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China's Rise:  
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## China's Rise: East Asia and Beyond\*

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We are, it appears, in the midst of another celebratory cycle. Impatient journalists declare a particular decade, especially this one, as the moment in which one particular country will remake a world region, indeed the entire world, in its own image. Based on its meteoric economic rise and riding what eventually turned into a financial bubble, Japan in the 1980s was widely greeted as a challenger which would come to rival the U.S. as a global power in the 21<sup>st</sup> century. Pax Nipponica was to be shaped by a civilian power that was destined to determine the technological trajectory of most societies. The i-pod as the successor of the walkman and a Scott as head of SONY illustrate how wrongheaded this world view really was. A decade later, the same thinking was applied to the United States. After the collapse of the Soviet Union, in the era of globalization America offered a model to the world that appeared to have no rival. With some hyperbole the United States was called the New Rome. Pax Americana was to reign for decades, if not centuries. Within a decade America's high-tech and low-mortgage speculative bubbles burst; America's deficits and debt burdens mounted; and the arrogance and ignorance that informed American foreign policy under the Bush administration produced huge political train-wrecks in Afghanistan, Iraq, and Pakistan. Brief as it may be, and with India waiting in the wings, now is the moment to celebrate or fear the Chinese economic juggernaut and a looming Pax Sinica.

China's rise elicits one of two reactions. The breathless adulation that is the hallmark of today's economic journalism flourishes side by side with ominous political rumblings among specialists in international affairs about the rise of a new superpower. Enormous markets for economic growth and profit, we are told, are sprouting in a country that is fated to become a serious political rival and deadly military challenge to the United States -- if not today, then tomorrow, or the day after tomorrow. Such

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optimistic and pessimistic views permeate also scholarship (Friedberg 2005), as they did a couple of decades ago at the time of Japan's ascendance and as they will a decade or two hence when India will be greeted as the looming world power.

These different reactions share, however, in one assumption. China as the rising power is seen as responding to the challenges posed by the West. Historian Paul Cohen (1996) has probed that assumption as well as the partial corrective that can be taken.<sup>2</sup> John Hobson (2004) and Andre Gunder Frank (1998) make the same point in their frontal assaults on Euro-centrism. In contrast to historians and sociologists, students of world politics by and large continue to adhere to the challenge-response framework. Competition is the name of the game -- in global markets and in the international state system. The West challenged China in the late 19<sup>th</sup> century in the form of imperialism and in the late 20<sup>th</sup> century in the form of economic globalization. China's task was and is to respond.

Resisting analytical perspectives that focus exclusively on China's response, an alternative view celebrates China's uniqueness. In this view China's rise is explained by inherent traits that are finally asserting themselves once again and that are placing China in its well-deserved position at the top. This view risks essentializing specific features of China – Confucian traditions, religions, breakthroughs or visions. The risk extends to attempts that articulate Chinese forms of universal empire outside of the Chinese tradition, as in Zhao Tingyang's theory of Tianxia (Zhao 2006. Callahan 2007). The intellectual and emotional impulse to celebrate China's uniqueness can be powerful, even irresistible. China's many achievements and traits are easily cited, relevant evidence. To succumb to this temptation is hardly unique to China, but it is a temptation scholars should resist.

China's distinctiveness, this paper argues, is related to the combination of common features with unique traits. Distinctive of China is the fact that for many centuries it was more than a vast market and a powerful state; it was a civilizational polity endowed with a sense of self, reflected in distinctive practices and values. Whether China experienced the same break as did other Axial Age civilizations remains a matter of considerable controversy among scholars (Schwartz 1975. Eisenstadt 1986). But it is plausible to argue that China today is a civilizational state because of the

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institutionalization of recognizable rules, identities and habits which enable the Chinese people to cope with changing conditions. And the forever changing boundaries of that civilizational state depend on the quality and relative intensity of interaction and the relative degree of homogeneity that interaction generates (Huang 2002, 222).

The rise of a distinctive China at the turn of a new millennium, this paper argues, is not creating political ruptures but recombinations of old and new elements. China's and East Asia's encounter with the West, in the second half of the nineteenth century, lends support to this view. Recent scholarship has offered two explanations, one focusing on autonomy and non-interference and the second on status and recognition. For Stephen Krasner (2001, 179-85) European states habitually violated their own sovereignty and that of East Asian states with impunity. Since sovereignty amounts to nothing more than "organized hypocrisy," it was trumped by strategic and commercial interests. European practice in the egalitarian Westphalian system, furthermore, was similar to China's self-serving conduct in the hierarchical order of the Sinocentric world. In sharp contrast, explanations drawing on the English School focus on status and recognition as powerful factors in the expansion of the European society of states into East Asia in the late 19<sup>th</sup> century (Bull and Watson 1985). This changed both the fundamental nature and the behavior of East Asian states. In joining the international society, East Asian states came to share with Western states expectations, mutual understandings, and core practices.

East Asian debates over sovereignty norms were not just cheap talk concealing the hypocritical interests of rulers as Krasner's interest-driven analysis assumes; nor were they devoid of meaning as the status-oriented explanation of the English School suggests. In the second half of the 19<sup>th</sup> century, as Seo-Hyun Park (2006) argues, sovereignty debates in East Asia were intensive rather than scripted, and throughout East Asian history both autonomy and status markers were highly salient in a hierarchically conceived regional order. The meaning of sovereignty fluctuated between both frames over time and between different countries. Like Western principles, Confucian principles allowed for behavioral slack and variable political repertoires of action.

For example, in the second half of the 19<sup>th</sup> century Japan broke with its traditional, autonomy strategy and adopted instead a status strategy in the Westphalian system. Korea,

by contrast, sought to stay within China's orbit but switch from status to autonomy, unsuccessfully, as it had not fully internalized the Westphalia's norms. Krasner explains the Korean exception with a quick reference to varying domestic norms and deeply-held elite views. Despite its plausibility, Park argues, this argument fails to offer good reasons why sovereignty discourses in the two states went through different transformations between 1860 and 1885, and why the goals of state policy on questions of sovereignty evolved so differently as well. Agreeing with Gerrit Gong (1984) and Hidemi Suganami (1984) Park offers a coherent analysis of these transformations in terms of the more (Japan) or less (Korea) marginal positions these two states had occupied in the Sinocentric order.

Park dissents, however, from a core assumption pervading the English School, that on issues of sovereignty world politics consists of binaries. In this implausible view states are either embedded in the Sinocentric world or in the Western society of states. The evidence suggests instead variable levels and different combinations of normative embeddedness in different orders. In his economic analysis Takeshi Hamashita (forthcoming) develops a similar argument. In the 19<sup>th</sup> century the Sinocentric tributary trade system and the treaty port system coexisted in various novel relations rather than one being assimilated or subsumed by the other. Korean history in the late 19<sup>th</sup> century leads to the same conclusion. Korea attempted to accommodate itself simultaneously both to the Sinocentric order and the European society of states. Undercutting the case for clear-cut distinctions in the second half of the 20<sup>th</sup> century, Park (2008) argues that Japan and South Korea have adhered to both insular or integrationist conceptions of state sovereignty, activated in the context of relations with China and the United States as East Asia's great powers.

The same line of reasoning may well hold for China. In the 19<sup>th</sup> century Beijing's sovereignty discourses were not just cheap talk or merely scripted. They were meaningful and important focal points of contestation. These discourses provide evidence for China's embeddedness in both the old order it had built in East Asia and the new one that the European imperial powers were bringing. China was not simply forced to abandon the Sinocentric world. Instead, following Benjamin Brake's (2007, 24-34) working

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hypothesis, China had agency, making meaningful choices between different options. The discursive framework in which Chinese policy makers and intellectuals debated the encounter between East and West helped define the values and their choices -- for example, between a purely instrumental use of, as compared to a more deeply believed in, legal language of territorial sovereignty. Brake argues that China abandoned the East Asian tributary system because of the way communicative action and persuasion worked rather than because of coercion or emulation. Subsequently, in the 20<sup>th</sup> century and especially since 1949, China's position in the Western state system alternated between alienation, isolation and incorporation. Combinations of different aspects of sovereignty became possible as the legacy of Sinocentrism and later Maoism complemented and altered Western notions of sovereignty (Zhang 1998). The record of the most recent past reinforces this historical record. Since 1979 Allen Carlson (2005) observes a striking variability between hard and soft sovereignty policies informed by China's boundary reinforcing and boundary transgressing conceptions of sovereignty.

Distinctiveness, not commonality or uniqueness, characterizes China's rise. China was at the center of a Sinocentric order that encompassed both vast parts of East Asia and the surrounding seas. In economic affairs that order recorded astounding accomplishments and distinctive practices, such as tributary trade, that helped define interstate relations in a hierarchical regional order. In security affairs that hierarchy remained for long stretches of time remarkably peaceful, even though it was always open to challenge, particular when the power of the center broke down. And in cultural affairs this Sinocentric order distinguished between insiders, civilized people, who belonged to it and outsiders, barbarians, who did not, with the specific content of the identity and the specific meaning of Sinic civilization forever contested and changing.

In sections 1-3 this paper makes its case by inquiring into economic, security and cultural domains of politics. Reviewing some of the germane scholarship it argues the case for recombination of common elements with unique traits over total rupture. If the evidence were to have pointed to ruptures in several domains, this finding would give credence to analytical perspectives and arguments that rely on abstract categories that travel, such as globalization and internationalization. Since the evidence points instead to

recombinations, a perspectives and arguments that take context seriously are more plausible. Specifically, this justifies looking at Sinicization as a distinct manifestation of globalization or internationalization. Section 4 analyzes the process of Sinicization, both conceptually and empirically, and links it to various causal mechanisms. Section 5 offers a brief summary of the paper's argument.

### *1. China's Rise in the World Economy*

Economic globalization and domestic reforms have set China on a path marked by annual growth rates varying between 8 and 10 percent for the last two decades, and annual direct foreign investment inflows averaging \$35-50 billion over the last decade. This change in the size of China's economy is having profound consequences for the global economy. Liberated by and exposed to the power of economic globalization, it is widely believed, China is starting from scratch and creating something radically new – for itself, for Asia, and perhaps for the world. The business press often argue that China's economic rise is leading to a dramatic rupture in world markets (McGregor 2006). The alternative view focuses instead on recombination. In their research Gary Hamilton (2006) and Zhengyi Wang (1997), for example, seek to understand contemporary economic practices through an analysis of past institutional arrangements and the links that have connected China to East Asia.

What are the foundations of China's economic rise? Over the last couple of decades, a number of sociologists and historians -- R. Bin Wong (1997), Kenneth Pommeranz (2000), Andre Gunner Frank (1998), John Hobson (2004), Giovannie Arrighi (2007) and Mark Selden (Arrighi, Hamashita and Selden 2003. See also Stokes 2001) among them -- have looked at the *long durée* of Chinese economic history. The cumulative impact of their research has been to put China's economic importance in a comparative frame and to establish the centrality of China and Asia for an informed understanding of the evolution of global capitalism and the West. Rather than seeing China and Asia as merely reactive to the expansion of Western capitalism in the last two centuries, these scholars conclude that in a broader historical perspective China was at the center of the emergence and evolution of a global economy. The era of European and U.S.

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economic primacy has been the exception, not the rule. China's economic rise today is restoring rather than rupturing economic hierarchies and relations.

In this macro-historical perspective China refers to both variable relations between capitalism and the state on the one hand, and market economies that can trade over long distances on the other.<sup>3</sup> The variable relations between capitalism and the state are central to an understanding of the change from state socialism to market capitalism in contemporary China. And market economies, often related to one another by long-distance trade, are central to understand the role of the overseas Chinese communities in China's economic rise. The two factors converge today in the structure of an economy that is distinctly open, measured in terms of trade and foreign investment, compared to the relatively closed developmental state capitalism that has characterized Japan, South Korea and, to a lesser extent, the states of Southeast Asia during the last generation.<sup>4</sup>

During the last two decades these new economic histories have reshaped our understanding of modern Asia. Although the encounter with the West was an important stimulus, the growth of intra-regional trade, migration, capital and money flows is also fundamental for understanding the region's modernization (Latham and Kawakatsu 1994. Sugiyama and Grove 2001. Sugihara 2005a). In a lucid overview Kaoru Sugihara (2005b, 2-3, 4-13) points to three main themes in this field of research. First, Asia's regional industrialization was greatly influenced by trade and other economic exchanges between China and Japan. Neither country imported technology or organizational forms; and neither country attempted to catch up with the West on its own. Japan's industrialization took advantage of the far-flung Chinese merchant networks spanning most of Asia. And Chinese competition was crucial for the technological upgrading of Japanese industry during the interwar period when East Asia was the only region in the world that was able to sustain active trading. Similarly, China's nationalist government adopted its industrialization policies pressured by Japan not only in competitive markets but also through power politics.

Second, China's integration into the international economy was shaped as profoundly by intra-Asian exchanges as by its contact with Western economies which was concentrated mostly in China's littoral region. The treaty port system was not only an



opening to the West but also a simultaneous opening to Asia and on an unprecedented scale. In contrast to their Western competitors, Asian exporters of opium, cotton yarn and sundries were penetrating deep into China's interior. Until 1911 complex Asian interregional trade in opium and cotton yarn reached vast areas of China's hinterland. After 1912 trade patterns changed as the economic links of China's interior with the rest of Asia weakened, in part because of internal disruptions and in part because of a reorientation of Western traders toward littoral China. In the early 20<sup>th</sup> century, the collapse of the imperial monetary system and the rise of Chinese economic nationalism was not simply a response to an international order dominated by Western powers. It was also a response to and a cause of increasing intra-Asian economic exchanges.

Finally, in the wake of Western imperialism East Asian, and specifically Chinese, merchants exploited the economic opportunities that Western imperialism had brought. Drawing on their expertise and entrepreneurship they were able to further Chinese and Asian economic development. Migration networks thrived under European imperialism which favored free trade where possible and territorial annexation and control where necessary (Gallagher and Robinson 1953). The impact of the West was not strong enough to determine region-wide economic linkages. But by furthering intra-Asian trade European states had a substantial effect on Asia's regional economy.

Sugihara links the shift in scholarly attention to two factors. Asia has long been viewed as inert, a region incapable of generating from within either technological or institutional change. While the last half century belies that notion, so it now turns out, does the 19<sup>th</sup> and early 20<sup>th</sup> century. Under the impact of the West, Asian economies proved to be highly adaptable. And for an even longer period, economic historians now stress a development path of predominantly rural economies that produced growth with efficiency but along a path that differed from the West.<sup>5</sup> Asia's industrious revolution exhausted its potential in the first half of the 19<sup>th</sup> century, in contrast to the industrial revolution which revealed its explosive potential in the second half. A second reason for the shift has been a break with a scholarly tradition of single country studies. The dynamic gains from intra-Asian trade and the technological fusions of Asia's economic developments were largely overlooked as long as exclusive attention was paid to events

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in individual countries experiencing trade and currency rivalries, diplomatic tensions, clashes between imperialism and nationalism, and war.

In sum, this brief survey of China's economic history lends more credence to the notion of recombination than rupture. Italians in the 1960s and 1970s quipped that compared to Germany's economic miracle of the 1950s, theirs was truly miraculous, as the Germans were accustomed to hard work. Asia's "economic miracle" (World Bank 1993) after World War II and now China's economic rise are parts of a coherent story that dates back at least 150 years and perhaps much longer (Arrighi, Hamashita and Selden 2003). And in that story the choices of Chinese merchants, manufacturers and officials are much more central than the traditional economic history has been ready to acknowledge.

Takeshi Hamashita's (forthcoming) research into the nature of China's trade links with the world economy and its Asian neighbors in the 18<sup>th</sup> and 19<sup>th</sup> centuries reinforces this conclusion. In a nutshell, Hamashita inquires into the variability of these links and rejects the view of their total rupture under the onslaught of the West. In his view China's economic rise and East Asia's emerging economic order is built on distinctive historical foundations that need to be understood on their own terms rather than being subsumed under general perspectives, such as Western imperialism, internationalization or globalization. East Asia's tributary trade system and capital markets were part of a Sino-centric world order. As Mark Selden and Linda Grove (forthcoming) note in their perceptive introduction to an English-language translation, Hamashita's research reinterprets China's central position in Asia over the long *durée*, and is attentive both to how Chinese networks accommodated to the coming of British banking and to the interaction of politics and economics in various trading networks. Together with the work of macro-historians who have focused on the massive inflow of silver into China between the 16<sup>th</sup> and 18<sup>th</sup> centuries, this research offers an important corrective to the work by Western scholars who paid attention largely to the outflow of silver to pay for opium in the 19<sup>th</sup> century and the loss of sovereignty in the wake of China's military defeat in the Opium War. This shift in perspective is quite relevant to the financial aspects of contemporary China's economic rise. Inter-Asian financial bonds are growing

stronger and China is accumulating massive dollar reserves that help it bankroll the American economy.

Furthermore, Chinese migration in the 19<sup>th</sup> century linked the coastal provinces in the South of China to Asia, the Americas and other parts of the world. Remittances and new banking networks, both in China and overseas, were one result of this development. Chinese banking and financial ties throughout East Asia became essential vehicles for the financing of trade, migration and remittances. The maritime customs system built around the treaty ports in the 19<sup>th</sup> and 20<sup>th</sup> centuries provided institutions that opened avenues for both the expansion of Western powers and Chinese resistance to colonization. A Beijing-centered view of the world, articulated by generations of Chinese scholars and Western Sinologists, is one-sided and pays exclusive attention to the political and cultural dimensions of the tributary trade system, unduly slighting or overlooking altogether informal trade and financial links, and the economic opportunities these links created. These opportunities are at the center of Hamashita's research. Dynastic records, for example, make invisible the vital role of Chinese merchants and bankers who were exploiting the treaty port system for individual gain and collective economic advancement. Without denying the importance of China's links with the Western powers, Hamashita's writings draw our attention to the centrality of maritime trade and regional factors in China's economic history. As Selden and Grove (forthcoming, 5-7) write, "...for all the power exercised by the Euro-American colonial powers, in economic and financial terms, colonialism was, in important senses, a surface phenomenon ... [Hamashita's] research, in short, prioritizes markets and networks that span the region and the globe and frequently cut across national borders in restructuring economy, society, and culture. In these and other ways, these narratives break with an earlier state-centric scholarship while simultaneously challenging Eurocentric discourse."

Well into the 20<sup>th</sup> century Western colonialism in East Asia took advantage of enduring and powerful Chinese networks as the economic foundation for new global connections. And after 1945 Japan's commercial expansion into East and Southeast Asia was in many ways both supported by and in rivalry with those networks. The character and operation of these networks of overseas Chinese has become a subject of

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considerable empirical research and vigorous debate. The very term of overseas Chinese is a convenient shorthand, not a suggestion that in fact there exists a cohesive bloc ethnic Chinese waiting to be reunited with the motherland. Overseas Chinese communities are not usefully defined in essentialist terms that presume the existence of immutable notions of collective identity yielding a distinctive type of capitalism (Callahan 2003).

Overseas Chinese offer a form of ethnic capitalism that can lower transaction costs without constituting a cohesive and unified ethnic bloc. Efficiencies are created for short-term deals and in the mobilization of capital in the start-up phase, especially for small and medium-size firms (Gomez and Hsiao 2004, 8. Katzenstein 2005, 60-69). Since the failure rate of such firms is very high everywhere, these efficiencies are of great importance in the continued mobilization of the entrepreneurial potential of communities of overseas Chinese. Furthermore, these efficiencies play an important role in long-distance trade. Speaking the same language is of great benefit. This is especially true for small and medium-size firms seeking to expand the scope of their operations beyond national markets. From this perspective China's economic rise is not a story of peaceful reunification of diaspora with motherland. Instead China is taking advantage of the privileged access to technological know-how, investment capital, management expertise and marketing skills that the overseas Chinese communities provide. Conversely, China's economic rise provides ethnic Chinese operating in Southeast Asia with an opportunity to compete more effectively with foreign multinational corporations both in emerging Chinese markets and globally (Gomez and Hsiao 2001, 2004. Ong and Nonini 1997. Naughton 1997. Weidenbaum and Hughes 1996. Dædalus 1991). In its economic rise China reinforces rather than challenges a world of open regions.

Empirical research has established that the communities of overseas Chinese are not what C. Wright Mills in the 1950s referred to, in the American context, as a "power elite," marked by extensive interlocking business links shaping the political and economic future of their societies (Gomez and Hsiao 2001, 2-3, 5-7, 11-12, 33). Although close, their relationship to the state has been subservient. Only in Singapore have they been autonomous from the state. Divided by class, length of stay, generation, and identity, the overseas Chinese have faced formidable impediments to collective action. But the

sharing of a common language and a shared historical experience offer a stimulus for Taiwanese businessmen in Asia and for Southeast Asian Chinese dealing with Taiwan. Specifically, large Taiwanese companies have organized around themselves loose groupings of small and medium-sized firms to produce the components for various products (Gomez and Hsiao 2004, 6). And governments have course encouraged the overseas Chinese to pursue vigorously new market opportunities in China.

This brief sketch of some recent scholarship leads to the clear conclusion that China's economic rise in the era of globalization is not something dramatically new but is built on solid historical foundations that have made possible the surprising economic openness of China's economy. Since the late 1970s China has attracted half a trillion dollars in foreign investment, about ten times the total foreign investment that has flown into Japan since 1945. Between 1985 and 1995 about two-thirds of realized foreign investment in China is estimated to have come from domestic Chinese sources which used Hong Kong to circumvent domestic taxes, one-third from foreign investors. Since 1995 this proportion is widely believed to have reversed itself. Of the 250 billion dollars of total foreign investments, perhaps as much as half has come from Taiwan, and additional undetected large amounts of funds have flowed in from Southeast Asia, including Singapore, Hong Kong, and Indonesia (Interviews, Tianjin and Beijing, March-April 2006). Whatever the precise figures, which are unknown, in the coming years closer tie-ups between overseas Chinese and mainland Chinese business are nothing more, and nothing less, than the next phase in the global spread of Chinese and East Asian business networks. It is these informal and market-driven tie-ups rather than formal institutions that are defining the rise of China in Asia and the world. As has been true before, but with significantly new elements the evolution of Chinese capitalism is not a domestic but a regional and global phenomenon. In brief, China's rise in the last three decades does not constitute a fundamental rupture in the economic history of China and East Asia. The significant changes that are reshaping East Asia's and the world's political economy are best characterized as recalibration.

## *2. China's Rise and International Security*

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For questions of security the issue of rupture vs. recalibration is even more topical than for questions of political economy. China's economic rise has direct implications for security. Japan, India and the United States, for example, are directly affected by China's increasing military capabilities as are China's neighboring states. Policy makers, pundits, and scholars ponder the consequences of China becoming either the primary power in East Asia or, more dramatically, eventually ascending to a position of global power rivaling that of the United States (Shenkar 2004. Fishman 2005). From this perspective China's economic rise thus could well lead to fundamental political and military ruptures. Furthermore, the power of nationalist sentiments and painful historical memory give this determinist economic account an emotional resonance that is marking especially contemporary Sino-Japanese relations. Indeed, had it not been for the attacks of 9/11 and the American intervention in and occupation of Iraq, China most likely would have become the overriding focus of the Bush administration. Its conservative and neo-conservative members had fastened on China as posing the most likely long-term strategic threat to American primacy. With economic power shifting toward China in the long-term, according to this way of thinking, the United States might have to confront China, perhaps sooner rather than later. As was true of Britain and Germany in the last part of the 19<sup>th</sup> century, and Germany and Russia at the eve of World War I, with power shifting against the state at the top of the European hierarchy, war might become desirable, even inevitable.

The "China threat" developed in the 1990s as the political and military consequences of China's economic rise became a subject of attention and worry for a growing number of American and East Asian security analysts (Roy 1994, 1996. Shambaugh 1996. Goldstein 1997/98). With China's military capabilities rising, it would be only a matter of a few decades before China would have a world-class military, outpacing the military power of Japan and posing a serious challenge for the United States. Furthermore, according to this view, the combustible issue of Taiwan remained a thorn in China's side that could be used as a pretext for war at any time, either by a strong government flexing its muscles in an assertive nationalist move or by a weak government in need of shoring up its lack of legitimacy through populist appeal. Furthermore, the

fact that Taiwanese nationalism was itself propelling the issue to the front burner in recent years made the threat China posed only more ominous.

“Offensive” realists are united in a theoretically sparse, materialist view of the world that sees rupture as inevitable (Bernstein and Munro 1997. Mearsheimer 2001). They view China as being ineluctably propelled into a position of regional primacy in East Asia and eventually perhaps into a global challenge to the United States. Regional primacy will spark conflict and possibly war with the United States. Conservative foreign policy specialists such as Aaron Friedberg (2000) agree. While the United States maintains a substantial lead in East Asia and an overwhelming one globally for now, China has closed the gap, especially in East Asia, much faster than analysts predicted only a couple of decades ago. High economic growth rates enable the Chinese government to push ahead with its far-reaching modernization of the Chinese military which America’s allies in the region – Japan, South Korea, Thailand and the Philippines—simply cannot match. The build-up of its ballistic missile forces for a potential conflict with Taiwan is only one of the worrisome developments. The build-up of naval capabilities, various weapons systems, including cruise missiles, and a rapid push into space are of similar importance. Asia’s growing economic dependence on China rounds out a picture of an all-round challenge to U.S. primacy. In the future American allies will be increasingly constrained to endanger their political relations with a country on which they have become economically so dependent. This dependence may be felt acutely especially in situations where US interests are at risk much more directly than the interests of its Asian allies. China’s peaceful strategy of engaging its neighbors in a number of multilateral venues, such as the ASEAN plus Three initiative, the Shanghai Cooperation Organization or early moves toward an East Asian Community, is from this perspective little more than a thinly veiled attempt to drive the United States out of Asia. With America’s international prestige in a sharp decline since the invasion of Iraq and China’s prestige rising, peaceful diplomatic initiatives are careful Chinese designs to undermine US power and thus add to America’s national security predicaments.<sup>6</sup>

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There are three powerful counter arguments which make the case for political recalibration and undermine the argument in favor of inevitable rupture. The first points to other causal factors which have a moderating influence on policy (Christensen, 2006. Kirshner 2008). “Defensive” and “neoclassical” realists acknowledge that rapid shifts in material capabilities intensify security competition, but insist that this is not inevitable. They point to moderating factors – such as geography and nuclear weapons -- that make territorial conquest more difficult now than it was in 19<sup>th</sup> century Europe (Goldstein 2005). Furthermore, material capabilities are filtered by perceptions and misperceptions of intentions, rooted in territorial conflicts and clashing sovereignty claims. There is nothing in any of these conflicts that suggests inevitability. Liberals, furthermore, will point to the possible causal influence of international institutions and domestic regime characteristics, such as the difference between the war-proneness of democratizing states compared to the peace-proneness of fully-fledged democracies, which build trust through transparency, domestic constraints on aggressive foreign policies, and shared norms of non-aggression (Mansfield and Snyder 2005. Fearon 1995). Constructivists, finally, add to the mix moderating or intensifying effects of converging regional or diverging national identities and memories. The China threat is not only rooted in Chinese capabilities and conduct. It also has a lot to do with long-standing American antipathy toward China's Communist Party, reinforced by the Tianamen crackdown and China's questionable record on human rights and religious freedom.<sup>7</sup> And all of these contrasting analyses attribute different causal weight to the stabilizing or destabilizing influence of the United States in East Asia.

The case for the inevitability of conflict between China and other states thus is exceedingly dubious. The array of causal factors operating on policy choice is much greater than the offensive realist argument acknowledges. The joint influence of these factors is reflected in the grand strategies of China and the United States. China's strategy prizes international accommodation and accords priority to domestic growth and development over international assertiveness -- except on the issue of Taiwanese independence. American strategy is reflected in the persistent US policy of engagement that has sought to strengthen China during the last three decades and to make it a more



powerful and responsible power in world politics. This is not to deny that both countries also pursue a policy of hedging. China is defending strictly the principle of national sovereignty, thus resisting America's overbearing, unilateral power on a number of international issues. And it embraces Asian multilateralism as a hedge against what it considers worrisome bilateral initiatives of the United States in Asia. Conversely, the U.S. undoubtedly is seeking to contain China militarily through a variety of different policies. Both hedging policies contradict to some extent the two grand strategies without, however, seriously undercutting them (Christensen 2006, 110-22).

Second, because it overlooks significant weaknesses in China's economic rise the argument for rupture is open to question. China's high-growth economy is quite fragile as Ruizhuang Zhang (2008. See also Katzenstein 1997. Katzenstein and Shiraishi 1997) has reminded us. The World Bank's 2007 recalculation of Chinese GDP in terms of purchasing power parities (PPP) reduced China's economic size overnight by 40% (from \$8.9 to 5.3 trillion). The world's leading export economy in recent years has been Germany not China. And most of the foreign investment that is flowing into China is in fact Chinese, originating either from the mainland itself, in the attempt to bypass the reach of the state, or from the overseas Chinese communities in Taiwan, Hong Kong and elsewhere in Southeast Asia. On a per capita basis China ranks 131 out of 230 economies. Poverty remains a widespread problem with 10 percent of the population, or 130 million Chinese, living on no more than one dollar per day. The economic inequality between different parts of China and different social strata is strikingly high and growing. Economic growth is reflects a quantitative extension rather than qualitative improvement. In terms of productivity China lags far behind the United States and its East Asian partners. Foreign firms dominate the high end of manufacturing production. During the last five years the Chinese government awarded to the top 10 Chinese electronics firms the same number of patents IBM receives in a year. China's economy is remarkably energy inefficient and one of the world's leading polluters. Its foreign trade dependence is an extraordinary 76% far outstripping that of the United States (28%), Japan (31%), India (40%), and Russia (56%). And its enormous foreign trade surplus invites pressure politics, especially from a protectionist U.S. Congress. Finally, China is far from

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replacing Japan as Asia's preeminent economic power. In 2002 Japan accounted for 13.5 percent of global GDP almost four times China's figure. Japan is leading China by a ratio of 4:1 (and about 40:1 on a per capita basis) in terms of market prices, a better measure of regional power dynamics and the international weight of an economy than a purchasing power parity measure of GDP which is a good measure of domestic affluence and the individual standard of living. After more than a decade of economic stagnation Japan's share in the combined regional GDP of Northeast and Southeast Asia has slipped from 72 to 65 percent. And during the same period of explosive economic growth, China's GDP, as a proportion of Japan's, has increased from 13 to 23 percent (Katzenstein 2006, 2). The image of a Chinese economic juggernaut thus is a mirage built up on the basis of partial analysis.

Finally, the argument for rupture is undercut by a third argument. China's rise as a military power and East Asia's evolving security order is built on distinctive historical foundations. It is risky to distill Chinese and European history into sharply different molds, such as universal empire in the case of China and balance of power in the case of Europe. China's long history is simply too variable. In the distant past Qin's unification of the ancient Chinese system, for example, replaced balancing strategies in a multipolar system which resembled European feudalism with counterbalancing (divide-and-rule and divide-and-conquer) domination in a unipolar system. Self-strengthening reforms in the process of state formation (such as rationalizing national taxation and establishing more meritocratic administrations as well as the introduction of universal military conscription) overrode the logic of balancing (Hui, 2005).

No one model is likely to capture the variability in China's history. During the Northern Song (960-1127) as well as the Southern Song (1127-1279) and Ming Dynasty (1368-1644), Yuan-kang Wang (2002, 2001) argues, power politics as characterized by structural realism rather than cultural realism explains best twenty cases involving Chinese military policy making. Alastair I. Johnston (1995). See also Lantis 2002, Yong 1999) disagrees. He finds instead that rather than following the dictates of structural realism, or expressing Confucian pacifism, China's strategic culture during the Ming dynasty especially along the empire's Northern border was characterized by a *parabellum*

outlook permitting the ready use of military power.<sup>8</sup> Different variants of realism thus find support in China's historical record.

The same is true for China's plastic strategic culture which gives space to how ideas and events matter in bringing about foreign policy change (Legro 2007). China's experiences, doctrines, and practices are as broad or broader than those of the United States with its multiple and contested foreign policy traditions. If structural and cultural variants of realism can find support in China's historical record, so can variants of Confucianism and idealism. In the view of John Fairbank, doyenne of "the Harvard School," China's most successful and widely acclaimed foreign policy has been non-violence. China relied primarily on diplomatic maneuvering, cultural attraction, tributary trade and other non-coercive means (Fairbank 1968, 1974. See also Mancall 1984. Zhang 2002).

Some of Fairbank's argument resonates with parts of the scholarship reported below, as a fully developed argument it simply does not accord with some of the most careful empirical research done well after Fairbanks ceased publishing. During the last thirty years, for example, Alastair Johnston (1996) shows that China's relatively hard *realpolitik* strategic culture survived Maoist China for a while, despite a sharp reduction in the threat that China's external environment posed, and despite China's incorporation into international economic institutions. Johnston's finding undercuts not only the historical sweep of Fairbank's analysis. It also contradicts the different systemic arguments that realists and liberals advance who are pointing to the destabilizing effects of threat and the stabilizing effects of international institutions. Since the 1990s, however, there has been a remarkable shift in Chinese foreign policy toward a more accommodating foreign policy that Johnston (2008) also documents with great care. On the basis of the carefully assembled evidence illuminating different micro processes of socialization – mimicking, social influence and persuasion -- Johnston concludes that on questions of security today China is a status-quo power. Hard *realpolitik*, Johnston concludes, no longer trumps soft *idealpolitik*. In brief, on their own different theoretical models cannot capture fully the variability of Chinese history; taken together they do not help us recognize what is distinctive about China's rise.

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Comparative history does. There is something quite distinctive about the security foundations of China's rise. After the fall of the Ming Dynasty China lacked what distinguished Europe: intensive region-wide military competition and extensive global geographical expansion (Arrighi 2008, 2007. Kang 2005). With the exception of frontier and civil wars, China and East Asia were at relative peace with one another for almost 300 hundred years, bracketed by two Japanese invasions (1592-98, 1894-95).<sup>9</sup> Furthermore, China and the other East Asian states did not exploit the opportunities they had to compete with one another in building overseas empires. Instead competition, as was true of Japan and China in the 17<sup>th</sup> century, focused on domestic development (Hobson 2004, 50-73). The frontier wars of the Qing dynasty – military alliances with the Eastern Mongols, extermination of the Western Mongols, conquest of Xinjiang and the securing of formal suzerainty over Tibet – made for a substantial territorial expansion that aimed at the pacification of the periphery and the creation of a viable buffer zone against always possible invasions from Inner Asia.

Compared to the global expansion of the European colonial empires, however, China's conquest was modest, circumscribed by its defensive orientation, and lacking the systematic effort to extract resources from the periphery. While in East Asia the number of countries and their boundaries have remained largely the same over many centuries, in Europe the number of states shrank from about 500 in 1500 to about 20 in 1900 (Kaufmann 1997, 176). International trade was a much more important source of wealth and power in Europe than in East Asia, specifically China. Admiral Zheng He's seven great voyages (1405-1433) revealed a level of seafaring technology that was far superior to that of Portuguese and Spanish discoverers a century later. The heavy economic burden of these expeditions was judged to be too great compared to pressing domestic needs. Investment in canals and protection of the northern borders expanded greatly the size of China's national market. Control of foreign sea lanes was less important. Tributary trade was symbolic not extractive. Normally it benefited the vassal state more than China's imperial court.

Why this moderation in China's foreign orientation and why this comparative peacefulness of East Asia's state system? One answer lies in East Asia's characteristic

imbalance of power. Because of China's size hierarchy<sup>10</sup> and bandwagoning rather than equality and balancing, as in Europe, characterizes the international relations of East Asia. This is the core claim of David Kang's bold argument (2007, 2006, 2005, 2004, 2003/04. 2003. See also Huntington, 1996, 229-38. Cha, 1998). Kang holds that China's rise is recreating the conditions for regional hierarchy, peace and stability in East Asia. This is a structural argument and there is nothing inevitable about this outcome. Still it is undeniable that prior to the intrusion of the Western powers at the beginning of the 19<sup>th</sup> century East Asia's international relations had been remarkably peaceful and stable, and China's foreign policy had been remarkably accommodating to the needs and demands of secondary states. Independent or suzerain states evolved political practices in a regional system that mixed the principle of formal hierarchy with informal equality. As long as the formal script of hierarchical relations between the primary and secondary states was observed, China saw little reason to intervene in the domestic affairs or foreign policies of its nominally subordinated 'vassal' states – this in sharp contrast to the European pattern of formal equality, informal hierarchy, and almost uninterrupted war. Viewed from a Sino- rather than a EuroAmerican-centric perspective, it is significant that Bennett and Stam (2003 quoted in Kang 2004, 340-41) have concluded, based on detailed and careful statistical analyses of balance of power behavior in different world regions, that there exists “no support for the argument that [Asian] behavior will converge on that of Europe. In fact, all of the regions outside of Europe appear to diverge from the European pattern [of classical balance of power].”

China's rise is strengthening once again the principle of hierarchy in contemporary East Asian security affairs (Goldstein 2005. Zheng 2005. Economy and Oksenberg 1999. Johnston and Ross 1999). After the mid-1970s China exchanged the role of a revolutionary with that of a status quo power. Chinese foreign policy lost the hard-edged realist character that had reminded some observers of Germany in the decades leading up to World War I. After more than a century of humiliation was not China finally entitled to its place under the sun? The international politics of economic mercantilism and a xenophobic nationalism seemed to point ominously in a familiar direction. China's foreign policy, however, has evolved along different lines (Johnston

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2004, 2008. Christensen 2006). China has recognized the long-term diplomatic and military advantages that accrue from its growing economic power. China became a champion of multilateralism and diplomacy while the United States embraced unilateralism and prevention. After 9/11 it was the United States, not China, which played the part of revolutionary power in world politics. China instead acts like a status quo power. While the U.S. has claimed a general right to wage preemptive war, China has joined with many other states insisting on the importance UN approval. Instead of the risks of Euro-centric balance-of-power politics East Asian governments, and not only in Beijing, have come to appreciate some of the benefits of Sino-centric bandwagoning politics.

For the time being, in East Asia, both the Chinese and the United States governments are acting like status quo powers. With the future so uncertain and the stakes so high, China and the United States are hedging their bets. For now they aim at engagement (the United States) and domestic development (China) and hold in reserve a strategy of explicit balancing (the United States) and regional primacy (China). The presence of the United States as East Asia's preeminent power complicates but will not stop China's rise to regional primacy. At times governments act with prudence and foresight when encountering systemic shifts in capabilities. Toward the end of the 19<sup>th</sup> century Britain was a weary titan (Friedberg 1988) and ceded power gradually to the United States as the rising world power while seeking to contain and balance against Imperial Germany as the rising power in Europe. Some of the diplomatic successes and general strategy of the United States in East Asia make it possible that the U.S. will not overstay its welcome and create a balance of power system marked by conflict and war where imbalance and relative peace had prevailed in the past and hold promise for the future.

East Asian governments and populations accept rather than fear China's emergence as the primary regional power in East Asia, even when their populations have doubts about China's rising military powers as is true of Japan and to a lesser extent South Korea and Indonesia. A strong China is better than a weak one. If forced to choose most East Asian states would prefer China to Japan as the regional core state, even

though, or perhaps because, for many years to come in material capabilities Japan will continue to lead China by a substantial margin in material capabilities. Every state in East Asia wishes to have good relations with the United State; none wish to be caught in a conflict between China and the United States; and all are very reluctant to participate in a U.S. led effort to contain or balance Chinese power for one simple reason: historically East Asia has been primed for political and military imbalance not balance. The consolidation of the postcolonial states in Southeast Asia, the rapid transformation of Vietnam, the growing dependence of South Korea and Japan on Chinese markets, and the absence of Japanese attempts to define its role as a regional leader in Asia, all point to a future in which China's rise will lead to an imbalance in power, peace and order.

The upshot of this discussion is simple. An analysis of the security foundations of China's rise makes more compelling the case for recalibration rather than rupture. It is quite unlikely that China's rise will cause a deep rupture either in the international relations of East Asia or global politics. This is not to deny that the volatile issue of Taiwan might explode into war, not because of the status-quo orientation of China under a growth- and development-oriented grand strategy that resonates with earlier periods of Chinese history, but because of the revisionism of Taiwan and the possibility that the United States will come to fear the threat China poses more than the opportunities it promises.

### *3. China's Rise and Global Culture*

Cultural processes tap into what is sometimes called soft power – expressed for example in popular culture, religion, or public diplomacy. Such processes reveal the cultural aspects of China's rise. In the traditional Sinocentric order culture was an important constitutive element that helped create a larger regional order in East Asia. In the modern and post-modern world, are such processes best characterized by rupture or recalibration?

China is a civilizational polity that, by definition, is social and operates at the broadest level of cultural identity in world politics, such as Islam or America. Its identity is fixed neither in space nor time. Like other civilizational polities, China is both

internally highly differentiated and culturally loosely integrated. Because it is differentiated, its ideas, practices, and institutions transplant selectively, not wholesale. And because it is integrated it can assume a reified identity especially when encountering other civilizations, even nations, such as Japan. Civilizational states and processes cannot be captured adequately by the reification of categories such as “Asia” and the “West” (Mahbubani 2008). And civilizational polities are neither Hobbesian, nor Lockean, nor Kantian (Wendt 1999). Instead they are a mixture of all three, institutionalized social orders formed, as in the case of China, around more tightly integrated nation-states but encompassing also diverse transnational communities.

Students of world politics have neglected the analysis of the soft powers of civilizational states. Hegemony is a claim to primacy of one state over another. Such claims incorporate civilizational primacy. Civilizational states exercise distinct kinds of power in world politics.<sup>11</sup> Some aspects of that power are captured by conventional understandings of that term, efforts to influence the behavior of others specifically and in directly targeted interactions. The power resources commanded by civilizational states, however, do not only follow conventional understanding. Civilizational states also have the power to help shape the identities of other states through the effects they have over underlying social structures, knowledge systems, and the general environment. Without denying the direct and specific power they bring to bear in processes of interaction, most distinctive of civilizational states is their constitutive power, exercised indirectly and diffusely. This is often referred to as “soft power.”

In recent years politicians and pundits everywhere have been very eager to appropriate this concept. It has “nice” connotations – soft, fuzzy, modern, and humane—highly desirable attributes in an often violent and cruel world. China’s strong impulse to adopt the concept of soft power derives from the necessity of avoiding international conflict and war in the decades the country will need to reach economic modernity. China has learned quickly how to use its economic and diplomatic power softly (Zakaria 2006). Indeed Joshua Kurlantzick (2006, 1) asserts that China and its neighbors have adopted a broad definition of soft power. Written 2,500 years ago Sunzi’s *Art of War* articulated strategies designed to help “win victories without striking a blow” (Zakaria 2006).



Prudent these strategies may be, but they are quite different from exercising soft power in indirect and socially diffuse ways. David Shambaugh (2005, 2), quoting Joseph Nye (2004, 2), argues that, in contrast to Japan, China is lacking many of the elements of soft power attraction – such as philosophies or ideologies, popular or high culture, sports, fashion, or role models.<sup>12</sup> To distinguish between these different views and make the concept analytically useful requires more than deploying it as an appealing or dismissive political metaphor that simply describes traditional economic and diplomatic means of statecraft which eschew military violence.

According to Joseph Nye (1990a, 32-34, 267. 2002, 8-12, 69-75. 1990b. 2004a. 2004b) soft power is the ability to get what you want through co-optation, agenda-setting or attraction rather than coercion and inducement. Nye (2004a, 8, 11-15) views soft power in terms of the endowment of actors with an appealing culture, attractive political values, and the adoption of congenial policies at home and abroad. To generate favorable political outcomes deep knowledge, good strategies, skillful leadership, and favorable context also matter. And soft power is always linked to the possession of hard power. For Nye and various sympathetic (Pape 2005. Paul 2004, 2005) or critical (Brooks and Wohlforth 2005. Lieber and Alexander 2005) scholars probing the concept of soft balancing, both hard and soft power exist in processes of interaction between different actors which have direct, observable effects. Yet attraction, emulation and persuasion work primarily indirectly and diffusely and reflect constitutive power at least as often as interactive power. The exercise of soft power thus is often concealed. Soft power is power over opinion that shapes the milieu in which actors move rather than aiming at possession of specific assets (Wolfers 1962, 67-80). Steven Lukes (2005) and Joseph Nye point to the invisible face of power that is concealed by more readily observable behavioral power. Soft power aligns the preferences of others to one's own and alters preferences and identities.

Jonathan Kirshner (2008. See also Abdelal and Kirshner 1999/2000) restates an argument made long ago by Albert Hirschman (1980/1945) that illustrates the point and gives the concept of soft power additional traction. Hirschman's analysis highlighted two aspects of international trade only one of which is germane to a discussion of soft

power.<sup>13</sup> International economic exchange, especially between large and small economies, can shape domestic politics indirectly. Over time coalitions that gain from these exchanges will form and defend their interests in maintaining good relations with the large economy and thus help shape the definition of the national interest that informs foreign policy choices. Specifically, business will favor friendly relations with economies which serve their interests. Over time this realignment of economic and social interests will affect not only firms but sectors, regions, coalitions and the entire polity. This form of influence typically acts indirectly and combines interactive with constitutive power. China's economic rise should bring it into play, especially in intra-Asian trade where its importance has risen dramatically during the last decade. All Asian states have growing stakes in a prosperous Chinese economy, just as, following Kang, they have an interest in a stable and peaceful China. Public opinion surveys and foreign trade dependence data support this view (Yang 2007. Huang and Ding 2006. Gill and Huang 2006).

China's infatuation with soft power in recent years is linked to the New Confucianism (Bell and Chaibong 2003. Makeham 2003. Cha 2003. Kang 2006). Although it was thought to have been the main reason for many of China's ills in the last two centuries, in an attempt to bolster its soft power in recent years the Chinese government has attempted to revive Confucianism, a hierarchical, reciprocal and morally based value system. The qualities that flow from these values –wisdom, morality, generosity, obligation to respect the interests of others – are now extolled as highly conducive to economic growth and political stability. Resonating with similar arguments made earlier about Japan and Singapore, the “Beijing consensus” (capitalist competition and authoritarian politics) Joshua Ramo (2004) insists is emerging as a rival to the “Washington consensus” (market economies and democratic government). Confucian values are invoked as filling the spiritual vacuum left after the demise of Communism. In promoting the idea of a “harmonious society” the Chinese government is seeking support from a political thinker it reviled not long ago.

Like all intellectual traditions, New Confucianism is a reinvention of something old that is introduced and appropriated in new contexts by actors with specific purposes. In its third historical epoch since the middle of the 19<sup>th</sup> century, the relevance of New

Confucianism is said to lie in its humanism. Under siege by the cultural challenges posed by the West, Confucianism and neo-Confucianism has been eliminated or hollowed out. But the ethical and religious concerns of Confucian humanism, Tu Weiming argues, have remained relevant in seeking to address important problems left unresolved in the wake of the Enlightenment.<sup>14</sup> Tu's insistence on the continued relevance of China's civilizational legacy is largely congruent with the writings of Shmuel Eisenstadt and the concept of multiple modernity. Cultural China focuses on the meaning of being Chinese (Tu 1994). It has affinities with geopolitical, linguistic, ethnic and civilizational concepts. In addition it is also defined by transnational relationships in Greater China and the fluid borders separating civilization from barbarism (Ong and Nonini 1997. Callahan 2004). It is often overlooked that China has always been in Valerie Hansen's (2000) words an open empire. According to Tu, inside Greater China cultural China comprises three different worlds: first, the four states or polities populated largely by ethnic Chinese -- mainland China, Taiwan, Hong Kong and Singapore; second, the diaspora of overseas Chinese living in Northeast and Southeast Asia, the United States, and throughout the world; and third, individuals who are trying to understand China intellectually and interpret it to their own national communities. Cultural China emerges from the dialogues within and between these different Chinese worlds, with the erstwhile peripheries of the second and third Chinese world now in the unaccustomed role of engaging in the partial redefinition of China's identity in the first Chinese world. Transnational networks of intellectuals and cultural categories now complement and interact with established ethnic and national modes of identity.

Confucianism, neo-Confucianism and New Confucianism are not essential attributes of Chineseness. Such essences are impossible to find. In the distant past Manchu rule over the Qing empire, for example, remade the political construct of Chineseness in terms of cultural universalism rather than specific ethnic or religious attributes. This construct was both a reaction to and consummation of Confucian ideas. It differed greatly from the principles that governed European empires: capitalist expansion, the search for cultural homogeneity, ethnic identity politics and territorial sovereignty. Recently, Mao and Deng have had their own distinctive projects reacting to and working

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within the Communist and Capitalist traditions of Western Scientism. Alternating notions of Chineseness are cultural resource that actors mobilize for specific political purposes both in the center of the civilizational state and on the periphery of transnational Chinese networks. Furthermore, inside mainland China New Confucianism is complemented by atheism, Daoism, Buddhism, Islam, Christianity and popular religion. Outside China varieties of Confucianism have deeply affected Japan, Korea and Vietnam. Tu Weiming's analysis of civilizational dialogues thus agrees with Eisenstadt on the persistence of cultural pluralism and multiple modernities in today's civilization of modernity (Tu 2000, 2002). Avoiding the stipulation of any cultural essences, it focuses attention on civilizational dialogues and processes. It thus agrees with Callahan's (2004, xx) analysis of the existence of transnationalism inside Greater China as an unstable product of contingent relations reflecting day-to-day practices. China's soft power thus operates in a distinctive cultural context (Nye 2005. Hunter n.d.).

Since 2004 the Chinese government has put in place a diplomatic initiative to deploy China's soft power more effectively. While across Southeast Asia American cultural centers run by the State Department's United States Information Service have closed their doors, since 1990s China is expanding its public diplomatic presence. In 2004, China Radio International now broadcasts in English 24 hours a day, compared to the Voice of America's 19 hours, soon to be cut back to 14 hours. CCTV-9 is China's English-language TV channel, countered not by a government-run but a private CNN-International channel (Perlez 2004). The shifting tide is visible across a broad array of issues. Particular initiatives in public diplomacy, for example, seek to convey China's peaceful intentions. Museum exhibits celebrating the 600<sup>th</sup> anniversary of Chinese discoverer Zheng He offer one example. His voyages explored Asia, the Middle East and Africa; yet he never conquered other territories (Kurlantzick 2006, 3). In terms of popular culture China is also beginning to project more of a presence in the world, especially in Southeast Asia. Chinese films, music and TV have become more popular throughout Southeast Asia in recent years, much of it originating from Hong Kong (its movie industries and "Canto-pop") and Taiwan (the Meteor Garden television series or boybands F4 or 5566) rather than the Peoples Republic of China (Cheow 2004). Even

though many of their movies are banned in China, Chinese movie makers have received much international acclaim for films such as *Crouching Tiger, Hidden Dragon* (which grossed more income than any other foreign language film in the American market). In different circumstances and with very different movies China is thus continuing a tradition started by the Hong Kong movie industry in the 1960s. Yao Ming is a great star in the U.S. National Basketball Association. The 2008 Beijing Olympics may well become as seminal an event for China, as were the 1964 Tokyo Games for Japan.

Student exchanges also illustrate the growth of Chinese soft power. Chinese universities enrolled over 120,000 foreign students in 2004, compared to 8,000 in 1984, and 36,000 in 1994. In Cambodia students now have the opportunity to attend Chinese-language schools that receive funding from the Chinese government. Good students are then eligible for scholarships for advanced study at Chinese universities (Kurlantzick 2006, 3-4. Nye 2005). The turnaround in Indonesia is also striking. In 2003 2,563 Indonesian students received visas to attend Chinese universities, compared to 1,333 who went to study in the United States, down from 6,250 in 2000. The 9/11 attacks had a large effect in the sharp decline of the American figures; but the rise in the Chinese figures points to underlying long-term change. Singapore's government now sends as many of its best students on scholarship to China as to the US and Britain. And for the professional middle class in South East Asia, sending children to Chinese universities has emerged as an attractive alternative, at less than 10 percent of the total cost, to sending their children to the United States (Perlez 2004). Since 2004 the Chinese government has moved quickly to set up a growing number of Confucius Institutes abroad, language schools affiliated with foreign universities that aim at promoting Mandarin as one of Asia's leading languages. And China is increasing the number of Chinese language teachers working abroad, primarily in Southeast Asia (Jain and Groot 2006). China's Education Ministry claims that 40 million people were learning Chinese worldwide in 2004 and predicts that the number will more than double by 2010 (Bezlova 2006).

Finally China's sizable diaspora also adds to the country's soft power potential. How many Chinese live abroad is not really known. The figure may well run as high as 35 million at the outset of the 21<sup>st</sup> century, up from about 20 million in the early 1980s

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(Hunter n.d., 6). Substantial Chinese communities can now be found not just in Southeast Asia, but also in Africa and Latin America. Chinese migrants are changing the ethnic composition of Northern Burma and Vietnam (Kurlantzick 2006, 4). South Korea estimates that it has about 1 million illegal Chinese immigrants (Hunter n.d., 7), a number that most likely is modest compared to figures for Japan, the EU and the United States. Since the early 1990s China has rebuilt its contacts with the associations of ethnic Chinese, especially in Southeast Asia. Chinese Buddhist associations network across Asia and are as active as various Christian ministries. And throughout Southeast Asia ethnic Chinese, traditionally prone to stay clear of politics, now avow their Chinese heritage (Kurlantzick 2006, 3-4. Hunter, n.d. 7). In fact the Chinese government is very active in cultivating its contacts with the overseas Chinese and has in recent years set up more than 80 pro-China and pro-unification associations among communities of overseas Chinese around the world (Taiwan News 2002). In Southeast Asia the resolutely anti-Communist and anti-Beijing overseas Chinese apparently are beginning to shift in their views. As anti-Chinese sentiments in the region has receded, overseas Chinese have adopted a more positive attitude toward China (Cheow 2004, 2).

China is trying to use its soft power to advance its standing in the region, primarily by seeking to lower the nervousness about its economic rise. Because of the rapidity of China's social and economic changes, the gap between China's self-image and external perceptions is wide. In its foreign policy China seeks to bridge that gap by evoking four dominant national images – peace-loving nation, victim of foreign aggression, anti-hegemonic force in world politics, and developing country – that help shape its foreign policy (Wang 2003, 70. Ramo 2007). This is not to deny some inherent limitations in China's soft power. Democratization, good governance, honesty in government, responsible environmental policies, protection of economic and social rights of workers, a functioning judiciary, are all deeply problematic issues that tend to undercut the appeal of Chinese values and norm, and that serve as warning signals to other countries not to admire too much everything Chinese (Rachman 2007). Yet in a country that is experiencing more rapid change than any other, the greatest appeal of its soft power may lie in the excitement, and the risk, of an unprecedented process of self-

invention. In the language of advertising, China is a white brand, in the sense that Chinese fears and hopes as well as those of the world can all be easily projected (Ramo 2007). While it may sound far-fetched to American and European ears, there exists a family resemblance between China's soft power and the American Dream. Full of internal contradictions, China's Dream is empty and leaves boundless space to the imagination. That may be its greatest attraction. New Confucianism, like Liberalism, may be little more than an official creed, a reified concept deployed by politicians lacking the power of their own vision. It is not the crystallization of the image but its vacuity that offers the greatest spur to the human imagination and may still become an important source of China's soft power.

#### *4. Sinicization: Processes and Mechanisms*

Across economic, security and cultural domains China's rise is recalibrating rather than rupturing existing relationships. China's growth rates will make its economy eventually larger than Japan's; but catch-up with the United States is still a very long time off (Thurow 2007). The importance of diverse communities of overseas Chinese in China's economic rise have helped to make China's economy extremely open to external influence, extending a tradition that has a very long history. On questions of security China's rise as a military and political power in East Asia appears to be recreating parts of the hierarchical character of the East Asian state system that in the past had produced long periods of peace and stability. Finally, in cultural affairs the civilizational legacy of China strengthens current trends pointing away from the pursuit of hard Realpolitik. China as a nation-state continues to confront the contentious and volatile issue of Taiwan. Recalibration not rupture most adequately summarizes recent developments.

China's rise is often analyzed with abstract concepts, globalization and internationalization, that travel easily across time and space. According to some economic historians the rise of the Atlantic trade in the 17<sup>th</sup> century and the rise of a world capitalist system created the first global economy. Other historians view instead the three decades before World War I as the first era of globalization. Analogously, diplomatic historians and students of international relations point to the dynamics of the

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international competition between states in 19<sup>th</sup> century Europe as a clear model of balance of power politics, transformed eventually by Germany's challenge of British primacy in world affairs. More generally, competition between states in an anarchical state system is for most students of international relations a constant in history. Globalization and internationalization offer two contrasting abstract conceptual frameworks (Katzenstein 2005, 13-21).<sup>15</sup> Since the evidence presented in sections 1-3 of this paper point to China's distinctiveness as the result of recalibration rather than rupture, the process of China's rise should be analyzed with due attention to its specific context.

Civilizing processes (Elias 1978, 1982) are a historical and spontaneous interaction of individuals, society and the state, with each unintentionally affecting the other. Elias studied civilizing processes in Europe, on questions of social manners and the restraint of aristocratic aggression. Elias's figurational or process sociology is applicable also outside of Europe. Following Elias, Gerrit Gong (1985, 172. 1984), for example, argues that the European society of states superseded the Confucian order in East Asia as China's standard of civilization concerning international trade, diplomacy and law came to reflect dominant European standards of civilization, codified in treaty law and later reflected in European writings on customary law. Yet China was not only on the receiving end of a one-way process. Instead it was engaged in a broad range of two-way processes that connected Chinese individuals, Chinese society and the Chinese state to the world. The sum total of these processes I call here Sinicization. Important aspects of Sinicization overlap with global or international processes; they capture elements integration, aspects of what Max Weber called "rationalization" and what Brett Bowden and Leonard Seabrooke (2006) call global standards of market civilization. At the same time Sinicization also contains elements of differentiation; it contains elements that are distinctive of China's civilizational state. For example, China has acceded to the widely-subscribed norm of international arbitration in commercial disputes. But Chinese corporations and the Chinese government insist that arbitration boards meet in Beijing, not in Zurich, as is customary.<sup>16</sup>



Today's Sinicization is not remaking East Asia in the image of China.<sup>17</sup> Instead, as Takashi Shiraishi (2006) argues, Sinicization has evolved differently in different states. Viewed against the different political fortunes of different strata of overseas Chinese living in the various states of Southeast Asia, this is hardly a surprise. And while during the last two decades the emergence of a region-wide consumer society in the major East Asian metropolitan areas has become an undeniable fact of life, upper and upper-middle class Chinese are making variegated choices, for example about their preferred use of mother tongue (Hokkien, Cantonese, or Teochew) and about the education they prefer for their children (Hong Kong and Singapore for high school for better training in English and Mandarin, Britain and the U.S. for college and professional education). Indeed, Shiraishi goes as far as to call the appearance of "Anglo-Chinese" (Chinese of whatever nationality who are comfortable with Anglo-Saxon norms) the most important of the many momentous changes that are transforming East Asia.<sup>18</sup> With China rising, the social make-up of East Asian societies will remain heterogeneous and polyglot.

On other issues as well Sinicization refers to multiple rather than a singular patterns. China's sheer size, for example is creating novel and very different economic opportunities and security threats for East Asia. Economic opportunities abound in markets that are growing very rapidly and in populations that are skilled, adaptable and hard-working. At the same time new threats arise in the form of organized crime in gambling and prostitution, drug trafficking, the smuggling of migrants, piracy, and new environmental hazards. And the volatile Taiwan issue is a source of potentially quite serious security threats in East Asia. Furthermore, historical memories are creating their own dynamic not only in the Sino-Japanese disputes over the treatment of Japanese aggression in the 1930s and 1940s in Japanese history textbooks but also in the relations between China and South Korea, illustrated in 2004 by the dispute over the Koguryo kingdom (37 BC to AD 668) as either the forerunner of the Korean nation or a Chinese vassal state.

The tracking of different processes of Sinicization entails, eventually, a second task: the identification of causal mechanisms across different processes.<sup>19</sup> I define causal mechanisms here minimally as mostly, but not always, unobserved entities that generate interesting outcomes.

Mechanisms are causal generalizations about recurrent processes. Such processes create order that is visible and connect different mechanisms. Causal mechanisms operate in specific fields and their effects often depend on interactions with other mechanisms operating in the same or related contexts. The configuration of mechanisms thus is likely to be complex. Causal mechanisms are entities that encompass, for example, aggregation, selection, and social construction theorized, respectively, in public choice, population ecology and institutional theory. Off-the-shelf modules of causal mechanisms include strategic exchange and bargaining, diffusion with critical thresholds, and tipping points in network structures of social or spatial segregation. Some historically-inclined social scientists view power relations within and between polities as unobserved mechanisms that generate important and interesting outcomes in the world. The different modules point us to mechanisms that specify the causal and logical relationships between situation, actor, social practice and emergent structural properties. They line up well with the relational sociology that Elias developed in his work on civilizational processes.<sup>20</sup>

Sinicization works through different kinds of causal mechanisms. James Mahoney's (2001, 579-80) partial inventory, for example, listed 24 different definitions of causal mechanisms. And Doug McAdams, Sidney Tarrow and Charles Tilly (2001) have identified dozens of mechanisms in their sweeping analysis of social movement politics. A full specification of causal mechanisms should proceed inductively. Here a few illustrations must suffice. In his historical work Charles Tilly (1997, 47. 2001, 24-25. See also Tarrow 1999) has focused on relational (such as brokerage or competition) and environmental mechanisms (such as resource depletion). Johnston (2007) distinguishes between social influence, mimicking and persuasion, Kocka (2001) between imposition, imitation, adaptation and negotiation. Some of these mechanisms are conceptually very close cousins, such as mimicking and imitation. Others show little overlap, for example, resource depletion and persuasion. But as a group they should enable us to recognize the relevance of some and not of other mechanisms in different empirical domains.

A proper conceptualization of processes of Sinicization and various causal mechanisms provide us with potentially useful tools to reexamine the data culled from the economic, security and cultural domains of China's rise that point to recombination rather than rupture. This is a task for which a generalist like me is ill-equipped. It is better suited

to specialists in each of these fields. As a generalist I offer here, for strictly illustrative purposes, one brief example each from each domain.

The economic importance of the overseas Chinese and economic transnationalism has been widely noted as an “alternative modernity” to an exclusively territorially-centered national economy (Ong and Nonini 1997. Katzenstein 2000. Tu 1991. Duan 2007, 4-11). Meritocracy, high trust politics, strong personal bonds, and strong familial and social relations are deeply institutionalized values expressed in routinized behavior with significant impact on China’s economic rise in a national economy with important transnational ties and a distinctive degree of economic openness. Chinese capitalism, as Gary Hamilton (1996) points out, is not domestic but integral to the world economy. The conventional comparison of Japanese success and Chinese failure at the turn of the 20<sup>th</sup> century is too simple. Success is often defined implicitly, in terms of output in highly concentrated heavy industries and the successful pursuit of military objectives by centralized states. Such a definition overlooks a radically different pattern of Chinese economic development, marked by a heavy reliance on light industry, medium- and small-sized family-owned, extensively networked firms covering large geographic areas and economic sectors, and decentralized or weak states. Chinese merchant capitalism has developed along a very different trajectory than Japanese industrial capitalism. In contrast to Japan, China’s household –based economy form of capitalism became early on integrated into and dependent on the world economy, while it remained independent of any one political order. Hong Kong, Singapore and Taiwan, as well as concentrations of communities of overseas Chinese elsewhere, exemplify this road to modern capitalism and infuse China’s rise with great dynamism. The four causal mechanisms operative in China’s economic rise that Hamilton’s analysis highlights most are brokerage, competition, social influence and adaptation. Other facets of China’s rise surely would bring out other mechanisms fleshing out further the characteristics of the process of Sinicization.

A second example of Sinicization is drawn from security studies. It too illuminates the importance of recalibration rather than rupture and points to a number of different causal mechanisms.<sup>21</sup> Some observers have pointed to China’s “multifaceted

diplomacy,” as part of a grand strategy that subsumes traditional great power diplomacy. Chinese diplomacy does not only focus on the major powers but also on its neighbors and less developed countries in other parts of the world, including Africa and Latin America. Many diplomatic initiatives focus on concrete social, cultural, economic and environmental issues. In terms of format multifaceted diplomacy includes summits, top-leader meetings, bilateral exchanges, multilateralism and forum diplomacy. This turn in Chinese diplomacy is often cited as evidence that China has softened its international stance and has become more accommodative as it begins to move down a liberal rather realist path in foreign policy. Some go as far as to suggest that with the American turn toward unilateralism after 9/11, besides the European Union, China has become the most ardent defender of the institution of multilateralism, the greatest diplomatic innovation of the United States after the end of World War II. Perhaps.

Yet, the empirical record supports an alternative explanation. There exists a significant difference between different multilateral forums in which China is involved. Some are conventional multilateral institutions in which the various members participate on relatively equal terms, such as ASEAN or the ARF. Some of them have been convened by other countries and China has joined these initiatives as an active participant. The Latin American Forum for example is a Singaporean initiative seeking to strengthen the cooperation between East Asia and Latin America; China is an active participant and initiates and sponsors various activities. The Pacific Island Forum resulted from a New Zealand initiative; China has established a dialogue relationship with it.

Finally, China is also involved in a set of forums which it founded. In these institutions China is the clear leader, agenda setter and at times the major donor. These forums hold summit and ministerial meetings. China occupies a privileged position in the group; it sets the agenda, shapes the mechanisms, and orchestrates the bilateral discussion, consultation and negotiation meetings between itself and each of the other members. Typically, collective agreements can be presented at summit or ministerial meetings only after these bilateral meetings have been concluded successfully. The Chinese government tends to describe these forums as win-win, multilateral institutions that embody the five principles of peaceful coexistence. In practice they strengthen China's economic, security

and political ties with member states, enhance China's influence in the region, and provide China with more support at larger international gatherings and at the United Nations. The main examples of this kind of multilateral forum diplomacy date back no further than the late 1990s and include the Shanghai Cooperation Organization (SCO), the Forum on China-Africa Cooperation (FOCAC), the Forum on Cooperation between China and Arab States, and the China-Pacific Islands Countries Economic and Development Cooperation Forum. Reflecting neither conventional bilateral nor multilateral institutions, China's forum diplomacy is a genuine innovation that draws on some of China's long-standing and well-tested political practices and calibrates them with the novel situation in world politics that China's rise is creating. This account points to several distinctive causal mechanisms: social influence, mimicking, and negotiation among them. A fuller analysis of China's rise in security affairs would identify other mechanisms, including the threat of war, thus leading to a fuller characterization of the process of Sinicization.

A third example of Sinicization is drawn from the cultural domain. The growing interest of the Chinese government to fill a spiritual and legitimacy void domestically has led to a surprising turn in government policy to validate New Confucianism. This move has strengthened policies that elevate China's cultural profile abroad. The first Confucius Institute conference was convened in the Great Hall of the People in 2006, attended by representatives from 35 countries. President Hu Jintao and Prime Minister Wen Jiabao thus have hitched their vision of a "harmonious" society to a symbol and tradition reviled only a few decades ago.

As an international brand, Confucianism familial metaphor is reassuring. And it is quintessentially Chinese, a pacifist and non-threatening symbol. Following in the footsteps of the British Council, Alliance Française, and the German Goethe Institutes, the Chinese government is committed to founding a large number of Confucius language institutes abroad. In the first two years, between 2004 and 2006, 75 such institutes reportedly were opened abroad, with very different records of activity and achievement; at least as many are planned for the coming years. Rather than operating under the strict control of an understaffed Education Ministry, the network of institutes has grown often

through local initiatives and with uncertain levels of funding. Cultural joint ventures, the co-sponsorship and co-funding with host institutions, is a one reason for the successful start of this initiative. Host institutions house the institutes; the Chinese partner provides the teaching staff and material. Adaptability to local demand is high as there is no set curriculum that must be followed. This diplomatic initiative highlights some distinctive mechanisms, among them persuasion, imitation, and adaptation. A fuller analysis of China's rise in cultural affairs, including in the area of consumer culture, would specify further the process of Sinicization.

### *5. Conclusion*

China's economic, military and cultural rise, sections 1-3 argue, is best captured in terms of the recombination of existing and novel components rather than as a fundamental rupture with what came before. Systematic analysis of the character of China's rise thus requires contextually specific rather than abstract generalizable categories of analysis. Instead of globalization and internationalization this paper has advanced in section 4 the concept of Sincization as a promising form of process analysis. Sinicization entails causal mechanisms that need to be isolated and identified empirically. Since the author of this paper lacks the relevant knowledge and language skills, the paper has offered in section 4 three brief analytical sketches to illustrate how an empirically more adequate and richer analysis might flesh out further the process of Sinicization.

Proceeding in this manner would have two potential benefits. First, the variability of causal mechanisms could be compared across different processes that constitute the totality of Sinicization. And Sinicization as a whole could be compared to others, such as Japanization, Americanization, Europeanization and Islamicization. The advantage of this research strategy is plain. Fully trusting what politicians and pundits say and write forces scholars to skate over thin ice; fully dismissing their rhetoric and writings leaves scholars standing alone on the shore. In highlighting Sinicization and its attendant causal mechanisms we have an opportunity of building a relatively sturdy bridge connecting an important question to an unknown answer: will China's rise be peaceful and prosperous?<sup>22</sup>

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<sup>1</sup> This draft paper is intentionally schematic. The paper is seeking to integrate three distinct domains of research which might prove fruitful in future collaborative work. At this stage my thinking about possible shapes of that collaboration remains vague. I could envisage, at the extreme, three synthetic essays by three scholars to flesh out this paper's analysis and search out the processes and causal mechanisms which I discuss in the paper's fourth section. Alternatively I could envisage several more specialized, individual contributions in each of the three domains. Finally, I could also see the merging of the complementary research of several authors in each of the three domains into three coauthored papers. I hope that the EAI expert seminars will give me more concrete ideas in which directions this paper could be developed. I would like to thank Allen Carlson, David Kang, Richard Samuels, Mark Selden and Takashi Shiraishi for their insightful comments on the project proposal which preceded this draft paper. Hong Duan summarized for me the content of Wang Zhengyi's article.

<sup>2</sup> Cohen identifies impact-response, modernization and imperialism theories as all engaging in a Western-centric perspective that views China as inert and able to no more than a response and China-centered history as a promising corrective

<sup>3</sup> *Expand to include Braudel, Skinner and Fox?*

<sup>4</sup> *Find NYT article, February/March 2008, Business section contesting this point.*

<sup>5</sup> *Discuss high-equilibrium trap here?*

<sup>6</sup> Whatever the policy or political benefits, "offensive realists" who make the "China threat" argument are paying a price for their intellectual incoherence. Offensive realism offers a materialist account of the security consequences of China's economic rise. Since systemic balance of power arguments can never specify the direction of the balance (for which one needs

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to rely on sub-systemic features of politics) looking to the “China threat” as a factor that determines the direction of balancing is politically expedient but theoretically unconvincing. The concept of threat is referring to ideational phenomena, specifically the relationship between self and other (Johnston 2004). Invoking threat is quite compelling if the move toward a constructivist argument is acknowledged explicitly. But most adherents of “offensive realism” deny that their analysis has anything to do with ideas. Threats emerge naturally and deterministically from capabilities. This is an exceedingly implausible view if it is held implicitly. If held explicitly it leads unavoidably to the kind of analytical eclecticism that most offensive realists seek to avoid as it makes unavoidable sacrifices in parsimony.

<sup>7</sup> A discussion of power transition theory, with its expectation of intense conflict when the international hierarchy of power and status is in flux, also offers contradictory arguments and predictions (Chan 2008).

<sup>8</sup> The alternative Confucian-Mencian strategic culture centered on notions of internal rectification and virtue. Johnston argues that it may have served a number of different purposes, such as justifying immoral behavior with appeals to moral imperatives, making instrumental use of symbolic language to delegitimize alternative strategies, or providing psychological reassurance to individuals shocked by their own behavior. But it did not guide China’s national security strategy.

<sup>9</sup> Relative peace lasted actually 500 years, since during the 200 years preceding 1592 China was at war only once, the 1406-28 invasion of Vietnam to restore the Tran dynasty.

<sup>10</sup> Hierarchy refers here to regional relations that are organized around a dominant power, rooted in material powers as well as in shared expectations and norms governing the conduct of both the primary and secondary states. Crucially, all states understand that the primary state has different rights and responsibilities than do all other states in the region.

<sup>11</sup> I draw here on Barnett and Duvall (2005). Their conceptualization of power excludes consideration of effects that produce action through mutual agreement or interactions in which one actor persuades another to alter voluntarily and freely her beliefs, interests and actions. Hence in their and my understandings the exercise of power always entails constraints and incentives. I should note as well that I am sidestepping here the complicated issue how China’s imperial legacy, built on the presumption of cultural rather than capitalist universalism has shaped its civilizational state identity.

<sup>12</sup> This observation deserves to be taken with a grain of salt since only 15 years earlier Joseph Nye (1990, 168) made the identical argument with respect to Japan.

<sup>13</sup> More frequently cited than the influence effect that works indirectly is the direct coercive effect. It derives from the fact that small and large economies differ in their dependence on foreign trade. Small, open economies are more vulnerable to trade disruptions than large, closed ones. It is this asymmetry in vulnerabilities that makes large, closed economies more powerful than small, open ones.

<sup>14</sup> My analysis of Tu Weiming’s writings is based in part on Duan (2007).

<sup>15</sup> *Expand?*

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<sup>16</sup> *Check.*

<sup>17</sup> Like Sinicization Japanization is an abstraction that refers to diverse processes and patterns of behavior. It has been studied most intensively in the global automobile and popular culture industries (Katzenstein, 2006, 4-7 and 2005, 162-67). Those studies support the conclusion that Japanization does not offer any fixed benchmarks by which to measure its spread. Instead it involves open-ended processes of diffusion, emulation and the adoption of distinctive patterns of production and consumption behavior. It offers no clear templates that can be replicated in different national or local settings. Instead Japanization appears to involve variable combinations of deliberate organizational designs, shared cognitive schemas and normative orders, and conflicting political interests.

<sup>18</sup> Personal correspondence, May 2007.

<sup>19</sup> This paragraph draws on Sil and Katzenstein 2005, 16-22 which develops the case for an eclectic and pragmatist approach to the problems posed by deploying causal mechanism analysis. These pages contain a full documentation of the relevant sources.

<sup>20</sup> The search for causal mechanisms diverges from three well-established alternatives in social and political research: covering laws, correlations that point to law-like associations between observed events, and the interpretation of meaning by individual or collective actors. Such a search seeks out mechanisms that can be both abstract and transportable to very different situations and very concrete and applicable only to specific events. Finally, although the search for causal mechanisms does not restrict analysis to the interpretation of meaning, it by no means excludes interpretation. There is sharp disagreement on one feature of causal mechanism that matters in international and comparative analysis – the tracking of causal relations across different levels of analysis. Two positions are well articulated. Some analysts insist that by definition causal mechanisms are rooted in individual action and must always operate at a lower conceptual level of analysis than the observed phenomena (events or processes) that they connect. Other analysts insist just as vigorously that causal mechanisms operate not only at the individual level but also at the level of collectivity, however it may be conceptualized. I subscribe to a pragmatic position. Rather than adhering strictly to either methodological individualism or holism, it may be more productive to proceed pragmatically, searching for causal mechanisms at the level that is most fruitful considering the question at hand and the data that are available.

<sup>21</sup> Professor Jin Canrong discussed China's Forum Diplomacy in a public lecture he delivered at Cornell, October 17, 2007. Hong Duan and Jing Tao dug up some of the empirical material I rely on here.

<sup>22</sup> The research project that I am proposing here is my third effort to analyze East Asian regionalism (Katzenstein and Shiraishi 1997, 2006). I have constructed the project to build on my prior work as I continue to believe strongly that different world regions are organized along different institutional lines (Katzenstein 1997a, 1997b, 2006, 2005) and that East Asian regionalism is marked by dynamic developments that are occurring beyond the national level (Katzenstein and Shiraishi 2006. Katzenstein 2005, 2006).