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Transcript

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## CHINA IN THE WORLD PODCAST

Host: **Paul Haenle**

Guest: **Ely Ratner**

Episode 10: The Challenges of a Rising China  
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**Haenle:** You're listening to the Carnegie-Tsinghua "China in the World" podcast, a series of conversations with Chinese and international experts on China's foreign policy, international role, and China's relations with the world, brought to you from the Carnegie-Tsinghua Center, located in Beijing. I am Paul Hanley, the director of the Carnegie-Tsinghua Center, and I'll be your host. Today, we're thrilled to have with us my friend Eli Ratner. He is the deputy director of the Asia-Pacific Security Program at the Center for a New American Security. He recently served in the Office of Chinese and Mongolian Affairs at the State Department as the lead political officer, covering China's external relations in Asia.

Ely, thank you very much for joining us today. China's foreign policies have for decades reflected Deng Xiaoping's principle of "hide your strength, bide your time," 韬光养晦, to allow Chinese leaders to focus on internal development. Do you think the Chinese leaders today continue to believe in the efficacy of Deng Xiaoping's strategy and are equally as committed to the need for good relations with the United States?

**Ratner:** Alright well, thank you, Paul, and thank you for the opportunity to be here today. Let me take the second question first. As far as I understand it, my impression is that there was and has been high-level debates within the Chinese government about the importance of the relationship with Washington and the result of that debate—at least the last time it occurred here in Beijing—was a continued emphasis on maintaining positive relations with Washington. I think that remains important to Beijing's economic and security interest, and the view in Washington, I think, is the same. So, I think it's important to note that in both capitals, both sides see the relationship and maintaining positive relations as central to economic and security interests.

In terms of the maintenance of Deng Xiaoping's principles, I think in theory, leaders here in Beijing would like to continue a policy of keeping a low profile, not being burdened with leadership positions in the international community, and being able to focus on domestic issues. However, one of the reasons we're here in Beijing for this trip, as part of the research that were doing at the Center for a New American Security, is looking at how China's expanding interests overseas and globally is likely to drive them to change some of those policies. For instance, having closer security partnerships with countries overseas, possibly having greater PLA presence, if not basing overseas, and reconsidering long-standing policies like the policy of nonintervention as Chinese interests, Chinese citizens, and Chinese businesses are increasingly challenged.

**Haenle:** Given the potential evolution of China's foreign policy both internationally but also regionally, is the United States well-positioned to deal with a rising China, and which component should we consider in our approach to China to deal with this rising, more influential China on the international stage?

**Ratner:** Well, I think the United States has said, and the leaders in Washington actually believe, that it's in the interests of the United States [to have a] strong, healthy China, and notions that the United States would benefit from a China that was contained or a China that has severe political problems or economic problems is not consistent with leading thinking in Washington. Of course, there are people who share those views, but I don't think they are mainstream and they're certainly not in the mainstream policy community.

**Haenle:** So, China is strengthening and expanding its military and naval capabilities as it gains economic strength and global influence. This is causing concern among China's neighbors, and you have argued that recent actions by China's non-military law enforcement vessels pose one of the most immediate threats to peace and stability in the Asia-Pacific region. Can you describe why you think this is, and offer your suggestions for what kind of approach, you think, the United States and its allies should take to deal with this challenge?

**Ratner:** Well, I think, one of—if not the largest threat—to regional peace and security in East Asia relates to the ongoing maritime and territorial disputes in the region. And countries who challenge the territorial status quo, who are revisionist, I think, likely tempt the fate of conflict. And what I've seen, at least in terms of my interpretation of events over the last couple years, is that China has been using maritime law enforcement vessels to do precisely that. At the Scarborough Reef, China is now occupying that feature that was once contested with the Philippines, and with the Senkaku/Diaoyu islands, a feature that was by all accounts administered by Japan for decades. Now China's challenging that administration with maritime law enforcement vessels and demanding that Japan recognizes this dispute before engaging in any high-level diplomatic engagements related to that issue. I think this is problematic in part because China keeps building up these forces, and if they continue to use them, will essentially be able to coerce other countries in the region. And they do so, quite cleverly in my view, at a level just below the military threshold, which allows them to use, in my view, what amounts to military coercion, but do it in a way that is not going to invite military response.

Now, China's view on this, as it relates to the Philippines and Japan as well, has clearly been that they've been provoked into these events at Scarborough Reef or at the Senkaku/Diaoyu islands. My view is that that is inconsistent with what we seen on the ground, that China has been using these particular systems for a variety of reasons for precisely the purpose of changing the status quo on the ground, and I think that's incredibly destabilizing. The last point that I would make is that just by its very nature, China's modernization in this area is making the waterways much more crowded in the East China Sea and the South China Sea, making the likelihood of accidents and incidents much larger. What this means is that the importance of engaging in talks about rules, international law, norms, and dispute mechanisms is becoming increasingly important. However, the pace of those discussions continues to lag behind.

**Haenle:** You talked about China's increasingly assertive behavior with regards to territorial issues. On the other hand, we do see an approach by China in the region, moving towards one to reassure its neighbors, as we talked about at lunch with Chinese scholars today. [This is] an almost two-pronged approach. China is upgrading its relations with Indonesia and Malaysia to one of strategic partners. China has agreed to set up a working group last month with Vietnam to explore the disputed waters in the South China Sea and to try to lift trade to 60 billion by 2015 and expand financial links. What do you make of this apparent two-pronged strategy, one that's more assertive and aggressive, yet the other one that's attempting to reassure other countries in the region that China's rise is to their benefit?

**Ratner:** Well, I think it's actually, in one sense, a good sign, and although Chinese leaders are unlikely to get this, it is a reflection of a recognition that Chinese behavior beginning largely [in the] 2009-2010 period has been counterproductive in terms of really scaring the region, opening up the demand, signaling for greater American presence, and ultimately isolating Beijing in both

regional diplomatic forums and in some of its bilateral relations as well. So, if China recognizes this and is adjusting accordingly, certainly that's better than them not recognizing and continuing that behavior. As for the policy of trying to isolate particular countries and cozy up to others, I think it's a good observation. We have seen China trying to isolate the Philippines within ASEAN. We have seen China trying to drive wedges between South Korea and Japan, between the United States and Japan. Ultimately, I don't think that's going to be a terribly successful strategy. The U.S. commitment to Japan remains firm, and even when the Philippines is a relative outlier within ASEAN, ASEAN as an organization has not been willing, as China has requested, to engage in multilateral discussions with China with the Philippines not at the table. So as a diplomatic strategy, that has not been terribly successful.

As for the policy of leading with economic engagement, certainly China's investment and infrastructure and development assistance in the region is a welcome thing. The United States welcomes this, certainly. Whether it will allow China to overcome its political difficulties or territorial disputes is another question, and my own reading of history and my own reading of events over the last couple years in the region, is that even when economic relationships are very close, when issues of territory, nationalism, and sovereignty intervene, those political issues always trump the economic issues. So I don't think any degree of economic integration or independence will make up for assertiveness around the sovereignty and territorial issues. That being said, if China makes a serious effort to moderate on those issues as well, I think then they will make headway in improving their relations in the region.

**Haenle:** Let me turn to U.S.-China relations. At our round table, we spent a good deal of time talking about this concept "new type of great power relationship," 新型大国关系. What in your mind has warranted the Chinese side to put this concept forward? How has our relationship evolved to the extent that the Chinese would put this concept forward?

**Ratner:** For starters I would say I wouldn't consider this a new concept *per se*. For the last, at least the last decade, Chinese scholars have been looking very carefully at the history of the rise and fall of great powers. There was this well-known CCTV documentary that came out probably in the 2006-2007 period, accounting for historical accounts of all the rise of great powers. There has been a lot of focus on this issue in terms of helping China understand its very self-reflective view of itself as a rising power. So, the concept of a new type of relationship may be new, but a near obsession with China's position as a rising power and how to succeed in that endeavor, has been a long-standing goal. Some of the earlier notions of China's rise, peaceful rise, [and] peaceful development are associated with this concept of trying to rise in a way that doesn't lead to conflict or doesn't lead to countries trying to keep it down. As for this particular moment, I think, it is potentially a recognition within China or a belief that China has reached a certain stage now where it is now reasonable to start talking about China as the emergent power and the United States as the established power and thinking about what that means for the relationship.

The concerns I have [about this] are many. Just one, however, is that in my view, there continues to be very different interpretations of what that concept means, and I know both sides continue to be fleshing it out and thinking it through, but some of the most thorough treatments of it, such as the long article that current Chinese Ambassador to the United States Cui Tiankai wrote probably about a year ago, amounted to a long exposition which was more or less suggesting that the new type of great power relationship meant that the United States had to accommodate China's

interests. I don't think that's the view, from the United States, of where the relationship is heading, and I'm worried that it's going to create false or overly high expectations that are ultimately going to be unhelpful for the relationship. That being said, the American interpretation of this, at least from the administration as far as I understand, is that this does potentially open up an avenue to have discussions, both about how to prevent serious down-spiraling of competition in the relationship, and potentially avenues to explore new ways for cooperation. In that sense, it's a good thing, but if that's not how the Chinese are seeing it and not how they are essentially negotiating over this concept with the Americans, then I'm not sure how far the concept is going to go.

**Haenle:** What do you think are some of the possible steps our two countries could take to increase the likelihood of achieving a more constructive and positive relationship between the United States and China? Even if it isn't a new type of great power relations, at this point in the history of our relationship, given where we are today, what are some of the things our two countries should think about to try to get it on better footing and towards a more positive and constructive approach?

**Ratner:** I think in some ways the U.S.-China relationship is on strong and only getting stronger footing, in terms of the actual maturation of the political relationship. In the first 4 years of the Obama Administration, President Obama and President Hu, I believe, met 13 times face-to-face. Secretary Clinton came to Beijing 5 times. Our governments, of course, have the strategic and economic dialogue, the strategic security dialogue, and over 50 or 60 different functional and regional dialogues between our countries, not to mention the daily contact that our governments have here both here in Beijing and in Washington. So in that sense, I think the trajectory of the relationship has been heading very much in the right direction.

Our countries' ability to handle particular strains on the relationship over the last couple years, whether it was the Qing Guangchang dissident case or the Scarborough Reef situation in the South China Sea, reflected what both sides subsequently called the maturity in the relationship that has allowed it to manage these differences, and I think as long as we maintain that level of political engagement, that will provide a very important mechanism to get through some of the more rocky periods outside of any large positive cooperative outcomes, which may remain elusive. That being said, I would agree with something that Paul you've said; there are clearly areas of overlapping interests between the United States and China, as it relates to economic development, poverty alleviation, global public health, climate—any number of issues. It would be incredibly important for both sides to find a large, symbolic form of cooperation that would send signals both to our domestic publics, to the region, and to the international community that the United States and China can cooperate for the betterment of our countries and more broadly for the betterment of the international community. I think that would create opportunities for cooperation, but again the mechanisms of that are incredibly complicated.

The fact that the United States and China have not cooperated on big issues to date is not because people have not sat down and tried to think these things through. Certainly from the American side there's been a lot of proposals on a number of issues, and for bureaucratic and political reasons, it can be difficult for Beijing to say yes. One solution may be, Paul, as you have suggested, for the Chinese system to come up with ideas and propose those to the United States. Another possibility, which is one that I've been advocating to allies and partners in the region, is that countries like South Korea, or Singapore, or Australia—even though they view themselves as

middle powers who don't really want to stick their necks out or get involved in any potential competition between the big giants, the United States and China—actually, they may have the best avenues to bring our countries together because neither country is seen as necessarily leading the initiative or proposing it to try to entrap, or coerce, or what-have-you the other side. I think if a country like Australia or India or Singapore or Indonesia could find opportunities to do this, I think it could be very positive. Just to give one example, I was recently in Hanoi, and Vietnam has recently announced that they're going to be, for the first time, engaging in UN peacekeeping operations. There would be a fantastic opportunity for them to invite Chinese peacekeepers who have a lot of experience there, [and] obviously American forces [also] have a lot to offer. But again, suggesting this idea, the Vietnamese counterparts that I spoke with were reluctant to stick their necks out and get involved. So I think it's going to take a lot of effort on the U.S. side, on the Chinese side, but also by players in the region, to be entrepreneurial and to take a little risk and try to show some leadership.

**Haenle:** We had quite a bit of a discussion in today's forum about public perception. There's a great deal of suspicion in China about the United States and its intention to deal with China as a rising power, and there's a great deal of suspicion in the United States about China's rise and what its ultimate aim is. What are some steps, do you think, that the United States and China can take to deal with this negative public perception? How do we begin to change this for the positive and get it to a point where it's supportive of a strong U.S.-China relationship?

**Ratner:** That's a great question because, as someone noted in our conversation today, as long as those domestic public attitudes persist and are negative, it is going to be very difficult for the leadership to come to the kind of compromise or push through some of the initiatives that we were just speaking about. I do think this is a huge problem here in China, not only toward the United States, obviously toward Japan as well, and it's a hard question, of course, as to where these perceptions come from. I was always amused, working on the China desk at the State Department, when Ministry of Foreign Affairs officials from the Chinese Embassy would come and say: 'Oh my gosh, the Chinese people, they are so passionate about the South China Sea, and you're so lucky you have us moderate Ministry of Foreign Affairs officials to keep down, to temper that nationalism because if it wasn't for us, you know, if we were just following public opinion, then boy, China would be a lot more assertive.' And I often would ask them, where do you think that comes from? And I get really worried when Chinese officials are out making quite nationalist statements, uncompromising statements about indisputable sovereignty. China will never compromise on these issues.

I think it's fed a system that has backed the Chinese leadership into a corner where, if there is a crisis or incident, they will almost have no choice but to respond because their decision-making will be driven by their concerns about domestic political effects and not by the external strategic logic of their behavior. That makes things like deterrents or signaling or any kind of international strategy incredibly difficult if domestic politics and perceptions are driving this issue. On the American side, this may just be my perspective, certainly there is suspicion of China but, having lived here in Beijing myself, I don't think it's at all comparable in terms of the two publics' view of each other. I don't think Americans actually think all that much about China in terms of foreign policy. American psyche remains focused on the war on terror, the big conflicts we've been [involved in]. In fact, I think, maybe perceptions of China would be worse were it not for that, but the American public has been focused elsewhere. Of course, every once in a

while, congressmen or otherwise make statements or there's something on American television or movies that portray China in a negative light, but I don't think the average American has negative perceptions of China in the same way that China does toward the United States. That being said, and I know Ernie Bower at CSIS has said this many times so I don't want to play this off as my idea, but I think it would be important for the President and American officials to continue speaking to the American public about the importance of engagement with China and the importance of Asia as a region as a whole because, frankly, I don't think it's really on the radar screen of most American policy-makers today.

**Haenle:** Ely, thank you very much for spending time with us today. That's it for this edition of the Carnegie–Tsinghua “China in the World” podcast. If you'd like to read a summary of the round table discussion that Ely participated in on the future of China's foreign policy here at the Carnegie-Tsinghua Center, you can find that on the Carnegie–Tsinghua website at [www.carnegietsinghua.org](http://www.carnegietsinghua.org). I encourage you to explore our site and see the work of all our Scholars at the Carnegie–Tsinghua Center. Thanks for listening, and be sure to tune in next time.