The U.S.-China Peace: Great Power Politics, Spheres of Influence, and the Peace of East Asia

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East Asia in the post–Cold War era has been the world’s most peaceful region. Whereas since 1989 there have been major wars in Europe, South Asia, Africa and the Middle East and significant and costly civil instability in Latin America, during this same period in East Asia there have been no wars and minimal domestic turbulence. Moreover, economic growth in East Asia has been faster than in any other region in the world. East Asia seems to be the major beneficiary of pax Americana.

Yet East Asia is the region where United States is the least powerful, where it experiences the greatest constraints on its power and on its flexibility. In East Asia the United States does not enjoy hegemony. On the contrary, in East Asia the United States confronts its most formidable rival and potential great power challenger—the People’s Republic of China (PRC). Thus, the paradox of East Asia is also the global paradox. Where America has been most powerful, there has been regional instability and war. Where there has been great power rivalry and traditional balance of power politics, there has been peace and prosperity.

The explanation of this paradox lies in the power differential between the great powers and local powers. The United States can be the sole great power in the region, but due to distance and geostrategic obstacles it may not possess sufficient dominance over smaller powers to compel compliance and establish order. Thus, it confronts challenges to its rule and the region experiences instability. This is frequently the case when establishing dominance requires the United States to project power onto the Eurasian mainland. This had also been the case in East Asia during the Cold War, where U.S. inability to project dominant power onto the mainland contributed to the protracted conflicts in
Korea and Vietnam. But U.S. weakness is Chinese strength, such that China has overwhelming dominance on the mainland. The result is that China maintains a pax Sinica on mainland East Asia and the United States maintain a pax Americana in maritime East Asia. The bipolar peace of East Asia reflects the ability of China and the United States to dominate the local powers in their respective spheres.

The first section of this chapter examines the zone of pax Americana. The second section examines the zone of pax Sinica. The third examines the most contested area of East Asia—the Taiwan Strait—where the United States and China contend for influence and where there still exists considerable potential for instability. The concluding section examines the prospects for stability in an era of declining U.S. power in East Asia.

**Pax Americana: Dominance at Sea**

Pax Americana establishes its rule and imposes order in East Asia in the twenty-first century in just the same way that pax Britannica established its rule in the eighteenth century—through sea power. But whereas Britain insisted that its national security required it to possess a two-power standard, whereby its naval power would be sufficient to contend with the world’s next two largest navies at the same time, in the twenty-first century the United States possesses the world’s only great power navy. Thus, the United States does not possess a two-power standard but a global standard. It can contest all of the world’s navies simultaneously.

American naval supremacy is particularly well suited to establish order in maritime East Asia. The East Asian littoral is composed of a vast island chain that extends from Japan in the northeast to the Malaysian Peninsula in the southeast. The vast amount of water and the distance between the states enables the U.S. Navy to operate in secure waters. Moreover, the archipelago nature of many of the states, especially of Indonesia and the Philippines, but also of Japan and Malaysia, enables a naval power not only to dominate the sea-lanes but also to determine the security of the local powers. Equally important, with the important exception of Taiwan, the distance from the East Asian mainland to the maritime theaters makes it difficult for a land power to project power and exercise influence in the maritime region. This was case for the Soviet Union and then Russia in the nineteenth and twentieth centuries, and it is currently the case for China.
The combination of U.S. naval power and the geopolitical characteristics of maritime East Asia enable the United States to establish a secure sphere of influence that extends from Japan in Northeast Asia to Malaysia in Southeast Asia. The Philippines, Singapore, Brunei, and Indonesia also lay in this zone of peace. This sphere of influence has existed since World War II, when the United States replaced all of the colonial powers, including Japan, as the region’s sole great power. Today, this region is a more secure and stable U.S. sphere of influence than at any time since World War II.

During the Cold War, the Soviet Union engaged the United States in a global competition, which challenged U.S. authority in maritime East Asia. In the final decade of the Cold War the Soviet Union’s nascent Pacific Fleet began to establish a presence in East Asian waters, suggesting the rise of naval power in East Asia. But now Moscow lacks the capital to maintain and purchase Russian naval vessels for its own defense, so that the Russian navy consists of dated vessels in need of repair. Thus, the Russian naval industry survives as an export industry. Seventy percent of Russian arms production is for export. Only through these exports can Moscow keep production lines open and maintain employment in its defense industry.¹

The end of the Cold War did not enable the United States to expand its sphere of influence in East Asia, but it did enable the United States to consolidate it. In the aftermath of the Cold War, no great power candidate has emerged to challenge U.S. naval supremacy in East Asia. Japan had once been considered a rising power. It has acquired a formidable modern and growing surface fleet. But ten years of economic stagnation and the prospect of another five years of little or no growth have altered expectations of Japan’s ability to become an independent great power. Although during the 1990s Japan’s defense budget remained steady at 1 percent of its gross national product, relative to U.S. defense spending (and Chinese defense spending), Japanese defense spending has declined dramatically.² Moreover, whereas Japan’s technological development had been rapid during the “catch-up” phase of development, its more recent efforts have not been able to match those of the United States.

The combination of the relative decline of Russian and Japanese power have served to enhance U.S. power in East Asia. Moreover, the United States has not stood still. It has enhanced its power in maritime East Asia through expansion of its military presence. It has plans to base three Los Angeles-class nuclear-powered attack submarines at Guam. The first such submarine arrived in October 2002.³ The United
States is also converting its Cold War Trident submarines equipped with strategic nuclear missiles to nuclear-powered guided-missile submarines (SSGNs), with plans to deploy these power-projection platforms in East Asia. These ballistic missile submarines will be able to launch as many as 154 precision-guided sea-launched cruise missiles.4

The United States is also improving its forward presence of airpower in East Asia. In August 2002 the United States began stockpiling conventional air-launched cruise missiles (CALCMs) at Andersen Air Force Base on Guam. This forward basing enables U.S. bombers to reload in East Asia rather than return to the United States for munitions. CALCMs permit the United States to target any adversary asset anywhere in the Western Pacific, as well as on most of mainland East Asia.5 The United States is also considering expanding its aircraft presence of aircraft on Guam.6 Andersen Air Force Base provides much better coverage of Southeast Asia than Kadena Air Force Base on Japan.

Thus, in the aftermath of the collapse of Soviet power, U.S. hegemony in maritime East Asia has increased, providing even greater U.S. ability to manage regional politics and to keep the peace. This continues to be the case, despite the remarkable rate of Chinese economic modernization. The resources and technology required to establish an effective navy and challenge U.S. capabilities are formidable, and China has yet to develop even the foundations for such a challenge. Chinese recognition of the long-term inability to challenge U.S. capabilities is reflected in the decision to rely on dated Russian weaponry as the backbone of China’s air and naval power for the next two decades. Russian surface vessels sold to China, including the Sovremmeni destroyer, significantly enhance Chinese absolute capabilities, but they cannot offer China sufficient relative improvement so that its navy can challenge the security of the U.S. Navy. Even when equipped with advanced missiles, the Sovremmeni lacks the range to be able to target U.S. aircraft carriers.

China’s contemporary naval strategy is similar to that of the Soviet Union during most the Cold War. Faced with U.S. naval superiority, the Soviet Union focused on developing submarines in order to enhance its coastal defense ability against the U.S. naval forces. Now China is buying Russian technology to pursue the same strategy. Its interest in Russian Kilo-class submarines reflects its concentration on developing an access-denial capability so as to compel the U.S. Navy to maintain its distance from the Chinese coast and from the most likely theater of a U.S.-China war, the Taiwan Strait. China has already contracted to purchase four Kilo-class submarines. If it purchases an additional eight submarines, as reported, its commitment to this strategy will be evident.7
Chinese development of submarine capabilities may well enhance its coastal security, but it will not yield power projection capability that can either challenge the security of the East Asian littoral states within the U.S. strategic envelope, or the U.S. ability to determine the states’ security. Submarine power will not enable China to determine the outcome of a war and, thus, the ability to risk a war with the United States. Indeed, relying on submarines, China cannot challenge the territorial integrity of the maritime states, independent of U.S. power. This knowledge creates the political environment necessary for the United States to maintain authority in maritime Asia. The Soviet navy, even though inferior to the U.S. Navy, was far more capable than the current Chinese navy. Yet Soviet power, even at its greatest, was unable to erode U.S. strategic partnerships in insular East Asia. Chinese capabilities cannot challenge U.S. supremacy in post–Cold War maritime East Asia.

U.S. economic power in East Asia reinforces U.S. military power and contributes to pax Americana. Despite the growth of the Chinese economy, the United States remains the region’s most important export market and the most important target of direct foreign investment. Thus, every country in the region depends on stable political relations with the United States for continued economic growth and high levels of employment. Japanese economic prosperity continues to depend on the U.S. market. Despite the size of the Japanese economy, Japan’s domestic market is too small to sustain economic development for the world’s second largest economy. Japan requires exports for growth, particularly exports to the United States. Although China is rapidly becoming a major Japanese export market, it will contend with the United States for trade influence over Japan, but it will not supplant it. Moreover, despite the recent upsurge in Japanese investment in China, for many years the United States will continue to be the location of the overwhelming share of Japanese direct foreign investment.3

Southeast Asia’s maritime states are similarly dependent on the United States for economic growth, but for different reasons. First, these countries’ overall dependency on trade has grown since the late Cold War era. This is the case even for the less developed countries, such as Indonesia and the Philippines. As these countries have abandoned import-substitution trade policies for export-driven economic growth, they have become more dependent on international markets for economic growth and political stability.

Second, these states’ dependency on international markets is primarily a dependency on the United States. Because these states, including Malaysia, Singapore, Indonesia, and the Philippines, had not developed
indigenous manufacturing facilities by the mid-1990s, their economies were not able to take advantage of Chinese economic reform to move production facilities to China and maintain competitively prices exports. Rather, U.S. and European multinational corporations based in these countries moved their facilities to China, seeking to take advantage of low labor costs and the large Chinese market. The result is that the South-east Asian countries remain dependent on exports of low-cost commodities for continued growth, and their most important market is the United States. Japan has never been especially open to imports, even of low-cost goods. And European countries remain much less important to these countries than does the United States. China will become an increasingly important market, especially as Beijing implements the trade liberalization measures of free trade agreement between China and the Association of South East Asian Nations (ASEAN). Nonetheless, China produces low-cost commodities itself rather than import them; China and the Southeast Asian economies are not complimentary. Despite the growing importance of China to the ASEAN countries, the rate of increase is moderate, and in 2001 the value of ASEAN exports to the United States was twice the amount of its exports to China. At least until 2010, the United States will remain an important market for all of the ASEAN countries.⁹

This combination of overwhelming military power and significant economic power creates the conditions for U.S. political dominance. This is reflected in the military and economic policies of the littoral states. In the post–Cold War era, as the United States consolidated its power in maritime East Asia, they have moved closer to the United States; they have bandwagoned, in recognition that to do otherwise would jeopardize their security. Japanese bandwagonning began in the mid-1990s.

Thus, rather than develop its own military capabilities to provide for its security, Japan has recommitted itself to working with the U.S.-Japan alliance. The first indication of this trend was Japan’s agreement to the 1995 revised treaty guidelines. These guidelines committed Japan to greater cooperation within the alliance, rather than seek an independent security posture. This trend has not only reduced Japan’s long-term challenge to U.S. power; it has also enhanced U.S. ability to depend on Japan to expand its own regional military power. The implied contingency in the revised guidelines is U.S. use of Japanese facilities in a war with China over Taiwan. Tokyo it has resisted Chinese pressure to declare that the alliance does not apply to a Taiwan contingency. Since agreeing to the revised guidelines, Tokyo has expanded cooperation
with the United States in the development of a missile defense system. Most recently, Japan has taken new steps to expand naval cooperation with its United States. It has deployed advanced Aegis-class destroyers and other naval vessels in the Persian Gulf region in support of the U.S. war against terrorism.¹⁰

The Southeast Asian countries have been even equally responsive to U.S. power. In March 2001 Singapore’s completed construction of its Changi port facility. The opening ceremony was attended by officials from the United States as well as Singapore. In all but name, Singapore has created a naval base for the United States. Changi can provide short-term support for a second U.S. aircraft carrier in East Asia, enabling extended stays in East Asian waters. In apparent recognition that the United States will be able to deploy a second aircraft carrier in East Asia for extended periods, the U.S. defense budget for fiscal year 2003 allocates funding for an increased carrier presence in East Asia.¹¹ Singapore has also signed a free trade agreement with the United States, in recognition of the importance of U.S.-Singapore ties to its economy.

The Philippines is expanding its military cooperation with the United States. Since September 11, 2001, U.S. forces have returned to the Philippines in significant numbers. Their role is not limited to carrying out joint counterterrorism operations with Philippine troops. In January 2003, 600 U.S. Marines arrived at Clark Air Field, the site of the former U.S. Air Force base in the Philippines, to conduct joint exercises involving patrol and reconnaissance techniques, helicopter missions, and ordinance identification.¹² Although Subic Bay and Clark will not again become formal U.S. military bases, continued U.S.-Philippine defense cooperation will contribute to U.S. forward deployment of military capabilities in East Asia. Moreover, it is not unlikely that U.S. aircraft carriers will return to Subic Bay.¹³ The Philippines, following Singapore’s lead, is also negotiating a free trade agreement with the United States.

As U.S. power in maritime East Asia has grown, regional peace has become more prevalent. Proving a negative is difficult; establishing why there has not been greater conflict in East Asia, why East Asia has experienced less conflict than in the past, is a dubious task. Nonetheless, there are suggestions that U.S. power is the source of regional stability.

In the 1960s domestic turbulence in Indonesian politics combined with the decolonization process on Indonesian borders to cause significant regional tension associated with Jakarta’s “confrontation” policy. The territorial dispute between the Philippines and Malaysia over Sabah
was also a source of bilateral tension. And there were periodic disputes between Singapore and its larger neighbors, Indonesia and Malaysia. In
the 1970s and 1980s cooperation replaced conflict as the local powers
combined forces in opposition to a common threat. The U.S. withdrawal
from Vietnam in 1973 and the subsequent decline in U.S. international
activism, the unification of Vietnam in 1975, and the Vietnamese inva-
sion of Cambodia in cooperation with the Soviet Union all challenged
the security of the Southeast Asian countries. During the ten years of the
Vietnamese occupation of Cambodia and its war against Pol Pot and the
Khmer Rouge, the ASEAN nations shelved their bilateral conflicts in
the interest of cooperating against the common and greater threat—
Soviet-Vietnamese power.

Soviet power in East Asia is now only a memory. Vietnam lost its
war against the Khmer Rouge and withdrew its forces from Cambodia.
It is now focused on managing its woeful economy and on maintaining
domestic political stability. Moreover, China remains a conservative
state, focused on cooperating with the international political and eco-
nomic orders and on building its economy. The key counterfactual
question is why, after the demise of the common threat, has conflict not
returned to Southeast Asia? The answer lies in the consolidation of U.S.
hegemony in the post–Cold War era.

From 1963 to 1965, when President Sukarno tried to use Indone-
sian opposition to the British creation of Malaysia to bolster his domes-
tic legitimacy and maintain political power, he sought improved rela-
tions with China to compensate for deteriorated Indonesian relations
with the United States. This was the background to Indonesia’s “new
emerging forces” policy, which Sukarno offered as an alternative to part-
icipation in the U.S. political order and the “Beijing-Hanoi-Jakarta
axis.”

In 1999 Indonesia faced a domestic leadership crisis very similar
to the 1965 crisis, but the outcome was very different. In 1999, the lead-
ership’s legitimacy was significantly weakened, and it faced a separa-
tist challenge from the island of East Timor. But in contrast to 1965,
the Indonesian leadership in 1999 had no option but to work within the
U.S. political order. It could not use the East Timor separatist move-
ment as a scapegoat for the nation’s problems and tolerate widespread
violence against minorities, as it had done in with its Chinese minority
in 1965, and lash out against its neighbors who were encouraging mod-
eration. This is because it could not resist U.S. pressure by reaching out
to an alternative great power, for China no longer offered itself as a
counterweight to U.S. power.
Thus, when the United States organized an international coalition in support of independence for East Timor and encouraged Australian efforts to provide the peacekeeping force on East Timor, while it moved its naval forces into the vicinity, Indonesian leaders had little choice but to comply. The potential costs of resistance to the United States were simply too high, including total international isolation and very damaging economic sanctions at the low end of the continuum and U.S. naval intervention at the high end. Indeed, the peaceful dismemberment of Indonesia and the eventual establishment of the independence of East Timor in 2002 exemplified the process of pax Americana in East Asia. In contrast to its experiences in Kosovo and Iraq, the United States in the Indonesian case compelled another state to make the ultimate concession, acquiescence to a separatist movement, without having to fire a shot.

**Pax Sinica: Domination on Land**

Since the end of the Cold War and the emergence of the United States as the sole superpower, East Asia has been peaceful both at sea and on land. Yet the source of the mainland peace has not been U.S. power but rather Chinese power. Pax Sinica and pax Americana together create East Asian peace.

The history of Cold War East Asian international politics is dominated by the wars in Korea and Indochina, which all reflected China’s demand for hegemony along its borders. It achieved this objective in Northeast Asia in 1953 when the United States acquiesced to a divided Korea, in which China dominated the northern half through its relationship with North Korea. The history of Indochina was more difficult and costly for China, for the outside powers, and for the local states. Through a succession of wars, China used the local states to inflict high costs on outside powers, compelling them to leave the region. First, China benefited from Vietnamese efforts to oust the French from Indochina in 1954. From 1954 to the early 1960, there were no foreign troops in Indochina or Burma, and China’s borders were secure. But beginning from 1962, when U.S. troops first returned to South Vietnam, to 1973, when the United States left mainland Southeast Asia, China once again relied on Vietnamese troops to rid the region of foreign great power presence. Then, in 1978, when the Soviet Union replaced the United States as the outside power in the region and cooperated with Vietnam to challenge Chinese border security, China relied on Cambo-
dian troops to oust Soviet influence from Indochina. By 1989, Cambodian insurgents had defeated the Vietnamese occupation, the Soviet political presence in Vietnam and the other countries of Indochina had all but disappeared, and China had established hegemony throughout most of mainland East Asia.

Whereas the United States establishes hegemony as Britain did in the nineteenth century, through sea power, China establishes hegemony as it always has, through land power. China is now the uncontested land power on mainland East Asia. The United States tried to be an East Asian land power in the 1950s and 1960s, but it failed. It could not defeat Chinese forces on the Korean Peninsula, and it could not defeat Vietnamese forces in Indochina. It ultimately acquiesced to its limitations. It withdrew from Indochina in 1973, ceding to China the responsibility for containing Soviet power and ultimately dominance on mainland Southeast Asia.

From the mid–nineteenth century to the end of the twentieth century, Russia and the Soviet Union used land power to expand into East Asia. Yet this was a short-lived affair that reflected the anomaly of Chinese weakness. The distance and geography, as well as the severe weather, separating the Russian industrial and population centers from East Asia undermined Russian capabilities throughout this period. Thus, once Russia encountered even a minimal challenge, it retreated. It was able to pose only nominal resistance to Japan on land and sea during the 1904 Russo-Japanese war. Once China regained its political and economic stability in the 1980s and 1990s, taking advantage of its favorable geography, it quickly came to dominate the Sino-Russian border in East Asia. Once Russia regains its footing, its ability to challenge China in East Asia will still remain limited. It will first have to manage the areas closer to home, including Central Asia and the Balkans. Then, even should it turn its attention to East Asia, it will have to contend with China's geostrategic advantages.

But China has not only benefited from the collapse of Soviet power; it has also modernized its forces. Just as the United States has not stood still since the end of the Cold War and has improved its regional maritime capabilities, China has enhanced its land power capabilities. The changes in Chinese ground force capability during the post-Mao era have been significant. These changes not been expensive, and they do not reflect large acquisitions of advanced hardware. Rather, through improved training, education, and communication capabilities, selective allocation of advanced weaponry to key units, and through the demobilization of approximately 2 million soldiers, China has devel-
oped a disciplined and effective land army capable of carrying out increasingly sophisticated operations. It domination of its periphery is thus all the more effective.

Growing Chinese economic power in mainland East Asia compliments its military hegemony. China is surrounded by less developed countries. U.S. economic relations with these countries are nominal. They cannot afford to buy high-cost U.S. consumer goods, and the U.S. market is not interested in their low-quality consumer goods. Nor is there much U.S. direct foreign investment in these countries. The investment capital of the United States is going to China, not to China's neighbors. The United States is thus a nonfactor in the economies of these states. China, in contrast, is a key economic partner of all these states. Regionwide, the United States has less relative economic power in mainland Southeast Asia than Chinese relative economic power in maritime Southeast Asia.

China's low-cost consumer goods are very competitive in these countries; Chinese exports have penetrated these markets and play an important role in the economic and political stability of these countries. Vietnam's traditional bicycle industry, for example, has come under significant pressure from imports from China. More important, through trade, investment, and societal penetration by Chinese entrepreneurs, the economies of the three Indochinese countries, of Burma, and of northern Thailand have become significantly integrated into the Chinese economy. Thus, the economic prospects of each of these countries and the political fortunes of their governments depend not only on continued Chinese economic growth but also on good political relations with China.

Chinese hegemony has led to the bandwagonning of East Asia's mainland states, just as East Asia's maritime states have bandwagoned with U.S. hegemony. The first sign of bandwagonning in Southeast Asia occurred in 1975, in the wake of North Vietnam's final invasion of South Vietnam. Thailand understood that the United States was no longer a factor in the politics of mainland Southeast Asia and that it could either seek security through accommodation with a unified and very powerful Vietnam or turn to China for a strategic partnership. It chose the latter course and quickly distanced itself from Washington, demanding that the United States close its bases in Thailand and withdraw its troops. Chinese influence in Thailand grew through the 1980s in the context of Soviet-Vietnamese expansion. Thai resistance to the Vietnamese occupation of Cambodia depended on Chinese support, and the Thai and Chinese militaries closely cooperated throughout the
ten-year war in Cambodia. In the post–Cold War era, Chinese strategic influence is reflected in Thai reluctance to accommodate U.S. requests for expanded military cooperation. Bangkok has turned down U.S. requests that it be able to forward position military supplies in Thailand to facilitate resupply during a war in the Persian Gulf.17

The next stage of balancing occurred in 1989. As it became clear to Vietnamese leaders that Soviet power was a wasting asset and that Vietnam was losing both its counterweight to Chinese power and the economic assistance necessary to wage a prolonged war, they sought a rapid and humiliating peace in Cambodia. By 1991 Hanoi had formerly accepted Chinese terms for an end to the war, including full Vietnamese troop withdrawal, the symbolic removal of the Vietnamese “puppet” Hun Sen leadership, and the inclusion of the Khmer Rouge in the immediate postwar coalition government. Rather than resist Chinese power, Vietnam accommodated it.18

Cambodian bandwagonning was equally rapid and significant. Immediately after the signing of the 1991 Paris Accords, Hun Sen traveled to Beijing and established Sino-Cambodian cooperation. Then Phnom Penh sent Chea Sim, a senior and erstwhile strong anti-Chinese leader, to Beijing.19 Now that Vietnam had withdrawn from Cambodia, Phnom Penh experienced both diplomatic freedom and heightened danger from Chinese power. It responded by returning to its Cold War formula of accommodating Chinese power to ensure its security. For its part, China welcomed the Cambodian puppet government’s about-face. Now that Vietnam had been defeated and the Soviet Union had collapsed, Chinese leaders did not care who ruled Cambodia, as long as he accommodated Chinese hegemony.

In the post–Cold War era, Vietnam and Cambodia have continued to accommodate Chinese power. Although Hanoi seemed to welcome the suggestion of Bill Clinton’s administration that Secretary of Defense William Cohen visit Vietnam, the visit was difficult to arrange and was delayed. Vietnam was apparently responding to Chinese displeasure at the development of U.S.-Vietnam military ties. Rather than offend its powerful neighbor, Hanoi delayed until the proper moment. China and Vietnam have also made progress in demarcating their border. They signed a new border agreement in December 1999, and by 2003 they had completed removal of land mines and made major progress in surveying and demarcating the border.20 In 2000 Hanoi and Beijing reached agreement to demarcate their territorial waters, including the economic zone and continental shelf in the contentious Beibu (Tonkin) Gulf.21 From the 1960s to the late 1980s, in the context of
growing Soviet political and strategic presence in Hanoi, Beijing and Hanoi held long and fruitless negotiations over the increasingly contentious border. But in the post–Cold War era, in the context of Chinese hegemony over Indochina, Beijing is willing to negotiate, and Hanoi, despite its apparent dissatisfaction with the negotiations, has had no choice but to reach agreement with China.22

Chinese influence in Cambodia has been equally prominent. Phnom Penh has looked to Beijing as it has managed the difficult issue of the prosecution of the Khmer Rouge leadership for genocide. Cambodia has faced international pressure to hold public trials under United Nations auspices. Because China shares with Phnom Penh an interest in keeping the United Nations out of Cambodian politics, it has enabled Cambodian leaders to resist international pressure, including U.S. linkage of economic assistance to Cambodia concessions, to hold Khmer Rouge leaders accountable for their atrocities. China has been the ultimate arbiter of Cambodian factionalism, rather than the United Nations or the United States.

Finally, bandwagonning is evident in Burma’s China policy. Burma has relied on China for purchases of military jets, naval vessels, and various artillery equipment. In return, Burma has expanded military cooperation with China. Just as Japan and the maritime Southeast Asian nations, including Singapore and the Philippines, have accommodated U.S. power by offering the United States expanded naval and ground force access to their countries, Burma has accommodated Chinese hegemony by offering the Chinese navy access to its port facilities at Sittwe and thus improved access to the India Ocean. The Chinese navy may not be an imposing force, and Burma’s facilities may be primitive, but the trends in Burma’s China policy are nonetheless revealing.

On mainland Northeast Asia, the signs of Chinese power and influence are no less significant. During the Cold War Chinese influence over Pyongyang was limited by the Soviet Union’s power presence in Northeast Asia and its contribution to North Korea’s security and economy. When the Soviet Union collapsed in 1991, China emerged as North Korea’s sole strategic and economic benefactor. China provides North Korea with enough food, energy supplies, and daily basic commodities to ensure a subsistence-level existence for the North Korean population and political and social stability. China also fulfills a basic deterrent function. Without the Chinese security guarantee, North Korea would be far more vulnerable to U.S. and/or South Korean use of force. The Pyongyang regime is thus totally dependent on China for survival. Without Chinese assistance, it would have already collapsed from either eco-
nomic failure or from military defeat. North Korea’s foreign policy and its nuclear weapons program may encounter Chinese opposition, but North Korean independence reflects Chinese reluctance to use its influence, not the absence of influence.

China’s influence in South Korea, though not yet rivaling American influence, is significant; China also plays a critical role in South Korean diplomacy. Since the normalization of diplomatic relations between China and South Korea in 1992, economic relations have grown dramatically and have yielded China considerable influence. In 2001 China became South Korea’s number-one target for direct foreign investment. As South Korean labor costs have risen, South Korean firms have moved their production facilities to China. Equally significant, in 2002 China/Hong Kong became South Korea’s largest export market. China now exercises greater economic leverage over South Korea than does the United States. Military trends are also important. The United States remains South Korea’s most important strategic partner, reflected in the U.S.–South Korea Mutual Defense Treaty and in the bases and troops the United States has in South Korea. Nonetheless, South Korea has come to depend as much on China as on the United States to manage the North Korean threat; it relies on the combination of good relations with Beijing and Beijing’s influence over Pyongyang and on the U.S. deterrent posture to avert war on the Korean Peninsula. Moreover, South Korean leaders must take into account China’s improved land-based military capabilities and growing power on the Korean Peninsula, as well as the prospect of a united Korea in which Seoul will make foreign policy in the context of a common border with China.

These trends in Chinese power on the Korean Peninsula are reflected in the diplomacy in 2002–2003 over North Korea’s nuclear weapons program. Efforts by the United States to rely on coercive diplomacy to obtain North Korean concessions failed, in part, because Washington could no longer compel South Korean compliance with U.S. policy. No longer solely dependent on the United States for its security, and sensitive to Chinese power, Seoul cooperated with China to seek a negotiated solution to the crisis. In the midst of the most serious Korea crisis since the Korean War, Seoul distanced itself from Washington and enjoyed closer relations with Beijing than with Washington. Despite considerable U.S. pressure, Seoul continued to advocate a high-level dialogue with North Korean leaders and, in cooperation with Beijing, opposed U.S. efforts to impose international economic sanctions on North Korea. North Korean leaders, observing the cracks in the U.S.–South Korea
alliance and confident in China’s strategic support, resisted U.S. pressure to abandon its nuclear program.

Most revealing was China’s role as host for the 2003 U.S.–North Korea negotiations. Through the 1990s China had retained its influence in Pyongyang while benefiting from the early stages of South Korean bandwagonning. It has thus gradually assumed the responsibility of the great power arbiter of the North-South conflict. U.S. plans to remove its troops from the demilitarized zone and to reduce its overall troop presence in South Korea have not created this strategic transformation on the Korean Peninsula, but they will hasten it. The removal of the U.S. trip-wire force in the demilitarized zone and reduced U.S. military presence in South Korea cannot but diminish South Korea’s confidence in the U.S. commitment to resist a North Korean attack. Seoul will respond to its heightened insecurity by working even closer with China to manage the North Korean threat.

Under Chinese hegemony, a pax Sinica exists on mainland East Asia that poses a stark contrast to the violence of the Cold War. Coinciding with the post–Cold War pax Americana in maritime East Asia, since 1989 and the resolution of the conflict in Indochina there has been peace on mainland East Asia. The traditional rivalries that contributed to the succession of wars in Indochina from 1945 to 1989 continue to exist. Cambodians do not trust Vietnamese intentions and remain wary of holding negotiations over the contentious border. For its part, Hanoi remains intent on establishing some influence over Cambodia, a potentially troublesome neighbor that has good relations with China, Vietnam’s dangerous northern neighbor. Thai-Cambodian relations also remain difficult, reflecting power disparities similar to those between Vietnam and Cambodia. The violent anti-Thailand demonstrations in Phnom Penh in January 2003 and the ensuing, yet brief, Cambodian-Thai tension reveal ongoing Cambodian concern for Thai territorial ambitions and Thai impatience with Cambodia nationalism, as well as the potential for heightened Thai-Cambodian conflict. The conflicts on mainland Southeast Asia have not been resolved; the great power conflicts that overlaid them simply no longer exist. Chinese hegemony has replaced the succession of rivalries in Indochina between China and France, China and the United States, and China and the Soviet Union. Accompanying Chinese hegemony is peace.

Pax Sinica is also evident on mainland Northeast Asia. Tension between the United States and North Korea escalated in 2002–2003 over North Korea’s nuclear weapons program, but relations between
Seoul and Pyongyang have been better than ever before and have showed few signs of reversing direction. Confident that China seeks good relations with South Korea and that it will restrain North Korean aggression, the South Korean leadership sees the reduced threat of an unprovoked North Korean attack, whether or not North Korea possesses weapons of mass destruction. In this strategic context, a succession of South Korean leaders have pursued the “sunshine policy,” despite U.S. misgivings. The result has been improved economic relations between North Korea and South Korea and greater communication between the two governments. As Chinese economic and strategic influence has grown since during the early 1990s, the Korean Peninsula has become increasingly stable.

**Taiwan and the Peace of East Asia**

The Taiwan issue is emerging as the sole “hot spot” in East Asia. Whereas maritime East Asia and Indochina are stable and the political trends on the Korean Peninsula seem to be moving in the right direction, conflict over Taiwan remains deadlocked. Taiwan and the mainland are significantly expanding economic relations, and negotiations to remove the obstacles to direct cross-strait trade are making progress. Nonetheless, the military situation remains tense. Beijing continues to deploy short-range missiles across from Taiwan and to purchase Russian military equipment in preparation for a possible war with the United States over Taiwan. Washington, also preparing for a war in the Taiwan Strait, continues to increase its air and naval forces in the Western Pacific, sell advanced weaponry to Taiwan, and expand military relations with Taiwan. Meanwhile, Taiwan-mainland negotiations over the “one-China” issue, the central issue in the conflict, have been at a stalemate for ten-plus years.

The Taiwan Strait remains a contentious region because it is the one region in East Asia where there are serious conflicts of interest and where each of the great powers exercises relatively equal and stable influence. First, China wants unification, and Taiwan wants independence. This is a nondisversible, zero-sum issue; resolution requires a winner and a loser. Second, neither China nor the United States exercises hegemony over the Taiwan Strait. Because Taiwan is both an island and close to the mainland, its security is subject to U.S. maritime capabilities and to Chinese land-based capabilities. In this context, peace cannot depend on the will of a single great power. Rather, it depends on the
strategic relationship between the two great powers and their allies and whether any of the actors are likely to use war to pursue their interests. Ultimately, peace in East Asia depends on the deterrence dynamics across the Taiwan Strait.

Not all militarized relationships are the same. Some are more likely to lead to war than others. The deterrence dynamics in the Taiwan Strait are particularly strong. None of the actors in the Taiwan conflict consider war a viable instrument to challenge the status quo. There is robust deterrence in the Taiwan conflict, and continued peace in East Asia is likely.24

China’s interest in using force to achieve unification is minimal. The status quo is not its preference, but Chinese leaders have endured Taiwan political autonomy for more than fifty years. Moreover, China has much at stake in maintaining a peaceful East Asia. During the past twenty years, in the context of cooperation with the United States and its East Asian neighbors, China has modernized its economy and military and expanded its political influence throughout East Asia. Thus, to use force against Taiwan for unification, Chinese leaders must be convinced that the costs can be minimized. Yet just the opposite is true: Chinese leaders assume that the United States would intervene against Chinese forces in a mainland-Taiwan war, and that the United States would inflict unacceptable costs on Chinese interests.

Threats by the United States to intervene in a mainland-Taiwan war are credible in Beijing. Chinese leaders believe that the U.S. willingness to defend Taiwan reflects a fifty-year security commitment and the attendant implications for the credibility of U.S. commitments to its other East Asian security partners and for long-term U.S. regional presence. They recognize that the dispatch of two U.S. aircraft carriers to the vicinity of Taiwan during the 1996 Taiwan Strait confrontation further committed the United States to the defense of Taiwan. Subsequent and ongoing U.S. arms sales to Taiwan further signal to China the U.S. commitment to Taiwan. Moreover, Chinese leaders understand that U.S. domestic politics will constrain U.S. flexibility in a crisis, insofar as public opposition to communism and support for democracy will combine to encourage intervention in support of Taiwan.

Chinese leaders also assume that U.S. intervention would impose extreme costs to vital Chinese interests. Analysts from the People’s Liberation Army (PLA) have studied U.S. military operations against Iraq in 1991, Serbia in 1999, and Afghanistan in 2001. They understand that the Chinese navy would be vulnerable to advanced long-range high-accuracy U.S. weaponry. A senior Chinese military officer has lectured his
troops that China’s likely adversary in a local war would possess high-tech equipment that could neutralize China’s ability to rely on manpower to defeat the enemy. A civilian analyst has noted that in a war in China’s coastal region the adversary could “make full use of its superiority in air and naval long-range, large-scale, high-accuracy weaponry.”25 A military analyst was more direct, explaining that not only would such superior capabilities seriously restrict China’s ability to seize and maintain sea control around a “large island”; it would also pose a major threat to China’s coastal political, economic, and military targets.26 Experts at China’s Air Force Command College have concluded that an aerial attack “revolution” has occurred and that a “generation gap” exists between the high-tech aerial attack capabilities of the United States and the “stagnant” air defense capabilities of less advanced countries, causing a “crisis” in air defense.27

Thus China cannot expect to win a war for unification and must expect that the potential military and civilian costs would be enormous. The economic costs would also be great, including diversion of scarce economic resources to military development in a prolonged postwar cold war economy and reduced access to global markets, investment capital, and technology. Moreover, military defeat and economic downturn would most likely mean the demise of the Chinese Communist Party. Thus, even should Chinese leaders believe that China could sink a major U.S. surface ship, such as an aircraft carrier, and inflict significant casualties on U.S. forces, given the good possibility and enormous potential costs of U.S. retaliation, such an “asymmetric” tactic cannot provide Chinese leaders the confidence to launch a war. Thus, the combination of the risk and cost of U.S. intervention and the low cost to Chinese interests of continuing to endure the Taiwan-mainland status quo creates robust deterrence of Chinese use of force for unification.

The other potential source of war is a Taiwan declaration of sovereign independence, leading to mainland military retaliation and a possible U.S.-China conflict. But Taiwan has endured the diplomatic fiction of PRC rule over Taiwan for more than thirty years. The status quo is not its preference, but before declaring independence it must be convinced that the costs of revising the status quo are acceptable. But similar to the mainland’s evaluation of the U.S. deterrent posture, Taiwan’s assessment of the mainland’s deterrent posture is that the Chinese retaliatory threat is credible and that the cost to Taiwan of war with the mainland is unacceptable.

The result of China’s fifty-year commitment to unification is that the political legitimacy and survival of the Chinese leadership are
attached to its commitment to resist Taiwan independence. As one Chinese analyst argues, “No Chinese politician, strategist, or anyone else will dare to abandon the objective of making Taiwan return and the unification of the motherland.”

Failure to respond to a declaration of independence would also challenge China’s international reputation to use force to defend other vital Chinese interests, thus affecting its border security and the threat posed by independence movements around its periphery. Moreover, the mainland has developed a reputation for resolve regarding the Taiwan issue. Despite the risk of U.S. intervention and of a U.S.-China crisis, in March 1996 the PLA launched DF-15 missiles into coastal waters within the vicinity of Kaohsiung, Taiwan’s major port city, to underscore its will to oppose Taiwan independence and thus reverse the trend in U.S. policy toward Taiwan and in Lee Teng-hui’s independence policy.

The cost to Taiwan of PRC retaliation would be massive. China’s DF-15 missiles are not very accurate and possess minimal war-fighting capability. Nonetheless, PRC attacks on Taiwan would cause panic in Taiwan’s society and punish its economy and political system. In 1996, when China amassed its troops across from Taiwan and carried out military exercises in the vicinity of Taiwan, the Taiwan stock market fell by 25 percent. Moreover, Chinese missiles are inexpensive and in close proximity to Taiwan, so that missile-defense systems cannot offset Taiwan’s vulnerability to PRC missiles. The mainland could also declare a blockade around the island. The mere announcement of such a blockade, regardless of PRC enforcement capabilities, would dramatically curtail commercial shipping to Taiwan. Finally, the mainland could directly retaliate against Taiwan’s economic interests. In 2002 the mainland became Taiwan’s most important export market. In the first seven months of 2002, Taiwan exports to China grew by nearly 31 percent, whereas its exports to the United States fell by 6.5 percent. Moreover, in 2002 the mainland became the leading production center of overseas Taiwan investors. Nearly 55 percent of Taiwan overseas investment is located on the mainland, and Taiwan’s largest corporations, including its high-tech manufacturers, are moving production to the mainland.

Chinese military and economic retaliation against a Taiwan declaration of independence and the ensuing international and domestic crisis would inevitably cause political instability on Taiwan. In a mainland-Taiwan war, not only would the Taiwan economy suffer; the survival of Taiwan’s democratic political system would be in jeopardy. Moreover, having started the war in an effort to achieve independence,
the resulting economic and political instability could compel Taiwan to accept Beijing’s demands for unification. Thus, the cost to Taiwan of mainland retaliation against a declaration of independence would be loss of its economic prosperity, its democracy, and its long-term aspiration for sovereignty.

The deterrent effect of mainland capabilities and credibility is reflected in Taiwan’s domestic politics and in its cross-strait policy. Since 1997, public opinion surveys show that support for an immediate declaration of Taiwan independence has declined since the high of only 7.4 percent in mid-1998. The Taiwan public understands that mainland retaliation would be both costly and likely. The campaign strategies of Taiwan’s political parties reflect the caution of the electorate in pro-voking mainland-Taiwan tension. Parties have moved toward the center on the independence issue, fearing that the voters will punish candidates that seem unconcerned about mainland threats.32

Conclusion

East Asia is the world’s most peaceful region. To achieve this result, the region experienced required nearly forty years of uninterrupted war as well as two cold wars—first the U.S.-China cold war, then the Sino-Soviet cold war. The outcome of these cold wars is the current peaceful order in East Asia. After forty years of turmoil and violence, the two remaining great powers in East Asia—the United States and China—have ordered East Asia into two distinct spheres of influence. In each sphere, one great power holds sway and has ordered relations without the interference of the other great power. In the absence of great power rivalry, there is stability. The one exception is the Taiwan issue. In this case, the risk of war is posed by a great power rivalry that overlays a local conflict, which reflects unrealized Chinese and Taiwan interests. Yet even this exception to the regional order is manageable. Mutual deterrence across the Taiwan Strait maintains stability.

East Asia is an exception to the post–Cold War trend of U.S. hegemony and pax Americana. On the one hand, there is peace. On the other hand, there is not U.S. hegemony. Nonetheless, the sources of the East Asian peace suggest the sources of peace more generally. East Asia is peaceful because the power politics of East Asia, reflecting the pattern of military and economic influence, are conducive to peace. There are no regionwide functional international organizations in East Asia. ASEAN is the only subregional organization that approaches function-
ality. Although it has existed since the mid-1960s, its inclusion of Vietnam, Laos, and Cambodia occurred after peace came to Indochina, that is, after the demise of the Soviet Union and the emergence of Chinese hegemony. Broad-based ASEAN membership did not contribute to regional stability but reflected the prior emergence of regional stability.

Similarly, there is an absence of common ideologies and of U.S. or Chinese “soft power” in East Asia. China’s political/economic system and ideology have little in common with the political/economic systems and ideologies of the two Koreas, of Thailand, or of any of the Indochinese countries. Similarly, there is little in common in the political/economic systems of the United States and of Singapore, Malaysia, and Indochina. U.S. culture, including its dominant religions, barely resonate in any of the cultures of East Asia.

There is peace in East Asia despite the absence of effective international organizations, common political and economic systems, soft power, and cultural affinity. But what East Asia lacks, other regions lack as well. U.S. political and economic institutions and U.S. culture are just as alien to much of the Balkans, the Middle East, and South Asia as they are to East Asian countries. What distinguishes East Asia from most of the world are the political sources of peace. The United States may be the only great power in every other region of the world, but it is not a constant military presence on the ground in these regions. It is a naval power not only in East Asia but also everywhere outside the Western Hemisphere. Thus, its power is neither constant nor omnipotent in mainland theaters along the entire perimeter of Eurasia. Nor has the United States created economic dependency in these regions, reflecting the backward economies and/or trade policies of the local actors, or the politics of oil, which create mutual offsetting dependency relationships that limit U.S. power. The United States may not confront a challenger, but neither does it enjoy such military or economic supremacy over the local powers that it can impose a regional order.

In contrast, in their respective spheres of influence in East Asia, China and the United possess omnipresent and even omnipotent military power. U.S. naval power is present and effective against the maritime countries; China’s land power is present and effective against its neighbors all along its periphery. And both China and the United States possess significant economic leverage over their respective security partners. This combination of overwhelming economic and military supremacy allows each power to impose a peaceful order in its own sphere and together to establish a peaceful regionwide order. Not American hegemony, but a U.S.-China peace, reigns in East Asia.
That the peace of East Asia reflects the traditional politics of the great powers does not mean it is any less stable or less beneficial to the region. The fact that the region is at peace is sufficient to welcome the sources, no matter how Paleolithic they may seem. The challenge for the post–Cold War era is to apply the lessons of East Asia, including those of the Cold War, to other regions, and thus understand the political sources of enduring conflict and of prolonged peace.

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Notes

21. Xinhua, December 24, 2000, FBIS, AF5 doc. no. CPP20001224000072.


32. See the chart of opinion polls commissioned by the Taiwan government at http://www.mac.gov.tw/english/POS/9108/9108e_1.gif.