boat incident, the reaction in Japan was that economic dependency was making their state vulnerable, reducing the prospect of further integration through trilateralism and increasing the focus on balancing China through other ties such as the Trans-Pacific Partnership.

Despite talk of forging an East Asian community together, trilateralism has become narrowly associated with the goal of establishing a three-way FTA. China has consistently refused to discuss security issues with South Korea in the absence of North Korea. Its overtures to Japan since 2006 have a cultural component as well as an economic focus, but there is scant mention of regional security concerns. The theme of shared values is also virtually absent. Some attention is given to preparing a joint history textbook. Agreement on the establishment of an official secretariat in Seoul even in the wake of the Sino-Japanese dispute over the fishing boat incident demonstrated that trilateralism would proceed even if a narrow economic agenda even more clearly served as the means to avoid conflicts that could doom the group.

The trilateral group is becoming bifurcated. On the one hand, South Koreans have reason to side with China, since they have a similar territorial dispute seen as a result of Japan's imperialist expansionism. But on the other, they also recognize that Chinese bully tactics are used against them too (and could apply to the territorial dispute over the submerged Ieo rock/island). If Seoul's initial response was to urge Beijing and Tokyo to put the issue behind

them and recommit themselves to trilateralism to be centered on an office headed by a South Korean, its intention was to draw on newly improved relations with Japan to keep China engaged in multilateralism, rather than the more asymmetrical bilateralism that left it vulnerable. Given the deterioration in Sino-South Korean relations since 2007, this triangle offered an avenue of hope. Yet, a meeting in late September to plan the new secretariat floundered when growing distrust between China and its neighbors combined with the view that China's new economic and military clout made concessions over multilateralism unnecessary.

China's rise made it even more loath to allow two weaker neighbors to work together in a multilateral framework that might limit its behavior. Its interest in the next stage of trilateralism centered on achieving a three-way FTA. A joint history textbook seemed even less likely beyond bland chronology and description. Pursuit of natural resources had been one cause of renewed tension with Japan, but given Japan's interest in joint development and doubts about the quantity of oil and gas to be found, this was unlikely to have been the primary cause. Instead, China's naval build-up shaped its refusal to accept territorial limits to maritime activity. Above all, sinocentrism and historical memories drove China's changing view of trilateralism.

### **Relaunching the East Asian Summit**

With Hillary Clinton in attendance in anticipation of a positive decision at the East Asian summit in the fall of 2010 to expand to eight members, the 2005 question of the relative priority of the EAS and ASEAN + 3 was being raised again. At the time the EAS was established, the goal of establishing an East Asian community was kept by ASEAN + 3, suggesting that it would be primary. While adding India, Australia, and New Zealand served the objectives of Japan and many Southeast Asian states, this ASEAN + 6 appeared to incorporate peripheral members without challenging the primacy of China and Japan as the principal actors along with South Korea in the search for East Asian regionalism. Yet, as security rose in salience and the trilateral summit emerged as a separate forum for China, Japan, and South Korea, expansion could be viewed anew. Especially with the addition of the United States and Russia, each long associated with security concerns, the agenda of the EAS appeared likely to be weighed in that direction. The EAS is poised to eclipse ASEAN + 3, continuing its traditional economic agenda as the focus of attention. Even on economic issues, the broader grouping has more heft to address serious matters, such as misaligned currencies. A December 6, 2010 meeting of Clinton, Maehara, and South Korean Minister of Foreign Affairs and Trade Kim Sung-hwan affirmed the importance of the EAS as a regional venue.

China's inclination, since late 2009, has been to challenge the United States in multilateral forums rather than to strive for common ground. After snubbing Obama in his visit to China in November and turning the climate

change summit into a clash with the United States that overshadowed any joint effort to redress a monumental challenge to the entire globe, China's leaders made no effort to respond to Obama's moves to resume forward-looking dialogue. They reacted more harshly than earlier to the expected U.S. sale of weapons to Taiwan and hosting of Dalai Lama. Then they crossed a red line by downplaying the North Korean sinking of the Cheonan, while asserting a new claim about the South China Sea being one of China's core interests and deploying ships and helicopters more aggressively in disputed waters. If tension over economic differences (at a time of U.S. economic malaise and frustration that the G-20 was not addressing structural imbalances) slowly aroused U.S. anger, signs that China was undermining the security framework in the western Pacific elicited a sharp response, from the joint visit of Secretary of State Clinton and Secretary of Defense Robert Gates to Seoul in late May to their individual appearances at the Shangri-la dialogue and ASEAN Regional Forum in the next two months. In contrast to the U.S. steadfastness and balanced approach encouraging dialogue with China while taking steps with allies and other states in support of freedom of navigation and exercises to demonstrate preparations for deterrence, Chinese rhetoric suggested arrogance and peevishness. Its image was deteriorating as it drove other states to draw closer to the United States for security. There were signs of classic overreach in its moves.

The July ARF meeting and September ASEAN + United States meeting at the United Nations affirmed a U.S. commitment to keeping China from dominating the South China Sea. Given the membership of the 18-state East Asian Summit, support for the U.S. position is likely to be sustained. While China prefers bilateral relations to deal with sovereignty questions and seeks to reinforce the priority of ASEAN + 3, the broadened rubric has the advantage for others in balancing China's rise, keeping the United States deeply involved, and facilitating hedging. In order to avoid future isolation in these high-profile meetings, China will have to accept the priority of the East Asian Summit and look for partners to back its positions. Russia is likely to be the most promising choice apart from secondary states in ASEAN such as Myanmar that lack credibility. More than the Six-Party Talks to 2008 and ASEAN + 3, China's commitment to multilateralism will be tested. Perhaps, lessons from the Shanghai Cooperation Organization (SCO), where China and Russia have had some success in managing their differences, will be instructive in clarifying how China will proceed.

If the East Asian Summit is to gain credibility it must become a venue for negotiations to narrow differences over serious conflicts. At the ASEAN Regional Forum in July 2010, such differences could at least be aired. With North Korea not included in the East Asian Summit, many will watch to see if China will allow it to be discussed instead of insisting in the Six-Party Talks that no discussion by the other five is permissible without the North. Given ASEAN's centrality in the East Asian Summit, agreement by its members to

put the South China Sea on the agenda is more likely to prove effective. The other maritime conflict in the East China Sea is where China and Japan face each other most directly and may be the principal test of whether the East Asian Summit will be just another “talk shop” or can evolve into a forum for conflict resolution. Bilateral resolution of this conflict is doubtful, and the East Asian Summit offers a setting for a broader approach if China is willing.

If China’s goal in the dispute over the Senkaku/Diaoyu islands is to establish effective control through maritime operations in waters claimed by Japan, a danger of military conflict has arisen unlike what has existed for other territorial disputes in East Asia since the 1960s. After all, in order to prove effective jurisdiction in such a dispute it is necessary to establish a presence. This means China must repeatedly defy Japanese warnings that it is operating illegally in Japanese territorial waters. A naval clash could result. Former Japanese diplomat Togo Kazuhiko suggests that the way to avoid this is a two-fold approach: 1) intense diplomacy without humiliating the other side, as Soviet officials did to Japan over their dispute by repeating that no territorial issue exists, or switching from current flexibility that keeps Japanese from landing on the islands and avoids provocations; and 2) military clarity that bolsters Japan’s defense of the territory while also leaving no doubt in Chinese minds that aggressive moves to assert effective control would lead to military confrontations.<sup>16</sup> Given the likelihood that bilateral diplomacy will not suffice and further arrests and protests will follow, the East Asian Summit could serve as a venue for management of the crisis. Togo Kazuhiko’s advice for Japan’s politicians to avoid “brave talk” and strive to explain to the Chinese side the urgency of avoiding a military clash seeks to keep national identity linkages off the table, in contrast to Chinese coverage of the dispute that is riddled with references to hot-button historical issues that stir Chinese emotions. Togo’s call for changing Japan’s position that there is no territorial question is meant to make calm discussion easier at a time when Chinese warnings that this is a critical test for overcoming a lengthy history of humiliation makes it much more difficult.

The critique of the U.S. entry into the East Asian Summit peaked in the fall of 2010. Wu Zhenglong charged that it would challenge ASEAN’s role as the core leader of regionalism and be aimed at containing China while maintaining U.S. hegemony.<sup>17</sup> This zero-sum analysis typifies recent rhetoric, accusing other states of betraying a successful process of Asian regionalism. Isolated, China is complaining loudly, but at the end of 2010 there was no sign of a new strategy of multilateralism.

The Six-Party Talks were encouraged by the United States to achieve North Korean denuclearization, but they may be eclipsed by the East Asian Summit as the agenda for dealing with North Korean belligerence and as

<sup>16</sup>Togo Kazuhiko, “Ryodo mondai nai’ no saiko,” *Asahi shimbun*, September 30, 2010.

<sup>17</sup>Wu Zhenglong, “Dongya hezuo gai yu shei zhudao?” *Jiefang ribao*, November 23, 2010.

Sino-U.S. differences on how to respond continue to evolve. The trilateral summit held aloft the banner of an East Asian community; even as it endures as a mechanism for realizing economic goals as a free trade agreement, its limited focus may be overshadowed as the East Asian Summit with the United States present responds to regional security threats. If China resists allowing the East Asian Summit to become a serious forum for talks on pressing security questions, it will expose its resistance to multilateralism and oblige the United States and other concerned states to draw closer together in ways that exclude China, even as the door is left open for intensified multilateralism. One sign of this backlash is the renewed interest in the Asia-Pacific Economic Cooperation, including the Trans-Pacific Partnership as a mechanism for economic integration. Coupled with the momentum from completion of the revised South Korea-U.S. free trade agreement at the end of 2010 and signs that Japan will intensify its efforts not to be left behind, alternative approaches to Asia-Pacific regionalism are putting China on the defensive.

## **Conclusion**

The evidence from the evolution of Chinese strategic thinking and the recent Chinese discourse on regional problems suggest that China envisions new Six-Party Talks with a much-revised agenda, narrow trilateralism with economic goals but no sense of community, and a nominal East Asian Summit unable to address security concerns in the region. All of these objectives are consistent with its resistance to multilateralism that has a substantive non-economic agenda and insistence on bilateralism as a way to maximize the leverage of the dominant state in the region. If this range of choices is maintained, it will be difficult to resolve regional problems. Without the Six-Party Talks prioritizing denuclearization, a trilateralism that accepts the importance of community building, and the emergence of the East Asian Summit as a serious venue for resolving security problems, a façade of multilateralism will hide the reality of an organizational vacuum in the region. China's preference for "talk shops" may discredit other organizations, leaving the U.S. alliance system as the default means of dealing with security challenges and finding consensus on values. Already in the shadow of China's increased assertiveness, the prospect of quasi-alliances makes it clear that hedging against China is leading to steps to fill the organizational vacuum.

China still faces an environment conducive to multilateralism. Obama and DPJ leaders are inclined in that direction. However much Lee Myung-bak has tilted away from China, South Korean foreign policy remains receptive to China's moves that could firmly link the Six-Party Talks to denuclearization. ASEAN is hesitant to become embroiled in great party rivalries and would close ranks behind moves to revive the code of conduct of 2002 with China foregoing unilateral assertiveness in the South China Sea. Although from

2008 to 2010 China's leaders increasingly passed up opportunities to strengthen multilateralism, all doors remain open.

The case for priority on resource acquisition has merit when one considers that China is developing oil and gas fields in the East China Sea, is determined to gain control over the energy and mineral resources near the Spratly islands, and is focused on investing in North Korean natural resources. Yet, joint development is easily achievable, and resource quantities remain unclear. Given China's success in extracting resources around the world, insistence on exclusive access in nearby seas does not rise to the level of the driving force for alienating neighboring states.

The case for priority on hard power is supported by the fact that the three major disputes recently have all reflected the interests of a rapidly growing navy as it seeks secure contiguous seas and outlets. With more advanced weapons coming on line, military leaders are emboldened to challenge states with clashing maritime interests. Yet, claims that the threat to China is growing more serious are far-fetched and reflect distorted interpretations of measured responses when China and North Korea, which is not seen as threatening, are the two states abruptly changing their military profile. Such interpretations are linked to a one-sided historical worldview.

If one takes Chinese discourse seriously, then the principal cause of recent aggressive moves is, on the surface, provocative behavior by other states. Yet, the explanations for their behavior, and how China must respond, center on longstanding arguments about imperialism, hegemonism, humiliation, and an unjust international order. These are depicted in language that is increasingly sinocentric, praising past periods in history when China had a tributary system. Chinese national identity has been shaped by its leaders with effective mechanisms to arouse bloggers, who may at times carry the arguments further than is intended but pose little problem. Given the growing intensity of national identity arguments, China's actions are expected.

Whereas the rise of military power gives China confidence it can be assertive, the national identity framework taking shape since the 1980s provides continuity in thinking about how assertive China should be. In 2010, there was a qualitative change in behavior and some increased stridency in rhetoric, but the worldview was consistent with what has long been reported in writings on humiliation, historical injustice, and hegemonism in lieu of imperialism. Given the trend toward putting more stress on these themes and the lack of provocation that would suggest that China was pushed to change direction in 2010, we should not expect a reversal.

In Chinese writings the case for national identity trumping universal values is forcefully argued.<sup>18</sup> The latter are dismissed as merely a smokescreen for furthering U.S. national interests. Critics of globalization charge that it holds

<sup>18</sup> Shen Guiping, "Minzu wenti de kexin shi guojia rentong wenti," *Zhongyang shehuizhuyi xueyuan xuebao*, April 2010, pp. 53-57.

aloft broad multi-state identity threatening to China. If a loss of national unity occurs, as in the case of Taiwan, confusion over identity ensues. Leadership failure or developmental gaps may divert attention from state identity and shared cultural identity to ethnic and religious identities. Such self-serving arguments in an authoritarian state omit any analysis of how and why state leadership deliberately constructs national identity the way it does. Also missing is clarity on various dimensions of national identity and the tricks leaders use to reshape each of them for domestic and foreign policy objectives. Through censorship to get people to view security issues through the prism of national identity, Beijing makes it more difficult to resolve these issues and to forge multilateral groupings capable of narrowing clashing national interests.

In comparison to China's earlier approach to regional institutions, the new assertive approach marginalizes South Korea in revived Six-Party Talks. It lowers Japan's role in East Asian regionalism unlike the balance expected when ASEAN + 3 was formed. Moreover, a different Sino-U.S. balance of power is presumed to matter, beginning with the Six-Party Talks. Yet, the new East Asian Summit poses the risk of a coalition led by the United States, while U.S. pushback on what will be tolerated if Six-Party Talks resume, as alliances are strengthened, threatens Chinese plans.

Recent signs indicate that China will not revert to the cautious approval of security multilateralism to 2008, let alone support 5 vs. 1 in the Six-Party Talks, a forward-looking community with Japan and South Korea, or a substantial East Asian Summit. After all, sinocentrism is permeating national identity discourse, even as the Chinese military is forcefully pressing for maritime control that comes at the expense of neighboring states. North Korean belligerent behavior is driving each country's behavior in Northeast Asia without China drawing a firm line. Assuming that its rising power relative to Japan and even the United States entitles it to take more aggressive actions, China is not anticipating any reversal of this trend. Only its recent isolation in handling regional problems may give its leaders pause to choose another strategy at a time when true multilateralism is gaining support elsewhere. A coordinated approach to combining alliances and quasi-alliances exclusive of China with multilateralism inclusive of it will best test China's intentions during the 2010s.

