

## Confronting China's Charm Offensive in East Asia: A Simple Case of Fighting Fire with Fire?

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*This article examines the United States' response to China's charm offensive in East Asia, particularly the latter's use of soft-power diplomacy to erode Washington's strategic preponderance and its ability to respond to a crisis in the Taiwan Strait and other hot spots in the region. In such a situation, U.S. analysts, diplomats, and policymakers have become apprehensive that the United States is losing in the soft-power competition with China. Accordingly, they clamor for increased U.S. funding for public diplomacy and official development assistance (ODA). This article, however, raises the question whether overemphasis on U.S. soft power will rectify the imbalance of influence between the two powers. In conclusion, it argues that the apparent disparity is the result of the general asymmetry in the two countries' power relations and that what is consequential is not the amount earmarked for ODA and public diplomacy spending, but the United States' prudent use of its co-optive capability in the face of China's growing political and economic clout in East Asia. This entails applying U.S. soft power not only to constrain China's charm offensive, but also to*

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*form and strengthen an association of liberal-democratic states in East Asia.*

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Soft power is attractive power, while "hard" power is the ability to coerce others to do what you want and get the outcomes you want. Hard power uses carrots and sticks to get others to do what they would not otherwise do. Soft power achieves those goals by attracting others to you, so you do not have to spend money on carrots and sticks.<sup>1</sup>

Power over opinion cannot be disassociated from military and economic power.<sup>2</sup>



The inauguration of President George W. Bush in 2001 was a mark of continuity, rather than dramatic change, in U.S. foreign policy in a rapidly changing East Asia. Like his predecessors, President Bush pursued the preservation of U.S. primacy in the region, keeping the regional economy open to U.S. enterprise, and making sure that East Asian states adhered to the norms of behavior essential to U.S. prosperity and security.<sup>3</sup> The September 11th terrorist attacks in the United States, however, compelled the Bush administration to focus on Southeast Asia, as it became a major strategic front in the U.S. campaign against global terrorism. Yet, despite this development, the goals of U.S. foreign policy in the region remained unchanged and consistent—to maintain U.S. forward-deployed naval forces, to provide the necessary public goods that underwrite the strategic stability of many East Asian states, and to engender the conditions for them to achieve sustained economic growth,

<sup>1</sup>Joseph S. Nye, Jr., "The Power of Persuasion: Dual Components of U.S. Leadership," *Harvard International Review* 24, no. 4 (January 1, 2003).

<sup>2</sup>Edward Hallett Carr, *The Twenty Years' Crisis, 1919-1939* (New York: Palgrave, 2001), 127.

<sup>3</sup>Mel Gurtov, "The Bush Doctrine in Asia," in *American Foreign Policy in a Globalized World*, ed. David P. Forsythe, Patrice C. McMahon, and Andrew Wedeman (London and New York: Routledge, 2006), 289.

based to a considerable extent on export-oriented development strategies.<sup>4</sup>

At the same time, Beijing launched a "charm offensive," striving to set a regional agenda shaping the preferences of member-states of the Association of Southeast Asian Nations (ASEAN). This offensive involves skillful use of soft or co-optive power to gradually diminish U.S. power and influence in the region. China began its soft-power statecraft in Southeast Asia during the 1997 East Asian financial crisis. The crisis provided an opportunity for China to demonstrate its political and economic value to the ASEAN member-states as a partner, and even as a regional leader.<sup>5</sup> Since then, China has employed a variety of soft-power instruments to boost its image in the region. It depicts itself as an emerging and responsible power that supports a multipolar and democratic order in which states do not interfere in each other's affairs, there is a mutuality of interests, and international conflicts are resolved peacefully, while significantly downplaying any desire to strategically dominate Southeast Asia.<sup>6</sup> At the same time, Beijing is also focused on economic growth and modernization, economic liberalization, political consolidation, and the development of limited military capability (primarily aimed at the defense of the mainland and the prevention of Taiwan's *de jure* political independence), all directed toward one overriding objective—to expand China's regional and global political influence in the twenty-first century.

Since the beginning of this century, a considerable number of U.S. officials, analysts, and scholars have seen China as their country's most probable geostrategic competitor in Central Asia and East Asia.<sup>7</sup> Washington's recent distraction in the Middle East and with the war on terror

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<sup>4</sup>Michael Yahuda, *The International Politics of the Asia-Pacific: Since 1945*, second and revised edition (London and New York: Routledge, 2004), 276.

<sup>5</sup>Alice D. Ba, "China and ASEAN: Reinvigorating Relations for a 21st Century Asia," *Asian Survey* 43, no. 4 (July/August 2003): 635.

<sup>6</sup>Joshua Kurlantzick, "The Decline of American Soft Power," *Current History* 104, no. 686 (December 2005): 422-23.

<sup>7</sup>James Sperling, "The United States: The Unrelenting Search for an Existential Threat in the 21st Century," in *Global Security Governance: Competing Perceptions of Security in the 21st Century*, ed. Emil J. Kirchner and James Sperling (London and New York: Routledge, 2007), 166.

has created opportunities for Beijing to broaden and intensify its economic and diplomatic clout in East Asia. This trend has provoked a heated debate in Washington on whether or not China's growing economic and political influence in the region is a zero-sum game for the United States.<sup>8</sup> However, both sides in this debate agree that Washington should bolster its political, cultural, diplomatic, and economic presence in tandem with Beijing's expanding influence as a possible hedge against any unforeseen future development in East Asia.

This article examines the U.S. response to China's current diplomatic gambit in East Asia. It addresses this pivotal question: In the light of China's emergence, how is Washington responding to Beijing's charm offensive in East Asia? Other specific questions follow: How is China's charm offensive in East Asia undermining U.S. influence and prestige in the region? What co-optive and non-coercive foreign policy instruments can be applied by the United States to constrain China from undermining U.S. influence in East Asia? How is the United States utilizing these non-coercive foreign policy instruments? What are the strengths and limitations of these instruments? Finally, what is the future of these non-coercive and co-optive foreign policy instruments in U.S. statecraft in the face of China's emergence as an influential economic and political power in the region?

### Twenty-First Century Soft Power

In his 2004 book, *Soft Power: The Means to Success in World Politics*, Joseph Nye discusses the growing importance of soft power in

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<sup>8</sup>This ongoing debate on China's soft-power diplomacy and its effects on U.S. influence in East Asia is clearly articulated in the August 2008 Congressional Research Service report on U.S. and Chinese soft-power competition in the developing countries. The report compares Beijing's and Washington's projections of global influence, with an emphasis on non-coercive means or soft power, and recommends how Washington should respond to China's rising influence in East Asia. See Thomas Lum et al., "Comparing Global Influence: China's and U.S. Diplomacy, Foreign Aid, Trade, and Investment in the Developing World" (Washington, D.C.: Congressional Research Service, August 15, 2008).



international relations. According to Nye, soft power entails getting others to aspire to and achieve the outcomes that you want by co-opting rather than coercing them. It involves setting the priorities in an agenda and attracting other states to support your foreign policy goals, not by threats of military force (hard power) or economic sanctions. To Nye, soft power rests on the ability of a state to shape the preferences of others. It consists of suasion, influence, and cultural hegemony even in the absence of state-over-state domination.<sup>9</sup> Nye notes that soft power, which includes the transmission of a society's values, policies, and institutions, can be projected externally through public diplomacy and bilateral and multilateral institutions.<sup>10</sup>

Nye's introduction of the term "soft power" immediately stirred up controversy between liberals, who quickly rallied behind the concept, and the hardcore realists who predictably rejected it. The polemic revolves around three questions:<sup>11</sup> (1) What foreign policy instruments can generate soft power? (2) Under what conditions can soft power be effective? and (3) Is soft power just as important as hard or military power? Nye argues that military capability and economic sanctions cannot generate soft power since their results occur within a reasonable amount of time. Furthermore, both these instruments are similarly straightforward in their applications. He contends that soft-power resources often work indirectly by shaping the environment for policy and sometimes take years to produce the intended outcomes.<sup>12</sup> Nye, nevertheless, is ambiguous on the role of economic capabilities in effecting soft power. In addition, he argues that soft power is more than cultural power, as it is generated when a state promotes its

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<sup>9</sup>Andrew J. Rotter, "Cultural," in Finney, *Palgrave Advances in International History*, ed. Patrick Finney (New York: Palgrave Macmillan, 2005), 278.

<sup>10</sup>Joseph S. Nye, Jr., *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004), 30-31.

<sup>11</sup>For an interesting account of the debate over soft power, see Lawrence Sondhaus, "Soft Power, Hard Power, and the Pax Americana," in *America, War, and Power: Defining the State, 1775-2005*, ed. Lawrence Sondhaus and A. James Fuller (New York: Routledge, 2007), 201-15.

<sup>12</sup>Nye, *Soft Power*, 99.

values abroad, takes into account the interests of other states through international institutions, and fosters common goals such as peace and human rights through its foreign policy.<sup>13</sup>

In his most recent work, Nye presents an expanded definition of soft power. To him, soft power rests primarily on three resources—culture, political values, and public diplomacy (through foreign policy); however, he adds that economic and military resources can also generate attraction or soft power.<sup>14</sup> He notes that economic resources can produce both hard- and soft-power behavior as a country's successful economy can become an important source of attraction. Furthermore, he observes that a well-run and spectacular military victory can be a source of attraction while military-to-military cooperation and training programs can establish transnational networks that enhance a country's soft power.<sup>15</sup> By broadening his definition of soft power, Nye admits that non-coercive foreign policy inducements such as culture, political and military diplomacy, foreign aid, trade, and investment can all generate co-optive power in international affairs.<sup>16</sup>

Another characteristic of soft power is its effectiveness only on a targeted society that is open to or familiar with the targeting state. Nye

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<sup>13</sup>Joseph S. Nye, Jr., *The Paradox of American Power: Why the World's Only Superpower Can't Do It Alone* (New York: Oxford University Press, 2002), 11.

<sup>14</sup>Joseph S. Nye, Jr., "Notes for a Soft-Power Research Agenda," in *Power in World Politics*, ed. Felix Berenskoetter and Michael J. Williams (London and New York: Routledge, 2007), 164-68.

<sup>15</sup>*Ibid.*, 167.

<sup>16</sup>Like Nye, Christopher Hill in his work *The Changing Politics of Foreign Policy* provides a broader concept of soft power and its application in international relations as he contends that "carrots are currently replacing sticks in international relations." He observes that states now have a wider range of foreign policy instruments with which to shape the images and values of targeted states through co-option. Soft power, he claims, can be generated as an externally projectable power through the application of various foreign policy instruments available to most states, among them political diplomacy, economic diplomacy and statecraft, and the export of culture. He agrees with Nye that the use of soft power as a slow-acting and opinion-shaping instrument can still be a form of coercive diplomacy, albeit barely understood by the targeted state. He nevertheless notes that soft or persuasive power can be generated through technological capacity, levels of education, patterns of trade and diplomatic representation, and the general strength of the economy. See Christopher Hill, *The Changing Politics of Foreign Policy* (London: Palgrave Macmillan, 2003), 135.

points out that American soft power is generally effective among democracies and new democratic regimes that have replaced authoritarian regimes. According to him, soft power is generated among the following kinds of countries:<sup>17</sup> (1) countries whose dominant values and ideas are closer to the prevailing global (American) values of liberalism, pluralism, and self-determination; (2) countries that have access to multiple channels of communication and information; and (3) countries that commonly consider the domestic and international performance of a country applying soft power (in this case, the United States) as credible and legitimate. Thus, soft power may prove useful in intra-Western disputes, but is ineffective for countries that are hostile, ambivalent, or indifferent to American or Western values. Arguably, while the attractiveness of American values and institutions persists in the Western world or in some parts of East Asia, this is simply not the case in many countries in the Middle East or even in China.

Finally, the issue of whether soft power is as important as hard or military power has generated the most intense debate. The notion that military power no longer matters in the light of soft power and the information revolution has gained so much currency in the early post-Cold War era that it has led to the conceptual separation and differentiation of soft and hard power. Hard power is seen as targeted, coercive, often immediate and physical, while soft power is considered indirect, long-term, and working more effectively through persuasion than force. There is also a prevalent view that hard power is becoming irrelevant in international affairs and that soft power is the wave of the future. As Christopher Hill succinctly puts it, "carrots are currently replacing sticks."<sup>18</sup>

This concept runs contrary to E. H. Carr's argument that power over public opinion (the term he used for Nye's soft power) cannot be separated from other instruments of power and is closely linked with military and economic power. Carr maintains that power over opinion can never be absolute since its effectiveness depends on the virtue of a country's military

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<sup>17</sup>Joseph S. Nye, Jr., *Power in the Global Information Age: From Realism to Globalization* (London and New York: Routledge, 2004), 90.

<sup>18</sup>See note 16 above.

and economic superiority that enables it to impose this favorable opinion about itself on other countries.<sup>19</sup> Effective projection of soft power in the international realm depends on two things: (1) the state's technical and economic capabilities projecting a good image of itself; and (2) the country's economic, political, and military prowess that makes its claims of national success credible to other states. Nye maintains that "soft power depends upon credibility."<sup>20</sup> As a case in point, U.S. economic and strategic preponderance in the post-Cold War era allows Washington to shape the preferences of some societies through the so-called inherent attractiveness of American culture, ideology, and institutions.<sup>21</sup> It is, however, doubtful if this would be the case if the Soviet Union had won the Cold War.

Most states still prefer to have a wide range of foreign policy instruments at their disposal (from both the hard and soft ends of the power spectrum) and often use them in combination. In an uncertain post-Cold War era, they adopt a kind of "insurance policy" which enables them to adjust their foreign and defense policies and outlays as circumstances change in a volatile international security environment. They also opt for the continuum of power in terms of foreign policy instruments that harness the targeted and often physical effects of hard power along with the indirect and often long-term impact of soft power's persuasive and co-optive properties.

This is especially true for the world's only superpower that needs simultaneously to tilt the balance of power in its favor and advance universal values such as economic prosperity, democracy, and human rights.<sup>22</sup> As East Asia's predominant power and unchallenged hegemon, the United States, on the one hand, exercises its hard power to maintain East Asian stability and deter challengers from undermining the status quo, while on the other hand, its soft power reinforces common norms, values, beliefs,

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<sup>19</sup>Carr, *The Twenty Years' Crisis*, 129.

<sup>20</sup>Nye, "Notes for a Soft-Power Research Agenda," 171.

<sup>21</sup>Stephen M. Walt, *Taming American Power: The Global Response to Primacy* (Ithaca, N.Y.: Cornell University Press, 2005), 37-39.

<sup>22</sup>*Ibid.*, 29-61.

and lifestyles among states that accept U.S. leadership as legitimate and necessary. Assessing the dynamic and complementary relationship between soft and hard power, one U.S. scholar quips: "Hard power threatens; soft power seduces. Hard power dissuades; soft power persuades."<sup>23</sup>

### **U.S. Approach to Security: The Primacy of "Hard Power"?**

During the Cold War, the United States developed a system of separate but related bilateral alliances with Japan, South Korea, Thailand, and the Philippines, and a trilateral security arrangement with Australia and New Zealand. Specifically, it was the Korean War in 1950 that triggered the creation of this alliance system, prompting the United States to sponsor a series of defense commitments to these countries and to ensure U.S. participation in Asian security affairs.<sup>24</sup> This system of bilateral alliances is often referred to as the hub-and-spoke model, with the United States placing itself at the hub of the wheel and each of the five bilateral alliances (with Australia, Japan, South Korea, the Philippines, and Thailand) acting as the spokes. Each of these five alliances is separate from the others and has its own distinct characteristics. Each is significant in its own right, but together they strongly supplement each other and help form a dense web of security and military partnerships involving the United States and the majority of East Asian states stretching from Northeast to Southeast Asia.<sup>25</sup> All of these five alliances share the commonality of relying on U.S. military power to deter external communist aggression and prevent internal or domestic insurgency.<sup>26</sup> During the Cold War, the alliances con-

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<sup>23</sup>Sondhaus, "Soft Power, Hard Power, and the Pax Americana," 210.

<sup>24</sup>Sheldon Simon, *The Future of Asian-Pacific Security Collaboration* (Lexington, Mass.: D.C. Heath, 1988), 4.

<sup>25</sup>David Shambaugh, "Asia in Transition: The Evolving Regional Order," *Current History* 105, no. 690 (April 2006): 154.

<sup>26</sup>Roger Buckley, *The United States in the Asia-Pacific since 1945* (Cambridge: Cambridge University Press, 2002), 74.

veyed a clear psychological message of deterrence to the allies' potential adversaries—the Soviet Union and, later, the People's Republic of China (PRC). For a time, they greatly benefited the United States and its allies and provided Washington with a security structure for managing East Asia's political and strategic affairs and fostering the region's economic development.

Supplementing this network of bilateral alliances are U.S. forward-deployed forces in East Asia. This naval and air superiority is a legacy of the U.S. Cold War policy of containing the continental/communist powers such as the Soviet Union and China. It involves a huge investment in and deployment of submarines, aircraft carriers, and nuclear and conventional weapons, and the maintenance of over 100,000 troops in East Asia, mostly based in Japan and South Korea. These forward-deployed forces enable the United States to maintain a geopolitical balance, to act as an honest broker, and to form a hedge against uncertain developments while cultivating intensified and liberalized trade relations with East Asian states. These geostrategic roles, in effect, foster political pluralism in the region.<sup>27</sup> Specifically, this military presence demonstrates Washington's determination to protect its allies and their mutual interests in this region.<sup>28</sup> More significantly, it empowers the United States to shape the regional security environment by mitigating historical tensions and peacefully resolving disputes.<sup>29</sup> Emphasizing the importance of U.S. hard power in managing conflicts and stabilizing regional security affairs, a former Pentagon official notes:

Comprehensive security, American style, in the Asia-Pacific seems to be driven by crises (e.g., the Asian financial events of 1997) and by suggestions of imminent or potential military threats (e.g., North Korean missile launches, accelerated Chinese nuclear modernization, and Chinese declaratory and deployment threats to Taiwan). Seduction and transformation through commer-

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<sup>27</sup>William T. Tow, *Asia-Pacific Strategic Relations: Seeking Convergent Security* (Singapore: Green Giant Press, 2001), 184.

<sup>28</sup>U.S. Department of Defense, *The United States Security Strategy for the East Asia-Pacific Region* (Washington, D.C.: Department of Defense, November 1998), 9-10.

<sup>29</sup>*Ibid.*, 10.

*Confronting China's Charm Offensive in East Asia*

cial benefits and the export of institutions are pursued, but political-military considerations seem to provide the most potent rationale for them in domestic American politics.<sup>30</sup>

In the late 1990s, because of its forward-deployed forces and its re-vitalized alliance with Japan, Washington engaged Beijing from a position of political and military strength. With the end of the Cold War, U.S. foreign policy in East Asia has been directed toward consolidating and, where possible, enhancing the United States' preeminent position in the face of China's economic expansion.<sup>31</sup> Now, however, the United States confronts a militarily strong China that has been incrementally increasing its defense budget and continuously building up the People's Liberation Army (PLA). In turn, the United States is unilaterally building up its forces in the Pacific and East Asia. It is deploying strategic bombers, long-range transports, reconnaissance aircraft, fighter planes, and attack submarines in its forward bases in the region. This reinforcement has direct implications for China and the potential security exigencies in the Taiwan Strait, South/East China seas, and the Korean Peninsula.<sup>32</sup> Washington also strengthened its hub-and-spoke system of bilateral alliances when it reconfigured its troop deployment in Northeast Asia, tightened its alliances with Australia, declared Thailand and the Philippines as non-NATO allies, and signed wide-ranging strategic cooperation agreements with Singapore. These moves fall little short of warning China not to maneuver toward a predominance of power in Asia.<sup>33</sup>

Reliance on the alliances and forward-deployed forces puts the United States at the heart of the regional security equation. Hard foreign policy instruments allow it to play a balancing role in East Asia and maintain close security relations with key states like Japan, South Korea, and

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<sup>30</sup>Davis B. Borrow, "American Views of Asia-Pacific Security: Comprehensive or Military," in *Twenty-First Century World Order and the Asia-Pacific: Value Change, Exigencies, and Power Realignment*, ed. James C. Hsiung (New York: Palgrave, 2001), 259.

<sup>31</sup>Walt, *Taming American Power*, 40-47.

<sup>32</sup>Shambaugh, "Asia in Transition," 155.

<sup>33</sup>Daniel Twining, "America's Grand Design in Asia," *The Washington Quarterly* 30, no. 3 (Summer 2007): 79.

Australia. These tools also endow the United States with the power and influence necessary to diffuse tension in hot spots such as North Korea and the Taiwan Strait. While the potential adversaries of the United States have certain strategic advantages in these areas, U.S. naval and air-power superiority will matter in any possible local conflicts.<sup>34</sup> While Washington has the strategic edge, U.S. foreign policy will continue to have a major impact on the foreign policies of almost all East Asian states. Given its current hard-power capabilities that emanate from a U.S.-centric bilateral alliance system and forward-deployed forces, Washington's foreign policy behavior will remain fundamentally "realist" and conservative in terms of strategic thinking. Surely, it will maintain a balance of power in favor of American primacy in East Asian security affairs.

### **China's Approach to Security: The Primacy of Soft Power?**

Subjected to the U.S. policy of militarized containment in the 1950s, Beijing adopted a national security strategy focused on the use of military force against perceived external threats. Chinese leaders, from Mao Zedong (毛澤東) to Deng Xiaoping (鄧小平), used military power to defend China against foreign invasion and coercion.<sup>35</sup> From 1950 to 1979, the PRC employed military force several times to resolve a number of international conflicts.<sup>36</sup> Thus, from the late 1940s to the late 1970s, Chinese policymakers perceived national security primarily as a matter of building up and using military power to defend China against foreign invasion and military coercion. This view changed during the 1980s as global trends

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<sup>34</sup>Yahuda, *The International Politics of the Asia-Pacific*, 276.

<sup>35</sup>For a comprehensive discussion of China's notion of comprehensive security, see Richard Weixing Hu, "China in Search of Comprehensive Security," in Hsiung, *Twenty-First Century World Order and the Asia-Pacific*, 311.

<sup>36</sup>Wu Xinbo, "China: Security Practice of a Modernizing and Ascending Power," in *Asian Security Practice: Material and Ideational Influences*, ed. Muthiah Alagappa (Stanford, Calif.: Stanford University Press, 1998), 121.

forced Beijing to reappraise its concept of security and to focus on national development.

China's leaders, recognizing their country's economic backwardness, concluded that a world war could be averted for some time. They also noted that in the light of the U.S.-Soviet nuclear stalemate in the 1980s, the security environment could be ameliorated by downplaying the PRC's traditional military concerns. In 1980, Deng Xiaoping set three priority security objectives for China: economic development, national unification, and opposition to hegemonism. Among these three goals, economic development is considered as complementary to national security and a major determinant of the rise and fall of great powers. From the Chinese political leadership's perspective, international rivalry has shifted to the economic realm, and the essence of competition is the contention for comprehensive national capabilities. More significantly, increasing the country's material resources would enable China to erase the vestiges of past humiliations, promote its position in the world arena as a major power, and transform the country into a great economic power.

A key strategy used by China to undermine U.S. strategic/political preponderance is the co-option of East Asian countries through consultations and the provision of side-payments. However, this is only possible as long as China develops its economy. In fact, China's strategy for economic development is simple: it processes vast quantities of raw materials and exports them as manufactured goods, such as office machines, telecommunications equipment, and electronic machinery. Neighboring states feed the East Asian trade boom by exporting components and machine parts to China for final assembly. To date, the PRC has attracted nearly US\$500 billion in foreign direct investment (FDI). This fueled an eightfold growth in Chinese exports amounting to US\$380 billion between 1990 and 2003.<sup>37</sup>

Beijing now sees economic growth as key to the development of its comprehensive power, instead of simply relying on the military instrument to ensure its security. It is also aware that military power is necessary to

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<sup>37</sup>David Hale and Lyrin Hughes Hale, "China Takes Off," *Foreign Affairs* 82, no. 6 (November/December 2003): 36.

defend China's economic interests and development. However, economic security cannot be ensured through military capability alone. The country's political leadership knows that as China becomes more integrated into the global economy, the scope of its national security has to be widened, especially in the economic domain. Thus, it has formulated a three-step strategy for economic development based on the projection that China will have a moderately developed economy by the mid-twenty-first century. To accomplish this goal, Beijing prioritizes the creation of an environment for rapid economic growth by enhancing regional and global economic cooperation, diversifying its external economic links, playing the market card, and actively participating in regional and global production networks.

China's major security concern at this point in time is its ability to continue and consolidate its role as the "world's factory." Its economic performance depends on a number of external factors such as its exports and imports, capital inflow, and the general condition of the regional and global economy. The PRC's export/GDP (gross domestic product) ratio has been increasing, indicative of a close correlation between the expansion of exports and the growth of China's GDP. To secure the country's economic development, Chinese leaders must make sure its economic interests are not jeopardized by internal or external threats. They are conscious that any attempt to counter-balance the United States will trigger economic and social costs that can undermine China's goal of attaining comprehensive security.

Despite Chinese efforts to project the image that its intention is to effect a "peaceful emergence" in East Asia, there is still distrust and tension between China and the United States, and with the latter's East Asian allies. This emanates from the buildup and demonstration of China's military power against the island republic of Taiwan. In March 1996, China test-fired missiles over Taiwan to intimidate the island during a crucial presidential election. In response, Washington deployed two carrier battle groups near the Taiwan Strait. This forced China to back off from its provocative missile-firing exercise around the island.

Despite Beijing's hopes for a stable external environment, Taiwan has become a potentially volatile issue in East Asia. The events of 1996 led

Beijing to two conclusions.<sup>38</sup> One, that Taiwan's political leadership was determined to proceed on an unacceptable course toward independence which would drive the PLA to reunify the island with mainland China by military means. And two, any resort to force by China would definitely lead to U.S. military intervention. The core issues of China's sovereignty and national honor, combined with the PLA's mandate as the sole protector of the country's patrimony, have created an explosive mix that has made military modernization one of the primary concerns of the current political leadership.<sup>39</sup>

China's main diplomatic gambit since the mid-1990s, however, has not been to directly challenge the United States' strategic dominance predicated upon the latter's well-established system of alliances and forward-deployed forces. Instead, its stratagem involves debunking the basis of these alliances (the so-called China threat) and the obsolete Cold War mentality that informs them. Beijing's offer of a new regional order and direction became apparent when it began implementing its New Security Concept (NSC) in 1998. Premised on cooperative and coordinated security, the NSC proposes a pattern of diplomatic-defense relationships with countries that are neither allies nor adversaries of China. According to Beijing, the new concept is well-suited to what it claims to be a new post-Cold War environment characterized by peace and development but threatened by non-traditional (non-state) security challenges, for example, transnational crime, international terrorism, etc. The NSC subtly conveys the idea that the U.S. security alliances originate from the Cold War era and smack of a realpolitik mentality.

This new security concept provides both a vision and a direction in Southeast Asian regional affairs in three ways. First, it offers an alternative security blueprint to the U.S.-dominated bilateral system of alliances that has been a landmark in the regional security terrain since the 1950s. The

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<sup>38</sup>Kurt M. Campbell and Derek F. Mitchell, "Crisis in the Taiwan Strait?" *Foreign Affairs* 80, no. 4 (July/August 2001): 14-25.

<sup>39</sup>Ellis Joffe, "China's Military Keeps on Modernizing Slowly but Surely," *International Herald Tribune*, March 15, 2002.

concept envisages a new multilateral regional security framework devoid of any alliance structure. It indirectly disparages U.S. thinking on alliances, encourages Asian states to pursue policies independent of U.S. hegemony, and emphasizes China's new approaches to its Southeast Asian neighbors, combining rhetoric and deed to undermine U.S. influence. Notably, criticism of the United States' position in Southeast Asia stopped in the aftermath of September 11th.<sup>40</sup>

Second, it has paved the way for an unprecedented wave of Chinese diplomatic activism through economic, political, security, and cultural initiatives in the region. Since the mid-1990s, China has expanded the number and extent of its bilateral ties, organized and joined various economic and security arrangements, deepened its participation in key multilateral organizations, and helped address a number of global security issues. China's diplomacy has had a positive impact on its relations with ASEAN member-states. Beijing's willingness to accommodate the political concerns of ASEAN has earned the goodwill of officials from the Southeast Asian countries. China has also invoked the concept of a partnership to describe its dealings with the ASEAN states. The use of the term "partnership" vis-à-vis ASEAN signifies that the Association and its members matter to Beijing, even if ASEAN is regarded as the weaker partner in the international politics of East Asia.<sup>41</sup> This consequently has encouraged ASEAN members to appreciate China's regional significance and to accept Beijing as a good citizen of the region.

Third, to foster a new form of relationship free from power politics in Southeast Asia, China has questioned the importance of military power in international relations. Chinese officials, scholars, and analysts argue that with the end of the Cold War, security concerns should no longer focus on military defense. Rather, states must tackle other security challenges, such as drug and human trafficking, terrorism, organized transnational crime,

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<sup>40</sup>Robert G. Sutter, "Asia in the Balance: America and China's Peaceful Rise," *Current History* 103, no. 674 (September 2004): 285.

<sup>41</sup>Jurgen Haacke, *ASEAN's Diplomatic and Security Cultures: Origins, Development and Prospects* (London and New York: Routledge Curzon, 2003), 131.

environmental degradation, civil and ethnic conflicts, and resource scarcity. This policy concept requires the widening of security parameters to include non-military issues (e.g., economic and environmental concerns) and social problems (e.g., poverty, natural disasters, crime, social discrimination, and unemployment).

At present, China advocates a comprehensive national security strategy in which military security is only one component. In fact, Beijing relies on diplomatic and economic means to address its international security concerns, rather than on less relevant military means. By emphasizing non-traditional security concerns, Beijing seeks to infuse feelings of a community of shared growth into China's relations with neighboring states. Another aim is to promote a model of interstate cooperation that would enhance collective security for the participating states while not threatening any outside party. The focus on these non-traditional security challenges makes the highly militarized/realist American approach to security outdated, and fosters cooperation among Southeast Asian countries in confronting non-military threats. Assessing the overall thrust of China's twenty-first century diplomacy, William Tow remarks that China is "implementing a regional diplomacy of anti-hegemony designed to shape a regional security environment where the U.S. alliance system will no longer be relevant or necessary."<sup>42</sup>

The establishment of the East Asia Summit (EAS) in December 2005 was the culmination of China's efforts to advance its new security concept. Malaysia initiated the formation of the EAS, but with China's support and encouragement. The opportune timing of the summit bodes well for China's emergence as a regional power in East Asia. By virtue of its Pacific coast and vast economic and strategic interests, the United States has always regarded itself as part of East Asia. However, the EAS excludes Washington. The EAS also pursues the vision of developing an East Asian response to the dramatic challenges of the post-Cold War era. It aims to shape regional developments in ways that will best maintain economic

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<sup>42</sup>Tow, *Asia-Pacific Strategic Relations*, 35.

dynamics, maximize regional security, and preserve peace and stability among the summit members *sans* the ultimate arbiter and guarantor of security in the region—the United States. Furthermore, the participants hope the summit will serve as a confidence-building forum for the East Asian states, and a venue for substantive regional cooperation in dealing with non-traditional security challenges, such as terrorism, piracy, and maritime and health security, without any outside powers (except perhaps Australia). The EAS incorporates the NSC's goals of smoothing China's relations with its immediate neighbors through confidence-building measures and diplomacy that can eventually bring about the evolution of a regional security environment without the United States. Thus, it has been bruited that the EAS is an "emblem of a quiet consolidation of Chinese influence in the region" at the expense of the United States.<sup>43</sup>

China's growing influence or soft power is generated mostly through economic means rather than by the conduct of cultural or public diplomacy or through the export of its political values and institutions. Beijing's growing ability to attract its neighboring states and influence their foreign policy behaviors mainly stems from its role as a major source of foreign aid, trade, and investment.<sup>44</sup> China hopes that its soft-power statecraft will render U.S. strategic preponderance and initiatives anachronistic in Southeast Asia. It is a diplomatic gambit designed to ensure China's national security and improve its image as a responsive economic power. Moreover, this prudent diplomatic ploy could constrain Washington from using force in any East Asian crisis that might adversely affect the dynamics of the regional political economy. Expressing apprehension over the long-term implications of China's soft-power statecraft in East Asia, one U.S. diplomat notes:

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<sup>43</sup>Roger Cohen, "Asia's Continental Drift Changes Terrain for U.S. Globalist," *International Herald Tribune*, November 16, 2005, 2.

<sup>44</sup>Thomas Lum, Wayne M. Morrison, and Bruce Vaughn, "China's 'Soft Power' in Southeast Asia," CRS Report for Congress (Washington, D.C.: Congressional Research Service, January 4, 2008), 2.



## *Confronting China's Charm Offensive in East Asia*

China's stated goal for the near term is a multipolar world. In the long term China's goal is to be a dominant player, which by definition means a change in the status quo—particularly for the United States. Despite its goal, China will not act in a way that threatens important relationships, unless a greater need is at stake—domestic legitimacy concerns give Taiwan the potential to be one of the few exceptions.... The danger comes with being lulled into a false sense that the status quo will not change. China's strategy is to hoard its resources and to contain adversaries rather than destroy them. It subtly can carve out a sphere of influence in East Asia and beyond.<sup>45</sup>

Given the sheer size of China's economy, its growing trade with the East Asian countries, and its expanding overseas investments and official development assistance (ODA), U.S. analysts and government officials are concerned that Chinese influence has pervaded Southeast Asia and other parts of Northeast Asia, in much the same way as American influence has spread in Central America and, to a lesser degree, in the Andean region of South America.<sup>46</sup> This wary view is prevalent in some sectors of the U.S. government. The 2006 National Defense University study on China's growing economic and political activism indicates that:

China employs various tools to exercise influence in different regions of the world. Economic and diplomatic tools are the most important, with security assistance playing an important role in some regions and with some countries. China's success in achieving rapid economic growth without political liberalization may eventually become a source of soft power.<sup>47</sup>

The January 2008 study by the U.S. Congressional Research Service (CRS) also contains a similar view:

The PRC has also wielded power in the region through diplomacy and, to a lesser extent, admiration of China as a model for development and ancient culture, and an emphasis on "shared Asian values." Along with offering economic inducements, China has allayed concerns that it poses a military or economic

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<sup>45</sup>Quoted in Jean A. Garrison, "China's Prudent Cultivation of 'Soft' Power and Its Implications for U.S. Policy in East Asia," *Asian Affairs: An American Review* 32, no. 1 (Spring 2005): 29.

<sup>46</sup>Hugh De Santis, "The Dragon and the Tigers: China and Asian Regionalism," *World Policy Journal* 22, no. 2 (Summer 2005): 23-36.

<sup>47</sup>Phillip C. Saunders, "China's Global Activism: Strategy, Drivers, and Tools," Institute for National Strategic Studies Occasional Paper #4 (Washington, D.C.: National Defense University Press, 2006), 12.

threat, assured its neighbors that it strives to be a responsible member of the international community, and produced real benefits to the region through aid, trade, and investment.<sup>48</sup>

The August 2008 CRS study lends credence to this perspective when it argues that "China's influence and image have been bolstered through its increasingly open and sophisticated diplomatic corps as well as through prominent PRC-funded infrastructure, public works, and economic investment projects in many developing countries."<sup>49</sup> Relying on its growing wealth, expanding economic ties, and sophisticated diplomatic moves, China is bent on using soft power to project the image of a rising but benign and non-threatening power. Furthermore, China's charm offensive is seen as a means of building the so-called "Beijing Consensus," a group of authoritarian states with market economies that can eventually challenge the "Washington Consensus," composed of liberal market economies governed by democratic regimes.<sup>50</sup>

### **Tilting the Balance of Influence in East Asia?**

Truly, China has become a major uncertainty in U.S. foreign policy in East Asia and a powerful nation with the "greatest potential to compete militarily with the United States."<sup>51</sup> While disagreeing over China's long-term intention and the future of U.S.-China relations, most U.S. commentators, analysts, scholars, and policymakers believe that managing the rise of China constitutes one of the greatest challenges facing the United States in the early twenty-first century.<sup>52</sup> A State Department official reflects Wash-

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<sup>48</sup>Lum, Morrison, and Vaughn, "China's 'Soft Power' in Southeast Asia," 1-2.

<sup>49</sup>Lum et al., "Comparing Global Influence," 2.

<sup>50</sup>Nye, "Notes for a Soft-Power Research Agenda," 167.

<sup>51</sup>Morton Abramowitz and Stephen Bosworth, "Adjusting to the New Asia," *Foreign Affairs* 82, no. 4 (July/August 2003): 125; and Carl Conetta, "Dissuading China and Fighting the Long War," *World Policy Journal* 23, no. 2 (Summer 2006): 8.

<sup>52</sup>See David Scott, *China Stands Up: The PRC and the International System* (London and New York: Routledge, 2007), 159-62.

ington's growing concern about the long-term impact of China's transformation into an influential great power:

The question of how China intends to use its growing power is important: China has rapidly integrated itself into the global economic system. Like India, it has moved into a key position in the global supply chain. Its military capabilities are growing. And like all emerging powers, it must choose whether and how to adapt to the international system it has sought to join over the past thirty years.<sup>53</sup>

A ranking U.S. military officer shares this view:

China is pragmatically employing its soft power to pursue greater influence in support of its grand strategy. This tactic is in line with its strategic culture, and as such, does not represent a fundamental belief in the virtues of cooperative diplomacy. Rather, given the window of opportunity presented by the dynamics of the post-Cold War period, and the large gap in military capabilities between the United States and China, soft power simply works better.

In the future, two extreme outcomes are possible as China pursues its grand strategy. The PRC can succeed in developing regional security organizations in which it plays a hegemonic role. Such an outcome could seriously dilute U.S. regional influence, especially if the U.S. does not pay enough attention to East Asia. On the other hand, China may encounter serious domestic and external challenges that jeopardize its strategic goals and cause it to revert to more forceful, bilateral forms of diplomacy, including military coercion.<sup>54</sup>

The United States is seen as unintentionally abetting Chinese influence in the region. The heavy-handed policies and confrontational pronouncements of the Bush administration relative to the global counterterrorism campaign after September 11th have alienated a number of Asian states. These countries perceived the United States as obsessed with security issues and neglectful of other important global problems. The U.S. invasion and occupation of Iraq prompted many members of the East Asian elite and others in society to condemn U.S. unilateralism and hubris in in-

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<sup>53</sup>Evans J.R. Revere, "The Bush Administration's Second-Term Foreign Policy toward East Asia" (Remarks to Center for Strategic and International Studies conference, Washington, D.C., May 17, 2005), <http://merln.ndu.edu/archivepdf/northkorea/state/46420.pdf>. Revere was then acting assistant secretary of state for East Asian and Pacific affairs.

<sup>54</sup>Jin H. Pak, "China's Pragmatic Rise and U.S. Interests in East Asia," *Military Review* 87, no. 6 (November/December 2007): 68.

ternational affairs. They are also wary of the way that U.S. political and diplomatic clout in the region has been eroded by Washington's current preoccupation with the ongoing and protracted counter-insurgency campaigns in Iraq and Afghanistan.

These developments dramatically changed the public perception of China and the United States. In 2003, American officials sounded the alarm when the July and August poll conducted by the State Department's Office of Research and Intelligence showed that China's image had significantly improved in Japan, South Korea, and Australia. A majority of those polled—54 percent in Japan, 68 percent in South Korea, and 67 percent in Australia—had an overall favorable opinion of China.<sup>55</sup>

Two years later, a survey by the Lowly Institute of International Affairs in Sydney revealed that 69 percent of Australians polled had "positive feelings" toward China while only 58 percent felt likewise toward the United States.<sup>56</sup> Polling in South Korea and Thailand yielded the same result. Asian public opinion on China has improved, while that on the United States has deteriorated since 2003 as Washington is seen as raising tension, rather than promoting peace in the region.<sup>57</sup> In addition, a poll by the British Broadcasting Corporation in March 2005 reported that nearly twenty-two nations across continents believed that China was playing a more constructive role in international affairs than the United States.<sup>58</sup> Using the Pew Research Center's surveys from 2002 to 2007, the August 2008 CRS study on comparing global influence concluded that the image of the United States had declined in twenty-six of the thirty-three countries surveyed.<sup>59</sup> The same study also noted that China's image is regarded as decidedly favorable in twenty-seven of the forty-seven countries surveyed by Pew.<sup>60</sup> It also mentioned that this positive response mainly came from

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<sup>55</sup>Garrison, "China's Prudent Cultivation of 'Soft' Power," 28.

<sup>56</sup>Shambaugh, "Asia in Transition," 154.

<sup>57</sup>Garrison, "China's Prudent Cultivation of 'Soft' Power," 28.

<sup>58</sup>Kurlantzick, "The Decline of American Soft Power," 423.

<sup>59</sup>Lum et al., "Comparing Global Influence," 34.

<sup>60</sup>Ibid., 35.

developing countries that do not directly compete with China. Although China's benign image might have been tarnished by reports of human rights violations in Tibet and in some Chinese provinces with Muslim minorities, the successful hosting of the Beijing Olympics boosted China's national pride and its international image.

Raising the ante on the alleged loss of U.S. soft power, one U.S. analyst argues: "In this context, and by contrast, across much of Asia, China is seen as the stabilizer seeking a 'peaceful rise' while the United States upsets the apple cart, not only through the war in Iraq but its anti-terror crusade that is a low priority for most Asians."<sup>61</sup> The August 2008 CRS study explicitly criticized current U.S. diplomacy "as being neglectful of smaller countries or of countries and regional issues that are not related to the global war on terrorism."<sup>62</sup> The difference between the American and Chinese approaches to international relations has caused a shift in the global and regional perceptions of the two powers. The Pew and Lowly surveys two years after the U.S. invasion of Iraq depict Beijing as a more constructive member of the international community than Washington.<sup>63</sup> Regional and global opinion polls have faulted the Bush administration for its unilateralism and preemption, unflinching support for Israel, and general scorn for international organizations, while Beijing has been perceived more favorably than Washington.<sup>64</sup> These sentiments constrain Asian governments' policies of accommodating and supporting U.S. foreign policy in the region. Thus, China's use of soft power could incrementally alter the status quo in favor of a broader multilateral framework in which China would be playing a leading and hegemonic role.

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<sup>61</sup>Nathan Gardels, "The Rise and Fall of American Soft Power," *New Perspective Quarterly* 22, no. 4 (Winter 2005): 16, [http://www.digitalnpq.org/archive/2005\\_winter/02\\_gardels.html](http://www.digitalnpq.org/archive/2005_winter/02_gardels.html).

<sup>62</sup>Lum et al., "Comparing Global Influence," 2.

<sup>63</sup>Eric Heginbotham and Christopher P. Twomey, "America's Bismarkian Asia Policy," *Current History* 104, no. 683 (September 2005): 247.

<sup>64</sup>Pamela Hyde Smith, "Politics and Diplomacy: The Hard Road Back to Soft Power," *Georgetown Journal of International Affairs* 8, no. 1 (Winter/Spring 2007): 2.

## America's Soft-Power Arsenal in East Asia

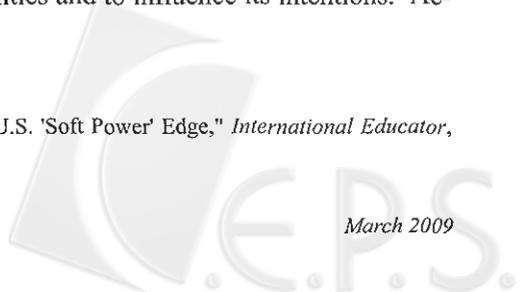
Despite China's rising influence, the U.S. capacity to maintain its leadership position in East Asia is still formidable. The huge market and military power of the United States serve the broad interests of the states in the region, especially in preserving regional stability and balance. More significantly, American popular culture is still pervasive, U.S.-based education remains a highly valued commodity in Asian societies, and American political values and processes are respected by Asian governments, notwithstanding their disagreement with U.S. foreign policies. It is naive to assume that as China becomes more economically powerful and politically influential, East Asian countries will abandon the United States and put all their eggs in the Chinese basket. Based on their Cold War experience, many East Asian countries believe that to ensure long-term autonomy in regional affairs, an equilibrium of power relations must be fostered among China, Japan, and the United States. Despite China's influence and soft power in East Asia, Washington possesses the comprehensive capability to limit, restrain, and constructively channel Beijing's regional ambitions whatever form they may take. Reviewing China's current soft-power challenge, Joseph Nye opines:

China does not have cultural industries like Hollywood, and its universities are not yet the equal of U.S. higher educational institutions. It lacks the many non-governmental organizations that generate much of America's soft power. Politically, China suffers from corruption, inequality, human rights, and the rule of law. While that may make the Beijing consensus attractive in authoritarian and semi-authoritarian developing countries, it undercuts China's soft power in the West.<sup>65</sup>

Faced with China's charm offensive, Washington has opted not to contain or confront Beijing but to adopt a proactive hedging strategy to manage China's emerging capabilities and to influence its intentions. Ac-

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<sup>65</sup>Joseph S. Nye, Jr., "Squandering the U.S. 'Soft Power' Edge," *International Educator*, January 2007, 6-7.



ording to Washington's calculation, Beijing is an essential economic partner and a non-threatening and constructive political actor in East Asia. Any move to contain China is counter-productive, for it will diplomatically isolate the United States in regional affairs. The Bush administration was not able to make its Asian allies (except Japan) choose between the United States and China and risk their long-term regional interests. Currently, both powers are involved in a complicated multi-faceted and dynamic geostrategic game in which Beijing plays the role of a patient player ready to engage Washington in both cooperative and competitive relations. One noted American scholar emphasizes the need for and essence of this strategy:

China's ascendancy in East Asia presents a potential opportunity as well as a threat and [American] policymakers need to adjust their thinking to accommodate both possibilities. Because Beijing's long-term intentions are unpredictable the United States will have to hedge its bets. The Bush administration should accordingly plan for the best and prepare for the worst.<sup>66</sup>

This hedging strategy requires the United States and its allies to foster an East Asian environment in which China can act as a constructive or a responsible power.<sup>67</sup> It necessitates dissuading rather than deterring China from developing any capability to challenge U.S. strategic primacy in the region. Effective dissuasion means convincing a potential competitor that any aggressive behavior on its part will be met with direct threats of conflict or retaliation. In clear and concrete terms, dissuasion is stating in a straightforward manner that undesirable competition or rivalry will occur if China decides to take a course of action contrary to U.S. interests.<sup>68</sup> The short-term goal of this game plan is to influence China's emergence.

To achieve this, the United States has to limit China's political/strategic influence among its allies, while ensuring the latter's economic access to the East Asian economy. China must be prevented from initiating any conflict in the Taiwan Strait or South/East China seas, and dissuaded

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<sup>66</sup>De Santis, "The Dragon and the Tigers: China and Asian Regionalism," 32.

<sup>67</sup>Evans J.R. Revere, "U.S. Interests and Strategic Goals in East Asia and the Pacific" (Testimony before the Senate Foreign Relations Committee, Washington, D.C., March 2, 2005), [http://www.shaps.hawaii.edu/security/us/2005/20050302\\_revere.html](http://www.shaps.hawaii.edu/security/us/2005/20050302_revere.html).

<sup>68</sup>Conetta, "Dissuading China and Fighting the Long War," 8.

from engaging Japan or the United States in strategic competition. Furthermore, China must not weaken the U.S. hub-and-spoke framework of bilateral alliances and forward-deployed forces. At the same time, the United States must reinvigorate its existing alliances, prevent the outbreak of any major conflict in East Asia, and facilitate the military and economic development of its regional allies and friends to frustrate Chinese hegemonic designs. The ultimate objective is to ensure that the United States maintains its relevance and long-term role as the principal strategic player and security guarantor in East Asia. Compared to China, the United States remains an incredibly dynamic country and a major player in East Asia's regional security equation. The United States can use the following foreign policy instruments to invigorate and enhance its political and strategic clout in East Asia in the face of China's charm offensive.

### *Public Diplomacy*

Public diplomacy is defined as foreign propaganda conducted or orchestrated by a country's ministry of foreign affairs. It primarily involves projecting the right image of a country, its people, and lifestyle, in order to generate support among the media and public opinion in the targeted country.<sup>69</sup> The objective of this foreign policy instrument is to create a favorable perception of the targeting state in order to convince the people and government of the target country of the wisdom of the former's policies and to lead the latter in a direction congenial to its interests.<sup>70</sup> In the mid-1950s, the United States Information Agency (USIA) was formed to administer and manage U.S. public diplomacy. The USIA conducted an active cultural diplomacy program that involved sending artists, actors, musicians, and writers to foreign countries to act as the national conscience, reflecting, often critically, on American society. It also conducted very active exchange programs, such as the Fulbright Program, that enabled Asian educators and academics to obtain higher degrees in the United States. Cultural

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<sup>69</sup>R. P. Barston, *Modern Diplomacy* (London: Pearson Education, 1997), 22.

<sup>70</sup>Chas W. Freeman, Jr., *Arts of Power: Statecraft and Diplomacy* (Washington, D.C.: United States Institute of Peace, 2007), 41.

diplomacy through academic exchanges eventually enhanced the influence of U.S. higher learning in East Asia and weaned Asian intellectuals and artists away from the lure of communism.

Despite the reduction of the budget for American public diplomacy and the abolition of the USIA in the late 1990s, the second Bush administration increased funding for public diplomacy by including within it both international broadcasting and the State Department's educational and cultural exchange programs. Other measures used to boost U.S. public diplomacy include: the creation of a mechanism to coordinate public diplomacy across the U.S. government, especially between the State and Defense departments; intensive training of American Foreign Service officers in public diplomacy skills; and the inclusion of public diplomacy chiefs in the policymaking process.<sup>71</sup> In 2005, the Bush administration requested that the U.S. Congress increase funding for public diplomacy by 25 percent to pay for improvements in the State Department's educational and cultural exchange programs, including overseas research centers, libraries, and visitor programs.

### *Military Diplomacy*

Having powerful and highly mobile forward forces in East Asia enables the United States to use the military for diplomatic purposes, or what is called the non-violent use of force. Skillfully applied military diplomacy strengthens cooperative relations among allies and friendly states, and hopefully, soft power. The traditional functions of military diplomacy consist of advising the U.S. ambassador on security matters, representing the Department of Defense in the host nation, reporting on conditions in the host country, and managing the security programs of the United States.<sup>72</sup> The end of the Cold War and the current war on terror have ushered in a more extensive and high-impact form of military diplomacy that includes fostering common security interests among the United States and Southeast

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<sup>71</sup>Smith, "The Hard Road Back to Soft Power," 5.

<sup>72</sup>Timothy C. Shea, "Transforming Military Diplomacy," *Joint Force Quarterly*, no. 38 (3rd Quarter 2005): 51-52.

Asian countries against global terrorism and providing humanitarian assistance to Asian countries during natural disasters.

Since September 11th, the U.S. Pacific Command (PACOM) has provided military assistance and intelligence support to Southeast Asian countries threatened by various militant/extremist groups. PACOM also facilitates the exchange of intelligence information and coordinates actions by Southeast Asian governments, thereby laying the ground work for expanded cooperation, particularly among Singapore, Malaysia, and the Philippines, in confronting international terrorism.<sup>73</sup> Since 2001, PACOM has initiated cooperative undertakings among East Asian countries to understand the impact of transnational threats such as narcotics and human trafficking, piracy, and arms and materials proliferation, and their links to terrorism and regional security.<sup>74</sup>

The twin phenomena of terrorism and insurgency cannot be neutralized by the conventional methods that still guide policymakers, the military, and analysts. Generally, these people assume that insurgents and terrorists are drawn solely from the native population and are primarily motivated by domestic causes. A new and cooperative approach proposed by the United States to contain transnational terrorists and insurgents involves sealing off their external sanctuaries, and preventing them from converting their international recruiting and fund-raising networks into military and political groups.<sup>75</sup>

The most effective form of military diplomacy in terms of generating soft power is the use of the armed forces in the provision of humanitarian assistance during calamities. As part of their efforts to foster cooperative security in East Asia, U.S. forces conduct medical and civil engineering

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<sup>73</sup>"Asia-Pacific Region and the Global Campaign against Terrorism," *Asia-Pacific Defense Forum*, Spring 2002, 4-24.

<sup>74</sup>Thomas B. Fargo, "Stemming Terrorism in the Asia-Pacific Region Through Multilateral Efforts," *Asia-Pacific Defense Forum*, Fall 2004, 3-4.

<sup>75</sup>Paul Staniland, "Defeating Transnational Insurgencies: The Best Offense Is a Good Fence?" *The Washington Quarterly* 29, no. 1 (Winter 2005-06): 21-40. Also see David W. Barno, "Challenges in Fighting a Global Insurgency," *Parameters* 36, no. 2 (Summer 2006): 15-29.

missions in countries affected by natural disasters. The most visible and high-impact humanitarian operation by the U.S. military in recent times was undertaken after the powerful tsunami that brought unprecedented death and destruction across India, Indonesia, the Maldives, the Seychelles, Sri Lanka, and Thailand in 2004. Washington immediately deployed a carrier task group and a Marine expeditionary strike group which launched relief operations in the affected Asian countries.<sup>76</sup> Over 15,000 U.S. military personnel were involved in providing relief support to the victims, while some 10 million tons of relief supplies were delivered to the affected areas. Assessing how this huge humanitarian operation generated U.S. soft power, two U.S. diplomats note: "The United States proved that—in real world crisis—the resources it could bring to bear were far greater than those of China and anyone else.... As a result, the 2005 Pew Global Attitudes Survey reports that 79 percent of Indonesians viewed the United States more favorably after the tsunami relief effort."<sup>77</sup>

*Fostering Economic Development:  
The Millennium Challenge Account*

As part of its soft approach to the global war against terrorism, the second Bush administration launched the Millennium Challenge Account (MCA), a major initiative designed to enable developing states to achieve economic prosperity by using and investing U.S. capital to help the poorest of their citizens. The MCA offers a development model patterned after the free market system. To be eligible, recipient states need to implement effective policies that promote economic freedom, reduce poverty, and generate broad economic growth.<sup>78</sup> The program's vision is to eradicate poverty by challenging the developing countries to assume primary responsibility for the success or failure of their economic development goals. The

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<sup>76</sup>For details of this major humanitarian effort by PACOM, see "Operations Unified Assistance," *Asia-Pacific Defense Forum*, Special Edition 2005, 4-35.

<sup>77</sup>Heginbotham and Twomey, "America's Bismarckian Asia Policy," 274.

<sup>78</sup>Colin L. Powell, "No Country Left Behind," *Foreign Policy*, no. 146 (January/February 2005). Also available at the State Department website: <http://www.state.gov/secretary/former/powell/remarks/2005/40800.htm>.

MCA also changes the way the United States disburses economic assistance by making the recipient countries more involved in setting priorities and being accountable for results.

In 2004, the U.S. Congress appropriated US\$1 billion to the program and in the following year, the Bush administration requested US\$2.5 billion with the medium-term goal that funding would reach US\$5 billion by 2006. The increase in MCA funding, plus the allotments for other U.S. bilateral ODA programs, brought the total value of U.S. foreign aid to approximately US\$18 billion in 2006, from approximately US\$11 billion in 2002. This was the largest increase in U.S. ODA outlay in decades.

Washington uses the program to advance the American values of transparent economic policies and openness to trade and investment among countries in East Asia. Countries with proven records of good governance, economic openness, and sustained anti-corruption campaigns are encouraged to apply for development assistance. Indonesia and the Philippines are qualified to apply, in consideration of their significant commitment to meeting the MCA's eligibility requirements.<sup>79</sup> Through the MCA, the United States is able to project "soft power" to complement or offset its use of hard power. Furthermore, it highlights U.S. efforts to utilize its financial resources to address some of the world's most vexing economic problems, namely underdevelopment and poverty.<sup>80</sup>

### *Support for East Asian Multilateralism*

Prior to the mid-1990s, U.S. efforts to foster multilateralism in East Asia were primarily focused on economics. U.S. foreign policy planners have also pinned their hopes on the Asia-Pacific Economic Cooperation (APEC) forum to increase trade and foreign direct investment and to improve the political/security relations among the East Asian countries.

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<sup>79</sup>Michael Michalak, "U.S. Views on Asia Regional Integration" (Remarks at the International Institute of Monetary Affairs, Tokyo, January 25, 2006), <http://www.state.gov/p/eap/ris/rm/60355.htm>.

<sup>80</sup>Steven Radelet, "Bush and Foreign Aid," *Foreign Affairs* 82, no. 5 (September/October 2003): 1-8, <http://www.foreignaffairs.org/20030901faessays82508/steven-radelet/bush-and-foreign-aid.html>.

APEC provides the venue for twenty-one Pacific Basin countries to discuss procedures to eliminate mutual barriers to trade and investment. The United States supports APEC, which is a community of economies based on shared security, economic prosperity, and a common future for the Asia-Pacific region.<sup>81</sup> In 2007, the Bush administration contributed US\$2.3 million to support capacity-building programs in the forum.<sup>82</sup>

In the mid-1990s, the Clinton administration adopted a multilateral approach in regional security affairs when the United States joined the ASEAN Regional Forum (ARF). The ARF is actively engaged in confidence-building measures and cooperation to ensure the security of Southeast Asia's vital waterways, and to combat the proliferation of weapons of mass destruction and global terrorism. Washington has also established a comprehensive and dynamic partnership with ASEAN, which is hopefully strengthening ties and increasing cooperation between the United States and the ASEAN member-countries. Since 2006, Washington has undertaken the following key initiatives: (1) a plan of action to implement the ASEAN-U.S. Enhanced Partnership; (2) a pledge of further diplomatic support to the Vientiane action plan to create an ASEAN Community by 2010; and (3) an award of US\$150 million to support ASEAN-U.S. Enhanced Partnership activities made by the U.S. Agency for International Development (USAID) in September 2007.<sup>83</sup>

### *Efforts to Promote American Values*

One of the pillars of Washington's counter-terrorism effort since September 11th is the propagation of American values, specifically democracy, around the world. The Bush administration considered democratization to be the key to solving the problems of poverty, corruption, bad

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<sup>81</sup>Stephen D. Cohen, Robert A. Blecker, and Peter D. Whitney, *Fundamentals of U.S. Foreign Trade Policy: Economics, Politics, Laws, and Issues* (Boulder, Colo.: Westview, 2003), 305.

<sup>82</sup>"United States Contributes \$2.3 Million to Support APEC Projects," *Media Note*, U.S. State Department, August 2, 2007. <http://www.state.gov/t/pa/prs/ps/2007/aug/90036.htm>.

<sup>83</sup>For details of these initiatives, see Surin Pitsuwan, "U.S.-ASEAN Cooperation," *PacNet*, no. 15 (March 3, 2008): 2-4.

governance, and terrorism, and democratization became the centerpiece of post-September 11th U.S. foreign policy.<sup>84</sup> The Bush administration also publicly emphasized the need to democratize governments' practices and processes worldwide. To match its rhetoric with action, it made resources available to pursue this foreign policy goal, and launched a number of democracy-fostering initiatives after 2001. These undertakings are: (1) the MCA development-assistance initiative that rewards states that "rule justly, invest in their own people, and encourage economic freedom"; (2) the 2002 National Security Strategy which proclaims that the United States is looking outward for possibilities to expand liberty; and (3) the increase in the State Department's worldwide funding for promising democracy-building projects.<sup>85</sup>

The U.S. government is also engaging with a number of East Asian countries to encourage them to continue their democratic reforms through economic assistance and educational programs that promote greater respect for human rights and good governance. This is done through the ASEAN Fund and the East Asia and Pacific (EAP) initiatives. Washington also relies on several U.S. nongovernmental organizations, private charities, and even for-profit corporations that increasingly provide education, health-care, and other social services, and fortuitously foster democratic ideas and practices in their host societies.<sup>86</sup> Washington's goal is to cultivate shared democratic values among Asian democracies and, in the long run, create a fellowship that is as strong and united as the Atlantic partnership. This fellowship may eventually evolve into a "regional strong democratic alliance" that would keep China unthreatened but not unchecked.

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<sup>84</sup>Carles Boix, "The Roots of Democracy: Equality, Inequality, and the Choice of Political Institutions," *Policy Review*, no. 135 (February/March 2006): 3.

<sup>85</sup>Jennifer L. Windsor, "Promoting Democratization Can Combat Terrorism," *The Washington Quarterly* 26, no. 3 (Summer 2003): 51-52.

<sup>86</sup>Michael A. Cohen and Maria Figueroa K p  , "Privatizing Foreign Policy," *World Policy Journal* 22, no. 3 (Fall 2005): 34-52.

### **Limited Soft Power or the Limits of Soft Power?**

Faced with the prospect of the United States being eased out of East Asia by China's charm offensive, U.S. officials and analysts recognize the need to halt or control the damage to U.S. credibility, and to rebuild U.S. soft power on a more stable foundation. They called on the Bush administration to re-emphasize the non-military (diplomatic, economic, cultural, and political) components of its foreign policy as a countervailing force. Moreover, they urged the administration to invest hard dollars into generating soft power in order to repair the United States' image.<sup>87</sup> In a 2007 article, Nye strongly advocated more investment in U.S. soft power when he noted:

Our potential power resources—public diplomacy, educational exchanges, broadcasting, development assistance, military exchanges, disaster relief—are scattered among a variety of agencies and departments without an overall budget or strategy. In the Cold War, we combined our hard and soft power to become smart power. We seem to have forgotten that lesson. It is time for us to take the decline of our soft power more seriously and become a smart power again.<sup>88</sup>

Since 2005, China's soft-power diplomacy has made significant inroads into the East Asian states. And to counter it, Washington must adopt Nye's proposal for a clear and concrete U.S. public diplomacy strategy. Analysts and officials have warned Washington that providing more resources to the military to confront the China challenge is a one-dimensional approach that will only stir the competitive juices of potential rivals and make U.S. regional allies uncomfortable.<sup>89</sup> Instead, these resources should be used to shore up U.S. public diplomacy. These experts have also suggested the integration of public diplomacy officers in U.S. diplomatic posts all over the world. In response, the State Department has formed a

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<sup>87</sup>Cynthia P. Schneider, "Cultural Diplomacy: Hard to Define, But You'd Know It If You Saw It," *Brown Journal of World Affairs* 13, no. 1 (Fall/Winter 2006): 201.

<sup>88</sup>Nye, "Squandering the U.S. 'Soft Power' Edge," 7.

<sup>89</sup>Morton Abramowitz and Stephen Bosworth, "America Confronts the Asian Century," *Current History* 105, no. 690 (April 2006): 152.

corps of private sector officers made up of academics and business people to support U.S. public diplomacy.<sup>90</sup>

The then-U.S. secretary of defense Robert Gates made the strongest pitch for enhanced U.S. public diplomacy in a speech at Kansas State University in November 2007. Gates called for the strengthening of the United States' capacity to use soft power and for it to be better integrated with hard power. He argued that the U.S. government had failed miserably in communicating to the world about American society, culture, freedom, and democracy. Deploring the reduced USAID budget and the abolition of the USIA, he advocated a bigger budget for the State Department to increase its spending on the civilian instruments of national security.<sup>91</sup> He also broached the creation of a permanent, sizeable cadre of immediately deployable experts with disparate skills in agriculture, urban infrastructure, and law that could work with the U.S. military and help rebuild and stabilize the world's trouble spots. Finally, Gates urged the Bush administration to improve its skills in public affairs to better impart Washington's strategy and values to the global audience.

Taking the cue from Nye and Gates, the January 2008 CRS study similarly urged the U.S. government "to develop new programs to assist emerging democracy in East Asia, since this will be a means of using American soft power to gain influence with emerging Asian democracies."<sup>92</sup>

There has been a surge of anti-American sentiment in recent years, but whether this is a result of China's use of soft power at the expense of the United States' co-optive capability is inconclusive. It is also doubtful that the United States can outcharm China by simply accentuating the non-military components of its foreign policy, such as public and cultural diplomacy, economic assistance, and the spread of American values. Even with more cultural exchanges, economic openness, social interchange, and

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<sup>90</sup>"PR and State Department Leaders Made Major Commitment to Support American Public Diplomacy," *Public Relations Tactics* 14, no. 3 (March 2007): 1-4.

<sup>91</sup>Speech by Secretary of Defense Robert M. Gates at Kansas State University, November 26, 2007, <http://www.k-state.edu/media/newsreleases/landonlect/gatetext1107.html>.

<sup>92</sup>Lum, Morrison, and Vaughn, "China 'Soft Power' in Southeast Asia," 19.

heightened multilateral efforts, the United States will not be able to improve its image in the short run. Nor will these efforts guarantee that the United States will regain its soft-power edge over China and constrain Chinese power in the Taiwan Strait or in the Korean Peninsula. To calibrate U.S. soft-power capabilities, Washington should take into account E. H. Carr's aphorism that "power over opinion, which is necessarily part of all power, can never be absolute. International politics are always power politics, for it is impossible to eliminate power from them."<sup>93</sup>

The apparent imbalance of influence between Washington and Beijing is a result of their asymmetrical and complicated power relationship. On the one hand, China's supposed soft-power edge over the United States springs from Beijing's strategy of lying low while slowly building up its economic and military capabilities. China's calculated diplomatic strategy has three key components—a non-ideological approach necessary for continued economic growth, a deliberate restraint on the use of force, and an expanded involvement in regional and multilateral forums.<sup>94</sup> The strategy fosters a peaceful environment conducive to China's economic development and emergence as a true great power. The baseline scenario for China in the next ten years involves a single-minded pursuit of the following national goals: generating long-term rapid economic growth; fostering economic liberalization; consolidating the Chinese Communist Party's political control; maintaining its rising regional and global political influence; and building a limited military capability to defend the mainland and preempt a declaration of de jure independence by Taiwan.<sup>95</sup> Beijing is currently undertaking a limited arms modernization program that is targeted at a very specific political objective—thwarting Taiwanese pro-independence efforts and any probable U.S. intervention in a cross-Strait crisis. It is focused on two major programs—the drastic reduction of the PLA by one million personnel and the "informatization" of its main combat formations

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<sup>93</sup>Carr, *The Twenty Years' Crisis*, 130.

<sup>94</sup>Pak, "China's Pragmatic Rise," 64-66.

<sup>95</sup>William H. Overholt, *Asia, America, and the Transformation of Geopolitics* (Santa Monica, Calif.: RAND, 2008), 124.

to build a lean, combined, agile, and multi-functional military force.<sup>96</sup> Observing the current pace of Chinese arms modernization, a former RAND Corporation analyst notes:

When we look at the PLA, we are talking more about modernization—a steady state upgrading, which is a pretty common occurrence among militaries—rather than a dramatic transformative process that skips generations and achieves exponential increases in military capabilities.... In addition, there seems to be nothing "accelerating" about these recent modernization efforts. If anything ... the pace of PLA arms acquisition has actually declined in recent years.<sup>97</sup>

Given this trend, the PLA has adopted the "asymmetric development strategy."<sup>98</sup> The PRC hopes to build an informatized military instrument capable of winning modern conflicts by the mid-twenty-first century or within a five-decade period. In the next two decades, however, it will be in China's best interests to stabilize the international environment as it gradually modernizes the PLA. A rapid improvement of Chinese military capability will incur an economic and a social cost. And it will undoubtedly undermine China's efforts to foster its image as a good neighbor.

The PLA's modernization effort can be described as hesitant, low-key, and inconsistent. This defense posture restrains China from initiating any move that could provoke Washington and allows the United States and its allies to enjoy a substantial margin of military superiority in the region, thus rendering any major confrontation (except in the Taiwan Strait) an unenviable option for China in the medium-term period. In the meantime, Beijing has no choice but to rely on soft power to strengthen its web of relationships with its neighbors through various bilateral and multilateral linkages. This is part of China's grand strategy of "antiaccess," which involves creating pressures on or inducements for East Asian countries to deny U.S. forward-deployed forces their military/diplomatic support and

<sup>96</sup>Richard A. Bitzinger, "China's Revolution in Military Affairs: Good Enough for a Government Work?" *RSIS Commentaries*, no. 90 (August 24, 2007): 2.

<sup>97</sup>Richard A. Bitzinger, "Is the PLA Really on the March? Critiquing the Pentagon's Latest Report on Chinese Military Power," *RSIS Commentaries*, no. 31 (March 7, 2008): 3.

<sup>98</sup>Yang-Cheng Wang, "China's Defense Policy and Military Modernization," *Korean Journal of Defense Analysis* 19, no. 2 (Summer 2007): 89-112.



the use of their territories in the event of a U.S.-China face-off in the Taiwan Strait, East China Sea, or South China Sea.<sup>99</sup> Hopefully, this will also alleviate U.S. pressure on China and reduce the danger that Asian countries will cooperate with Washington against Beijing.<sup>100</sup> Without doubt, China's current patience, increasing external confidence, good-neighbor policy, and rising economic power have expanded its pool of soft power, giving it substantial influence and political clout at a time when the image of the United States in East Asia is unfavorable. China's prudent use of soft power and the slow, low-key, and moderate buildup of its hard power constitute what Nye calls "smart power" or the optimal or balanced application of both hard and soft power in foreign policy to achieve its long-term security and economic goals in East Asia.<sup>101</sup> However, the question that bedevils observers and analysts is whether this application of smart power or statecraft marks a dramatic shift and lasting change in Chinese foreign policy in East Asia in general, and in the Taiwan Strait in particular.

As long as the status quo is maintained, China will continue to de-emphasize the use of force and depend on soft power to constrain the United States. However, a regional crisis might erupt and develop into an actual confrontation. Likely triggers include the Taiwan issue, the China-Japan rivalry in the East China Sea, and territorial disputes in the South China Sea. China's propensity for using or leveraging the military instrument will surely increase if any of these crises escalates into a full-blown diplomatic confrontation.

The perceived decline of U.S. soft power, on the other hand, does not hold water since Washington still enjoys comprehensive power in East Asia. The United States' preeminent position is not simply based on its bilateral military alliances and forward-deployed forces in the region. It is buttressed by the widespread export of American culture, values, and po-

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<sup>99</sup>Roger Cliff et al., *Entering the Dragon's Lair: Chinese Antiaccess Strategies and Their Implications for the United States* (Santa Monica, Calif.: RAND, 2007), 76-79.

<sup>100</sup>Robert G. Sutter, "Converging Chinese and U.S. 'Gulliver Strategies' in Asia: Implications for U.S. Policy," *Pacnet*, no. 13 (February 19, 2008): 1.

<sup>101</sup>Nye, *Soft Power*, 147.

litical ideology to East Asian states. Although the American image has been tarnished by the Iraq invasion and perceived U.S. inattention to Asia, the soft power of public opinion cannot be seen as an enduring variable like hard power. A firestorm of public opinion against the United States might ignite in Asia but it could also be quickly extinguished. The history of the Cold War and the post-Cold War period is full of examples of U.S. foreign policy actions that caused Asian public opinion to turn 180 degrees for or against the United States in a matter of weeks or months. Ultimately, the U.S. image recovered from foreign policy fiascos such as the Vietnam War in the 1960s, the Nixon administration's expansion of the war into Cambodia in the early 1970s, U.S. withdrawal from South Vietnam in 1975, the Clinton administration's effort to impose Western democratic/liberal values on the ASEAN member-states in the mid-1990s, and Washington's initial inaction at the height of the Asian financial crisis in the late 1990s.<sup>102</sup>

However, soft power is by no means transient and useless. Strategically, soft power legitimatizes U.S. hard power in the face of China's charm offensive. The dynamic relation between soft and hard power is best expressed in an earlier quotation now reiterated: "Hard power threatens; soft power seduces. Hard power dissuades; soft power persuades." U.S. soft power and hard power operate alongside each other in East Asia. In past cases of hegemony, states that successfully generated soft power also wielded hard power. The United States exercises soft power in a cultural, ideological, and/or institutional/multilateral sense, which in turn justifies its forward-deployed forces that ensure Washington's strategic dominance in East Asia. Thus, the notion that soft power is gaining more currency

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<sup>102</sup>A recent study by the Washington-based Center for Strategic and International Studies (CSIS) confirms this notion. It observes that a plurality of the Asian elite still views the United States as a positive and stabilizing force in Asia, while China is seen as the most likely threat to peace and security in the region in the next ten years. The survey reveals that, despite its use of soft power/smart power, the United States is still seen by most of the Asian elite as a status quo power, while China is perceived as a potential revisionist state that could undermine the peace and stability of the region in the near future. See Bates Gill, Michael Green, Kiyoto Tsuji, and William Watts, *Strategic Views on Asian Regionalism: Survey Results and Analysis* (Washington, D.C.: CSIS Press, February 2009), v.

than hard power is simply difficult to accept. Soft power is a slow-acting, opinion-shaping instrument that operates in conjunction with hard power. Whereas hard power focuses on the target state itself by threatening its population and territory, soft power seeks to change the target's psychological milieu. The real issue is not deficiencies in U.S. soft power. Rather, what matters is how Washington can use its wits, wallet, and muscle together so that leverage in all its forms is harnessed to a realistic reaction plan or an overall political strategy that can be set in motion by agile diplomacy to limit and direct China's growing influence in the region.<sup>103</sup>

In the context of East Asia, U.S. soft power (generated through its wholesale export of values, ideology, and cultural features) rationalizes the notion that the United States is a Pacific power ensuring regional stability. It will remain so well into the future to protect its national interests and those of its friends and allies. It impresses upon the minds of most Asian policymakers that Washington alone has the political and military strengths to deter aggression and thereby provide the essential foundations for nation-building, economic advancement, and regional peace, stability and integration. It also fosters the belief that only the United States can create a stable system for all the East Asian states, and that China, for all intents and purposes, cannot provide extended deterrence and security guarantees to its neighbors. Essentially, U.S. soft power generates a favorable perception of American culture and values that, in turn, enhances America's ability to persuade other states of the wisdom of its policies and to lead them in directions congenial to its interests.

In the face of China's transformation into an influential great power in East Asia, U.S. soft power now plays a new and crucial role. Understandably, it has a limited effect on China given the latter's propagation of a militant form of nationalism, growing assertiveness in international affairs, intensified resentment of U.S. power projection in East Asia, and rapid economic growth. Attempting to transmit American political values

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<sup>103</sup>Dennis Ross, *Statecraft and How to Restore America's Standing in the World* (New York: Farrar, Straus and Giroux, 2007), 22.

and culture to an emergent and potentially revisionist China will only backfire as it will trigger intense anti-Americanism in the country. Quite simply, these values and culture threaten China's slow emergence as a latent revisionist power given that the "global balance of power is still heavily weighted in the status quo power's [America's] favor."<sup>104</sup> However, U.S. soft power still impacts on liberal democracies in the region that are generally open to U.S. influence and apprehensive of China's growing economic power and political clout. It enables Asian democracies to build national capabilities and increase their ability to maneuver in the emerging regional order. By cooperating with the United States, they can strengthen their economic and military capabilities and assert their autonomy against Chinese influence.

In addition, U.S. co-optive power can form and nurture an association of Asian democracies that can devise its own Lilliputian-style strategies against China. Led by the United States, these states can use engagement to build webs of relationship with Beijing to avert aggressive or disruptive behavior by China in the Taiwan Strait and in other East Asian hot spots, specifically the Korean Peninsula and the South/East China seas. In strategic terms, this cohesive association of Asian democracies can redirect any Chinese bid for hegemony and allow the United States to retain its position as Asia's premier power, ensuring peace and stability in East Asia in the twenty-first century.

### Conclusion

China's emergence as an influential economic power coincided with a perceived decline of U.S. prestige in East Asia in the early twenty-first century. This development has created the impression that China's soft-power diplomacy will eventually erode the United States' strategic position in the region and capacity to deter Chinese aggressive actions in the Taiwan

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<sup>104</sup>Walt, *Taming American Power*, 77.

Strait, in the South/East China seas, and the Korean Peninsula. Consequently, U.S. analysts, key policymakers, and diplomats call for a marked increase in the public diplomacy budget and the emphatic use of the non-military component of U.S. foreign policy. This clamor, however, ignores the fact that the foreign policy instruments that could generate U.S. soft power have always been there. In addition, China's edge in the soft-power competition cannot simply be addressed by increasing Washington's budget for public diplomacy and a single-minded reliance on the non-military tools of statecraft.

The current imbalance of influence in the region is an offshoot of the asymmetrical power relations between the United States and China. China's edge evidently lies in its reliance on cooperative diplomacy and multilateralism to constrain the United States, while simultaneously building up its military capabilities. This does not mean, however, that China will not use hard power in the future, especially in a crisis situation involving the Taiwan Strait, the Korean Peninsula, the East China Sea, or the South China Sea. Washington's use of soft power is more measured and conservative since the United States banks on both soft and hard power. Soft power complements hard power to ensure that any future use of U.S. military capability is justified. In the face of China's charm offensive, U.S. soft power will be pivotal in forming and maintaining a fellowship of democratic Asian states that can restrain China from making aggressive moves in the Taiwan Strait and in other East Asian hot spots. More importantly, this objective will legitimize the necessity of American political and strategic leadership among the democratic nations in the region.

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