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From Great Power to Hegemon: China's Strategic Planning in the New Century

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Abstract

Over the past four decades, the tumultuous change in China has absorbed the attention of the international community. Yet besides the language barrier and China's claim towards the natural right of doing things its own way, rhetoric from the leadership in Beijing constantly befuddles outsiders. From the perspective of foreign policy, this article seeks to make clear the connections between the rhetoric and strategies in play and argue that China's actions correspond with a shift from great power status to the search for hegemony. In the process, one can observe China taking more initiatives in the realm of foreign policy. Nonetheless, China continues to lack sufficient ability to contend for hegemony while geopolitics serve as a continuing challenge in the new century.

Keywords

International Relation, China, Foreign Policy

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Tracing China's Proactive Foreign Strategy

Following the deterioration of the Eurocentric international system into a state of negative competition in the end of the nineteenth century, and the outbreak of structural conflicts such as the great wars and the Cold War, not only was the development of globalization stifled, pressure generated from changes in the international system decreased in the case of China. As China remained in the valley of the international political structure on the outset of the Second Great War – with its comprehensive power destroyed by the second Sino-Japanese War (1937-1945) and the Chinese civil war (1945-1949) – even though the Chinese Communist Party (CCP) basically completed national unification inthe early 1950s, China was forced to adopt status quo policy as its strategic guideline in foreign policy before its adoption of "independent and autonomous diplomacy" in the 1980s. The surrounding environment underwent major changes in the 1980s. In domestic politics, while the highest legitimate political authority failed to realize the goal of institutionalization (in theory, laws exist, but in reality, laws were for reference only), under the charisma and prestige of Deng Xiaoping, China had at least 35 years (1978-2012) of stable development without vigorous political conflict, which provided the key foundation for social and economic reinvigoration. In the advantageous context described, from 1978 to 1991, China first adopted open reforms through the strong state approach, and in 1992, Deng confirmed the establishment of a socialist market economy through his southern talks and the Fourteenth CCP National Congress, commencing the "second open reforms" that boasted resemblance with the Great Leap Forward in spirit.[1] As Jim Rohwer pointed out, "Europe spent fifteen hundred years to replace China and become the most advanced civilization and currently, the most important question for the world is how the international community should confront a confident and nuclearized China that also has the largest economy in the world." [2] Leaving aside political prospects, China's economic prowess is hardly questionable [3]

Meanwhile, the existence of hegemony or superpower is not a guarantee for global security.[4] The process of hegemonic decline would continue to generate unstable factors for

[1] Wang Gungwu, "China's New Paths for National Re-emergence," in Wang Gungwu and John Wong, eds., China's Political Economy (Singapore: Singapore University Press, 1998), 95-148.

[2] Jim Rohwer, "When China Wakes," *The Economist*, 28 November 1992, 3-18.

[3] William Overholt, China: The Next Economic Superpower (London: Weidenfeld & Nicolson, 1993); Willem van Kemenade, China, Hong Kong, Taiwan, Inc.: the Dynamics of a New Empire (New York: Knopf, 1997); Geoffrey Murray, China: the Next Superpower (New York: St. Martin's Press, 1998).

[4] Charles P. Kindleberger, "Dominance and Leadership in the International Economy," *International Studies Quarterly*, 25 (1981), 242-259; Robert O. Keohane, "The Theory of Hegemonic Stability and

the international system. For example, since the termination of the Soviet Union in 1991, the end of the bipolar system was replaced instead with an uncertain future. In terms of short-term development, the current system boasts unipolarity with multiple distributions of power, or an order with one superpower and multiple great powers. As Jiang Zemin assessed at the Fifteenth National Congress in 1997, "the trend of multipolarization demonstrates new developments both on the global and regional level and in politics and economics; new fragmentations and combinations abound among different global forces that produce immense challenges for great power relations." Transformation of the Cold War system not only influenced the relative status of great powers, for middle powers (including China in the 1990s), the end of the Cold War brought about challenges and opportunities to break away from the status quo.

In 1984, Deng Xiaoping noted that Chinese foreign policy was "independent, autonomous and non-aligned." It is worth noting, however, that in contrast with expectations for the outbreak of another world war in the Mao Zedong period, in 1985, Deng further noted the possibility for the absence of world wars in a relatively long span, and "the power of world peace overtaking the power of war." Deng's statements suggested the foremost consideration for realist and rational state interest in Chinese foreign policy making, they also reflected a clear inclination towards status quo policy. To a large extent, only by opening to the world and strengthening the country through deep economic reforms could China achieve the objective of independence and autonomy. Compared with Mao's emphasis on achieving "non-alignment despite alignment (with the Third World)" through adversarial policies, non-alignment under Deng leaned towards a policy that sought to maintain a balance between the United States and Soviet Union. In 1978, while normalizing relations with Washington, Beijing also sought to improve relations with Moscow.

Economic reform led to China's increase in comprehensive power. Despite the 1989 Tiananmen Square incident that prolonged China's status quo strategy, as the George H. Bush administration set its approach towards China as engagement and not confrontation, and the Bill Clinton administration's replacement of containment with the reinvigoration of the US economy and the expansion of democracy and economic liberalism,[5] a number of developments enabled China to move out of international isolation. From a larger perspective, as the external environment improved, China no longer held on to its long-term status as a victim and began to emphasize the active participation of China in the establishment of a new multipolar order. Such transformation in foreign policy thinking

Changes in International Economic Regime, 1967-1977," in Ole Holsti, Randolph Siverson and Alexander George, eds., *Change in the International System* (Boulder: Westview Press, 1980), 131-162.

[5] Bradley Patterson, Jr. *The White House Staff: Inside the West Wing and Beyond* (Washington D.C.: Brookings Institution Press, 2000), 52-57.

was reflected in the report released after the Fifteenth and Seventeenth National Congress – the most patent difference being the strengthening of the importance of great power diplomacy and new security concept and the weakening of the traditional appeal to anti-hegemony.

Avery Goldstein notes that China was not only in search of a grand strategy that achieves the passive objectives of securing the nation's core interests and responding to external threats, it was also in search of a strategy that services active goals, including the development of China into a true superpower. Furthermore, the aim of China was not only to adjust to the existent international system but also to actively shape the meaning of the new order.[6] Noting the record of impetuous "revolutionary diplomacy" during the Cultural Revolution, China seemed to lean towards the adoption of what can be called a "Neo-Bismarckian strategy" that more actively engages in cooperation and dialogue with neighboring countries, comparable to what Bismarck did after 1871 to tame the qualms of Europe towards a unified Germany.[7] In the case of China, actions spoke louder than words. After confirming the guiding principle of "establishing a foothold in the Asia Pacific and stabilizing the surrounding area" for the first time in 1989, in the year end working report in 1990, Chinese Premier Li Peng noted "the development of good neighbor relations with countries in the surrounding vicinity is an important component of Chinese foreign policy. The 1989 foreign policy guideline found its way into the state's official document three years later (1992) and set China onto the path of good neighbor diplomacy.

As described by Beijing, the main purpose of the strategy is to establish a neighborhood strategy that contributes to peace and stability. The guidelines commenced with the Five Principles of Peaceful Co-existence (互相尊重彼此主權和領土完整、互不侵犯、互不干涉內政、平等互利、和平共處), followed by the Five Guidelines of Regional Cooperation (相互尊重、平等互利、彼此開放、共同繁榮、協商一致). In 2002, commencing from the foreign policy guideline of "building friendship and partnership with neighboring countries," through the Three Neighbor Principle (富鄰、睦鄰、安鄰), China strengthened its leadership status in East Asia, noting "major powers are the key, surrounding areas are the first priority, developing countries are the foundation, and multilateral forums are the important stage."

[6] Avery Goldstein, translated by Wang Jun and Lin Minwang, *Zhongguo Dazhanlue yu Guoji Anquan* (Rising to the Challenge: China's Grand Strategy and International Security) (Beijing: Social Sciences Academic Press, 2008), 27.

[7] Avery Goldstein, "China's Emerging Grand Strategy: A Neo-Bismarckian Turn?" in G. John Ikenberry and Michael Mastanduno, eds., *International Theory and the Asia Pacific* (New York: Columbia University Press, 2003), 57-106.

Since the office of Xi Jinping, not only did the Ministry of Foreign Affairs announced the transformation of Chinese foreign policy from "hiding one's light under the bushel" to "taking the initiative" in its official publication the World Affairs in early 2013, according to Xi Jinping's speech at the Central Foreign Affairs Meeting in 2014, the main point of Chinese foreign policy in recent years centered on "new missions in a new environment and the active pursuit of theory and innovation in foreign policy tasks." For Xi, in the future, China should take advantage of "the world today as a changing world, a world of new opportunities and new challenges, a world in which the international system and international order are adjusting deeply, a world in which the distribution of power is changing and moving towards peace and development," and "grab on to foreign policy matters in the neighborhood and establish a community of destiny." Noting the statement, Foreign Minister Wang Yi pointed out that "great power diplomacy with Chinese characteristics aims to walk a path that is different from traditional great powers." As such, at the end of 2014, the New York Times claimed that Xi Jinping had abandoned hiding under the bushel and turned towards an active great power. Since then, China's foreign policy seems to be more than just a conjecture.[8]

At large, we can observe China's "great power diplomacy" in three phases. In the first phase from the 1980s to the 1990s, while the term "great power diplomacy" was yet to define Chinese foreign policy, the focus of Beijing was generating "diplomacy with normalized relations with great powers," in the intention of resolving conflicts in ideologies and interests with the world that carried over from the period of revolutionary diplomacy. More importantly, in response to the needs of the reform and open policy after the Twelfth CCP National Congress, by normalizing relations with the US and the Soviet Union, China sought the opportunity to rejoin the international community and establish a more positive image for the attraction of foreign investment. The second phase, beginning at the turn of the millennium, is characterized by "diplomacy that moves along the path to great power." In this phase, faced with changes in the new century, China participated in international affairs more actively through a combination of promoting new theories with Chinese characteristics and carrying out new models of engagement such as "partnership diplomacy." China expended efforts to revise the basic stance of "hiding under the bushel and fighting without breaking" (韜光養晦，鬥而不破), and sought to regain its past glory and complete the historic mission of "re-rising."

Great Power Diplomacy and the Emerging Grand Strategy

Since the mid-1990s, in the face of challenges in the post-Cold War era, not only did China actively seek to understand the new world order, but also based on the positive

[8] Jane Perlez, "Leader Asserts China's Growing Role on Global Stage," *New York Times*, December 1, 2014; http://cn.nytimes.com/china/20141201/c01china/en-us/

foundation laid down by open reforms, China began to examine its corresponding change in international status (or what is so called the "future development of China's rise") and anticipate the implications. Coupled with the demand to respond to China threat arguments from the US, China gradually invested in a discussion on grand strategy. Based on the domestic consensus on the rise of China, besides discussions on great power diplomacy and other tactical policies to readjust China's status, the practical goal of discussions on grand strategy in the Chinese academia is to search for a rational construct to satisfy the described psychological shift into a great power.

As Paul Kennedy notes, "in world affairs, the relative power of leading powers was never fixed, because the main reason is that the different speed of development and breakthroughs in technology and organization in different societies would bring greater benefits to specific states." [9] The current global discussion on China's rise not only concerns the change in relative power, but perhaps more importantly, it also pushed Beijing to respond directly. In 2002, the report of the Sixteenth CCP National Congress clearly noted that "from a grand perspective, for China, the first twenty years of the twenty-first century is an important strategic opportunity that should be tightly held on to and exploited." [10] The most direct way to make use of the strategic opportunity, without a doubt, is to construct a grand strategic framework that is sufficient for responding to changes in international relations. While Beijing has yet to provide an official statement on the current direction of China's grand strategy, academic discussions on the subject are either excessively subjective or patently in defense of state policies. Nonetheless, the meaning of Hu Jintao's proposal of "major powers are the key, surrounding areas are the first priority, developing countries are the foundation, and multilateral forums are the important stage" is still worth pondering over.

First, in the process of rising and becoming a "world power," while China can claim its will "to play a bigger role in international society and be a responsible state, in order to realize the great revitalization of the Chinese nation, maintain world peace, and promote the advancement of human society," [11] since the outcome would inevitably change the current power structure, it follows that other powers and stakeholders would become wary of China. Whether China can compete or compromise with other states is not only the precondition to maintaining the status quo, it is also the key to achieving a breakthrough in

[9] Paul Kennedy, *The Rise and Fall of Great Powers* (New York: Random House, 1987), 15-16.

[10] See: *Zhongguo Gongchandang Shiliuci Quanguo Daibiaodahui Wenjianhuibian* (Documents from the CCP Sixteenth National Congress) (Beijing: People's Publishing House, 2002), 18.

[11] Pang Zhongyin, "shijie daguo yu zhengchang guojia: jianlun zaizao zhongguo de guojiguan" (World Powers and Normal States and the Reconstruction of China's Worldview), in Chu Shulong and Geng Qin eds., Shijie, Meiguo he Zhongguo: Xinshiji Guojiguanxi he Guoji Zhanlue Lilun Tansuo (United States, China and the World: Examining International Relations and International Security Theory in the New Century) (Beijing: Tsinghua University Press, 2003), 303.

the present situation. Second, whether viewed in light of tectonic transformations in global geopolitics or the track record of great powers in the past, it remains important for China to carve out a sphere of influence to serve as strategic support.

Despite claims by Chinese academics that "China does not have any strategic goals to intimidate others in Asia," according to the Asia Strategy Report released by the Shanghai Institute for International Studies, China continued to emphasize the shift in political and economic power towards Asia. In terms of the main goal of its Asia strategy, China was advised to consider "establishing a favorable environment for the modernization of China through cooperation with related stakeholders, [which includes] the establishment of institutions for the promotion of regional interests, the promotion of regional comprehensive security, the achievement of common values, and the construction of a more balanced regional order." The statement makes an unabashed suggestion of the proactive role that China can play in Asia.

Once China and other powers find a new balance and China achieves regional dominance that serves as its source of power, an "imperial policy" will naturally appear. Similar to the goal of maintaining a secure status quo through stabilizing of the surround areas, achieving a foothold in international order is also important for the further expansion of power in the future. While China slowly achieves great power status through economic rise, "South-South cooperation" has become an important part of the new stage of Chinese foreign policy. Unique historical identity, or the fact that China used to be the largest developing state in the world, gives Beijing the privilege of taking advantage of its straddling position between Southern and Northern states, and "hide its light under the bushel while taking the initiative."

Although China remains cautious and conservative in evaluating its power, since Xi Jinping's succession as Party Secretary of the CCP in 2012, the introduction of numerous goals and phrases expose China's ever-growing confidence - from the China Dream that seeks to realize the great rejuvenation of the Chinese nation to the emphasis on "telling a good story of China, sharing the voices of China," to the concept of the "two one hundred years," to the vision of "building a moderately prosperous society by 2025, joining the top ranks of innovative states by 2035, and developing China into a strong, democratic, culturally advanced, harmonious and beautiful country by 2050." In particular, after "great power diplomacy with Chinese characteristics" was officially established as the guiding principle at the meeting of the Central Foreign Affairs Commission in 2014, efforts expended by Beijing towards the formation of "new great power relations" between China and the US betrayed hegemonic competition as the potential objective of great power diplomacy in the new phase. Such is the context for the commencement of the third phase.

Nonetheless, interactions with the US remains the most important emphasis of great power diplomacy and the US continues to be in possession of a more dominant role in taking

the initiative in the world today. The US initiated trade war in 2018 is a case in point. Even though the end of the Cold War and emerging triumphantly from the First Gulf War consolidated America's sole hegemonic status in the world, massive obligations that accompanied hegemony slowly overburdened the material basis (economic power) that supported such status, especially after the impact of the 2008 financial crisis. While the US maintains the lead in most indicators of competition and other actors may not be able to surpass the US in the short term, the latter clearly demonstrated the ambition of catching up. With an economic prowess that remains difficult to estimate, China is one of the up and coming challengers. [12] Not only is China gradually gaining the capabilities to challenge the US, it seems to be preparing for active competition as well. The Belt and Road Initiative (BRI) that generated heated discussions since 2013 not only became a thorny challenge for Washington, it also provided the context for the US return to Asia in 2009 and proposal of the Indo-Pacific strategy in 2017.

In contrast with the goals of "strengthening strategic dialogue with developed states, increasing mutual trust, deepening cooperation, appropriately dealing with differences and promoting the long term and stable development of bilateral relations," and "improving relations with both developing and developed states, expanding the fields for cooperation, dealing with differences and promoting the establishment of stable new great power relations" – proposed respectively in the Seventeenth and Eighteenth CCP National Congress – China dropped the mentioning of developed states in the Nineteenth CCP National Congress report in 2017. China, instead, turned to promote the active development of global partnerships, expansion in common interests, coordination and cooperation among great powers, and a great power framework with balanced development. It is clear that China is preparing to receive a global status comparable with the US from a new commanding height, though it has refrained from making open statements about its ambition. The table below summarizes the transformation of Chinese foreign policy over the past three decades.

[12] Ezra F. Vogel, *Living with China: U.S.-China Relations in the Twenty-first Century* (New York: W.W. Norton, 1997), 143.

Table 1 China's Foreign Policy Transformation

Year	Content
1989	Establishing a foothold in the Asia Pacific and stabilizing the surrounding area; hiding one's light under the bushel and fighting without breaking
2002	Major powers are the key, surrounding areas are the first priority, developing countries are the foundation, and multilateral forums are the important stage
2007	Strengthening strategic dialogue with developed states, increasing mutual trust, deepening cooperation, appropriately dealing with differences and promoting the long term and stable development of bilateral relations
2012	The Chinese Dream; telling a good story of China, sharing the voices of China; two one hundred years; improving relations with both developing and developed states, expanding the fields for cooperation, dealing with differences and promoting the establishment of stable new great power relations; building a moderately prosperous society by 2025, joining the top ranks of innovative states by 2035, and developing China into a strong, democratic, culturally advanced, harmonious and beautiful country by 2050
2014	Great power diplomacy with Chinese characteristics
2017	Active development of global partnerships, expansion in common interests, coordination and cooperation among great powers, and a great power framework with balanced development

Current Hot Spots in Chinese Foreign Policy

Since the opening up of the economy, coupled with change in the focus of national strategy, the rise in comprehensive power and shifts in international order, China continues to make policy adjustments in response to various challenges. While China maintains the basic principle of "major powers are the key, surrounding areas are the first priority, developing countries are the foundation, and multilateral forums are the important stage," its strategic focus demonstrates evolutionary developments that correspond to the situation. Here, we stress that our concern not only centers on the development of China but also on the immediate future of such phenomenon and its implications for the world. In historical

terms, regardless of changes in the conditions of a rising power or hegemon, in its search for elevated status and influence, the use and display of military power is inevitable. Direct conflict is not the only way to display power – "military diplomacy" or the use of military influence in foreign policy is also an important aspect of international relations. [13] In a certain sense, military diplomacy also represents a functional outgrowth of traditional military power in the age of globalization.

In the past, "Chinese foreign military interaction" (中外軍事交往) literally described the interaction between the Chinese military and its foreign counterparts. It was not until 1998 when Beijing introduced the saying of "China actively promoting all around, multi-level military diplomacy." [14] According to the 2008 Chinese National Defense Whitepaper, China has established military relations with more than 150 countries with 109 military offices established abroad and 98 foreign military offices established in China. Such demonstrates the active role of the People's Liberation Army (PLA) in Chinese foreign policy. Since its application for participation in the Special Council to United Nations Peacekeeping in 1998, by 2017, China has deployed nearly 40,000 military personnel abroad on 24 missions. It is worth noting that as an external extension of power, naval activities are also an important category in China's military diplomacy.

Examples abound, including: the first deployment of vehicles into the Western Pacific in 1977; the first official visit abroad to South Asia in 1985; the first naval group crossing the Pacific and reaching America in 1997; the first call on Africa in 2000; initiation of the first around the world journey of more than thirty thousand nautical miles in 2002; the first joint search and rescue exercise with Pakistan, India and Thailand forces in 2005; the regular deployment of cruise ships to the Gulf of Aden in the name of combatting piracy in 2008; the first crossing into the Mediterranean Sea through the Suez Canal; the official entry into service of the Liaoning, China's first aircraft carrier, in 2012; the first joint naval exercise with Russia in the Black Sea in 2016; and the opening of the PLA support base in Djibouti in 2017. All of the events expanded the reach of China's military diplomacy.

Meanwhile, great power competition in the realm of outer space seems to be growing rapidly – a development made evident by the sequential launching of military satellites in the new century by the US, Russia, Israel, Japan, South Korea and Europe. In 1956, Beijing launched its space project and in 1970, launched its first manmade satellite,

[13] See Kenneth Allen and Eric McVadon, *China's Foreign Military Relations* (Washington, D.C.: The Henry L. Stimson Center, 1999).

[14] This is also the first national defense report released by the CCP regime since its establishment in 1949. See *China National Defense Whitepaper 1998*.

the Dong Fang Hong, into space, making China the fifth country in the world harboring the capability to transport rockets and launch satellites independently. In 1975, catching up to the US and the Soviet Union, China became the third country in the world with the technology to launch and return satellites. In 2000, China became the third country in the world to possess the ability for autonomous positioning of satellites, and in 2003, possessed the space technology for passenger transport. In 2013, the launching of the Chang'e-3 made China into the third country in the world to send a spaceship to the moon. In 2018, China's self-developed Beidou satellite system completed global coverage. In recent years, besides investing efforts towards becoming the first country to lay its print on the "backside" of the moon, China expects to send individuals to the moon by 2025. Correspondingly, multilateral cooperation is also an important channel for China to realize its military diplomacy. [15]

In recent years, China is actively involved in multinational infrastructural projects in surrounding regions, aimed at opening international trade routes, reducing the development gap between Eastern and Western China, and expanding Chinese influence into the Eurasian continent. Projects such as the Asian Highway and the Trans-Asian Railway expose China's active participation. Nonetheless, it is worth noting that from the establishment of the "international coordination mechanism for the new Eurasia land bridge" under the State Council in 2000 to the proposal of the China-Kyrgyzstan-Uzbekistan international railway, the commencement of the 1,100km long Qinghai-Tibet railway in 2006 and the direct cargo line to Europe in 2011,[16] China harbors clear ambitions to extend its geopolitical influence. Currently, the BRI continues to rewrite the geopolitics of Central and West Asia.

According to "The Goal, Mission and Strategy of China's Foreign Policy Tasks in the New Age" confirmed at the fourth plenary session of the Eighteenth Central Committee of the CCP and the Sixteenth National Congress in 2002, the foreign policy focus of China is the promotion of bilateral, regional, multilateral and economic diplomacies, as well as interactions with great powers and developing states. In terms of regional diplomacy, China seeks to initiate a wide range of interactions and establish official and semi-official communication channels – including the establishment of private forums – with major regions in the world based on the concept of trans-regionalism. In Latin America, key progress

[15] In October 2005, representatives from China, Bangladesh, Indonesia, Iran, Mongolia, Pakistan, Peru and Thailand signed Convention of the Asia-Pacific Space Cooperation Organization (APSCO) in Beijing. Turkey entered the organization in the following year. The APSCO secretariat is located in Beijing. Thereafter, China continued with multilateral cooperation in space and satellite technology with Bangladesh, Iran, South Korea, Mongolia, Pakistan and Thailand.

[16] As of October 2018, the China-Europe railway line has accumulated over 11,000 completed journeys. With 65 routes, the intercontinental railway connects 45 Chinese cities to 44 cities across 15 European countries.

includes commencement of the foreign minister dialogue with the Rio Group in 1990, initiation of bilateral dialogue with MERCOSUR in 1997, agreement on the establishment of mechanisms for political discussions and cooperation with the Andean Community in 2000, hosting of the China-Caribbean Economic and Trade Cooperation Forum in 2005, and initiation of the first ministerial meeting of the China-CELAC Forum in 2015. In the Asia Pacific, progress includes the commencement of annual vice-ministerial level discussions with ASEAN in 1995, participation in the "ten plus three" and "ten plus one" mechanisms under ASEAN in 1997, initiation of the China-ASEAN expo in 2004 and designation of Nanning, Guanxi as the permanent headquarter of the expo, and hosting of the inaugural China-Pacific Island Countries Economic Development and Cooperation Forum in 2006. In the Third World, cooperation with the Group of 77, Africa, Portuguese states and Arab states demonstrate the reach of Chinese exchange to cover all regions of the world, a phenomenon that can be noted as "forum diplomacy."

Following the rapid rise of China, as some observers noted, its expansion in hard power is not the only visible development. Chinese soft power began to permeate different regions and the potential threat against the US increased in parallel.[17] As early as 2005, Joseph Nye noted the shifting change in global soft power between China and the US [18], an observation that was further complemented in 2007 by Joshua Kurlantzick's description of China's global influence as "charm offensive." [19] In a sense, the growing importance of economic, cultural and ideological factors in international relations is undeniable.

Soft power, as a new and vital source of power, denotes the cultural secularism of a state and the ability to establish favorable institutions and achieve control over the behavior of other states. China's practice of soft power can be most clearly observed through its establishment of the so called "Confucius Institute" and "Confucius Classroom," or Chinese language teaching institutions established oversea. Besides training students in the Chinese language, by incorporating content that helps to generate a favorable image for Beijing and the CCP, and often times having a say over the hiring of personnel in the institute, China seeks to improve its influence abroad through these indirect and subtle means. According to Hanban, the chief authority for the Confucius Institutes, China currently has more than five hundred language training institutes around the world.

[17] Joshua Kurlantzick, *Charm Offensive: How China's Soft Power Is Transforming the World* (New Haven: Yale University Press, 2007).

[18] Joseph S. Nye, Jr., "The Rise of China's Soft Power," *Wall Street Journal*, December 29, 2005; http://belfercenter.ksg.harvard.edu/publication/1499/rise_of_chinas_soft_power.html

[19] Joshua Kurlantzick, *Charm Offensive: How China's Soft Power Is Transforming the World* (New Haven: Yale University Press, 2007).

While communication and the application of hard pressure may be equally important in the process of dealing with a problem, in contrast with the Western tradition of consensus seeking, the Chinese emphasis on the maintenance of multiplicity, or allowing for differences while striving for consensus, indeed provides another way of thinking. It is worth noting that in 2017, the National Endowment for Democracy introduced the concept of "sharp power," in reference to states that seek to permeate or subvert other countries through the suppression of discourse abroad or manipulation of ideology. Russia and China are considered as the great powers that possess the most aggressive sharp power.

Nonetheless, the most important challenge for China is how to deal with the US hegemony during its rise. Regarding the potential future of China-US relations, George W. Bush provided an answer in 2001. China was seen as a strategic competitor, a view that was reflected in the 2002 National Security Strategy. [20] As interaction between the two powers became more complicated, in 2007, not only did historian Niall Ferguson introduced the term "Chimerica," which emphasized the formation of an interest community between the largest consuming (the US) and the largest saving nation (China) in the world that should lead global economic development [21], Fred Bergstan also proposed the concept of G2 in 2008, which stressed the establishment of a model of equal negotiations for global leadership in economic affairs. [22] In the face of China's direct threat against America's global status, it is only natural that US global strategy should reflect the position of "fighting until the end" to defend the country's hegemonic status. As widely proclaimed, conflicts often break out between rising states and existing powers – can China and the US avoid interaction?

We think that China-US relations are one of the most paradoxical sets of bilateral relations at the moment. For a US that perceives China as a rising power that is dissatisfied with the current international order, unless the challenge of sudden structural collapse emerges domestically (of which the possibility is low), even in the case of declining advantages, it is hard to conceive that the US will voluntarily forgo its leadership policies. In a globalized environment characterized by interdependence, interactions among states are complicated and diverse. As Susan Shirk points out, "as economic interdependence deeps between China and the US, thoughts considering the direction of bilateral relations tend adjusted as well in the Chinese leadership especially "when the Chinese economy depends on the US, China has to carefully maintain the relationship with the US, its biggest

[20] U.S. White House, *The National Security Strategy of the United States of America* (Washington DC: U.S. White House, 2002), 30.

[21] Niall Fergusonw and Moritz Schularick, "Chimerica and the Global Asset Market Boom," *International Finance*, 10:3(2007), 215–239.

[22] Fred Bergstan, "A Partnership of Equals: How Washington Should Respond to China's Economic Challenge," *Foreign Affairs*, 97:4(2008), 57-69.

consumer.[23] Yet Washington's deteriorating financial burden is clearly correcting China-US relations. The outcome of such development is the closing of the status gap between the two countries – China's threat against US hegemony thus becomes ever patent. Under such logic, in recent years, US strategy towards China seems to expose a new orientation towards "hard becomes harder and soft becomes harder." From the strengthening of regional military deployment to the expansion of military exercises, to the shaping of the China threat atmosphere in Asia and beyond and initiation of a trade war in 2018, the developments serve as signals of US anxiety towards current developments.

Conclusion

In terms of China's foreign policy actions in the new century and its potential regional and global strategy, the following issues are worth considering.

Concerning geopolitics, regardless of whether the world continues to move towards stronger connectivity or fragmentation into different regions, a certain level of internal and external "openness" will be one of the characteristics of the future. In other words, while the pressure for outward expansion in the contemporary world has decreased, "walking out" remains a policy approach that China cannot neglect. Accordingly, the development of sea power is directly related to regional security and stability in the future, and serves as an important indicator of whether China can shape the order of East Asia in the near future. It is worth noting that after Zheng, he completed his last journey in 1433, China, at one time, was distant from the competition oversea power, [24] to the extent that its naval defense capability was nearly eliminated after the First Sino-Japanese War in 1895. China currently demonstrates the ambition to return to the center stage of the ocean. In fact, China currently produces ninety percent of the world's cargo ships; [25] the Liaoning's entry into service in 2012 and the launching of China's first aircraft carrier in 2017 all expose the determination of the Chinese leadership to expand the country's influence in the Western Pacific.

Nonetheless, most important is the fact that regardless of the adopted approach, even with the rise in confidence leading to more active behavior in foreign policy, China remains short of the capabilities to contend for hegemony, not to mention the impossibility of

[23] Susan L. Shirk, *China, Fragile Superpower: How China's Internal Politics Could Derail Its Peaceful Rise* (New York: Oxford University Press, 2007), 250-251.

[24] Gang Deng, *Chinese Maritime Activities and Socioeconomic Development, c2100 B.C.-1900 A.D.* (London: Greenwood Press, 1997).

[25] Ian Storey, "China as a Global Maritime Power: Opportunities and Vulnerabilities," in Andrew Forbes, ed., *Australia and its Maritime Interests: At Home and in the Region* (Canberra: RAN Seapower Centre, 2008), 109.

establishing an empire – the current development merely exposes an opportunity presented by America's relative decline. In addition, even if we note the fact that China is not the only contender for hegemony in the post-American world, from a neo-liberal institutionalist perspective, a new hegemon will appear after hegemony, and states will continue to have the option of choosing the institutional approach to confront future challenges.[26] In short, in the face of uncertainties concerning China and global order, we must review history and search from tradition for traces that hint at the future. Meanwhile, attention should also be spared towards the immediate future, in order to notice the potential tracks of future development.

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[26] Robert Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984).

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