

## ICAS Bulletin

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### A Bimonthly Survey of Research and Analysis on China-US Relations

*Twice a month, the ICAS Bulletin updates a global audience on American perspectives regarding the world's most important bilateral relationship. Research papers, journal articles, and other prominent work published in the US are listed here alongside information about events at US-based institutions. To receive the ICAS bulletin via email, please notify us at [icas@chinaus-icas.org](mailto:icas@chinaus-icas.org).*

#### **Publications**

##### **Asia-Pacific Maritime Security Strategy**

United States Department of Defense, August 2015

In accordance with the requirements of the US National Defense Authorization Act for 2015, the Defense Department has articulated a maritime strategy for the Asia-Pacific region (issues discussed in the document spill over into the Indian Ocean as well). It puts forth three key objectives of DoD activities in the area: safeguarding freedom of the seas, deterring conflict and coercion, and promoting adherence to the rule of law. The strategy describes the strategic context of the region as being marked by competing territorial claims, military modernization and a proliferation of naval vessels, and new types of maritime challenges (such as use of non-military assets for coercive purposes and land reclamation). The document reveals for the first time the US government's new assessment of the scale of Chinese reclamation in the Spratly Islands: 2900 reclaimed acres as opposed to the previous estimate of 2000.

While the Defense Department clearly has China in mind with regard to many of these issues, the authors of the document have also made an effort to appear even-handed in discussing territorial claims and state practice regarding freedom of the seas (something some American commentators have criticized). The document discusses maritime claims other than China's and finds fault with restrictions placed by both Vietnam and Malaysia on foreign military activities in their exclusive economic zones.

The document articulates a three-pronged strategy for dealing with these maritime challenges and meeting the three stated objectives. DoD is focused on enhancing military capacity, building ally and partner capacity, and reducing risk through military-

military engagement and developing codes of conduct (such as CUES).

The strategy includes a substantial section dealing explicitly with China. It notes US objections to fishing restrictions, energy exploration in disputed waters, land reclamation, and the East China Sea ADIZ. At the same time, the strategy describes US/China military-military cooperation as having experienced some “positive momentum” since 2012. This includes work towards the Military Maritime Consultative Agreement, Rules of Behavior for Safety of Air and Maritime Encounters and the Notification of Major Military Activities initiative. Moreover, according to the document, China is expected to participate in RIMPAC 2016 at a “level similar to its 2014 participation.”

### ***Responses to the Asia-Pacific Maritime Security Strategy in the American Press***

- [Andrew Erickson for the \*Wall Street Journal\*](#)
- [CSIS Asia Maritime Transparency Initiative Roundtable](#)

### **Xi Jinping and the National Security Commission: Policy Coordination and Political Power**

David Lampton

*Journal of Contemporary China*, 24:95

Lampton discusses the implications of China’s newly formed National Security Commission, both from the perspective of internal Chinese politics and engagement by foreign governments. He emphasizes the degree to which the Commission is a “work in progress,” and notes that while it has a mandate to cover both internal and external security issues, it has mostly concerned itself with maintaining internal stability and control. While the Commission appears to be meant to streamline and centralize security decision-making, for the time-being it has yielded a situation in which it is sometimes unclear to foreign observers or Chinese bureaucrats where the true lines of authority lie, and foreign diplomats may not know which deputy-level officials to engage with on a given issue.

Lampton concludes by sketching out a few implications regarding China’s relations with foreign nations. Because “outsiders may find challenges in locating a decisive foreign policy voice below Xi Jinping for a considerable period,” direct personal engagement with Xi is especially important. Moreover, Xi Jinping has a greater degree of “at least nominal” control over internal/external security and military and foreign policy than his predecessors. On the other hand, because Xi has such expanded involvement with key policy groups, it raises questions about how effectively he can manage them all, especially in the apparent absence of a deputy figure in the mold of Zhou Enlai. Ultimately Lampton believes that “domestic stability maintenance” is the key concern of Xi Jinping, and while China is “strategically ambitious” it will also seek to lower regional tensions and find constructive ways to work with the US—although

these objectives are undermined the regime's attentiveness to nationalistic passions about sovereignty issues.

### **Fools Rush Out? The Flawed Logic of Offshore Balancing**

Hal Brands

*The Washington Quarterly*, Summer 2015

Brands takes aim at the strategy of “offshore balancing,” something that he regards to be the “grand strategy of choice” for prominent American realists like Stephen Walt, Christopher Layne and Barry Posen. These analysts advocate that the US withdraw some of its extensive security commitments and forward deployments around the world while still maintaining the ability to step in and respond to major threats to regional balances of power. Brands argues that such a strategic reorientation would be bad for American interests and destabilizing for the rest of the world. For one, he contends that offshore balancing wouldn't be as easy or cheap as its proponents claim, especially as it requires maintaining the ability to eventually intervene from afar if needed. Moreover, withdrawing security commitments to other nations would mean that the US would forgo opportunities to influence its allies and prevent them from competing with one another. Finally, “the greatest risk that a strategy of offshore balancing would run...is that a key region might not be able to maintain its own balance following US retrenchment.” Brands highlights East Asia as the most likely region for this scenario to develop, one in which a potentially “hostile” China could dominate the region without meeting any effective resistance from its neighbors. While he doesn't specify what would constitute “hostility” in this context, he asserts that such an outcome would be undesirable for proponents of the status quo and proponents of offshore balancing alike.

### **Obama and Asia: Confronting the China Challenge**

Thomas Christensen

*Foreign Affairs*, September/October 2015

In this article, Thomas Christensen assesses how the US-China relationship has deteriorated over the course of the Obama administration. Much of the blame, he contends, should be placed on China, which he says “emerged from the global financial crisis cocky on the international stage but insecure at home.” This, to Christensen is a “toxic” combination that makes China difficult to deal with as an international partner. That being said, Christensen discusses mistakes that the Obama administration has made, especially at the level of rhetoric and public diplomacy: the language of the “pivot to Asia,” backtracking on the 2009 joint statement on “core interests” (which Christensen thinks was a mistake from the outset), and pressing Chinese cooperation to its limit in dealing with the 2011 Libya crisis. Christensen concludes with the central point from his book *The China Challenge*—China is a great power with national pride, but also a developing country with complex vulnerabilities, and US policymakers must keep this in mind when assessing China's willingness to cooperate.

**How Should The US Conduct the Xi Jinping State Visit?**

*ChinaFile* Conversation with Evan Feigenbaum, Arthur Waldron, Orville Schell, Peter Dutton, Robert Kapp and Perry Link, August 18, 2015

ChinaFile has collected opinions from a number of China experts on how Barack Obama ought to handle the September visit of Xi Jinping. Respondents not only deal with particular policy issues, but discuss whether or not the visit should happen at all—Arthur Waldron argues that the visit should be cancelled altogether and Perry Link suggests it should be downgraded in some way. Evan Feigenbaum emphasizes the importance of strengthening economic ties—even in small ways—in the face of competition in other domains. Peter Dutton recommends focusing on finding converging interests through partnering in opening Central Asia up to the global economy.

**China's Market Slide Turns an Economic Crisis into a Political One**

David Francis,  
*Foreign Policy*, August 24, 2015

Francis talks with a number of American observers who believe the recent problems in China's stock market will pose significant problems for the Xi-Obama summit in September. Some analysts expect China's interventions in its markets over the last month will only add to a long list of problematic issues that threaten to make the meeting a rocky one.

**China Bashing: American Campaign Ritual or Harbinger of Tougher Policy?**

Bonnie Glaser  
*The Lowy Interpreter*, August 25, 2015

Glaser discusses the latest manifestations of "China-bashing" in the US presidential primary campaigns. While American politicians often talk tough about China in elections, Glaser wonders whether the rhetoric this primary season will reinforce other trends—negative American opinions about China following the OPM data breach and an already hawkish Congress—and make for a more confrontational relationship.

**Beijing's Push to Make the Renminbi a Global Currency is Misguided**

Yukon Huang  
*Financial Times*, (reposted via the Carnegie Endowment), August 26, 2015

The author discusses the logic of China's push for IMF Special Drawing Rights and claims that internationalizing the Renminbi will cause many complications in China's economy. Why then does Beijing want the Renminbi to be a global reserve currency? The author evaluates several explanations and concludes by arguing that at a regional level it makes good economic sense for China's major Asian trading partners to use the Renminbi as a "reference currency."

**Will China's Economic Collapse Save the South China Sea?**

Minxin Pei

*The National Interest*, August 27, 2015

Pei argues that Chinese foreign policy in recent years has been marked by hubris and “enormous risks” rather than the “cautious pragmatism” of past decades. The source of this change in approach according to Pei has been China’s sense of economic “invincibility.” To Pei, this month’s series of economic challenges constitute a warning that China is economically—and in turn strategically—overextended. A China on a more modest economic footing according to Pei will have less ability to engage the developing world via financial institutions and less leverage in confronting other states regarding such issues as the South China Sea.