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Metternich and China's Post-Cold War Grand strategy

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Brief



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Table of Content

Introduction	4
1. The possibilities and limitations of using the historical analogy of Metternich's grand strategy to analyze contemporary China's policies....	5
2. The economic, military and political basis for making a claim that China is a rising power	6
3. The importance of China's international political framework of cooperative security, multipolarity and the UN system for constraining power balancing dynamics	9
4. Consequences for international order.....	11
Endnotes	13

Introduction

In this brief, I argue that China's post-Cold War grand strategy is premised on how to avoid being categorized as a secondary power. This observation calls for a comparison of China's grand strategy with that masterminded by Austria's foreign minister Metternich in the first half of the nineteenth century.¹ By 1812, Austria's economic, military and political resources were stretched to breaking point. Nevertheless, during the following decade Metternich was instrumental in creating the preconditions for the Concert of Europe that maintained peace and stability. The comparison addresses the puzzle of how China, starting from a position of relative weakness, has come to exercise determining influence on international security arrangements by devising a political framework that protects the common interests of states and is accepted as a contribution to international stability by other states.

Debates on rising Chinese power often focus on the implications of its ascendancy for international stability. On the one hand, pessimistic arguments tend to point to enhanced rivalry between the United States and China. U.S.-China relations are seen as the most important bilateral international relationship after the Cold War since Washington dominates the international system and Chinese foreign policy has become global. The United States is promoting an alliance-based international system that has not yet accommodated China's growing military power with legitimate claims to Taiwan, to safe energy supplies, and to participate in global security management. Mistrust prevails between Washington and Beijing that engenders the mutual use of hedging strategies which may be seen as the manifestation of a security dilemma. Beijing is therefore encouraged to develop a Sino-centric alternative to Washington's designs for international security. Rivalry is likely to involve China's use of its growing resources to shift the overall balance of power in China's favour.² A comparison with early twentieth century Germany has been suggested. In Europe, two wars involving Germany were fought despite growing economic and societal interdependence, partially compatible strategic interests, and converging domestic political systems.³

On the other hand, optimistic arguments usually propose that China's ascent is conducive to enhanced international cooperation. China cannot afford to allocate undue resources to promote a Sino-centric system at a time when Beijing is concerned with maintaining high economic growth rates, build up its armed forces and prevent domestic social upheaval to preserve communist party rule.⁴ A comparison with late nineteenth century Germany springs to mind which emphasizes that rising Chinese power calls for a foreign policy that involves multilateral cooperation and strategic partnerships with great powers to ameliorate fears of Chinese aggression and ease the steady increase in China's international economic and military clout.⁵

Whether pessimistic or optimistic, recent literature on China's rise has yet to address the issue if Chinese power is in fact rising and, if so, what is meant by rising power. This brief addresses the question of whether China is securing its current position in the international system out of fear that it will be categorized as a secondary power or if China is preparing to manifest its alleged great power status. This is done by, first, discussing the possibilities and limitations of using the historical analogy of Metternich's grand strategy to analyze contemporary China's policies. Second, I address the economic, military and political basis for making a claim that China is a rising power, and third, the importance of China's international political framework of cooperative security, multipolarity and the UN system for constraining power balancing dynamics is assessed.

1. The possibilities and limitations of using the historical analogy of Metternich's grand strategy to analyze contemporary China's policies

Historical analogies must always be used with caution. Vast differences in conditions and context apply to nineteenth century Austrian and twenty-first century Chinese diplomacy. The main parallels between Vienna and Beijing that justify using the Austrian analogy are, first, that both face serious external and internal challenges threatening their great power status. Second, to deal with these challenges both states devise a political framework that constrains power balancing dynamics. Thereby, tests of strength are prevented that might exclude them from the group of great powers.

The argument on China's grand strategy proposed here addresses the issue of how international regulation affects the relationship between power balancing and stability. The realist notion of international anarchy implies that power balancing involves the *de facto* cancellation of international regulation. States built on different cultures, ideologies and political systems find it hard to compromise where no entity above them has authority to enforce common rules. International regulation is therefore likely to be used as an instrument in the process of power balancing rather than as a mechanism that constrains power balancing dynamics.⁶ From a liberal starting point, the reverse is proposed. This school tends to argue that common rules of state conduct based on democratic and market economic principles are likely to reduce the tendency of states to amass power at the expense of others through the cancellation of power balancing as international regulation grows and makes power balancing too expensive.⁷ This brief proposes a different line of reasoning by highlighting that international regulation is imperative to ensure that power balancing contributes to international stability.

Metternich focused on sustaining a political equilibrium of power that promoted stability. He was successful in promoting a political framework because the European great powers and secondary powers embraced his proposal to exercise self-restraint in their pursuit of national interests and to use force externally to preserve the balance of power and coercion internally to preserve dynastic rule. Metternich's approach was based on the argument that the pursuit of national interest must be balanced with pragmatism to maintain international stability.⁸

Like Austria, China faces enormous economic, military and domestic political challenges that threaten its claim to a position in the international system as a great power. These challenges are vastly different. Nevertheless, an indication that China is struggling with major economic problems on a par with nineteenth century Austria is that economically and financially, contemporary China is not sufficiently robust that comparisons can be made on the same terms as used for developed countries. Militarily, China's modernization process involves demands for enhanced resource efficiency that Beijing finds it hard to meet. Moreover, characteristics such as negligible Chinese naval and air power projection capabilities, a military-industrial complex still in its infancy, and low educational levels in the armed forces indicate that Chinese military capabilities are insufficient to allow it status as a great power. Similarly, although Austria had one of Europe's largest armies, Vienna had difficulties maintaining military capabilities on a par with the other great powers. Politically, similarities between the domestic challenges facing Vienna and Beijing include the legitimacy problems of the existing regime, the means of coercion devised to fight domestic unrest, international intelligence cooperation to fight separatist tendencies, and the lack of an alternative state-society model to that on offer from the outside, whether republican or liberal. These common features point to the relevance of the comparison between the grand strategies of nineteenth century Austria and contemporary China.

2. The economic, military and political basis for making a claim that China is a rising power

To show how China from a position of relative weakness exercises determining influence on international security arrangements by devising a political framework that constrains power balancing dynamics, I investigate the challenges that threaten its rise and how Beijing addresses these challenges. The key to this discussion is how great powers are defined compared to superpowers and secondary powers.

The lower limit of great power status can be defined as the power to decide how to do things in either the economic, military or political sectors of the international system.⁹ A superpower has the power to decide how to do things in all

sectors, and a secondary power does not possess decisive structural power in either of the sectors. The Chinese claim to the position of a great power is purely based on the successful promotion of its grand strategy that has allowed Beijing decisive influence on international security arrangements. Beijing does not yet have the economic, military and domestic political side of great power status.

Economic power is concerned with what is produced, by whom and for whom, and by what method and on what terms. It also involves the power to allow or to deny other people the possibility of spending today and paying back tomorrow, and to let them exercise purchasing power and thus influence markets for production, as well as the power to manage or mismanage the currency in which credit is denominated. The indicators by which economic power defined in this way can be measured are numerous. A country's GDP and its poverty level are crude indicators, but they inform us of the relative importance and health of a country's economy and population which are preconditions of the exercise of structural power.¹⁰ A country's foreign direct net inflows of investments indicate its ability to attract overseas capital. China's GDP was U.S. \$3,205 billion in 2007 measured in current U.S. dollars. Chinese poverty levels remain high. In 2004, 9.9 per cent of the Chinese population lived on less than U.S. \$1 a day, designated extreme poverty by the World Bank, and 34.9 per cent of the Chinese population lived on less than U.S. \$2 a day, designated poverty by the World Bank.¹¹ China has not yet adopted a financial regime of full currency flexibility despite U.S. pressures. The United States is not immune to Chinese currency revaluations since these could lead to devaluations of the U.S. dollar and rising interest rates. However, the risks for the Chinese economy are much greater. In terms of credit, China is a vulnerable state whose economy can easily be adversely affected by fluctuating exchange rates and Beijing is not eager to expose this weakness. China's net foreign direct investments were U.S. \$78,095 billion in 2006.¹² These indicators place China in the category of secondary powers together with states such as Russia and India who do not command power to decide how to do things, and below the United States and Japan, who possess structural power in the areas of production and credit. High Chinese economic growth rates have allowed China a better position among the secondary powers. However, if rising Chinese power is taken to imply that China aspires to great power status, China's rise has yet to take place.

Military power is concerned with acquiring power which lets a state determine, and perhaps even limit, the range of choices or options available to others in this sector. As is the case with economic power, numerous indicators can be used to measure military power. One indicator is the size of defence budgets, since sufficient allocation of funds is a precondition for obtaining structural power. Another indicator is to be at the forefront of defence technological devel-

opments. In addition, a military industrial complex that lowers a state's dependency on foreign sources of arms supplies is indicative of structural power in the military sector. Also, a state's power projection capabilities suggest if it is capable of determining the range of choices available to other states in the military sector. China's defense budget is estimated to be U.S. \$122 billion in 2006.¹³ China's defense modernization include reforms driven by the U.S.-led Revolution in Military Affairs, transforming its armed forces from self-sufficiency in manpower to self-sufficiency in military technology to be able to adopt swift and flexible defense responses. However, incapacities and inadequacies such as the inability of China's armed forces to operate aircraft carriers imply that China still has a long way to go before catching up. China has a domestic production of arms which in some areas such as ballistic missiles and command, control and communication technology is approximately at the level of Western weaponry. However, China's military pretensions still depend on access to foreign arms and know how. China does not have an alliance system despite its large number of strategic partnerships. Moreover, beyond China's Asian neighborhood its partnerships are predominantly political rather than military. Beijing's ability to project power is also limited by its modest naval and aerial capabilities that do not allow China to project force much further away than its coastline.¹⁴ Militarily, China is also in the category of secondary powers together with states such as Japan, Russia and India. These states do not have power to decide how things are done in contrast to the United States, who is the only standard-setting state in the military realm.

Political power is the most elusive aspect of power, being about what is believed, and the moral conclusions and principles derived from those beliefs. It also involves what is known and perceived as understood, and the channels by which beliefs, ideas and knowledge are communicated. One indicator of political power is the ability of a state to propose a model of state-society relations that is sufficiently attractive to be copied by other states. Another indicator of political power is the ability of a state to propose a model of global security governance sufficiently attractive to be accepted by other states. China does not offer a domestic political model on the basis of China-specific concepts of state-society relations that has wide-spread international appeal. Beijing's designs for international order are conservative in that they do not suggest an alternative to the liberal model of state-society relations. China retains an authoritarian political system, which the government has taken very limited steps to democratize. The justification for this policy is that stability protects the interests of China's people better than extensive popular influence on the government.

The political philosophy of Confucianism, and its notions of collectivity and hierarchy, has been suggested as a basis for constructing an alternative model of state-society relations if translated into workable political arrangements. Beijing is developing a Confucius-based notion of a harmonious society that integrates

the economic, political, cultural and societal aspects of China into one coherent entity based on fairness and justice. This effort reflects the Chinese leadership's awareness of the necessity to develop an attractive model of state-society relations. However, Confucianism has predominantly been used as a pretext to fend off demands for liberal political reform rather than as a basis for constructing a viable model for state-society relations. Confucianism holds some appeal across the Asian region, but its notion of hierarchy is not seen as an attractive alternative even in Asia when it emerges in China's relations with neighbouring states. For example, China's agreement to shelve sovereignty disputes without clearly renouncing its claims in the South China Sea is conceived as a generous gesture of resource sharing with states that, in Beijing's view, do not have a priori rights to the area. This Chinese outlook implies that the interim settlement is based on mercy rather than on merit.¹⁵

3. The importance of China's international political framework of cooperative security, multipolarity and the UN system for constraining power balancing dynamics

China's claim to great power status is based on its version of a political framework that constrains the legitimate use of force in the international system. Analysis of China's proposal for an international political framework has implications for the debate on soft versus hard balancing.¹⁶ This literature addresses the issue of states' use of diplomatic means to ameliorate the effects of power balancing by introducing different types of balancing. This solution appears unsatisfactory because it stretches the concept of balancing beyond its core of military power to the extent that calls into question if balancing is falsifiable. This article instead focuses on whether balancing is regulated. At issue is whether China is promoting an international system approximating collective hegemony in the sense that the balance of power is underpinned by a political framework constraining state conduct, or a system founded in the notion of the survival of the fittest without common behavioral rules. China's attempt to base its grand strategy in the UN system appears to further the first type of international system. China's focus on underpinning power balancing with a political framework reflects Beijing's concern to have common constraints on the legitimate use of force and on interference in the domestic affairs of other states. The Achilles' heels of China's claim to provide leadership to contemporary international politics are China's modest economic and defence capabilities and the legitimacy of the communist party. These weaknesses give China an obvious interest in advocating an international political framework to avoid a situation where influence on global security arrangements is determined through tests of strength. This brief's contribution to the literature on soft versus hard balancing is to show that at issue is not which type of balancing states use, but whether balancing

is embedded in a common political framework to prevent disagreements from being solved through the use of coercive measures. Balancing is not cancelled in a system of collective hegemony. Instead, the majority of conflicts are settled by means of negotiation rather than the use of force.

In today's international system, the United States is well aware that it stands a good chance of preventing a future Chinese challenger from coming into its own as a great power. Washington may be motivated to try to curb Beijing's economic growth through actions such as demands for a revaluation of China's currency. Militarily, Washington is consolidating the U.S. alliance system to maintain its position of superpower with all elements of structural power. Politically, the United States is promoting the spread of liberalism. Washington's policies encourage China to promote a Metternichian alternative based on common agreement on a political framework underpinning power balancing. The policy reflects the determination of the weaker power to ensure that it has a say on future international security arrangements and that the United States does not achieve hegemony. The attractive elements of Beijing's proposal are cooperative security, multipolarity and China's defence of the UN system.

China's concept of cooperative security is about building trust, confidence and multilateral cooperation with the purpose of removing the risk of armed conflict. This concept has been applied widely to China's numerous territorial and maritime conflicts with neighbouring countries.¹⁷ At minimum, the disputes are being negotiated, as with the Sino-Indian territorial conflict. At maximum, the contested borders have been permanently settled, as with the Sino-Russian territorial conflict. The Chinese concept of multipolarity does not imply traditional power balancing through alliances, but through the concept of strategic partnerships with powers such as Russia and the European Union. These partnerships form the basis for warding off U.S. hegemony by poaching on Washington's alliances and partnerships. China also supports the old UN system's principles of absolute sovereignty, effective territorial control as a basis for regime recognition, and the authority of the UN Security Council in global security management. The UN is the platform for China to demonstrate that its pursuit of national interests is embedded in globally accepted principles of state conduct. China's affiliation with UN-based institutions is used to expose the alleged immorality of US policies such as the 2003 Iraq war. According to China, the war has not been carried out within the confines of the UN system. In addition, China's proactive approach to UN-based institutions is used to confirm China's image as a responsible power committed to protect the common interests of states without using force. An example is Beijing's accession in 2003 to the Treaty of Amity and Cooperation in Southeast Asia that commits the signatory states to peaceful conflict resolution. Beijing advocates the preservation of the old UN system as the political framework underpinning state conduct for two reasons. First, a Westphalian type

of order wards off U.S. demands for the spread of political liberalism and allows China to concentrate on its domestic economic and social development. For example, the growing gap between rich and poor segments of Chinese society is considered an immediate security concern by China's political elites because it threatens the legitimacy of the Chinese Communist Party.¹⁸ Second, Beijing's commitment to the old UN system is supported by secondary powers such as the Southeast Asian states, Russia, South Korea and India. These states share China's concern that the U.S. alliance system will form the basis of a hegemonic order that minimizes their international clout.

China has been able to convince states in all the world's regions that its strategic concept at least in part protects their national interests. China's political framework has helped manifest China as a global political great power involved in most international security institutions and with some form of political-strategic dialogue, policy coordination and cooperation with powers in all regions. Beijing's exercise of political power at the international level has left the impression that China has already risen to great power status. In reality, China is still struggling to catch up with the United States economically and militarily at the same time as the Chinese leadership experience growing problems of political legitimacy. One purpose of the international political framework is to avoid tests of strength likely to result in China's categorization as a secondary power.

4. Consequences for international order

What are the chances that China's advocacy of a political framework underpinning power balancing engenders a security architecture that is comparable to the Concert of Europe, preserving peace and stability between the great powers?

One scenario would involve the emergence of a Sino-U.S. partnership. This scenario requires Washington's acceptance of the political framework advocated by China. The partnership would be based on Beijing's political leadership combined with Washington's economic and military clout. The United States has the means of persuasion necessary towards secondary powers such as Russia and India. Secondary powers tend to have foreign policy agendas potentially at odds with the common interest in stability due to their aspirations for dominance in their near abroad. The Concert-like scenario is not a mere pipe dream. Many aspects of U.S.-China relations are cooperative. Perhaps most importantly, despite recurring disagreements over the conditions of international trade and finance, economic globalization on liberal terms is not a fundamentally contested issue between the two powers.¹⁹ Also, China may have yet to discover that where angels fear to tread, fools rush in. China has yet to demonstrate its staying power in times of crises in regions far from its neighborhood such as Africa and Latin America. Beijing's lack of economic and military great power capabilities may

imply that China is not able to weather storms such as large-scale popular anti-Chinese sentiment and that the United States will find it easy to regain the political power it has lost in these regions due to neglect. Such developments may encourage Washington to partake in the maintenance of a common international framework for global security management and encourage China to accommodate U.S. requirements for accepting enhanced political cooperation.

The greatest impediment towards this scenario is probably Washington's efforts to spread political liberalism. Without the political challenges towards communist party rule, Beijing is likely to be much more comfortable with the U.S. alliance system. It remains to be seen if Washington is willing to remove its long-standing commitment to political idealism from its international political agenda.

A second scenario involves the consolidation of U.S. hegemony. This system implies the cancellation of balancing, founding the global security architecture on the alliance-based U.S. system not embedded in a common set of behavioral rules. This system would leave Washington without the critical voices of the secondary and small powers, which at the moment carries much weight because China provides them with an alternative offer of partnership. Some trends point towards U.S. hegemony. Arguably, Moscow's alignment with China has encouraged the United States to compromise on its anti-WMD principles to accommodate the equally U.S.-critical Indian political establishment. One purpose of the U.S. policy is most likely to ensure that India gravitates towards the United States rather than China. However, Washington has to become much more politically accommodating towards secondary and small powers to establish U.S. hegemony.

At present, the international system can be characterized as an in-between system with significant elements of power politics and common interests. This system emerges because in contrast to the Metternichian system of nineteenth century Europe, the majority of secondary and small powers only partially support China's proposal for an international political framework. Instead, these states maximize their national interests by buying into both U.S. and Chinese designs for global security management. For China, this means that the secondary powers will only support Beijing's policies on the basis of a U.S. military presence. Ironically, the U.S. alliance system is a precondition for China's ability to undermine it. This type of international system is unstable in the sense that the secondary and small powers swing back and forth between gravitating towards the U.S. alliance-based system and China's international political framework to maximize their freedom of action and national interests. Nevertheless, although the United States is likely to maintain hegemonic aspirations, Washington benefits substantially from global security arrangements partially based on the U.S. alliance system. The current in-between system may therefore remain in place for the foreseeable future.

Endnotes

- 1 See Alan Sked, "The Metternich System, 1815-48", i Alan Sked, red., *Europe's Balance of Power 1815-1848* (London: MacMillan, 1979), pp. 98-121.
- 2 John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton, 2001), pp. 360-402; Thomas J. Christensen, "Posing Problems without Catching Up: China's Rise and Challenges for U.S. Security Policy", *International Security* 25/4 (Spring 2001), pp. 5-36; Evan S. Medeiros, "Strategic Hedging and the Future of Asia-Pacific Stability", *The Washington Quarterly* 29/1 (Winter 2005-06), pp. 145-167; Robert Anthony Pape, "Soft Balancing Against the United States", *International Security* 30/1 (Summer 2005), pp. 7-45; Michael Yahuda, "Chinese Dilemmas in Thinking About Regional Security Architecture", *Pacific Review* 16/2 (2003), pp. 189-206.
- 3 See Aaron L. Friedberg, "The Future of U.S.-China Relations: Is Conflict Inevitable?", *International Security* 30/2 (Fall 2005), p. 45.
- 4 See, for example, David Shambaugh, "China Engages Asia: Reshaping the Regional Order", *International Security* 29/3 (Winter 2004/05), pp. 64-99; Alastair Iain Johnston, "Is China a Status Quo Power?", *International Security* 27/4 (Spring 2003), pp. 5-56; M. Taylor Fravel, "Regime Insecurity and International Cooperation: Explaining China's Compromises in Territorial Disputes", *International Security* 30/2 (Fall 2005), pp. 46-83; Avery Goldstein, "Great Expectations: Interpreting China's Arrival", *International Security* 22/3 (Winter 1997/98), pp. 36-73.
- 5 Avery Goldstein, "An Emerging China's Emerging Grand Strategy: A Neo-Bismarckian Turn?", i G. John Ikenberry og Michael Mastanduno, red., *International Relations Theory and the Asia-Pacific* (New York: Columbia University Press, 2003), pp. 57-106.
- 6 See for example E. H. Carr, *The Twenty Years' Crisis 1919-1939: An Introduction to the Study of International Relations* (London: MacMillan, 1939; rev. udg. 1946); John J. Mearsheimer, "The False Promise of International Institutions", *International Security* 19/3 (Winter 1994/95), pp. 5-49.
- 7 See for example Michael W. Doyle, "A Liberal View: Preserving and Expanding the Liberal Pacific Union", i T.V. Paul og John A. Hall, red., *International Order and the Future of World Politics* (Cambridge, U.K.: Cambridge University Press, 1999), pp. 41-66.
- 8 See for example Henry Kissinger, *A World Restored: Metternich, Castlereagh and the Problems of Peace 1812-1822* (London: Phoenix Press, 1957).
- 9 See Liselotte Odgaard, *The Balance of Power in Asia-Pacific Security: US-China policies on regional order* (London: Routledge, 2007), pp. 43-66 for a detailed discussion of how to define a superpower, a great power and a secondary power. The definition is based on Martin Wight, *Power Politics* (Leicester, U.K.: Leicester University Press, 1978), pp. 30-67 and Susan Strange, *States and Markets* (London: Pinter Publisher, 1988). See Strange, *States and Markets*, for a detailed discussion of how structural power is measured. How to define the relative power of different states is a contested issue. An often used definition is that "great powers inherently possess some offensive military capability, which gives them the wherewithal to hurt and possibly destroy each other". See Mearsheimer, *The Tragedy of Great Power Politics*, p. 30. Drawbacks in using this definition include difficulties of substantiating states' ability to contend in war, as indicated by the gap between performance in war and prior expectations of performance. Another problem is failure to take into account that military power is based on economic power since the lack of economic power may erode a state's military capabilities. Equally, without political power a state may not be able to win allies and partners necessary to manifest great power status beyond the state's immediate neighbourhood.
- 10 I do not use purchasing power parity (PPP) to measure the size of economies. Economists are divided on the issue of whether PPP is a useful measure of how economies could be harnessed for power. PPP is arguably not useful for comparing international economic and military power, as is done in this article. For example, PPP figures exaggerate China's growth rate. For the details of this argument, see for example Richard N. Cooper, "China into the World Economic System", February 2000, paper, <http://www.economics.harvard.edu/faculty/cooper/files/korea.pdf>. Similarly, "PPP is not a reliable measure of a country's military strength, particularly if one is trying to measure the capacity of a country to project military power beyond its borders." Author interview with Dwight H. Perkins, Harvard University, Cambridge, USA, 29 May 2008.

11 Population below U.S. \$1 a day and population below U.S. \$2 a day are the percentages of the population living on less than U.S. \$1.08 a day and U.S. \$2.15 a day at 1993 international prices. Various methodologies exist for determining absolute poverty, but no general agreement exists on the most precise measure. Here I refer to the international rather than the national poverty line for purposes of comparison, see the World Bank Group, "2006 World Development Indicators: 2.7. Poverty", 2006, <http://siteresources.worldbank.org/DATASTATISTICS/Resources/table2-7.pdf>

12 The World Bank Group, "WDI Data Query", April 30, 2007, <http://devdata.worldbank.org/data-query/>;

The World Bank Group, Country Profile: China, 2007, http://ddp-ext.worldbank.org/ext/ddpreports/ViewSharedReport?&CF=1&REPORT_ID=9147&REQUEST_TYPE=VIEWADVANCED&HF=N&WSP=N. Foreign direct investments, net inflows, balance of payments, current U.S. dollars.

13 China's budgetary allocations for defense purposes have become increasingly transparent with the publication of defense white papers for the past decade. Nevertheless, the figures released from the government are inadequate. According to IISS, the publicly reported defense budget only represents part of actual military expenditure. For example, proceeds from defense sales are not included, and procurement, research and development, subsidies to domestic defense companies and most pensions for retired personnel are funded from elsewhere within the state budget. For a detailed discussion see International Institute for Strategic Studies (IISS), *The Military Balance 2007* (London: IISS, 2007), p. 341.

14 Talks with U.S. intelligence in Cambridge, U.S.A., April 2007.

15 On China's South China Sea policy, see Liselotte Odgaard, *Maritime Security between China and Southeast Asia: Conflict and cooperation in the making of regional order* (Aldershot: Ashgate, 2002): particularly pp. 208-209, 224-225.

16 On this debate, see for example T.V. Paul, "Soft Balancing in the Age of U.S. Primacy", *International Security* 30/1 (Summer 2005), pp. 46-71; Richard K. Betts, "Wealth, Power and Instability: East Asia and the United States after the Cold War", *International Security* 18/3 (Winter 1993), pp. 34-77; James F. Hoge, "A Global Power Shift in the Making" 84/4 (Jul/Aug 2004), pp. 2-7; Christopher Layne, "The Unipolar Illusion Revisited: The Coming End of the United States' Unipolar Moment", *International Security* 31/2 (Fall 2006), pp. 7-41.

17 On China's territorial borders, see Fravel, "Regime Insecurity and International Cooperation".

18 Interviews with twenty-five think tank academics, scholars and government officials in Beijing, October 2006. Sixteen listed domestic economic and social policy instruments as urgent measures to protect contemporary China's national security.

19 Some analysts argue that the United States has a hyperglobalist inclination to break down state barriers as a result of growing interdependence in the areas of trade and finance. By contrast, China sees economic globalization as a kind of developmental techno-nationalism that offers the prospect of 'leap-frogging' the advanced industrial economies and balancing the danger that the United States might use its economic power to gain political control over the world. See Christopher R. Hughes, "Nationalism and multilateralism in Chinese foreign policy: implications for Southeast Asia", *Pacific Review* 18/1 (2005), pp. 119-135. However, in practice the U.S. political establishment is using economic globalization to preserve global dominance and has not handed over power to transnational corporations and similar non-state actors, as indicated by the ultimate predominance of the interests of government over the interests of transnational corporations. The ban on weapons exports and defense-related technology towards China and U.S. willingness to adopt sanctions towards the European Union, should it choose to lift its weapons embargo, are obvious cases in point.