

Thoughts from the Chairman

FREEMAN REPORT | ISSUE 1 | AUGUST 2012

About the New Freeman Chair



CHRISTOPHER JOHNSON
*Freeman Chair
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Christopher K. Johnson joined CSIS in April 2012 as a senior adviser and holder of the Freeman Chair in China Studies. An accomplished Asian affairs specialist, Mr. Johnson spent nearly two decades serving in the U.S. government's intelligence and foreign affairs communities and has extensive experience analyzing and working in Asia on a diverse set of country-specific and transnational issues. Mr. Johnson worked as a senior China analyst at the Central Intelligence Agency where he served as an intelligence liaison to two secretaries of state and their deputies on worldwide security issues and in 2011 was awarded the U.S. Department of State's Superior Honor Award for outstanding support to the secretary and her senior staff.

Upcoming CSIS Events

- *Roundtable on Inequality in China with Guanghai Wan, principal economist with the Asian Development Bank.* CSIS B1, Conference Room C. Thursday, August 30th, 10:00 a.m.–11:30 a.m.
- *China's 18th Party Congress Panel Discussion.* CSIS B1, Conference Room A/B. Wednesday, September 26th, Save the date.

DECODING CHINA'S HARDER LINE ON THE
SOUTH CHINA SEA

CHRISTOPHER JOHNSON

China this summer has put the world on notice that it means business on defending its sovereignty in the South China Sea. It followed up a tense and lengthy standoff with the Philippines over Huangyan Island (Scarborough Shoal) by using the bluntest of instruments—its leverage over Cambodia—to signal displeasure with its Southeast Asian neighbors during last month's ASEAN Regional Forum (ARF). In the wake of those episodes, the region and the United States watched and waited to see whether China would, as it has before, press the reset button on its approach to the South China Sea and adopt a more conciliatory stance. Instead, Beijing has seemingly doubled down with the establishment of Sansha municipality and its accompanying military garrison, a propaganda offensive in state media warning against "foreign interference" in the South China Sea, and fresh utterances referring to the sea as being among China's "core interests." These actions have prompted official criticism from Washington, raising the temperature in the dispute still further.

So what is going on, and how should we interpret Beijing's latest steps? Recent press articles, citing knowledgeable Chinese insiders, have speculated that the moves represent a formal consensus among the top leadership to adopt a tougher approach. Beijing's actions at the ARF meeting certainly seemed to convey a decision by the Politburo to respond more forcefully to what, through its eyes, had been two years of antics by Vietnam and the Philippines, egged on by at least tacit support from the United States. Major muscle movements like the establishment of Sansha municipality and the announcement by Chinese state oil giant CNOOC that it was tendering blocs for exploration that clearly lie within Vietnam's Exclusive Economic Zone (EEZ) also presumably could not have occurred without

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DECODING CHINA'S HARDER LINE ON THE SOUTH CHINA SEA *(continued)*

leadership sanction. Indeed, much has been made of the seemingly improved coordination among the so-called nine dragons, the various ministerial and other organizations within the Chinese system that have a stake in how Beijing manages its approach to the South China Sea. The reported establishment of a coordinating mechanism under foreign policy chief and State Councilor Dai Bingguo to ensure that these actors are in line with central guidelines only reinforces an impression of leadership purpose and direction.

But does this necessarily mean the leadership has decided to fundamentally discard more than a decade of “smile diplomacy” toward Southeast Asia in favor of a much harder face? The answer is probably not—at least not yet. There have been no cues, for example, that the Politburo has somehow reevaluated its core assessment that China’s external security environment remains sufficiently benign that it can take advantage of a “period of strategic opportunity” to focus on its internal development. Rather, it is more likely that the latest outcomes represent the absence of serious engagement from a distracted leadership to counteract a natural tendency to drift toward a hard line on sovereignty issues as a result of several longer-term developments. To underscore one such phenomenon, the Chinese Communist Party’s (CCP) increasing reliance on nationalism to legitimize its rule leaves the regime facing mounting pressure from a public that has been conditioned to view any perceived challenges to Chinese sovereignty as an effort to stifle China’s resurgence following its long period of humiliation. Even some of the toughest voices in the Chinese military privately worry that the leadership would have little maneuvering room in the event of an unexpected confrontation with a rival claimant in the disputed waters.

This trend has been exacerbated in the wake of the global financial crisis by the persistence of China’s “assertiveness debate,” or the dispute over how aggressively Beijing should project its resurgent power

FEATURED MULTIMEDIA



Watch Bonnie S. Glaser, senior fellow, Freeman Chair in China Studies, and senior associate, Pacific Forum, CSIS, discuss a second term for President Ma Ying-jeou of Taiwan.



Watch Christopher K. Johnson, senior adviser and chairholder, Freeman Chair in China Studies, CSIS, discuss Bo Xilai.

“There have been many presidents who came into office toting a pretty hard line toward the Chinese. And then, once arriving in office and kind of trying on the enveloping nature of the bilateral relationship, they realize that it was perhaps a more complicated situation.”

—Christopher Johnson
on NPR last month

DECODING CHINA'S HARDER LINE ON THE SOUTH CHINA SEA *(continued)*

and influence on the global stage amid growing Chinese perceptions of permanent U.S. decline. Granted, the top leadership did address the issue fairly directly and repeatedly with authoritative speeches and writings while the debate raged most intensely in 2009–2010. But, since then, too many observers have mistaken the quieting of the discussion for its fundamental resolution. This is especially true given that the regime is artificially suppressing the debate as part of its campaign to maintain stability and avoid controversy through the leadership transition this fall. Add to this the growing power imbalance between the voices of the military and those in the Foreign Ministry in shaping China's foreign and security policies, and it is easy to see how the regime's default setting is increasingly pegged toward the robust defense of China's "core interests."

So, what might we expect to see if the leadership was more substantially engaged? Again, given the absence of any evidence suggesting the Politburo has fundamentally altered its regional outlook, reviewing China's response the last time the South China Sea became a flashpoint, in 2009–2010, helps provide some clues. Then, the leadership stepped in to remind the country's hawks that defending sovereignty was important but ultimately subordinate to focusing on economic development. With politics in command on the eve of the succession, however, it may be unrealistic to hope that anyone will risk looking soft on a sovereignty issue by calling for restraint.

Instead, we probably will have to wait until after the transition to see how the leadership will respond to the challenge. This means that, in the interim, all parties will be best served by avoiding unnecessary provocations or statements that inflame the situation. But, for the United States, the instinct to be patient and to exercise restraint cannot outweigh the need for robust responses if China—or any other party to the dispute—tries to create new facts on the ground or to move the goalposts in a direction at odds with promoting long-term stability in the region. Washington also can avoid provoking such forays by refraining from activities that fuel the narrative of containment in Beijing.

Looking ahead, the leadership turnover provides an opportunity for the new lineup to demonstrate its seriousness about managing the South China Sea. One unambiguous signal would be to use the reshuffle to elevate both the party and the state ranks of the country's top foreign policy official, currently Dai Bingguo. Right now, and despite his proximity to President Hu Jintao, there simply are hard limits on what Dai can direct certain elements in the system—especially the high command—to do. Moreover, half-measures like the coordinating mechanism he reportedly oversees are ultimately limited to managing ad hoc, tactical responses to flare-ups as they arise instead of crafting policies that can help prevent them in the first place.

Along similar lines, the new Politburo must take the lead in shaping the debate on how to align China's "nine-dash line" territorial claim with the provisions of the United Nations Convention on the Law of the Sea treaty. Elements in the Foreign Ministry are said to be exploring options already, but the sensitivity of the issue will require intervention from the very top to move forward. Standing up a new central leading group on the South China Sea, modeled on those already in existence for foreign affairs and Taiwan, could provide a vehicle for tackling this challenge. Taking such steps obviously will require creativity and courage from the new leadership team, but doing nothing, which leaves room for potentially destabilizing misperceptions about leadership intentions on the South China Sea, definitely poses the greater risk. ■

RECENT PUBLICATIONS BY CHRISTOPHER JOHNSON, SENIOR ADVISER AND FREEMAN CHAIR IN CHINA STUDIES

- “Beijing’s Cracked Consensus,” *Foreign Affairs*, April 18, 2012.
- “Dissident’s Flight Could Strain U.S.-China Ties,” CNN, April 28, 2012.
- “China’s Leaders Head to the Beach,” *Foreign Affairs*, July 30, 2012.

RECENT PUBLICATIONS BY BONNIE GLASER, CSIS SENIOR FELLOW, FREEMAN CHAIR IN CHINA STUDIES

- “Armed Clash in the South China Sea,” *Council on Foreign Relations*, Contingency Planning Memorandum No. 14, April 2012.
- “Pivot to Asia: Prepare for Unintended Consequences,” *2012 Global Forecast*, April 13, 2012.
- “Unintended Consequences? U.S. Pivot to Asia Could Raise Tensions in Region,” *Defense News*, April 26, 2012.
- “US-China Relations: Xi Visit Steadies Ties; Dissident Creates Tension,” *Comparative Connections*, vol.14 no.1, May 2012.
- “China’s Coercive Economic Diplomacy—A New and Worrying Trend,” *cogitASIA*, July 27 2012.

OTHER RECENT CSIS PUBLICATIONS

- “U.S. Force Posture Strategy in the Asia Pacific Region,” CSIS, June 27, 2012.
Project led by David J. Berteau senior vice president and director, International Security Program, CSIS and Michael J. Green senior adviser and Japan Chair, CSIS. Contributing author, Christopher K. Johnson, senior adviser and Freeman Chair in China Studies, CSIS.

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