## China's Rise in the International System: A Natural Reality

## Saira Aquil

Quaid-i-Azam University, Islamabad

#### **Muhammad Shoaib**

COMSATS Institute of Information Technology

Xi Jinping's speeches at Asia Pacific Cooperation Summit and Davos Economic Forum sounded more like the addresses traditionally made by US presidents—praising free trade, integration, and openness. Xi's China has become confident in its dealings with the regional and extra-regional states. And it has pursued free trade and bilateral and multilateral treaties to strengthen its position in the international system. China's smart approach based on conforming, challenging, and creating alternatives in the system shows that it does not intend to challenge the fundamentals of US-led global order but strives to gain maximum advantage out of it. It strives to shape the system and contribute to its evolution with Chinese characteristics.

Keywords: peaceful rise; international system; trade; treaty; silk road

President Xi Jinping's speech at Davos Economic Forum shows that China has surpassed the regional power status, growing itself as a "leader amongst leaders" in the international system. China, as a developing nation, is in an accelerating process of preparing itself to lead the global system. Its entrance into the global leadership orbit is natural, dynamic, and with a responsibility to protect the existing system, based on economic liberalization, without changing its fundamentals. The system, crafted by Western powers led by US after the WWII, aims to promote free trade, values, and cooperation among developing and developed nations. The US soft power, treasure, and military hardware helped it design and protect the system for six and a half decades (Nye, Bound to Lead: The Changing Nature of American Power, 1990).

Yet the Trump administration's protectionist and populist agenda has not only started posing threats to American leadership but also exposed the weaknesses of the system (Quinn, 2016 & 2017). Trump's opposition to multilateral free trade agreements (FTAs) and security agreements, which help US influence allies and enemies, has probably constrained the partners to think about alternatives. But all these changes come with dwindling US influence across the world. The dwindling influence is

Correspondence concerning this article should be addressed to Dr. Saira Aquil, Assistant Professor, Department of Defence & Strategic Studies, Quaid-i-Azam University, Islamabad. Email: sairaaquil@gmail.com

<sup>&</sup>lt;sup>1</sup> The recent debate on US decline started as early as mid-2000s. Although the commentators and analysts differed on the causes, they agreed on the notion of declining power—be it accumulative or relative. The Trump factor, however, led the proponents of American relative strengths to speak about the US decline. Fareed Zakaria, "Trump could be the best thing that's happened to China in a long time," *Washington Post*, January 12, 2017, https://www.washingtonpost.com/. Zakaria argues that it is less about the US decline and more about the rise of the rest; Fareed Zakaria, *The post-American world* (New York: W. W. Norton & Company, 2008); As for the IR theories, power remains the essence of realism. Specifically, the offensive realists such as John Mearsheimer talk about the great powers and their struggle to gain more power at the expense of others. But Mearsheimer focuses more on Chinese intention to replace the US as the most powerful nation in Asia as compared to decline

likely to make the developing nations and emerging economies such as India, Brazil, and Russia (the beneficiaries of globalization) think about alternatives even if the alternatives require bearing some [affordable] costs. In this backdrop, China is the most likely global leader capable of paying for the public goods.

The leadership in Beijing also understands that the vacuum created by Trump's policies has provided it with an opportunity to assert China's rise as a global leader. But its approach to filling the vacuum is cautious. Despite realizing that such an approach for a longer period may bring ramifications for its own growth, Beijing appears slow in filling the vacuum. A major reason for executing this policy is its experience of the past four decades when it became part of the system and followed global norms and values. The rise of China in the system is attributed to its decision of transforming itself into a capitalist economy and adjusting within the international economic regimes. At the same time, it has so far striven to stay away from military engagements (Steinfeld, 2010).

China's status in the global system has risen with constant diplomatic efforts to build economic relations with competitors and partners without questioning their values and political systems. It is one of the largest trading partners of the US and most of the Asian countries. The growth in trade and interactions nonetheless has not substantially changed its political system and external policy. At the economic front, Beijing has integrated itself into the global economic system. And it has pursued policies that contribute to the notion of peaceful rise. It has pursued a foreign policy based on two major notions of non-interference and sovereignty (Matthieu et al., 2015). It is an ardent advocate of regional integration processes and finding bilateral solutions of the disputes.

Most of Chinese foreign policy guidelines emanate from the ideas of classical thinkers (such as Sun Tzu) and modern ideologues such as Deng Xiaoping. Deng's successors Jiang Zemin and Hu Jintao also emphasized China's need for a peaceful world. Hu emphasized the creation of a harmonious and peaceful world. He articulated the idea of building a harmonious and peaceful world at 60<sup>th</sup> anniversary of UN in 2005. He highlighted the importance of dialogue, exchanges, and harmonious co-existence in improving state-to-state relations. Although power politics lingered and democratic international relations remained far from becoming a reality, the international community members adopted the notions of "mutual respect" and treating each other as equals (Jintao, 2005).

Hu explained the underlying propositions of a harmonious world—based on consensual international politics entrenched in the "multilateral" paradigm. For him, the idea of harmonious world probably meant that all civilizations would coexist and accommodate each other. At the same time, the pursuit of national interest was also a priority. His successor Xi has also advocated a similar philosophy. Xi's philosophy includes the pursuit of national interest and development that is inclusive, beneficial to all, and integrates diverse actors in the system (The State Council (The PRC), 2015). China, under his leadership, has continued its journey on the multilateral path at a faster pace while striving to balance its needs and others' expectations.

in the US power. On balance, he speaks about "wherewithal" and the "latent capability" of a great power. Robert D. Kaplan, "Why John J. Mearsheimer Is Right (About Some Things)," *The Atlantic*, January/February 2012, https://www.theatlantic.com/.; Also see John J. Mearsheimer, *The tragedy of great power politics* (New York: WW Norton & Company, 2001). Thus, US decline remains an argument with several interpretations. Joseph Nye, for instance, does not agree with this notion and argues that the US is likely to remain the most powerful country for a long period. Yet, in relative terms, the US share of global wealth has decreased. But the decrease in the share cannot only be attributed to the U.S. weakness. Instead, the emerging powers have performed well over the last four decades.

Starting from the recent events, this study traces the roots of China's rise and explains the consistency in its policy of "hiding the talent and biding for time." We have explained the historical context of China's foreign policy, starting from 1971, and striven to provide explanations for China's recent going-out strategy and its growing confidence. These explanations in addition to the historical context have helped us explain that China does not pose an existential threat to the existing system—none of the explanations shows that China has a goal of completely changing the system.

Hu Jintao explained the underlying propositions of a harmonious world based on consensual international politics entrenched in the "multilateral" paradigm. For him, the harmonious world was only where all civilizations would coexist and accommodate each other. At the same time, the pursuit of national interest was also a priority. His successor Xi has also advocated a similar philosophy. Xi's philosophy includes the pursuit of national interest and development that is inclusive, beneficial to all and integrates diverse actors in the system (The State Council (The PRC), 2015). China, under his leadership, has continued its journey on the multilateral path at a faster pace while striving to balance its needs and others' expectations.

Starting from the recent events, this study traces the roots of China's rise and explains the consistency in its policy of "hiding the talent and biding for time." We have explained the historical context of China's foreign policy—starting from 1971—and striven to provide explanations for China's recent going-out strategy and its growing confidence. These explanations in addition to the historical context have helped us explain that China does not pose an existential threat to the existing system—none of our explanations shows that China has a goal of completely changing the system. We argue that China's rise as a global power is natural and its foreign and economic policies do not challenge the fundamentals of the international system.

### Tracing the Roots: China's Rise in a Historical Context

China's integration into the international system started with US opening toward China in 1971. The US and Chinese leadership realized the necessity of opening and "agreed to disagree" to continue expanding the avenues of cooperation. China found the US a lucrative market for exports, a source of foreign direct investment (FDI) and technological knowledge, and an important partner in countering the Soviet threat. The presence of a common enemy kept China and US on the same page, with controlled competition. And their cooperation grew with the passage of time (Sutter, 2010). But the first test of the relationship, Tiananmen incident (1989), exposed the fundamental weaknesses of the relationship, particularly when the US imposed economic sanctions and announced an arms embargo on China for an indefinite period.

Facing a domestic turmoil, the Chinese leadership focused on managing the situation and remained open to [secret] overtures from the US. China managed to absorb the shock of Tiananmen incident and continued to integrate itself into the global economic system. Deng's famous dictum "hide capabilities, bide time" guided the future course for the nation (Ahmad et al., 2014). China followed a low-profile foreign policy throughout the last decade of 20<sup>th</sup> century. And it continued to work with the US despite diplomatic and military confrontations such as the Taiwan Strait Crisis (1995-1996) and the bombing of Chinese embassy (1999). Its response to EP-3 incident (2001) also emanated from Deng's dictum.

Conversely, in Asia, China emerged as a regional economic leader during the Asian Currency Crisis (AFC) in 1997. Its decision to maintain the value of Renminbi (RMB) brought it closer to the neighbors and sent a positive signal across the region. Relations with Russia also improved in late

1990s. Both founded "Shanghai Five" (1996) that also included Central Asian countries. This diplomatic outreach however did not come at the expense of relations with the US. Extensive negotiations with counterparts in US in fact proved effective. They leveled the field for China's entry into World Trade Organization (WTO) in 2001. China supported the US-led military campaign in Afghanistan but took a moderate position in opposing the Iraq war (2003). Its position on terrorism nonetheless was akin to that of Bush administration, which led to improvement in relations with US.

Improvement in relations with US and the Bush administration's obsession with the war on terror provided China with an opportunity to expand its spheres of reach and partnerships. A favorable US also meant less opposition to China's crackdown on Uyghur dissidents. Similarly, Bush administration also held a favorable view of China's proposals for Six-Party Talks (SPTs) to find a diplomatic solution to the nuclear crisis in the Korean peninsula and its bid for 2008 Olympics. Not only the SPTs increased China's sway in the potential arrangement but also boosted the confidence of its leadership that it had the capability to take lead in different regional and global diplomatic fora. Nonetheless, for many, Beijing Olympics were tantamount to China's rise as a global power ready to shape the evolving [liberal] global order.

# Trade, Treaties, and Foreign Policy in 21st Century

Joseph Nye argues that the context in which power is used is essential to understand the phenomenon of power. Context defines power and helps analysts understand the concept, its use, and its impact (Nye, 2011). The case of China is no exception. The sources of China's foreign policy are several and their categorization can be difficult—yet they are simple as compared to the western democracies. Making of foreign policy in China is a prerogative of the CCP. Other important factors influencing the policymaking process are Peoples Liberation Army (PLA), media, netizens, and the business community, particularly the energy giants (Kitano, 2011). All these actors nonetheless follow a line that does not essentially challenge the CCP's line and, in most of the cases, work to achieve the objectives over a long period. And this consistency appears to have existed for decades.

Hu Jintao-led CCP remained content with Deng's foreign policy dictum throughout the first decade of 21<sup>st</sup> century, even though China had emerged as a regional economic power in late 1990s when it played a pivotal role in the AFC. But it continued to focus on economic growth and internal security. As for foreign policy, it focused on "diplomacy of partnerships" and strove to resolve territorial and maritime disputes. For instance, it signed Treaty of Friendship and Cooperation with Russia in 2001 (Tyler, 2001). In 2003, it joined the "Treaty of Amity and Cooperation" with the ASEAN nations, thus renouncing the use of force and emphasizing greater cooperation. Similarly, it resolved a dispute over the land border and maritime rights with Vietnam in 2000 (Thao, 2005). And it started negotiations with India, for the first time since 1962 war, on Aksai Chin.

In Northeast Asia, China's influence grew with every passing year. The commencement of SPTs provided it with an opportunity to expand relations with ROK and the rest of the parties involved, though it continued to supply fuel and food to the regime in the North (Albert & Xu, 2016). Not only did the Bush administration admire China's efforts, but the CCP leadership also realized the capacity of their country to lead in regional strategic affairs—the AFC had done the same in terms of economic affairs. Beijing was the host for all rounds of SPTs. And it hosted the DPRK and American envoys for bilateral talks. Thus, even after the collapse of SPTs, Beijing was probably the most ardent supporter of commencement of another round of negotiations to reach a multilateral diplomatic solution of the crisis.

Bilateral relations with ROK also expanded in the first decade. An important reason for the deepening relations was the diminishing influence of ideology in Beijing's foreign policy. The leadership in Beijing understood the importance of relations with Seoul. Seoul, after Tokyo, was perhaps the most important US ally in the region that hosted approximately 28000 U.S. soldiers. Beijing and Seoul nonetheless had some shared fears, emanating from the notion of Japan's rearmament. Beijing played smart in, at times, exaggerating the Japan-threat and identified itself with Seoul in resisting Japan's ascent as a normal country (Cook, 2014). This factor continued to frustrate the leadership in Japan and US.

China's maneuvers against Japan and the subsequent frustration of the Japanese leadership frequently haunted the Sino-Japanese bilateral relationship. The 2005 protests in China against Japan exposed the distrust of Japan among the Chinese leadership and populace (Cody, 2005). In this backdrop, frequent troubles in the Sino-Japanese relations appeared natural. Yet, those troubles probably had to do more with China's changing status in the international system than history. Japan had been a source of both technology transfer and FDI in the opening phase. But by 2000s, it was less important for China in the above terms. And China had to first influence Japan to assert its leadership in Asia. Nonetheless, the emerging rivalry did not affect economic relations and two-way trade with Japan increased with the passage of time.

On balance, the economic partnerships worked in Beijing's favor. Economic partnerships and growing trade even brought Taiwan closer to the mainland. President Ma Ying-jeou's inaugural in 2008 implied a peaceful relationship between Taiwan and the mainland in years to come. Similarly, Beijing's relations with other US partners and allies including Singapore, Australia, the Philippines, Thailand, and India also deepened. An important reason for deepening relations was trade and consequent economic interdependence. Almost all Asian states had a stake in the economic growth of China—the world's factory because it consumed raw materials and provided others with cheap goods. Trade was probably the most important reason for Beijing's growing interdependence with US and other Western powers.

Trade in combination with a low-profile foreign policy served China on both economic and strategic fronts. Hu's proposal for perpetual peace—consisting of enhancing mutual trust, deepening economic cooperation, meeting challenges mutually, increasing cultural exchanges, and policy of openness—helped China propagate its "peaceful rise/development" mantra and convey that it had no malign or imperial intentions (Xinhua, 2008). China's soft power had begun increasing at the expense of US during the first term of Bush administration. But its dealing-style started changing by the end of 2000s. Beijing was confident and, as some argued, assertive more than ever in asserting its position and securing its national interests.

## A Confident Beijing Goes Out: Factors at Play

China's [recent] confident dealings raised questions about its ultimate objectives. And the China-watchers were quick enough to highlight the changes in China's behavior, particularly toward the regional actors. The so-called assertiveness (Friedberg, 2015) however had some essential features of the [natural] rise of great powers (Jerdén, 2014). China did not do anything radically different from the emerging powers of 19<sup>th</sup> and 20<sup>th</sup> centuries. Great powers had hedged against and challenged others' narratives and actions to secure their interests. China, for the same reason, challenged US policies, both strategic and economic, and strove to have a maximum contribution to

shape the order. Scholars nonetheless found different reasons for China's growing confidence and they strove to consider historical, global, regional, and local dynamics in their analyses.

An important reason for proactive foreign policy in 21<sup>st</sup> century was unchallenged US supremacy that probably did not work for China in all dimensions. The US-led bilateral and multilateral treaties in Asia worked in favor of the hub and helped it check the emerging powers. As an emerging power, China objected particularly to those security structures and termed them as the "vestige of Cold War." It highlighted the threat US Ballistic Missile Defense (BMD) system posed to ensuring credible deterrence and extensive intelligence, surveillance, and reconnaissance (ISR) operations American forces conducted in its backyard (Rinehart et al., 2015). Living in the US-designed global order was acceptable but living under US dictations was probably no more acceptable. Yet it needed China to stand up to the challenges in the region.

Secondly, the sense of leading the developing world also boosted China's confidence. Its leadership frequently identified with the developing world. Mao Zedong called his country a victim of superpower rivalry (putting it in the third-world category) and presented it as an important member of the developing world (Dirlik, 2014). Identification with weak and middle-income countries and speaking for them not only gained China much needed support at the global fora but also increased its acceptance across the world. It invested in those countries, particularly in infrastructure and natural resources, with least interference in their internal affairs (Ferrie, 2016). This arrangement, serving both parties, boosted the confidence of Chinese leadership to play a proactive role in the world.

The third factor contributing to China's confidence was arguably grandeur, which some scholars considered the Middle Kingdom Syndrome. As one of the oldest civilizations in the world, the Chinese populace took pride in their traditions, norms, values, philosophy, and culture (Swine, 2015). During the height of Ming dynasty (1368-1644), China was center of the earth. Neighboring states paid tribute to the kingdom and in return received trading rights and economic and social benefits (Kupchan, 2014). The Ming age was the era of social stability and orderly government, particularly when compared with the 16<sup>th</sup> century Europe. In this backdrop, the sense of lost glory and a century of humiliation motivated the CCP leadership to rejuvenate China's [historical] place in the world and deter the imperialists from targeting the country.

The fourth factor, identified by the China-watchers, was China's domestic politics and the CCP's continued reliance on nationalism for prolonging and strengthening its rule. The CCP leadership had relied on nationalism since the 1949 revolution, so Mao's successors were no different. They integrated China into the global economic order but remained suspicious of democracy. The party

<sup>&</sup>lt;sup>2</sup> Kupchan's work explains the notion of hegemony in a historical context while explaining a case study discussing five powers. Nonetheless, in the contemporary international relations debates, the notion of hegemony refers to the dominance of one or a group of states in the system. Particularly, the hegemonic stability theory discusses hegemony in details. A hegemon formulates the rules for the system. The states then interact with each other according to those rules. The hegemon, being one of the most powerful entities in the system, takes the responsibility to preserve the system, which, in effect, emanates from its own system and represents its values. The survival of the system thus becomes a matter of pivotal importance for the hegemon. This is what the US did after the WWII and Great Britain did during the most of the 18<sup>th</sup> and 19<sup>th</sup> centuries. Ben Rosamond, "Hegemony: Political Science," Encyclopedia Britannica, accessed on June 22, 2017, https://www.britannica.com/topic/hegemony.

oversaw unparalleled economic growth, but it also imposed strict rules regarding dissent against its position (Mitter, 2008). In this way, promoting nationalism was beneficial for the CCP leadership because it directed the popular anger toward external enemies. Yet, at the same time, the growing nationalism also demanded the leadership to be tough in the wake of challenges and threats and stand against the perceived humiliation (Daojiong et al., 2016).

Fifth factor explaining China's increasing confidence was the global power vacuum that provided China with an opportunity to assert itself at various regional and global fora (Schweller, 1994). It was probably the only state that came out of the global financial crisis (2008) comparatively less harmed—the crisis had hit the western economies hard. Meanwhile, the Obama administration in US also announced withdrawal from South Asian and Middle Eastern fronts to concentrate in Asia-Pacific (Sutter et al., 2013). In this backdrop, the Middle East presented a renewed opportunity for China. Least concerned with their political systems and ideologies, China looked toward the region for energy security. Its relations with the regional powers Saudi Arabia, Iran, and Turkey grew with the passage of time. Vali Nasr specifically mentioned China's focus on Turkey as the gateway to both Europe and the Middle East (Nasr, 2013).

The above factors shaped China's foreign policy and contributed to the growing confidence of its leadership. Their influence nonetheless varied from event to event and time to time. For instance, nationalism shaped the response toward Japan's decision to nationalize Diaoyu/Senkaku islands, but power vacuum was probably the most important factor in shaping China's decision to move forward with the idea of a new multilateral development bank (MDB), Asian Infrastructure Investment Bank (AIIB).

#### **Expansion of Power and Interest**

The above explanations may vary in emphasizing the importance of factors at play, but they all explain the expansion of China's interest and reach. From military cooperation to signing investment treaties, China took a lead in the overtures. Similarly, this expansion also increased its demands. For instance, by mid-2000s, China's [military] focus had included counter-piracy missions, curbing terrorism, and managing non-traditional security threats—none of these factors was important in 1980s. Its forces modernized along the lines of 21<sup>st</sup> century demands and increased spending on imports and research and development. It worked along with US in Gulf of Aden and ASEAN members in South China Sea (SCS) to curb piracy and Russia and Central Asian states to target the militant groups (Xiaokun, 2016).

Individual activities in both South and East China seas nonetheless remained in the focus of media. English news media, particularly in U.S., U.K, and Japan, mostly focused on the competitive side of China's rise and highlighted the concerns in the region on certain matters. For instance, commentaries on China's Air Defense Identification Zone (ADIZ) mostly highlighted the threats it posed to the status quo in the region but rarely traced the history of ADIZ (Okuda, 2016). Japan and ROK had had their ADIZ long before that of China's. Similarly, the notion of nine-dashed line and construction of military installments in SCS also worried the western and regional commentators because they thought that a powerful China would try to dominate the region.

The concept of the nine-dashed line was older than what many commentators had thought. PRC claimed its sovereignty on the islands in as early as 1950s. It claimed similar rights in 1958, 1982, and 1994. Later, Beijing rectified its domestic laws that considered the line as the legal right of the country. It showed the intent and capability repeatedly to assert its claims. For instance, it forced the

South Vietnamese forces from Paracel islands in 1974. In 1988, it occupied seven small islands in the Spratly group. And it built naval installations on Mischief Reef (Yahuda, 2013). The officials in Beijing frequently mentioned China's historic rights in the seas. And they continued to advocate expansion in the seas.

This "going-out" drive was not merely about expansion in the adjacent seas. In 2013, the Xi administration put forward probably an unprecedented idea of expansion. It unveiled a strategy for 21<sup>st</sup> century that would include massive land and maritime investments in Southeast Asia, South Asia, West Asia, Central Asia, Africa, and Europe. The One Belt One Road Initiative (BRI) consisted of two main projects: Maritime Silk Road and Silk Road Economic Belt. The belt initiative included areas of the original Silk Road such as Central Asia, Middle East, and Europe. It emphasized investments in infrastructure, increasing people to people exchange, and enhancing trade (The Economist, 2016).

Second tier of the BRI was Maritime Silk Road (MSR). First announced in October 2013, this initiative was to include Southeast Asia, South Asia, and Africa. It aimed at investing in ports and enhancing cooperation with the partners. Although China's MSR had similarities with Booz Alen Hamilton's concept of "a string of pearls," the initiative did not merely focus on the military utility of projects (Bo, 2014). It focused on all four straits mentioned in the US DOD reports—Malacca, Lombok, Mandeb, and Harmuz—as well as the strategic centers of Pakistan, Sri Lanka, Bangladesh, and the Maldives. But China prioritized the economic aspect. Officials in Beijing emphasized China's benign intent and strove to portray the initiative as an economic adventure. Most of the foreign commentators also agreed to this point, but a handful of them also surfaced their suspicions regarding China's plans (Eyler, 2015).

### Today's China: A Status-Quo Power?

The debates on China's future mostly emphasize its military modernization and overtures in the global economic and political fora. In this backdrop, the China-watchers are divided into two groups. The first group, highlighting China's revisionism, focuses on its military modernization with reference to counter-intervention (also called Anti-Access/Area Denial or A2AD) strategy, growing military budget, the creation of MDBs, disputes with developed powers on climate change agreements, and alleged proliferation of technology and weapons. Others, however, disagree with this line of argument and highlight inconsistencies in the arguments of revisionism advocates.

Adam Liff and Andrew Erikson (Liff & Erickson, 2013) have striven to demystify China's defense spending. Several US officials and analysts have also shown concerns over China's growing defense budget. A study conducted by IISS states that the gap between military spending of China and its neighbors continues to widen. It spends around three times more than India and more than Japan, ROK, and Taiwan combined (Keck, 2014). Shannon Tiezzi analyzes this debate in a different manner. She explains that China's military budget has reduced as a percentage of GDP over the years (Tiezzi, 2014). For instance, the defense budget declined from 2.2 percent of GDP in 2009 to 2 percent in 2012. Teizzi argues that the growing defense budget has come in accordance with economic growth.

The economic growth has not only shaped China's military modernization program but also influenced its policy toward the global institutions. Analysts and the government officials in US had objected to the creation of AIIB. For them, the creation of new MDBs was probably a direct challenge to the post-WWII global order. Yet they ignore that China's policy toward the institutions was a

confluence of continuation and circumvention. China is a status quo power in several global structures such as UNSC and WTO's dispute settlement mechanism. In effect, China has actively utilized its permanent status in UN to assert its position on crises in Syria and Ukraine. And it has taken a cautious approach regarding the UN reforms and [permanent] membership bids of certain states.

China has expressed its concerns over the obsolete structures of existing institutions, such as IMF, that do not show the realities of global wealth distribution. It favors reforms in the IMF that would increase its votes and those of other emerging economies. But it has also attempted to create new institutions, outside the US-led economic architectures, that would increase its sway in the developing world. For instance, AIIB and BRICS Development Bank (also known as New Development Bank) aim to provide much need investments for infrastructure, which the developing countries need more than the developed ones. Even presented as an alternative, the AIIB, a Chinese initiative, does not radically differ in approach from the existing MDBs.

### Conclusion

The CCP leadership, despite its coercive approach toward dissent, has been remarkable in bringing China to the epicenter. China learned to live with the outside world and adopted free market practices of the developed world. Its economic strategy in 1980s and 1990s made it a lucrative market for industrial giants, technology leaders, and investors to earn profits. Chinese [local] companies also grew with the passage of time and began to compete with the foreign firms. In effect, some of them became global leaders to overwhelm their American, European, and Japanese rivals. China's political position nonetheless did not change parallel with the change in its economic weight. The reluctance to pay the cost of hegemony and the fear of potential American reaction were two important considerations behind this decision.

China proceeded slow in assuming global responsibilities as a great power and identified itself with the developing world. Late 1990s and 2000s was a high time to focus on internal developments and enhancing the state capacity. Xi administration has mentioned the period of strategic opportunity (POSO) and its utility for China (Johnson, 2016). The POSO, in addition to dwindling US influence, is likely to help China assume a leading role. Trump's protectionist and America First strategies are already threatening to reverse the processes initiated by Franklin Roosevelt in the post-WWII era.

In such a scenario, Beijing would find it easy to march with an absent US because the "rule-based architectures" and American leadership are interdependent (Zakaria, 2015). With no US backing, these architectures are likely to lose their strength, attraction, and influence. Against this background, the architectures proposed and led by Beijing are likely to be the most acceptable alternatives. Yet growing strength comes with responsibility. It is difficult and probably impossible for the leadership in China to reverse the process of globalization and deny others the access to its markets. A radically different alternative to the US-designed architectures is likely to be impossible given that such an adventure will bring ramifications for Beijing itself.

In addition to the ramifications, Beijing would probably be unable to deviate completely from the US system. The entrenched American presence in Asia Pacific and decades-long security alliances in Asia, Europe, and Americas have substantially contributed to the rise of middle powers and emerging economies. These states, even with an absent US, are unlikely to abandon the values

and practices adopted over the years, which have added to their wellbeing. And they are likely to resist revisionist attempts aimed at changing the global system. In this case, Chinese leadership would strive to maintain a balance between its aspirations and others' interests. In fact, this notion of balance has already started shaping China's choices in its backyard and abroad.

China's policies toward the international conflicts also show the endeavors to maintain such a balance. For instance, its constructions in SCS and patrols and exercises in the ECS and SCS have sent dubious signals across the region. Some states such as Vietnam and the Philippines have reacted to these developments with diplomatic actions such as filing a case in UN tribunal. The SCS rivalry in effect led to frequent exchanges of accusations and threats. Nonetheless, at the same time, China was one of a few countries to invite the Philippines's newly sworn President Rodrigo Duterte, amidst the allegations of his illegal crackdown, and offer him a partnership. Similarly, the Southeast Asian countries are important partners in the BRI.

This balancing is also visible in China's international dealings. Its position in P5+1 negotiations with Iran was balanced. It advocated keeping a moderate position against Iran. The case of DPRK provides probably the most important example of maintaining a balance. China has recently announced its decision to stop coal imports from DPRK in accordance with the UN sanctions. At the same time, the survival of DPRK remains a priority for China partly due to geostrategic reasons. These balancing attempts show China's desire to lead as a responsible actor that strives to address others' concerns while pursuing its interests in an international system that works in its favor.

The balancing endeavors are also evident at the global political and economic stages. Although Xi-led China has focused on establishing MDBs, it has remained an active participant in the US-led institutions. Its struggle for the change in the IMF voting quota to increase the share of emerging powers endorses its commitment to status-quo ante. The same is true in the case of regional and international security and diplomatic architectures. Xi's Asia for Asians and Community of Shared Destiny do not refute the existing architectures. But they underline China's desire to add more Chinese characteristics to the global order.

### References

- Ahmad, R. Q., Khan, S. M., & Shoaib, M. (2014). The Changing Dynamics of the Foreign Policy of China in Contemporary Time. *Turkish Yearbook of International Relations*, 45, 23-40.
- Albert, E. & Xu, B. (2016, February 8). *The China North Korea Relationship (backgrounder)*. Retrieved from Council on Foreign Relations: http://www.cfr.org/
- Bo, Z. (2014, February 11). *The String of Pearls and the Maritime Silk Road.* Retrieved from China-US Focus: http://www.chinausfocus.com/
- Burnay, M., Raube, K., & Wouters, J. (2015). *China's foreign policy and external relations.* Brussels: European Parliament.
- Cody, E. (2005, April 16). *New Anti-Japanese Protests erupt in China*. Retrieved from Washington Post: http://www.washingtonpost.com/
- Cook, M. (2014, January). *Northeast Asia's Troubled Triangle*. Retrieved from Lowy Institute: https://www.lowyinstitute.org/
- Daojiong, Z., Zhang, F., & Ku, J. G. (2016, February 3). *Beijing doesn't want a fight*. Retrieved from Foreign Policy: http://foreignpolicy.com/
- Dirlik, A. (2014). Mao Zedong Thought and the Third World/Global South. *Interventions*, 16(2), 233-256.

- Eyler, B. (2015, April 24). Who's afraid of China's One Belt One Road Initiative? Retrieved from East by Southeast: http://www.eastbysoutheast.com/
- Ferrie, J. (2016, July 27). *China's dangerous double game in the Sudans*. Retrieved from IRIN: https://www.irinnews.org/
- Friedberg, A. (2015). The Sources of Chinese Conduct: Explaining Beijing's Assertiveness. *Washington Quarterly*, *37*(4), 133-50.
- Jerdén, B. (2014). The Assertive China Narrative: Why It Is Wrong and How So Many Still Bought into It. *Chinese Journal of International Politics*(1), 47-88.
- Jintao, H. (2005, September 15). Build Towards a Harmonious World of Lasting Peace and Common Prosperity. New York.
- Johnson, C. (2016). *President Xi Jinping's Belt and Road Initiative*. Washington, DC: Center for Strategic and International Studies. Retrieved from https://www.csis.org/
- Keck, Z. (2014, February 6). *China's military spending vs. Asia's military spending.* Retrieved from The Diplomat: http://thediplomat.com/2014/02/
- Kitano, M. (2011). China's Foreign Strategy. Asia-Pacific Review, 18(18), 37-59.
- Kupchan, C. (2014). The Normative Foundations of Hegemony and the Coming Challenge to Pax Americana. *Security Studies*(2), 219-257.
- Liff, A. & Erickson, A. (2013). Demystifying China's Defence Spending: Less Mysterious in the Aggregate. *The China Quarterly*, *216*, 805-830.
- Mitter, R. (2008). Modern China: A Very Short Introduction. New York: Oxford University Press.
- Nasr, V. (2013). The Dispensable Nation: American Foreign Policy in Retreat. New York: Random House.
- Nye, J. (1990). Bound to Lead: The Changing Nature of American Power. New York: Basic Books.
- Nye, J. (2011). The Future of Power. New York: Public Affairs.
- Okuda, H. (2016). China's "peaceful rise/peaceful development": A case study of media frames of the rise of China. *Global Media and China*, 1(1-2), 121-138.
- Quinn, A. (2016 & 2017, December & January). The world according to Trump. *The World Today,* pp. 14-15.
- Rinehart, I., Hilderth, S., & Lawrence, S. (2015). *Ballistic Missile Defense in the Asia-Pacific Region:*Cooperation and Opposition. Washington, DC: Congressional Research Service.
- Schweller, R. (1994). Bandwagoning for Profit: Bringing the Revisionist State Back in. *International Security*, 19(1), 72-107.
- Steinfeld, E. S. (2010). *Playing our Game: Why China's Rise doesn't Threaten the West.* New York: Oxford University Press.
- Sutter, R. (2010). *U.S.- Chinese Relations: Perilous Past, Pragmatic Present*. New York: Rowman & Littlefield Publishers, INC.
- Sutter, R., Brown, M., & Adamson, T. (2013). *Balancing Acts: The U.S. Rebalance and Asia-Pacific Stability.* The George Washington University.
- Swine, M. (2015, January 14). *China: The Influence of History*. Retrieved from Carnegie Endowment for International Peace: http://carnegieendowment.org/2015/01/14/china-influence-of-history-pub-57715
- Thao, R. A. (2005). The Management of Vietnam's border disputes: what impact on its sovereignty and regional integration? *Contemporary Southeast Asia, 27*(3), 429-452.
- The Economist. (2016, June 2). *Our bulldozers, Our Rules*. Retrieved from http://www.economist.com/news/china/21701505
- The State Council (The PRC). (2015, March 30). *Full text: Action plan on the Belt and Road Initiative*. Retrieved from http://english.gov.cn/
- Tiezzi, S. (2014, February 5). *China's Growing Defense Budget: Not as Scary as You Think.* Retrieved from The Diplomat: http://thediplomat.com/2014/02

- Tyler, P. (2001, July 17). Russia and China sign friendship pact. Retrieved from New York Times: http://www.nytimes.com/2001/07/17/
- Xiaokun, L. (2016, May 3). Navy and ASEAN take part in Drill. Retrieved from China Daily: http://www.chinadaily.com.cn/
- Xinhua. (2008, April 12). President Hu makes five-point proposal for Asian Countries. Retrieved from http://news.xinhuanet.com/english/2008-04/12/content 7965854.htm
- Yahuda, M. (2013). China's New Assertiveness in the South China Sea. Journal of Contemporary China, 22(81), 446-459.
- Zakaria, F. (2015, July 2). With an absent United States, China marches on. Retrieved from Washington Post: https://www.washingtonpost.com/

Received: March 12<sup>th</sup>, 2017 Revisions Received: Nov 28<sup>th</sup>, 2017