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Strange Stories about China's Rise

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Edward N. Luttwak's *The Rise of China vs. The Logic of Strategy* (Harvard University Press, December 2012) is a curious book. One would think that a book published by a senior associate at a powerful Washington think-tank, the Center for Strategic and International Studies, would see the US and the broader Western world as its audience. Although the book was commissioned in 2010 as a project for the Office of Net Assessment at the US Department of Defense, in the preface Luttwak assures us that his book is 'not an adversarial investigation of an enemy power', but is offered to his 'friends in China'. (ix)

Luttwak's advice is simple and straightforward. He argues that China's current strategy that pursues a simultaneous expansion of economic, military and diplomatic power is doomed to fail. Beijing's three-fold 'aggrandizement' of power is already causing problems on the world stage, provoking a diverse set of countries to push back economically, militarily and diplomatically.

Thus Luttwak's 'logic of strategy' directly contradicts China's official strategic goal of developing comprehensive national power. According to Luttwak, a country cannot have it all, and must choose between military, economic and diplomatic power. He points to Germany's early 20th century experience as a warning to China in the 21st century.

At the turn of the 20th century, a recently-united Germany was out-performing the United Kingdom in terms of most economic and social indicators. Britain, however, had a stronger navy. Germany's mistake, according to Luttwak, was to challenge British sea power. The result was not simply a quantitative arms race between the two countries, but the qualitative transformation of the international system: Germany's military challenge spurred Britain to build alliances with its former rivals, France and Russia, to encircle and contain Germany.

Luttwak concludes that Berlin's military aggrandizement did not strengthen Germany, but actually weakened it. If Berlin had renounced its naval expansion and concentrated on building economic power, it would have been the most influential nation in the world in the 20th century. Because it simultaneously pursued military, economic and diplomatic power, it was left in ashes twice in the 20th century.

Indeed, we can extend Luttwak's analysis to explain Germany's success in the 21st century: a newly-united Germany is the most influential country in Europe simply because it does not pursue military power. While President Hu Jintao declared that China needs to become a 'maritime power' at the 18th Party Conference in November 2012, Luttwak advises Beijing to do the opposite. It needs to adopt a Zen-style 'less is more' (p.66) grand strategy for its own good—and for the good of the world.

Actually, China employed such a Zen strategy between 2004 and 2009 when it successfully pursued its 'peaceful rise' foreign policy. The gist of peaceful rise is that China would concentrate on its own economic development in ways that would also benefit other countries, rather than pursue a military expansion that would challenge the international system. China, after all, is the main beneficiary of economic globalization.

Peaceful rise was quite effective. Beijing's 'smiling diplomacy' was so successful that some characterized it as a 'charm offensive'. Beijing was even more popular when contrasted with the decline in global public approval for the United States in the mid-2000s, which was a response to the Iraq War and the 'War on Terror'.

China's expanding economic and diplomatic power was thus an unintended consequence of the global unpopularity of the US under the George W. Bush administration, when anti-Americanism soared.

China's global popularity peaked in 2008: the world stood in awe at the Summer Olympic Games, which showcased China as the top gold medal winner and Beijing as the new centre of global prosperity and order. That the global financial crisis started in New York less than one month after the Beijing Olympics ended confirmed for many that China offered an alternative to the United States on the global stage.

This grand shift from West to East worked itself out in new foreign policy agendas in Asia and the US. In 2009, Tokyo's newly-elected Democratic Party of Japan government decided to rebalance its ties towards a growing China,

and away from what it saw as a declining US. In Washington, the newly-elected Obama administration likewise extended a hand of friendship to Beijing in hopes of building more positive and productive bilateral relations.

But rather than following the peaceful rise policy that stressed mutual respect, Beijing saw these expressions of friendship as signs of weakness. Now that China was strong, it was time to settle scores. In a mad rush to surpass the US and become the world's number one power, in 2009 Beijing shifted its policy to seek aggrandizement in all three dimensions of power: military, economic and diplomatic.

Since then, Beijing has revived long-dormant territorial disputes with South Korea, Japan, Vietnam, the Philippines and India. In 2010, Chinese foreign minister Yang Jiechi added insult to injury when he explained Beijing's new Sinocentric approach to his Southeast Asian counterparts: "China is a big country and other countries are small countries, and that's just a fact." An editorial in Beijing's hypernationalist newspaper, the *Global Times*, fleshed this out when it warned 'small countries'—South Korea and the Philippines—to stop challenging China in the Yellow Sea and the South China Sea: "If these countries don't want to change their ways with China, they will need to prepare for the sounds of cannons."

Luttwak chronicles how Beijing's growing power is now being resisted "through the reactions of all the other powers large and small that have started to monitor, resist, deflect, or counter Chinese power." (p.5) Beijing's belligerent approach to disputes in the South China Sea has pushed the Philippines and Vietnam to build military ties with the US. Its aggressive challenge to Japan's administration of the Senkaku Islands (which Chinese call the Diaoyu islands) has likewise made Japan strengthen its military ties with the US. This new suspicion of China was reflected in the polls: Shinzo Abe, a well-known China hawk, was elected Japan's new prime minister in December 2012. Even countries that depend upon China for their economic prosperity—Australia and Myanmar—now look to the US to balance China's growing power.

These various countries thus welcomed the Obama administration's 'pivot' from Iraq and Afghanistan back to Asia in 2011. While Beijing benefited from anti-Americanism in the mid-2000s, America's new popularity in Asia is an unintended consequence of China's aggrandizement of power.

Still, because China is a nuclear power Luttwak argues that conflict is unlikely to take a military form. Rather than a geopolitical struggle, he explains that resistance will be geo-economic. He notes that countries as diverse as Australia, Brazil and Argentina are now restricting what assets Chinese companies can buy. The main obstacle to the geo-economic reaction, Luttwak explains, actually is the US and its 'free trade' ideology.

Thus Luttwak argues that a coalition of states is in the process of forming to resist Chinese power. Unless Beijing dramatically changes its policy to restrict military aggrandizement, then Luttwak feels that China will go the way of Germany in the early 20th century, and become a nation weakened by its pursuit of comprehensive national power.

Rather than cheer China's imminent demise, Luttwak laments the fact that China's new leaders are unlikely to follow his advice to build a successful China.

Although this sounds like a coherent argument, in fact *The Rise of China vs. The Logic of Strategy* does not offer a detailed analysis of Chinese strategy. Luttwak's 22 short chapters read like a collection of op-eds: they are clever but superficial, more confident assertions of opinion than analysis that is supported by evidence. Indeed, Luttwak never actually explains what the 'logic of strategy' means.

But the book is interesting (and even entertaining) for other reasons. Luttwak's many outrageous statements remind us of the limits of professional Sinology and polite society.

While public health terms—especially (communist) contagion and containment—were central to Western understandings of the Cold War, Luttwak looks to neurological and behavioural metaphors to explain what he feels is China's post-Cold War affliction.

He coins the phrase "great-state autism" to explain Beijing's "pronounced insensitivity to foreign sensitivities". (12) This national disease is not unique to China; it afflicts all great powers. While small and medium powers are hyper-aware of their situation vis-à-vis other countries in world affairs, great powers generally do not have much time for foreign affairs because they are overwhelmed by the domestic crises that plague large and complex societies.

Although Russia and the United States also suffer from this diplomatic disease, Luttwak argues that China's great-state autism is even more "virulent". (p.12) The country's long history as an isolated power means that it

has little experience in the skills of inter-state relations. The common assumption that Chinese civilisation is superior to all others means that Beijing's diplomats are unable to see things from their counter-parts' perspective, Luttwak tells us.

A case in point: officials and public intellectuals in China are unable to understand why Vietnam and the Philippines would be threatened by Beijing's recent moves in the South China Sea. Rather than accept that their Southeast Asian counterparts are acting in their own self-interest, Beijing assumes that they must be part of a global anti-China conspiracy that is directed by Washington.

Beijing's new arrogance, according to Luttwak, also comes from its enduring belief that China has a long history of successful strategy, starting in the 5th century BC with Sunzi's *Art of War*, and continuing to this day. In one of his longer and more detailed chapters, "The Strategic Unwisdom of the Ancients", Luttwak uses history to challenge the Classics. He concludes that Chinese-style strategy has been very unsuccessful in practice: for over half of the last millennium, China has been conquered and ruled by neighbours who were neither so numerous nor so technologically advanced.

Moreover, he argues that China's classical strategic concepts continue to be a major source of trouble for Beijing due to the peculiarities of their historical production. These ideas were formulated during the Warring States period (475-221 BC) when various Han Chinese kingdoms struggled against each other in a complex geometry of shifting alliances. In the context of a continual "alternation of conflict and cooperation" (p.74), strategies of deception and surprise were paramount.

The problem, for Luttwak, is that Beijing now applies lessons learned from intracultural conflicts among Han Chinese to the modern world's intercultural conflicts. To put it another way, in classical times Han Chinese kingdoms could be pragmatic—swiftly shifting from conflict to alliance—because all sides shared similar norms and practices. But now most modern conflicts are inspired by deep national, ethnic and religious animosity that make it hard for nation-states to compromise in a pragmatic way.

China's self-confidence in its own wisdom, especially strategies based on deception and surprise, leads to another problem that plagues Beijing's diplomacy: trust, or the lack thereof. Even Beijing's successful policy of peaceful rise stems from Deng Xiaoping's rather cryptic 24 character formula

that instructed China's leaders on how to address the fall-out from the June 4th massacre in 1989. For foreign policy, Deng felt that China should "not seek to lead", but rather should "bide its time, conceal its capabilities, and do some things". While this strategy informed China's popular peaceful rise policy, there has always been a sneaking suspicion about what "things" China would "do" once it no longer felt the need to "conceal its capabilities".

Although Chinese writers insist that the "bide and hide" formulation promises win-win solutions to the world's problems, it actually resonates with China's classical idiom for revenge: "sleeping on brushwood and tasting gall" (*woxin changdan*). This phrase comes from an ancient story of humiliation and vengeance: after suffering a military defeat, King Goujian (r. 496–465 BC) quietly endured humiliation at the hands of his enemy, while working hard to increase the strength of his kingdom. But this was not simply a positive strategy of building up his kingdom's power; Goujian also used deception, trickery, lying, and bribery to weaken his rival economically, socially, militarily and politically before defeating it in the end. The lesson of this story is clear: to exact vengeance you need to bide your time while secretly building up your country's strength.

This is not merely a lesson from ancient history. The idiom that encapsulates the "bide and hide" strategy has been very popular in the past century, including inspiring an eponymous historical drama—*Woxin Changdan*, translated into English as *The Great Revival*—that was shown on China Central Television in 2007.

More to the point, the "sleeping on brushwood" strategy of slowly building up comprehensive national power, while secretly weakening rivals economically, militarily and politically, explains how in 2009 Beijing could quickly shift from its peaceful rise strategy to a more aggressive foreign policy. Now that Beijing is strong, according to this popular view, it is entitled to strike back to right historical wrongs, including reclaiming territories that neighbours "stole" while China was poor and weak.

Although Luttwak does not discuss the "sleeping on brushwood" example, he would certainly see it as indicative of the problems of using intracultural tactics for inter-cultural/international strategy: "What worked in the Warring States, which shared the same culture, would only cause endless war among today's diverse states." (p.82)

This intracultural stress on deception and surprise thus makes China's great-state autism even more severe than that of other great powers. When military aggrandizement is added to China's diplomatic autism, Luttwak explains, a new strategic disease emerges: ASDS, acquired strategic deficiency syndrome.

In addition to a medical diagnosis of Beijing's strategic maladies, Luttwak shatters academic taboos. While many wear 'anti-American' as a badge of honour, it is nearly impossible to use the phrase 'anti-China' in polite conversation. Likewise, it is seen as unwise and politically problematic to suggest that China's growing power needs to be 'contained'. The concern in both cases is that such language is reminiscent of racist approaches to international politics that characterized the British empire and the McCarthy era in the US; thus many worry that this vocabulary justifies a hawkish China policy in the present.

Actually, a keyword search shows that 'anti-China' and 'containment' are primarily found in Chinese critiques of US foreign policy, which they argue is evidence of the West's enduring 'cold war mentality'. This language thus tells us more about Chinese views of the West than Western views of China.

Hence it is curious that a Defense Department advisor uses such baggage-laden terms to frame his analysis. Luttwak sees the beginnings of an anti-China coalition of states that would contain China. Although the State Department pursues a dual policy of engaging and constraining Beijing, and the Defense Department's new Air Sea Battle plan targets China as its "Main Enemy", Luttwak explains that Washington is not necessarily central to the anti-China coalition. Rather than a geopolitical stand-off between the number one and number two world powers, he says that a coalition is "coalescing against China in various pairings and combinations". (p.258) Although strategists in Beijing trace any opposition to China's rise to a conspiracy hatched in Washington, this multivalent response will actually "Gulliverize" China. (p.264)

China will be Gulliverized not through military means, but through geo-economic coordination: the coalition "would need no soldiers but only customs officials to apply immediate and powerful pressure on the Chinese government." (p.141) The containment policy is thus more passive than active.

There are numerous problems with Luttwak's analysis, the most important of which is his cavalier use of the concept of "containment". The US and its

allies actually pursued a containment policy against the PRC in the early Cold War period that was even stricter than the one imposed on the Soviet Union. All economic, educational, diplomatic and political contact was proscribed until the thaw in US-China relations in the 1970s.

In the present age of neoliberal globalization, the economies of the US, China and countries around the world are intimately intertwined. Hundreds of thousands of American and Chinese citizens live, study and work in each other's country (not to mention the children that result from such international affairs). Washington and Beijing depend upon each other's diplomatic cooperation on a wide range of global issues including North Korea, the environment and terrorism.

Hence it is hard to imagine how an anti-China containment policy could emerge from problems short of a major Asia Pacific war, the possibility of which Luttwak himself rules out. Simply put, what Luttwak calls containment, the rest of us would call "diplomacy".

To make an analogy, numerous countries worked together in the United Nations and other fora to oppose the US invasion of Iraq in 2003. But did anyone call this a strategy to "contain" America?

No, it was seen as a (failed) diplomatic initiative.

While we usually worry about how "containment" and "anti-China" might encourage hawks in the West, the most important concern actually is how Chinese strategists will understand *The Rise of China vs. The Logic of Strategy*.

Because Luttwak is an "insider" whose book was commissioned by the DoD, most Chinese strategists will conclude that Luttwak's policy advice to "contain" China is official US policy.

Actually, Luttwak felt he had to write this book because the US is not pursuing a containment policy. He is clearly annoyed with what he sees as the Treasury Department's pro-China policy, and laments the lack of influential voices in Washington that would protect American industry and technology. He even criticizes the Defense Department's Air-Sea Battle plan because its expense will distract Washington from the real arena of conflict: geo-economic containment.

While Luttwak hopes that Beijing will reverse its military aggrandizement so it can continue to prosper economically, the PRC's own right-wing nationalists (of which there are legion) will take the book as further evidence of a grand Western conspiracy to keep China down.

To put it another way, China's strategists formulated the concept "comprehensive national power" in the 1990s as a way of addressing the US's combination of hard and soft power. They could reasonably ask Luttwak why the US can simultaneously pursue economic, military and diplomatic power, while China cannot. Luttwak never answers this question.

Luttwak aims to convince China's leaders and strategists that it is in their interests to be number two in the current international system. But this is a hard sell, especially since it goes against the growing nationalist sentiment in the PRC that is cultivated by official education and media campaigns.

For these and other reasons, I don't think that reading *The Rise of China vs. The Logic of Strategy* is worth the expense in money or time. For those who want to get an idea of where China is going, I suggest two books. The PRC is actually a working member of the international system, and is the main beneficiary of economic globalization. To understand how China has moved from being an outsider to an insider in the current world system, it is best to read Alastair Iain Johnston's *Social States: China in International Institutions, 1980-2000* (Princeton, 2008). To get a sense of how a different group of Chinese elites is combining socialist and Confucian values to inspire a post-Western world order, Chan Koonchung's novel *The Fat Years* (Doubleday, 2011) is an entertaining distraction.

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