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China's Strategic Moves and Counter-Moves

David Lai

ABSTRACT: This article employs two analytical frameworks to put the tensions in the Asia-Pacific Region in a new perspective. One is the *Go* game analogy; the other is the US-China Power Transition, Stage II. These offer significant insights into US-China relations and Asia-Pacific affairs, point out pitfalls in the complicated games in this region, and suggest thoughts for a “win-win” solution.

The Asia-Pacific Region has witnessed quite a few disconcerting US-China interactions of late. These acts range from close encounters involving military airplanes and warships in the South China Sea, contentious exchanges of verbal blows in regional forums, to China's heavy-handed approach toward its maritime neighbors, namely, Japan, the Philippines, and Vietnam, over their disputed territories.¹

Why are so many contentious acts occurring in the Asia-Pacific? Has China become more assertive with its foreign policy? Why do China and the Asian nations turn their territorial disputes into flashpoints? Should Washington challenge Beijing directly on its territorial claims? Is the rebalance producing the intended results? How can we make sense of these baffling moves and counter-moves in the Asia-Pacific Region?

Many recent confrontations in the Asia-Pacific stem from a contentious, distrustful, and ill-advised US-China relationship. By all measures, this relationship is the defining factor in Pacific rim affairs. It conditions the policy calculations of all nations in the region. When this relationship is in trouble, the interactions in the region are doomed to be incongruous.

Two analytical frameworks shed light on these tensions. One is the game of *Go*; and the other, power-transition theory. The former puts current interactions in the Asia-Pacific in a perspective not seen before, but yields significant new insights. The latter explains why the United States and China act the way they do toward each other. A synthesis of the two yields some insights into the future of US-China relations and Asia-Pacific security affairs.

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¹ The author thanks Keith Johnson, formerly a staff writer for *Wall Street Journal*, now for *Foreign Policy*, for his stimulating questions on the baffling games in the Asia-Pacific that led to the writing of this article. Craig Whitlock, “Pentagon: China Tried to Block US Military Jet in Dangerous Mid-air Intercept,” *Washington Post*, August 22, 2014. AFP-JJJI, “Beijing's South China Sea Claim ‘Problematic,’ Senior US Official Says,” *Japan Times*, July 8, 2014. Chuck Hagel, US Secretary of Defense, “Speech at the IISS Shangri-La Dialogue,” *Singapore*, May 31, 2014, and Wang Guanzhong, Lt General, PLA, and head of the Chinese delegation to the Shangri-La Dialogue, “Speech on Major Power Perspectives on Peace and Security in the Asia-Pacific,” June 1, 2014. Kevin Liptak, “5 Takeaways from Obama's Trip to Asia,” *CNN*, April 29, 2014.

Go, the Overarching Game in Asia-Pacific

As everyone knows, nations play “games” in international affairs. It is common to characterize international interactions in these terms. For instance, the China-Japan conflict over the Senkaku/Diaoyu Islands can be seen as a game of chicken with the two sides inciting each other to the brink.² China and Vietnam, however, “have been engaged in a strategic game of cat-and-mouse in the disputed area, resulting in Hanoi regularly issuing warnings to Beijing to remove [an oil] rig, only to have Beijing regularly chase away Hanoi’s vessels.”³

On a broader scale, one can view the US strategic rebalance toward the Asia as an American football offensive formation moving downfield, play by play. In another sense, the rebalance resembles a chess move, as in former National Security Advisor Zbigniew Brzezinski’s terms, trying to prevent the emergence of a Eurasian challenger to US supremacy.⁴

While there are different games at play, the game of *Go* offers a much more compelling account of the interactions in the Asia-Pacific and opens up a new way of thinking about US-China relations and Asia-Pacific security relations.

What is *Go*?

Go is a Chinese invention. It is one of the world’s oldest board games, yet arguably one of the most sophisticated and challenging.⁵ It is played on a 19-by-19 grid. Two players take turns putting stones on the board in an effort to encircle space or territory. The one who secures more territory wins. Like many other games, *Go* is a ritualized substitute for war and human conflict. Like many such conflicts, *Go* is a struggle for territory. Placing stones on the board can be likened to troop engagements and other foreign policy instruments.

Unlike many games, *Go* starts with an empty board. This special design gives rise to three discernable stages of war: preparation, fighting, and conclusion. At the preparation stage, players compete for key strategic positions and posture themselves for gaining spheres of influence. Battles take place in the mid-game stage when, typically, some 200 stones have been placed on the board. In the end stage, players solidify their territorial gains and seal the borders.⁶

2 Harry Kazianis, “China and Japan’s Game of Chicken in the East China Sea,” *The Diplomat*, June 13, 2014.

3 Kate Hodal, “Despite Oil Rig Removal, China and Vietnam Row Still Simmers,” *The Guardian*, July 17, 2014.

4 Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and Its Geostrategic Imperatives* (New York: Basic Books, 1997).

5 *Go* originated in China more than 2,500 years ago. Its Chinese name is *Weiqi* 围棋, literally the encirclement board game. Japanese and Korean envoys brought this game home during the Chinese Tang Dynasty in the 7th century and turned it into their national game respectively. The Japanese call the game *igo* 囲碁 and the Koreans, *baduk*. The West learned about this game mostly from Japan and called the game *Go*, a truncated Japanese *Igo*. Today’s supercomputer can handle a chess grand master; but has no such potential against a *Go* player on the horizon. Benson Lam, “The Mystery of *Go*, the Ancient Game That Computers Still Can’t Win,” <http://Go-to-go.net/2014/05/14/the-mystery-of-go-the-ancient-game-that-computers-still-cant-win/>

6 This writing is about the geo-strategic significance of *Go*. The introduction of *Go* play therefore is limited to the minimum. For learning to play this game, I recommend a visit to the *American Go Association* website, <http://www.usgo.org>.

The Significance of *Go*

As a game of war, *Go* is part of Chinese strategic culture. It takes Chinese philosophical and military thinking as its foundation and puts Chinese strategic thinking and military operational art into play. In many ways, this game is an embodiment of Sun Tzu's *Art of War*. Sun Tzu's game of strategic skill—subjugating the enemy without fighting—is also the guiding principle of *Go*. Sun Tzu's prescriptions for getting to this point—first, by frustrating the enemy's strategy, then by derailing its allies, and finally by attacking the enemy's military—are applicable to *Go* as well. Likewise, many of Sun Tzu's observations in the *Art of War* can find their expressions and implementations in the game of *Go*. This game has immense impact on the way the Chinese think about and act in international conflicts, and makes the Chinese way of war different from those of other cultures.

However, the significance of *Go* in geopolitics and military affairs has not been well articulated.⁷ Scott Boorman was the first scholar to discuss the influence of this game on the Chinese way of war with his 1969 ground-breaking work, *The Protracted Game: A Wei-Ch'i Interpretation of Maoist Revolutionary Strategy*.⁸ Boorman, however, did not pursue this topic further in his career, and there was no other significant contribution for the remainder of the 20th century.

Nonetheless, the game caught the attention of Henry Kissinger, former National Security Advisor and Secretary of State.⁹ Kissinger subsequently promoted it in his article, "America's Assignment," in *Newsweek* and suggested US leaders learn the game and its cultural and strategic significance. Kissinger has also used *Go* in discussing US-China relations. For example, in his book, *On China* (2012), Kissinger used *Go* to illustrate China's "realpolitik" tradition, and spoke of his forty years of experience with the Chinese leaders in this light.¹⁰

Go and the Asia-Pacific

Key observations can be made by marking US-China interactions and conflicts in the Asia-Pacific on a *Go* board superimposed with an Asia-Pacific political map, as seen in Figure 1. Interactions are indicated with 32 moves already on the board. Several significant features come readily to mind.

7 There are many books and articles about *Go*, but most of them are about the game itself. Even the work of Ma Xiaochun (马晓春), one of China's top *Go* players, *The Thirty-Six Stratagems Applied to Go*, has no reference to war and politics. My emphasis in this writing, and my other works on *Go*, is about the geopolitical and geostrategic significances of *Go* and its relation to military and security affairs.

8 Scott Boorman, *The Protracted Game: A Wei-ch'i Interpretation of Maoist Revolutionary Strategy* (Oxford University Press, 1969).

9 A renewed effort to introduce this game and its impact on China's strategic thinking and military operational art came in 2004 with the publication of David Lai, *Learning from the Stones: A Go Approach to Mastering China's Strategic Concept, Shi* (Carlisle, PA: US Army War College, Strategic Studies Institute, 2004). This monograph applies *Go* to the discussion of Chinese strategic thinking and US-China relations. It caught the attention of Dr. Kissinger.

10 Henry Kissinger, "America's Assignment," *Newsweek*, November 8, 2004; Fareed Zakaria GPS for Sunday, January 23, 2011, "Kissinger on President Hu's Visit," with embeddable video; Henry Kissinger, *On China* (New York: Penguin Books, 2012). See also Keith Johnson, "What Kind of Game Is China Playing?" *Wall Street Journal*, June 11, 2011.

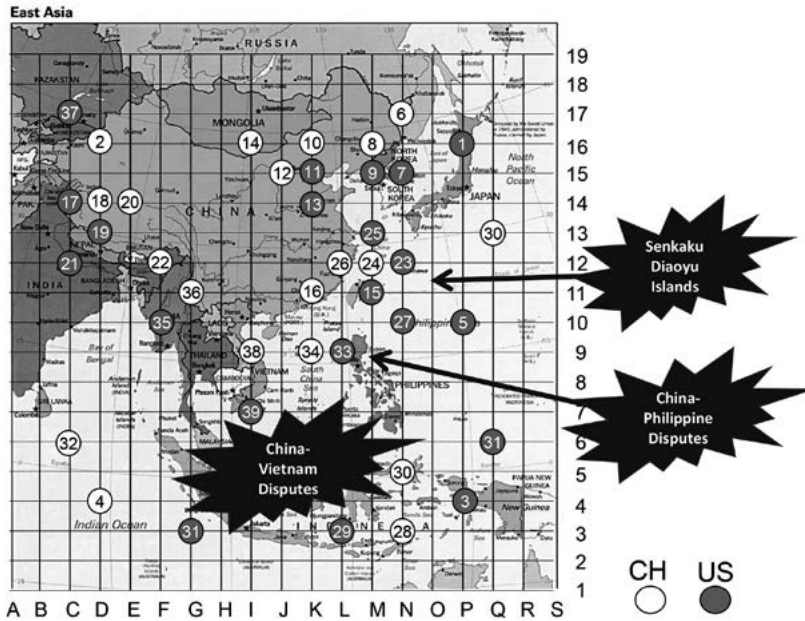


Figure 1. A Go-game Perspective on US-China Interactions

The Overarching Game: US-China Relations

The first observation is the overarching relationship between the United States and China. Putting these two powers in charge is not an arbitrary decision. The United States and China are the two biggest nations in the Asia-Pacific. Their interactions and influence are region-wide and increasingly global. Their relationship affects the future of Asia-Pacific affairs, and the policy calculation of all other nations in this region.

It is tempting to ask whether this game can be a multiplayer one, or whether another great power, say Japan, could replace the United States. The answer to both questions is “no.” First, one must see that in the Asia-Pacific, other big powers such as Japan, Russia, India, or the European Union, can only be intervening variables employed by either China or the United States; none of them has the capacity to direct the game. Second, and with special respect to Japan, it is important to note that Japan is subsumed under the US umbrella (Japan’s efforts to become a full-fledged major power notwithstanding). Japan’s acts can only be part of the US moves on the board. A Japan-China game would be very limited in scope. Japan can compete with China in the Asia-Pacific, but it is no match to China in global affairs.

Moreover, China’s challenge to the United States is systemic. No other nation has the capacity and ambition to influence the United States as China. None has so many entangled conflicts with the United States in the Asia-Pacific either. Furthermore, the US-China game can be easily expanded to cover other regions and eventually the globe.

Note that the game in Figure 1 is now at mid-game stage. The opening moves from 1 to 22 can be seen as initial interactions between the US and China at the early stage of China's rise. Black stones 7, 9, 11, and 13 are US moves on Beijing. White 8, 10, 12, and 14 are China's responses. Black 15 and White 16 are US-China conflict over Taiwan (the 1995-96 Taiwan Strait crisis, for instance).

Black's moves 17, 19, and 21 can be interpreted as the attempt of the George W. Bush administration to play India as a counterbalance against China. Condoleezza Rice's January 2000 article in *Foreign Affairs* clearly alerted Beijing, who quickly took measures to modify its relations with India.¹¹ Chinese Premier Zhu Rongji visited India in 2002. Among many other measures, China promised to increase trade with India from about \$3 billion at the time to \$100 billion in 10 to 15 years (by 2008 China-India trade reached \$50 billion; Chinese Premier Wen Jiabao reassured his Indian counterpart during his visit to New Delhi in 2012 that the \$100 billion goal could be reached by 2015).¹² The Chinese believe that by increasing the economic stake between China and India, the two nations will have less incentive to fight. The stones over China and India reflect those balancing acts. Through the moves of 18, 20 and 22, China has built up a defense, lessening the pressure of US penetration from its west.

Black's move 23 is a turning point. The moves that follow are set up to indicate the interactions since the United States launched the strategic rebalance. The stones around the Senkaku/Diaoyu Islands, at the Philippine isles, and the South China Sea are recent "battle exchanges." There are also "minor" engagements on the Australian front (as the United States stations 2,500 Marines in Darwin, Australia, China also approaches Australia with economic and diplomatic measures—White 28 and 30 indicate China's moves). Moreover, when President Barrack Obama made his historic visit to Myanmar in November 2012 (Black 35), China responded with its efforts toward Yangon accordingly (White 36).¹³

Battles around China

The second insight regards the battles around China. A special feature of *Go* is that there are always multiple battles in a game. Each battle has its own "life-and-death" situation. Adjacent battlegrounds usually share a common fate and affect each other. Some battle outcomes may be insignificant; others, decisive. They require different levels of attention and commitment. At times, the battlefields may appear to be unconnected; but they are all part of a campaign to pursue the war's aim. From this perspective, the hot spots around China, such as the North Korea issue, the China-Taiwan-US "tug of war," the Senkaku/Diaoyu Islands contest, the South China Sea territorial disputes, and many others are best-perceived as battle fronts.

11 Condoleezza Rice, "Promoting the National Interest," *Foreign Affairs* (January/February 2000).

12 Embassy of India to China, India-China Trade and Commercial Relations, and Zhao Gancheng (赵干城), "略论中印经贸关系若干问题" ["An Analysis of the Problems in China-India Trade Relations"] 南亚研究 [*South Asia Studies*, Iss. 2, 2012].

13 While the United States actively engages Myanmar, China has also been doing the same. Myanmar's leadership understands that holding a balanced relationship between the two big powers serves Myanmar's interest. This relationship is much better than the previous China-only; but Myanmar could not afford to turn it into a US-only one. A good example of Myanmar's balancing act is its president making official visits to both Washington and Beijing in sequence.

This perception is very significant. First, it reminds China and the United States they are the two players in charge. This is especially important for the United States, because the superpower has at times neglected its indispensable position and let the smaller nations take over the agenda. In so doing, the United States runs the risk of “letting the allied tail wag the American dog.”¹⁴ Second, the pieces, strategic design, and operational engagements (battles) involving the regional nations, are the moves by or related to Washington and Beijing.

Other Pacific Rim nations may find it unfair to define their positions as subordinate. Yet, if any of them were to make an ambitious move, it would likely need the backing of the United States. Looked at another way, the United States commitment to Taiwan has practically prevented a forceful takeover of the island by mainland China for well over 60 years; the US mutual defense treaty with Japan is a crucial factor in deterring China from using outright force on the dispute over the Senkaku/Diaoyu Islands; and the US position on the South China Sea, especially Secretary of State Hillary Clinton’s statement of US interests in July 2010, affects the course of actions among the disputants currently and in the years to come.¹⁵

A Game with Great Potential

The third observation is about the potential of the game. The game as shown in Figure 1 has just entered its mid-stage. Many of the moves surrounding the battlegrounds are “water-testing” acts. From the *Go*-game perspective, if a certain battle is a losing one, one should not put more stones around it; but if a battle is promising, one should reinforce the troops and commit more resources to win the battle. These are serious strategic as well as operational considerations.

In addition, one can see that much of the board is still open. Many future interactions can take place in the open areas. For instance, White’s move 30 can be seen as China’s attempt to gain a foothold in the US sphere of influence; it looks like a Chinese probe on the Second Island Chain. Likewise, Black’s move 31 can be seen as a US attempt to test China’s thin presence in the Indian Ocean; White’s move 32, therefore, is Beijing’s effort to reinforce its long-term posturing in this wide-open area.

Finally, this game can be expanded to cover the globe. Indeed, China’s interests today have already reached many, if not all, corners of the world; and US-China competition in other regions of the world are already underway.¹⁶ US-China interaction in other regions will intensify accordingly.

14 Ted Galen Carpenter, “Conflicting Agendas: The US and Its East Asian Allies,” *China-US Focus*, March 20, 2014.

15 Secretary Clinton made three main points in the statement: the US 1) has a national interest in the South China Sea, 2) supports a multilateral approach in the disputes, and 3) urges the disputants to deal with the disputes in accordance with international laws. “Remarks by the Secretary of State Hillary Rodham Clinton at the ASEAN Regional Forum, National Convention Center,” Hanoi, Vietnam, July 23, 2010.

16 David E. Brown, *Hidden Dragon, Crouching Lion: How China’s Advance in Africa is Underestimated and Africa’s Potential Underappreciated* (Carlisle, PA: US Army War College, Strategic Studies Institute, 2012) and R. Evan Ellis, *China on the Ground in Latin America: Challenges for the Chinese and Impacts on the Region* (New York: Palgrave Macmillan, 2014).

US-China Power Transition, Stage II

While *Go* puts the Asia-Pacific conflicts in context, an analysis of the fundamental changes in US-China relations can help us see *why* those interactions had taken place. The critical change is that a power transition between the United States and China has entered its second stage, where the two take on new measures toward each other and behave in ways typical to this stage, most pointedly, the US strategic rebalance toward the Asia-Pacific and China's assertive foreign policy activities.

Power Transition

Power transition is about the rise of a previously underdeveloped big nation (nations that are bigger than others in territory, population, and many other key measures), its revolutionary impact on the existing international system, and the inescapable conflict involved in the transition (it may not necessarily be war, but war has been the case throughout history). While a comprehensive introduction to the power transition theory and its application to the US-China case is beyond the scope of this writing, a cautionary note is in order.¹⁷ First, power transition is not just about a change of power balance between two great powers, but more importantly it is about a change of relations between an international system leader and a potential contender for future system leadership. As such, great power transition is about the future of the international order and system.

Second, not all rising nations get into a power transition relationship.¹⁸ Only a rising China presents a qualified challenge to the United States. China is one of the world's oldest civilizations with rich economic, political, cultural, and military traditions. As China becomes more powerful, the Chinese will naturally feel they have better things to offer the world and are entitled to modify the world in their ways. The late Harvard Professor Samuel P. Huntington puts this aspect about China best:

China's economic development had given much self-confidence and assertiveness to the Chinese, who also believed that wealth, like power, is proof of virtue, a demonstration of moral and cultural superiority; as it became more successful economically, China would not hesitate to emphasize the distinctiveness of its culture and to trumpet the superiority of its values and way of life compared to those of the West and other societies.¹⁹

With the above, and certainly more, it is understandable that since Beijing embarked on its modernization mission and showed signs of rising, there has been a debate about the Chinese threat (to the United States and the US-led international system), the possibility of a power

17 The seminal work on the power transition theory comes from Kenneth A.F. Organski, *World Politics* (New York: Alfred A. Knopf, 1958). David Lai, *The United States and China Power Transition* (Carlisle, PA: US Army War College, Strategic Studies Institute, 2011), puts the US-China power transition and its related conflicts in the Asia-Pacific in perspective.

18 See Lai, *United States and China in Power Transition*, for the reasons to rule out other great powers such as Japan, Russia, Germany, India, Brazil, and others, as potential contenders.

19 Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon & Schuster, 1996), 103.

transition between the United State and China, the applicability of the theory to China, and the proper US response to the rising China.²⁰

Stages of Power Transition

While acknowledging the importance of this debate, the evidence shows that the power transition between China and the United States is not only taking place, but has already moved into the second stage. Moreover, this stage will be a protracted one, stretching to 2050.²¹

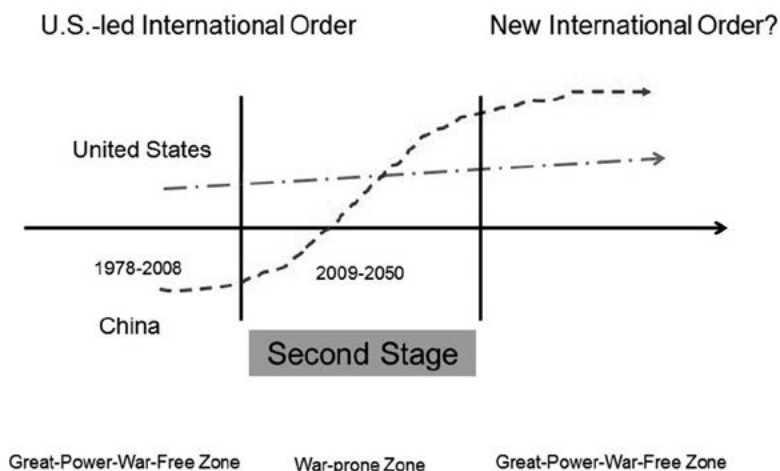


Figure 2. US-China Power Transition, Stage II

The stages of the US-China power transition are shown in Figure 2. The first stage is from 1978 to 2008, two significant milestones in China's rise.

Since the Middle Kingdom fell from grace in the mid-19th century, generations of concerned Chinese have tried to put the "humpty-dumpty" back together again; yet many of them failed. There have also been several false starts for China's modernization efforts along the way. However, the economic reform launched in 1978 was a game changer. China's developments in wealth and power in the ensuing 30 years are also indisputable.

In 2008, China hosted the Summer Olympic Games. Many may recall the extravagant opening and closing ceremonies in Beijing. To the Chinese, those celebrations were more about China's developments over the past 30 years and its arrival on the center stage of world affairs than about the sporting events.

20 The most alarming work on China threat comes from Richard Bernstein and Ross H. Munro, *The Coming Conflict with China* (New York: Alfred A. Knopf, 1997). For comprehensive discussion of the China threat, see Herbert Yee and Ian Storey, ed., *The China Threat: Perceptions, Myths, and Reality* (London: Routledge Curzon, 2002); Denny Roy, "The 'China Threat' Issue: Major Arguments," *Asian Survey* 36, No. 8 (1996); and Khalid R. Al-Rodhan, "A Critique of the China Threat Theory: A Systematic Analysis," *Asian Perspective* 31, Iss. 3 (2007). Over the years, there have been many critiques of the power transition theory. The best is no doubt Steve Chan, *China, the US, and the Power-Transition Theory: A Critique* (New York: Routledge, 2008).

21 China's "Peaceful Development" promise and the US call for China to become a "Responsible Stakeholder" are unprecedented acts in a power transition situation. See David Lai, *The United States and China in Power Transition* for an extensive discussion of the significance of this US-China "handshake" and "goodwill exchange."

The second stage of the US-China power transition takes 2008 as the point of departure. It is going to span the next three decades and more. Why will this stage be so long? Development takes time; so does power transition. Indeed, it took Germany more than 70 years to catch up with Great Britain, and Japan four decades to become a formidable power in East Asia. The transition of system leadership from Britain to the United States also took more than half a century. Given China's size and complexity, it will take China time to turn itself into a true great power. In fact, Chinese leaders are looking to the year 2050 to complete the second stage of China's modernization mission, as evidenced by Deng Xiaoping's "Three-step Plan." Xi Jinping's "China Dream" has a two-centennial target: the 100th anniversary of the Communist Party in 2021 and the centennial for the People's Republic in 2049. The CCP's Party Platforms have consistently articulated the vision of bringing about China's modernization mission by 2050. China's long-term development plans have also laid out well-specified steps toward this goal.²²

Given a rising China, what are we to expect in the US-China power transition in the coming years? This analysis has focused on the key pattern of interaction between the United States and China, an important issue at this stage of the US-China power transition.

According to power-transition theory, at this stage the system leader may feel more concerned with, and uneasy about, the changing power balance and may be tempted to launch a preemptive strike to derail the rising power.

At the same time, the upstart may become more confident and act more assertively and uncompromisingly. While in the first stage, when the rising power is much weaker than the system leader, it has to tolerate the latter on many issues. Now with added national power, the upstart is no longer willing to take the pressure without a fight. There is also a risk the rising power will challenge the leader to a premature showdown. History is full of stories of this kind. For these reasons, the second stage is also a "war-prone" period for great powers.

Game Changer: US Strategic Rebalance toward the Asia-Pacific

The United States had been concerned with China's rise since the George H. W. Bush administration in the early 1990s. However, burning issues elsewhere kept the United States busy in other parts of the world (Europe security, Middle East conflict, the wars in Iraq and Afghanistan, for instance) and unable to develop a coherent response to China's monumental challenge until the Obama administration took office in 2009.

The Obama administration's move is the US strategic rebalancing toward the Asia-Pacific. By many measures, this is an expected move by the system leader at the second stage of the power transition. Secretary of State Hillary Clinton characterized the US effort as an act moving along six key lines:

- Strengthening bilateral security alliances;
- Deepening working relationships with emerging great powers,

²² See the Chinese Communist Party's reports in the past several party congresses and China's Five-Year Plans.

including China;

- Engaging with regional multilateral institutions; expanding trade and investment;
- Forging a broad-based military presence; and
- Advancing democracy and human rights.²³

Through these moves, the Obama team aimed to regain US leadership in all areas, preserve peace and stability in the Western Pacific, and manage the rise and expansion of China.

The Right Thing to Do, But Not Done Right

There is no doubt that the strategic rebalance toward the Asia-Pacific is the right thing for the United States to do. However, doing the right thing is not the same as doing it right. Indeed, six years into its execution, the rebalance only shows poor grades on the scoreboard. Many of the moves are questionable at best, and counterproductive at worst. First, the rebalancing has suffered from confusion in designation. By many measures, the strategic rebalance is *mainly*, although not *only*, about China. However, the White House has steadfastly denied this designation. This denial stands against the fact that few other nations in Asia have the significance to receive such special attention resulting in a major policy shift. To use the words of Shakespeare, Washington “doth protest too much.”

Second, the rebalancing has at times lost the sense of who is in charge of the game in the Asia-Pacific. With fundamental disagreements on China’s core interests, the United States has understandably encountered many “tough fights” in China. Yet, instead of trying to bridge that gap, the Obama administration has elected to turn more attention to the network of regional allies.

Turning to the allies certainly provides the United States an easy excuse to sidestep the more difficult task of engaging the rising China. Allies and partners are happy to see increased US attention. Yet by so doing, the United States has turned over the control of events in the region to the hands of the regional allies and partners. The superpower is left to act as a firefighter, rushing to the calls from the allies and partners. It is a huge mistake for US foreign policy.

Third, the rebalancing was to incorporate the entirety of the country’s foreign policy instruments. Yet in rhetoric as well as practice, it appeared to be a military act only.

Fourth, the Obama administration’s work on the Trans-Pacific Partnership (TPP) has not made much headway. The Trans-Pacific Partnership would have greatly expanded beneficial trade relations between the United States and the Asian nations. However, the effort appeared to be doomed from the beginning: the “incidental” exclusion

²³ US Department of State, “Clinton on America’s Pacific Century: A Time of Partnership,” November 10, 2011.

of China and the failed inclusion of Japan have made this undertaking very difficult.²⁴

Finally, the strategic rebalancing has inadvertently pitted the United States against China in a premature showdown. Indeed, over a series of policy statements, the United States appeared to abandon its neutrality and challenge China directly on the East and South China Seas affairs. The most important one is by all means Secretary Clinton's declaration of US interests in the South China Sea in July 2010. Several US official follow-up moves, such as Secretary Clinton joining the Philippines to call part of the South China Sea the "West Philippine Sea," Assistant Secretary of State Daniel Russel challenging China to define its "9-dash line" over the South China Sea, and Secretary of State John Kerry calling China's claims "problematic" have only reinforced the perception of this policy shift.²⁵

Game Changer: An Assertive China

While the United States is busy with its strategic rebalancing, China is also making fundamental changes to its foreign policy. The most notable one is China's turn to "assertive diplomacy" (as the Chinese call it "强势外交"). Assertive Chinese President Xi Jinping has come just in time to usher China into its assertive age. As it stands, this change has unmistakably acted as well as an official calling and theoretical underpinning. It is a qualitative change in the conduct of China's foreign policy.²⁶

China's Assertive Acts

With respect to China's assertiveness, two aspects are of particular significance. First, China has become more open with the United States. The prime example is Xi Jinping's "ice-breaking gift" to President Obama at the two presidents' meeting June 2013, namely, the "New Model for Major Countries' Relations." Xi Jinping's proposal has only three simple points: 1) no confrontation, 2) mutual respect for each other's core interests, and 3) striving for win-win outcomes.²⁷ Yet it is the first time China took the initiative to set an agenda in US-China relations. For much of the past, China had been reacting to US initiatives, pressures, and condemnations, and never had the so-called "话语权" ("the power of agenda setting") in the two nations' relations. China is determined to break this US hegemony.

24 For a number of reasons, China has been excluded in the negotiations for the Trans-Pacific Partnership (TPP). Japan's national government wants to be part of the TPP. However, Japanese domestic opposition, especially that of the agriculture sector, holds Japan back. The main concern is the TPP will open up Japan's tightly-protected agriculture market for US farm products. It could be a brutal, if not fatal, blow to the Japanese agriculture economy. President Obama's last minute effort in April 2014 could not secure an agreement from Japan. Charles Riley, "Obama Fails to Secure Breakthrough in Japan Trade Talks," *CNN*, April 24, 2014.

25 Remarks by Secretary Hillary Clinton at the signing of the Partnership for Growth and joint press with Philippine Foreign Secretary Albert Del Rosario, Manila, Philippines, November 16, 2011; Daniel R. Russel, Statement at the Hearing of "America's Future in Asia: From Rebalancing to Managing Sovereignty Disputes" before the Subcommittee on Asia and the Pacific of the Committee on Foreign Relations, House of Representatives, 113 Congress, February 5, 2014; Chuck Hagel, Remarks at the Shangri-La Dialogue, Singapore, May 31, 2014.

26 Most analysts of China foreign and security affairs agree China has become more assertive. Harvard University Professor Alastair Iain Johnston is certainly a lone one in arguing otherwise. Iain Johnston, "How New and Assertive Is China's New Assertiveness?" *International Security* 37, Iss. 4 (2013).

27 See David Lai "Doubts on China's New Model for Great Power Relations." Strategic Studies Institute, Op-Ed, October 2013 for an analysis of the three points.

The second aspect of Beijing's assertiveness is its turn to a heavy-handed approach toward neighbors with territorial disputes, particularly Japan, the Philippines, and Vietnam. China's turn to assertive acts against its neighbors has two other driving forces behind it, in addition to being a typical behavior in the second stage of the power transition. The first is that the Chinese strongly believe the United States encourages the disputants to challenge China, and Washington's policy of rebalancing has somehow emboldened them to do so. Beijing, therefore, has decided to get tough with the disputant neighbors and in turn take countermeasures against the US strategic rebalance.²⁸

The other driving force is China's urge to pursue its maritime interests. The official decree for China to address its maritime interests came in the 18th Chinese Communist Party Platform in November 2012:

We should enhance our capacity for exploiting marine resources, develop the marine economy, protect the marine ecological environment, resolutely safeguard China's marine rights and interests, and build China into a maritime power.²⁹

President Xi put another spin on this agenda at the Chinese Communist Party Politburo Group Study dedicated to the discussion of China's maritime interests in July 2013. Also in this meeting, Xi stressed that while China would adhere to the path of peaceful development, it would not barter away its legitimate maritime rights and interests.³⁰

Official Calling and Conceptual Underpinning of China's Assertiveness

Beijing is well aware that China is in a new stage of its development and in need of adjustment in its foreign policy. The defining call for change timely came from Xi Jinping: China should "strive to do more" ("奋发有为").³¹ Chinese Foreign Minister Wang Yi indicates that Xi's call is a new guiding principle for China's foreign policy in the new era and yearns for the coming of "a great power diplomacy commensurate with China's growing power and with Chinese characteristics."³²

With expanding power and interest, Beijing also feels the need to bear more international responsibilities. China has long maintained a policy of non-interference in other nations' internal affairs and condemned the United States for its excessive conduct in this regard. Chinese analysts are proposing new concepts such as "selective, innovative, and constructive intervention" for the modification of this policy.³³

28 There are numerous Chinese observations in this vein.

29 Hu Jintao, *Report to the 18th Party Congress*, November 8, 2012.

30 Xinhua Net, "Xi Advocates Efforts to Boost China's Maritime Power." July 31, 2013.

31 Chinese President 习近平 (Xi Jinping), "让命运共同体意识在周边国家落地生根" ("Let the Sense of Community of Common Destiny Take Root in Neighboring Countries"). Speech at the Meeting on China's Foreign Policy Toward Its Surrounding Areas, *Xinhua Net*, Beijing, October 25, 2013.

32 Chinese Foreign Minister Wang Yi (王毅), "Searching for a Great Power Foreign Policy with Chinese Characteristics." *Decision (决策)*, Iss. 1 (2014); and "Embarking on the New Mission of China's Foreign Affairs," Keynote Speech at the symposium "New Starting Point, New Thinking, and New Practice—2013: China and the World," *World Affairs*, Iss. 1 (2014). Yang Jiechi (杨洁篪, former Chinese Foreign Minister), "The Trend of China's Diplomacy." *Beijing Review*, October 10, 2013.

33 Wang Yizhou (王逸舟), *Innovative Intervention—the New Direction for China's Diplomacy* (Beijing: Beijing University Press, 2011); Wang Yizhou, *Innovative Intervention—the Birth of China's Global Role* (Beijing: Beijing University Press, 2013); Yang Jiemian (杨洁勉), "The Key Areas of Innovation in China's Foreign Policy Thinking," *Southeast and South Asia Studies*, Iss. 3 (2013).

To Go or Not to Go?

It is more likely a *Go* for several reasons. First, China plays *Go* by default; and it has the capacity to lead Asia-Pacific affairs in the *Go* way anyway. Second, the United States has been playing *Go* by accident; it might as well play this game for real. Third, *Go* offers a win-win mindset; it is a good alternative for the US-China relations and the Asia-Pacific affairs.

For China

Chinese President Xi and Premier Li Keqiang are formidable *Go* players. Many Chinese analysts have used the *Go* analogy to characterize Xi's foreign policy conduct. Xi's China Dream rally, his frequent visits to the Chinese military, the diplomacy with Russia and other emerging great powers, the California Sunnylands meetings with President Obama, and many other initiatives, are put as *Go*-like stage-setting moves—"Xi has set a sound strategic stage for him to pursue China's mission in the next ten years."³⁴

However, Xi appeared to have made some mistakes in the early stage of the mid-game battle engagements. By taking on Japan, the Philippines, and Vietnam simultaneously, Xi is engaging in a multi-battle situation that goes against China's strategic tradition of divide-and-rule, a key idea in *Go* and Sun Tzu's *Art of War*. In addition, China's assertive moves have pushed Japan, the Philippines, and Vietnam to form a united front against China and "into the US arms," a situation China does not want to see.³⁵

A closely-related issue is that China has evidently misread the intent of the rebalance and wrongly blamed the United States for instigating China's disputant neighbors to intensify the fight over the disputed territories in the East and South China Seas.³⁶ This misperception is to a good extent responsible for getting China to become overly assertive toward the United States. It has increased the "trust deficit" between China and the United States.

On a different note, China may want to reexamine its turn to assertiveness. A noted observer of the US-China power transition put forward a different view on the typical behavior in the second stage of power transition. Instead of becoming assertive, this study argues, the

34 马小军 (Ma Xiaojun), "中国外交战略新布局" ("The New Opening Design of China's Diplomacy"), *学习时报* (*Study Times*), December 30, 2013; 阮宗泽 (Ruan Zongze), "赢得下一个十年: 中国塑造多支点外交" ("Winning the Next Ten Years: China Shapes Multi-Pillar Diplomacy"), *国际问题研究* (*International Issue Studies*), July 23, 2013; and 长江网 (Changjiang Net), "中国外交新布局: 底气, 骨气, 大气" ("The New Design in China's Diplomacy: Foundations, Assertions, and Orientations"), April 4, 2014.

35 Lindsay Murdoch, "China's Maritime Push Rattles a Region," *Sydney Morning Herald*, May 16, 2014; Victoria Macchi, "Asian Neighbors Push Back on China's Claims," *VOA*, July 2, 2014; and Howard W. French, "China's Dangerous Game," *The Atlantic*, October 13, 2014.

36 Most, if not all, Chinese analyses of the US strategic rebalance have held one-sidedly negative stands against the undertaking. Chinese officials have also openly blamed it for sending a wrong message to US allies and emboldening some of them to challenge China on territorial issues. The United States, however, has repeatedly informed Beijing that it welcomes the rise of a prosperous China and hopes it will become a responsible stakeholder of the international system. Instigating fights around China is not in the US policy guidebook, because the United States understands those fights can result in unwanted wars. See John R. Deni, *The Future of American Landpower: Does Forward Presence Still Matter? The Case of the Army in the Pacific* (Carlisle, PA: US Army War College, Strategic Studies Institute, 2014) for a good discussion of the well-intended US strategic rebalance toward the Asia-Pacific.

rising power should continue to pursue a policy of prudence, focusing on its own development, keeping a low profile, and avoiding premature assertiveness and showdown with the system leader: if the rising power will eventually overtake the extant system leader, why should it ruin the opportunity by initiating a premature fight?³⁷ China, unfortunately, does not have the “luxury” to follow this advice. It has many unsettled territorial disputes and time is clearly not on China’s side, for Japan, Vietnam, and the other disputants have effective control over the disputed territories for close to four decades; the longer China waits, the less likely the Chinese feel they will be able to “recover them.”³⁸ That said, it is important for China to see how realistic its territorial claims are and to take a hard look at its strategy.

For the United States

China has long held that since it has shown signs of rising, the United States has sought to contain China. Many of the US moves around China, especially the strategic rebalance, have been perceived by the Chinese as attempts to encircle China (by the way, encirclement is a signature feature of *Go*). Since that is the case, the United States might as well play *Go* for real and make some well-intended *Go* moves on China. Moreover, US national leaders have arguably learned much from Sun Tzu’s *Art of War* and should be able to apply Sun Tzu’s tactics to deal with his Chinese descendants.

The US strategic rebalance is likely to continue regardless which party is in charge in Washington. To do it right in what may be called the “US Strategic Rebalance 2.0,” the United States should set the strategic rebalance priority straight—engaging the emerging great powers, especially China (not “including China”), should be at the top of the agenda.³⁹

In addition, the United States should follow the *Go* strategy to put stones inside China as new efforts to engage China. These future moves will take Black’s moves 11 and 13 in Figure 1 as stepping stones. In *Go* terms, those future (United States) moves will reduce the size of White’s (China’s) posturing. In geostrategic terms, those moves will be enhanced by US efforts to shape China’s rise. At this time, China is still open to US engagement and persuasion. Washington should seize the opportunity to engage Beijing before that window of opportunity slips away.

A Win-Win Solution

Whether China and the United States play chess or *Go* in the Asia-Pacific is not a trivial matter. Chess is a force-on-force game that relies heavily on maneuver of pieces with different values and capabilities. Moreover, chess is a zero-sum game in that there is usually only one winner (as shown in Figure 3), though it sometimes ends in a draw. The

37 Steve Chan, *China, the US, and the Power-Transition Theory* (New York: Routledge, 2008). This is perhaps the best critique and analysis of the power transition theory since the theory was put forward by Organski in 1958.

38 China has always held that the disputed territories are “stolen properties” from China by the colonial powers and Japan and China has the right to recover them. Whether China can do so or not is a different issue; Chinese always use the term of “收复” (“recover”) to characterize their position on the disputed territories.

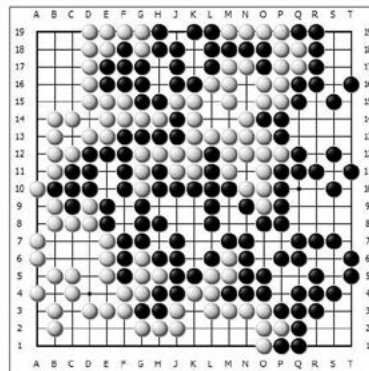
39 Michael J. Green and Nicholas Szechenyi, eds., *Pivot 2.0* (Washington, DC: Center for Strategic and International Studies, January 2015).

implication of this aspect is very problematic in the context of US-China relations. If guided by the mindset of chess, China and the United States would seek a clear victory over the other. The price would be unattainable and unbearable.

Go, however, is a non-zero-sum game. The game ends when both players agree that there is no more profitable or destructive moves possible, or sensible, and with passes by both players. In a game between two compatible players, both gain sizeable territories and the winner usually has only a small advantage at the end. The finished *Go* game shown in Figure 3, for instance, is a typical one: Black has won by only 3 stones.



Zero-sum?
Last one standing



Source: David Lai, *Learning from the Stones* (2004)

Win-win?
Black won by 3 stones

Figure 3. Chess and *Go* End Games

During the *Go* game, the two sides do destroy each other's forces. However, most of the destruction is limited to the battlegrounds; the overall game moves on. One-sided wins and catastrophic losses do happen, but most of these outcomes occur with mismatched players. Between two well-matched players, close games are the rule.

The implication of this aspect is very significant. If the United States and China were to play *Go*, the two nations should bear in mind they need not eliminate each other. China should guard against the temptation to uproot the United States and create a new world order altogether.⁴⁰ For its part, the United States should pay more attention to engagement with China.

The United States and China are the two most powerful and influential nations in the Asia-Pacific Region, and their relationship is a defining factor in the area's affairs. If they can share a vision for the betterment of the region (and the world eventually), all nations will benefit. If, however, the two get into a zero-sum game, all in this region will have to pick sides and suffer.

⁴⁰ There are already Chinese attempts to the shaping of a different world order. David Lai, "Reluctant Accommodations" in *The United States and China in Power Transition*, 86-96.

