



**Kurzfassung** by Dr. Maximilian Terhalle, 19 May 2015

### **China, the United States and Spheres of Influence in International Politics**

Nobody likes spheres of influence these days. President Obama rejected them for East Asia in Brisbane last November. And for President Xi, speaking to his Politburo colleagues shortly after, they have always smacked of colonialism. However, their rhetoric only seemingly diverts our attention from what global politics in East Asia has precisely become: the political contest over a military, economic and ideological sphere of influence. In fact, the Chinese forcefully modernize their navy propelled by the US pivot; TPP excludes China and aims to balance the latter's economic aid policy in the region (USD 500 bn. since 2008), a goal which Beijing undermines, in turn, by recently setting up an Asian Infrastructure Investment Bank that includes Western states; and finally, the China Dream is pitched against US exceptionalism, using Han nationalism to claim ethnic superiority. In other words, the 'custodian' of the rules-based order, pivoting to East Asia, has encountered the "big guy in the crowd", as Xi put it, who is preparing Beijing's 'road to revival' and the fulfillment of the 'China dream'. Thus, in contrast to the remarks made by John Kerry in 2013, today the era of Monroe Doctrines is far from over.

Off the record, the sentiment is that the Chinese want the Americans out of South and East Asia, while the US could not care less about such intentions. The obvious irreconcilability of their foreign policies is all the more striking since seasoned observers of their relationship have made it abundantly clear that this status must not be maintained. For instance, Henry Kissinger warned: "The essence of building a constructive world order is that no single country, neither China nor

the United States, is in a position to fill by itself the world leadership role of the sort that the United States occupied in the immediate post-Cold war period, when it was materially and psychologically preeminent.”

Nevertheless, even such powerfully experiential advice such as Kissinger’s cannot easily dissolve the highly disconcerting misperceptions prevailing in either camp as to how to coexist. They hold the keys to understanding the essential motives underlying the strategic distrust between the two countries.

As for China, since the financial crisis, at the very latest, it has created a political image of the United States that sees the latter in absolute decline. Almost every speech given by President Xi in front of a non-US audience in the region has repeated this belief in the last two years and has thereby helped to entrench a perception that could turn out to be dangerously deceiving as regards to China’s strengths. While it may help, and is intended to, to bolster his domestic stature, it has inadvertently played into the build-up of a vastly more daring attitude. While key policymakers in Beijing realistically anticipate the US to remain the strongest power for the next two or three decades on the globe, and while they know that a disruption of the global commons would hurt the China Dream the most, their actual political moves have reflected an overly self-confident posture that has often run counter to its pragmatic realism. Last year’s comprehensive Report to Congress by the “U.S.-China Economic and Security Review Commission” provided ample evidence of this. It is this inherent tension of the China dream between the demand to prioritize economic development and the temptations to defend the perceived obligations of nationalist prestige, which has the potential to derail all plans to act differently from historical examples of rising powers. President Xi’s outline of the Four Comprehensives underpinning his policy last week has by no means diminished the built-in contradiction of the dream.

The United States, on the other hand, sees itself occupying the resident power status since 1945 in East Asia. It has, in turn, treated China as a secondary power, witness, for instance, the last two National Security Strategies. Certainly, when President Xi will arrive in Washington this coming September, he will receive every ceremonial honor that is available in the White House’s protocol. On paper, he will be equal. But not, and that is what matters the most, in the foreign policy beliefs of US leaders. First, US passivity with regard to accommodating China is based on the mistaken belief that China’s domestic system will crumble in the long run. This rather ideological belief is driven by core liberal as-

sumptions such as that long-term success can only be derived from a liberal domestic outlook, politically and economically. Crucially, what this overlooks is the Chinese Communist Party's hands-on approach to policy-making or what scholars call its adaptive governance. Needless, this mode of steering China's socioeconomic development has, overall, been successful for 40 years, precisely due to its flexible nature. This misperception is, second, powerfully complemented by the US' strategic unwillingness to accept any peer-competitor. In fact, this assumption has been valid since 1992 when a Pentagon paper expressed exactly this goal as the core of US security policy. Consequently, America is determined to throw roughly 60 percent of its military weight behind its Asia-Pacific policies by 2020.

Therefore, grave misperceptions on both sides feed into, and exacerbate, each other. The United States' insistence 'We are here to stay' has already met a self-serving demand for exclusive Chinese regional leadership as in a thinly disguised memo stating 'It is for the people of Asia to run the affairs of Asia'. As for the near future, both sides seem to be altogether uncompromising about their goals.

While the US believes that, in order to secure its economic and military interests in East Asia, it needs to keep China out at any expense or allow it in but only on its own terms, such a political position of strength may be appealing domestically but it will not make China's power go away. Rather, instead of naively waiting for China's domestic collapse, a better strategy would be to think much harder about how to give China the room it wants without appeasing it into number one status in what is currently an exclusive US sphere of influence. The problem was well described by the Chinese general Yao: "The international military order is US-led – NATO and Asian bilateral alliances – there is nothing like the WTO for China to get into." If the two want to avoid large-scale confrontation, what should they both 'get into' instead? Put differently, how can they learn to share hard power in East Asia so as to diminish their strategic distrust?

Conventionally, grand bargains between great powers have either been struck at large peace conferences preceded by major wars or have been gradually constructed through probes of diplomatic clout and military strength. With regard to the latter, both parties have had many opportunities to demonstrate their unwillingness to subjugate their rather exclusive core interests and strategies. In contrast, leaders need to focus their attention on today's no-decline reality: the Chinese should try to comprehend in-depth the logic behind the recurrence of 'US

decline' debates and their counterparts in the US should begin to understand the curiously adaptive logic behind the resilience of the Chinese system. Such an approach would express more plainly why neither can be expected to dissipate any time soon. It would also help to reveal the strategic elusiveness of believing in one's unnegotiable superiority when spheres of influence are at stake.

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