
China's Perceptions and Its Foreign Policy Approach¹

Think Piece

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Changing Balance of Power

The Chinese strategic community has paid considerable attention over the last couple of decades to the possible change in the relative balance of power between China and other main states. Since the late 1990s, they have often used the concept of Comprehensive National Power (CNP) to understand and measure China's relative strength vis-à-vis other major powers in the international system. CNP is an assessment of a country's overall national power in all main aspects, including natural resources, human capital resources, science and technology capabilities, military strength, political governance capacity, international influence, etc. A system of complex indicators is set up to translate into specific scores the national power in all main categories and sub-categories. CNP represents the weighted sum of all the scores. For Chinese experts, CNP is as objective and scientific a method as they can use to evaluate China's relative power vis-à-vis other states.

Some well-known Chinese experts who constantly track the change of China's CNP—including some who have close relationship with the government—have started to draw conclusions in recent years that their research indicates China has already surpassed the United States and become the world's most powerful state. For example, Hu Angang, a professor at Tsinghua University, has published widely on this issue and concludes that China's CNP, its overall economic power, and its overall scientific and technological power have all surpassed those of the United States.² Such conclusions have drawn nation-wide attention and become an important source for a government-led campaign, "Bravo, My Country," that sought to showcase the country's achievements under the new leadership. The "Bravo, My Country" campaign reached its peak in 2018 and seemed to be effective in shaping the public

¹ This research is based on open source literature and information as part of the Nunn School programming on Comparative Approaches to Statecraft.

² Angang (胡鞍钢) Hu, Hongchuan (王洪川) Wang, and Yize (谢宜泽) Xie, "The Strategic Logic of Strengthening the Nation and the Military (强国强军的战略逻辑)," *Journal of Tsinghua University: Philosophy and Social Sciences* (清华大学学报: 哲学社会科学版), no. 5 (2017).

opinion that China is on track to become one of the most powerful and influential countries in the world. Public opinion has been gradually moving in the direction that China's relative power is rising and the United States is on relative decline, especially since the global financial crisis of 2008. The severity of the financial crisis, by which China was only slightly affected, compared to the United States, convinced many Chinese, including Chinese experts and officials, about the superiority of the Chinese model of development and about the future shift of the balance of power in China's favor.

This conviction of rising Chinese power among the Chinese public rapidly grew from 2008 to 2018, when the "Bravo, My Country" campaign was in full blossom. However, the government realized the campaign's impact on the international audience was very negative, creating an image of Chinese hubris. Since 2018, as a result, the government has taken a more low-profile approach in celebrating China's achievements domestically, but it seems the nationalistic sentiment among the general public remains at a high level. With the escalation of the trade war and the U.S. ban on Huawei, Chinese experts believe that the United States has taken such extraordinary measures to impose tariffs on China and to go after a successful Chinese company because the United States fears it will not be able to impede China's economic success and stop China's rise through ordinary measures. The tough U.S. economic policies against China further convinces many Chinese experts that the United States is declining, China is rising, and this long-term trend will not be stoppable.

Another factor contributing to this growing domestic perception about the changing balance of power between China and the United States is the change in China's domestic environment. In recent years, the environment of China's domestic public opinion has accommodated conservative, hawkish, and nationalistic voices while liberal voices have become harder to be heard. It has become harder for liberal voices and perspectives to check and balance the growing influence of nationalistic sentiment. "Downplaying" China's achievements and prospects for even greater success in the future has become politically incorrect. This makes it harder to have an open and free debate on the real status of the balance of power between China and the United States and on its possible future development. The impact of such domestic factors on the public perception of the comparative strength and power of China vis-à-vis the United States cannot be underestimated.

Rising Self-Confidence

According to public writings and comments, the level of self-confidence about China's long-term capability to outcompete the United States seems to be high within the Chinese strategic community. The perception of China's spectacular success in economic performance and overall national development and that the United States

has become fearful of China's continuing success makes Chinese strategists confident about the unique advantages of China's culture and current system of governance. They believe China's traditional culture emphasizes the importance of education, hardwork, and self-discipline, all of which makes China's economy more likely to succeed, even in high technology domains. Similarly, they have high hopes that China's centralized political system makes it more likely to reduce internal dissipation and to successfully concentrate collective efforts to achieve high efficiency.

For some Chinese strategists, rather than being worried about the intensifying, comprehensive U.S.-China competition, feel excited about it. For them, this is the first time in history that China gets a ticket to participate in a world-wide great power competition as a direct player. Previously, China never had the chance to become a main player in a global power competition between the two most powerful countries in the world. As a result, they look forward to such a competition, believing that there is a good chance that China will win eventually.

Sense of Entitlement

The current Chinese leadership attaches great importance to the traditional values of China's and seeks to promote China's traditional culture and civilization for the general public as an importance source of national pride and identity. The so-called Chinese dream, an aspiration to rejuvenate China to again become a great power, has made a major portion of the general public more appreciative of the perceived unique advantages of traditional Chinese culture and its value system and more dismissive of Western civilizations, especially the assumed merits of Western political culture . The rising political challenges in Western countries, including increasingly polarized political systems, the election of populist leaders, the perceived appeasement against so-called radicalism and extremism, and the inability to address illegal immigrants issues, contribute to the Chinese view that China, as an old and now rejuvenated civilization, should re-emerge as a great power and international leader, because its own unique culture and civilization has much to contribute to a more balanced international order.

For Chinese strategists, the unique advantages of the Chinese system have been the driver of China's high and persistent economic growth, which then makes China capable of investing more into the modernization of its defense capability. They view China's military modernization as a natural result of China's economic growth. The view becomes more popular and explicit that China deserves to possess a powerful armed force, just as any other major powers do.

At the same time, China's overseas economic interests have grown significantly, with much larger overseas investments and a more expansive economic footprint; the number of Chinese personnel working, living, or traveling in other parts of the world

has increased manifold. The domestic consensus is that, as a great power with global economic interests, China needs to develop a military with global presence to protect its growing overseas interests. Although China has only established one official overseas military base at Djibouti, the mainstream perception is that it will only be a matter of time before China sets up more overseas bases, as all other major powers have done.

It is always hard to fully differentiate Chinese programs of military modernization that are purely driven by a practical need to protect legitimate and specific national interests from those that are motivated by an aspiration to be seen as a great power. China's ambitious aircraft carrier program, for example, seems to be driven by both objectives. In recent years, however, some new military development programs appear less motivated by a real need for specific national defense purposes. One example is the development of a next-generation long-range stealth strategic bomber that may be capable of delivering both conventional and nuclear weapons. For a military that has traditionally focused on national territorial defense, it seems hard to understand how a long-range stealth bomber fleet falls in line with such traditional territorial defense guidance. However, many Chinese strategists point to the other great powers, including the United States and Russia, and argue that such strategic weapons are what an international power needs to convey a sense of international status.

China's growing sense of entitlement as a great power and a future world leader may be affecting its foreign policy approach in subtle manners. Chinese senior officials indicated that they believe China's special influence as a power in the region needs to be respected by smaller countries. Yang Jiechi, China's most senior diplomat once said openly in front of his counterparts from other Asian countries that "China is a big country and you are small countries and that is a fact."³ The increasing reliance on using assertive measures to defend its perceived territorial rights in the South China Sea also shows that China feels it is legitimate and appropriate for a world power to discipline other smaller countries and settle disputes according to its will, regardless of how others feel. For such reasons, prominent Chinese scholars such as Professor Yan Xuetong at Tsinghua University recently concluded, with regret, that it seems China will not become the "humane authority" that he had hoped. A "humane authority," as opposed to a hegemon, is a powerful state whose material capabilities are unchallengeable but who embraces a completely defensive military strategy and takes care of the interests of other countries.

³ Tom Mitchell, "China Struggles to Win Friends over South China Sea," *Financial Times* (July 13, 2016).

Perception of the Nature of International Relations

How China understands the nature of international relations, including the nature of international norms and the basic working principles of the international system, determines how China chooses its foreign policy approach.

Perception of International Norms

Despite China's deeper integration into the international community over the course of the past decades, China's suspicion toward Western dominated international norms and institutions remains high. When such norms and institutions affect key Chinese interests, China's deep distrust and suspicion against them would quickly reveal itself. For instance, when it comes to the South China Sea dispute, China categorically dismissed and rejected the ruling of the arbitration tribunal established according to the Annex VII to the United Nations Convention on the Law of the Sea (UNCLOS), of which China is a member. The mainstream perception in China is that the entire tribunal process was manipulated by other international powers, especially the United States, who sided with other claimant countries in order to undermine China's interests in the South China Sea. The United States, for example, was believed to have influenced the selection of the court members and interfered by helping the Philippines improve their legal arguments. For China, the West-dominated legal and judicial institutions are used by big powers such as the United States to achieve their geopolitical interests. Therefore, such institutions and the norms they promote and represent are unjust and unfair.

Similarly, China looks at the policies of the United States and concludes that the world's most powerful country has simply been using so-called international norms and institutions to advance its own interests and has no problem adopting double standards in its practice. In the area of nonproliferation, for example, China believes the United States has been protecting its own allies and friendly countries from being subject to the same international nonproliferation standards as those that have been applied against U.S. enemies. The United States has not made an issue out of Israel's development of nuclear weapons and has accepted India as a de facto nuclear-armed state to achieve its geopolitical goal of cooperating with India to contain China. The United States, China believes, also shields South Korea from being punished for experimenting with prohibited uranium enrichment. All these examples convince Chinese experts that there are no absolute international norms and principles. All these rules and norms are subject to political influence and manipulation, especially by the most powerful countries within the international system. This cynical interpretation of the nature of international norms and rules and of how other international powers follow such norms and rules makes China more likely to follow what it believes is the example set up by other great powers.

Perception of Power Politics

The deep cynicism toward international norms reinforces the realist mindset of many Chinese strategists, who believe the international system is still ultimately a self-help anarchic system in which rules are made by the powerful and serve the interests of the powerful. At the end of the day, what matters is a country's relative power and its material capabilities. Those determine whether or to what extent a country would be treated equally and fairly by others. If China wants to participate in the making of international rules and institutions, the existing powers would try to block it, and it requires China to acquire sufficient material capabilities to win its seat at the table of decision-makers.

Chinese strategists also believe China represents a force for the good. For them, China is only seeking to defend and advance its legitimate interests, wanting to have an equal opportunity to develop and prosper, and the country means no harm and will cause no harm against other members of the international community. However, China would be denied such an equal opportunity to develop because the existing powers cannot tolerate their relative strength being weakened. As a result, as this thinking goes, China may have to make itself equally powerful or even more powerful than the existing powers, simply to achieve its legitimate interests. As a result, the popular perception is that China is now forced into a competition, and China has to resort to all means possible to win this competition because the existing powers will not grant China a fair game.

It appears this thinking explains some of the Chinese practices that have received harsh criticism from other countries, including the often-heard accusations that China has made extraordinary efforts to illegally acquire access to high technologies, including through using cyber tools. The Chinese perception, however, is that the United States is hypocritical in accusing China of such practices. Many Chinese experts firmly believe that the United States has been doing exactly the same things to other countries as well but has not been caught because its technical capability to conduct such cyber theft and infiltration is much more advanced and it has so far avoided detection. For such reasons, it is more difficult for China to appreciate why other countries believe China's practices are problematic. For China, its own behavior is not much different from that of the United States and other international powers. It believes its practices are justified by the defensive nature of its goals.

Some Chinese military experts and civilian strategists proposed the concept of "unlimited warfare" many years ago.⁴ This idea that all means are justified and necessary to win a military confrontation receives more criticism from outside China

⁴ Liang (乔良) Qiao and Xiangsui (王湘穗) Wang, *Unlimited Warfare (超限战)* (Beijing: China Social Publishing House (中国社会科学出版社), 2005).

than from inside. Today, as the U.S.-China comprehensive competition intensifies, thinking similar to the concept of “unlimited warfare” may gain more influence. The consequences would be greater risks of orderless competition between the two countries.

Implications for Military Modernization

The recent trend in China to re-emphasize socialist ideology and the rising U.S.-China rivalry contributes to a deepening embrace of power politics. Building a strong military is increasingly perceived as an essential guarantee for China to avoid being denied a fair opportunity to grow its economy and develop the country. Such thinking leads to the perception that China ultimately needs a military as strong as any other powers. Making China a top military power gradually becomes a goal in and of itself and fewer questions are raised over time about whether such large-scale military modernization is necessary for the traditionally limited goal of territorial defense. Since President Xi Jinping took power, military modernization has received greater attention, and he personally set the goal of building a world-class military by the middle of this century.

At the 19th CCP Party Congress, Xi Jinping laid out the goal of achieving the “great rejuvenation of the Chinese nation” by 2050. This raises the question of whether President Xi intends to realize the reunification with Taiwan by 2050. Because public opinion in Taiwan is moving in the direction of preferring de facto, if not de jure, independence, speculation is that President Xi may have to achieve reunification by force. However, there is no evidence inside China that the Chinese strategic community is seriously planning for such a military move against Taiwan in the foreseeable future. Instead, the mainstream thinking seems to be that the reason why Taiwan can maintain de facto independence is because of the political support and military assurance provided by the United States, and the reason the United States has been able to provide such political and military support to Taiwan is because of the U.S. military superiority in the Asia Pacific region. Therefore, if China builds its military capabilities over time and eventually achieves military superiority over the United States in the Asia Pacific theater, the United States would no longer be able to provide a security umbrella to Taiwan and Taiwan would also have to readjust its political stance to the new reality and thus comply with the mainland’s demand for reunification. It would have no other options. Again, this thinking seems in line with the Chinese strategists’ embrace of power politics thinking: to make the balance of military power shift to China’s favor is what ultimately matters; and after China achieves military superiority in the region (not necessarily global military superiority), it would realize its core national interests—including the reunification with Taiwan and the realization of its sovereign rights in the South China Sea and the East China Sea—rather easily and without a military confrontation. For this reason, China would have strong motivations to continue its comprehensive military modernization for the

foreseeable future, which may be a growing source of the U.S. perception of the threat posed by China.

In recent years, the argument is heard more often in China that a strong military—and especially a strong nuclear force—is necessary for China to win international respect. This view considerably departs from China’s traditional nuclear thinking that the role of nuclear weapons is limited to strategic deterrence and that a small nuclear arsenal is sufficient for this goal. The new argument, which is usually made by hardline analysts and published by nationalistic media outlets, emphasizes the implicit value of China’s armed forces, and its nuclear capabilities in particular, in making others listen to China and treat China equally and fairly. The main point behind this argument is that a strong military would win China international status and international respect, because the United States intends to harm China and ignore China’s legitimate interests unless China can make the United States rectify its “bias” and “arrogance” by demonstrating China’s strong military capabilities.⁵ It is worrisome that such nationalistic views are heard more often whereas more modest and liberal voices become less likely to be heard, and it is hard to estimate the impact of this changing domestic narrative on China’s future strategy of military development.

Looking at China’s military buildup, foreign countries may be worried that such deepening of power politics thinking is already driving China’s more expansive military modernization. One example is over China’s recent development of its new sea-based nuclear capabilities. According to the U.S. official assessment, China is already in the process of building the sixth 094-class nuclear strategic submarine (SSBN) and may have started the development of the next-generation 096-class SSBNs.⁶ This means that, even if China only plans to build a small number of 096 SSBNs, the total number of China’s SSBNs could still easily reach ten or more in the mid-term future. That would make China’s SSBN arsenal of the same or similar size of those of the United States and Russia, an unprecedented development that would almost certainly raise serious alarm in the United States about China’s nuclear and overall military ambitions.

⁵ "Editorial: What the Fact That Trump Respects a Nuclear Superpower Russia Teaches Us (社评：特朗普敬重超级核大国俄罗斯的启示)," *Global Times* (环球时报), <http://opinion.huanqiu.com/editorial/2018-07/12538110.html>; "Editorial: Df-41 Reportedly Deployed, China Will Gain More Respect (社评：“东风-41”被传列装，中国将获更多尊重)," *Global Times* (环球时报) January 24, 2017; "Editorial: Both China's Defense Spending and Strategic Nuclear Capabilities Are Not Enough (社评：中国的军费和战略核力量都还不够)," *Global Times* (环球时报) December 14, 2016.

⁶ "Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2019," (Washington DC: Office of the Secretary of Defense, May 02, 2019).

Trajectory of U.S.-China Relations

Perception of U.S. Intentions toward China

Over the recent couple of years, there has been a gap between the growth of China's material power and the growth of the U.S. perception of the threat posed by China. The growth of China's material power has been gradual. In fact, China's economic growth rate has dropped in recent years, and therefore the growth of China's material power has slowed down and its growth rate has decelerated. However, the U.S. perception of the threat China poses has accelerated, especially over the last couple of years. The Chinese interpretation of this gap between a decelerating growth of China's material power and the accelerating growth of the U.S. perception of the Chinese threat is that the United States suddenly realized that there is a real chance for China to surpass the United States in terms of its material power. It is thus believed that the United States, in response, has decided it could not accept the prospect of China's eventual superiority. Therefore, as this thinking goes, the United States started to adopt a much more hostile policy against China and has been mobilizing itself to put in place policies for the purpose of preventing the further growth of Chinese power.

There may be other more important factors for explaining the sudden increase of the U.S. threat perception toward China. One of them could be the shifting internal policies within China. Over the past few years, the current Chinese administration has taken unprecedented measures to greatly strengthen its already highly centralized political system. In this process, a national-wide campaign was launched to remove Western thinking—including the support for democracy and individual liberty—from the general public's mind. As reported by international media, a large number of Uighur residents were admitted into "vocational schools." It is probably such internal policies that aim at strengthening a different set of ideological values from Western countries that made the United States worry that China is going to grow into a different type of power that embraces a fundamentally different set of basic values. Such concern may have been a more important driver behind the fast growth of the U.S. perception of the Chinese threat. However, China understands this issue quite differently.

Many Chinese experts conclude that the recent efforts by the United States to broaden the trade war with China and to impose much higher tariffs are aiming at imposing unfair constraint on China's economy. There is a strong sense among both the Chinese expert community and the general public that the United States does not want China to become a successful country: if the overall living standard of the 1.3 billion Chinese people continues to rise and they start to consume more resources, the United States worries the high living standard of its own population would not be sustainable;

the United States also worries that its dominant influence in the international system and in the Asia Pacific region would be challenged and gradually decrease. Such understandings of U.S. strategic intentions make the majority of Chinese experts believe the United States simply seeks to maintain its hegemonic status, and they now defines the U.S.-China competition in the framework of a zero-sum game.

Many Chinese security experts believe the United States is now so determined to conduct a comprehensive military competition with China that it is willing to pay the diplomatic price of withdrawing from important arms control arrangements that have been highly valued by the majority of the international community. In the case of the Intermediate-Range Nuclear Forces Treaty (INF), they believe the United States simply made a political decision to withdraw from the treaty by using the excuse of a Russian technical violation. Their understanding is that the U.S. withdrawal is at least as much about China as about the proclaimed Russian violation, and the United States has long planned to develop and deploy INF-range land-based missiles in the Asia-Pacific region to counter China. Such beliefs convince Chinese experts about the seriousness of the United States in investing in a comprehensive competition with China, including its willingness to double down on its military investment to secure its existing military superiority against China.

Perception of Additional Troubles from the United States

Some policies of the Trump administration are making China worry that the United States will cause wider problems internationally in addition to its growing hostility toward China. Examples of such U.S. policies include the withdrawing from important international agreements and institutions in the areas of climate change, free trade, nonproliferation, and arms control. Chinese experts believe the declining U.S. support for free trade and for combating climate change indicates the United States will become part of the problem rather than part of the solution of key issues of global common interests in the future. The U.S. withdrawal from the Iran deal (JCPOA) not only undermined nonproliferation efforts in the Middle East but has been driven by a real objective of conducting regime change in Iran ; and the U.S. withdrawal from the INF and its lack of urgency in extending the New START shows the United States has become less interested in maintaining the existing arms control regime because of its growing desire to secure its own military superiority. In the case of the U.S. trade disputes with other countries, Chinese experts believe the United States has been blind to the serious structural problems within its own economic system that have caused the trade problems with other countries, but the U.S. system makes it unable to reflect on its own problems and thus it only blames others.⁷ Because of this perception of the United States becoming a trouble-maker across a wide range of

⁷ Yuncheng (张运成) Zhang, "United States Caught by Double Economic Structure Dilemma (美国陷入二元经济结构困境)," (Beijing: China Institutes of Contemporary International Relations (中国现代国际关系研究院)).

areas and itself being unable to correct its course, many Chinese experts feel it is inevitable that China may have to confront the United States and prove it wrong by winning the comprehensive competition with the United States.

Risk of Comprehensive De-coupling

Despite the deep economic interdependence between the two countries, the risk of comprehensive de-coupling continues to increase. As discussed above, the bilateral rivalry is at least partially driven by a divergent set of ideological values. When China was weak and focused on economic development, it refrained from emphasizing its different ideological values from Western countries. Under a new leadership and having obtained a much higher level of self-confidence of its power, however, China is much less shy about insisting and even strengthening its own ideological values that the CCP has embraced since the founding of the PRC. Such increasingly obvious divergence of basic value systems indicates the U.S.-China strategic competition and rivalry would not be only a contemporary phenomenon and is likely to intensify for the foreseeable future. As for now, both countries are determined to outperform each other and feel relatively confident about their capabilities to do so in the long run. Therefore, they are embarking on a course of potential confrontation with no off-ramp in sight. Such a sense of comprehensive competition and strategic rivalry means that securitization in other areas of the bilateral relationship is hard to avoid.

In the case of the bilateral economic relationship, the dispute over the Chinese company Huawei is already making China more determined to become self-sufficient in supply chains of key industries, including chips and other high technology products. China's implicit threat to cut off rare earth supply to the United States also makes the United States take urgent measures to provide its own industries with alternative sources of key materials. Because of concerns about Chinese-designed mobile apps and Chinese social media companies secretly allowing Chinese government agencies access to their users' private data (some of which might reveal sensitive information about the users' work), the U.S. government has already taken measures to prohibit its employees from using certain Chinese social media products. Taking these developments as a warning sign, some high-tech companies' managers in the Silicon Valley are already predicting a future in which Chinese and Western high-tech industries are no longer as interconnected and interdependent with each other as today and that they may become largely separate systems. The securitization of the bilateral relationship may make the unthinkable de-coupling of the United States and Chinese economies appear less unlikely over time, at least in some important areas.

This de-coupling of economies would further reinforce the sense of strategic rivalry and thus leads to a downward cycle of worsening relations. Under such conditions, it would only become more likely for China to invest more into strategic military capabilities, including its nuclear capabilities, because Chinese strategists seem to

believe that when the bilateral relationship becomes more hostile, such strategic military capabilities would be essential to deter the worst scenario—a hot war with the United States—from taking place.

Implications for China's Foreign Policy

Impact of Historical Grievance

China's historical grievance has played an important role in shaping China's foreign policy. Because of its "one hundred years of humiliation" by foreign powers, after China has finally achieved national independence, the Chinese leaders and the Chinese people have made a sincere commitment to themselves and to the international community that, if one day China becomes powerful, China will never follow the bad example of other hegemonic powers and will never bully other countries. This conviction is so deep that China has convinced itself that it will always be a peaceful country and a force for the good. However, after China indeed has become powerful in recent years, this self-perception, ironically, has made China less capable of appreciating how some of its behaviors are already being seen as aggressive and threatening by other countries. When other countries point out that China's behaviors are aggressive and offensive, the true and natural reaction of Chinese strategists is these countries must be deliberately demonizing China or they are put under pressure by another great power such as the United States to falsely and unfairly criticize China. Such self-righteousness, partly as a result of China's historical grievance, leads to a low level of sensitivity to security dilemmas within the Chinese strategic community and makes China more likely to react strongly to external complaints and accusations.

Policies toward Regional Countries

Although regional countries such as Singapore are arguing that they should not be forced into taking sides between the United States and China, the reality of a growing U.S.-China rivalry means it would be increasingly harder for regional countries to avoid taking sides. China is particularly bothered by the policies of some regional countries that obtain economic benefits from their economic relationships with China but at the same time seek security cooperation with and obtain security benefit from the United States. China views their security cooperation with the United States as harming China's security interests and has taken strong measures in recent years to punish and discipline these countries. China's strong reaction since 2016 to punish South Korea economically and politically for agreeing to deploy the THAAD missile defense system is driven by the belief that China needs to start setting clearer rules for these smaller countries and let them learn lessons if they take measures that may undermine China's interests. China's assertive practices in the South China Sea in

recent years are also motivated by the thinking that it is time for China to set the right precedent for other smaller countries to follow; China should not compromise at all when it comes to China's key national interests, because such a compromise would only encourage others to continue disregarding China's concerns and thus encourage bad behaviors in the future.

To some extent, the pressure from the rising U.S.-China strategic competition would make China more interested in improving relations with regional countries. China's recent effort to repair relations with Japan may be partly driven by such an incentive. However, it is questionable how successful such efforts would be. In the case of Japan, although it has shown greater willingness to improve the Sino-Japan relationship, Japan is also seeking to reinforce its security cooperation with the United States. Japan has decided to introduce two sets of Aegis Ashore missile defense systems from the United States and may agree to host the new U.S. Homeland Defense Radar-Pacific. All these capabilities may be seen by China as particularly threatening and could cause considerable troubles to the bilateral relationship. As U.S.-China rivalry intensifies, China particularly worries about any efforts by regional countries that may help strengthen the U.S.-led alliance network in the Asia Pacific region. China's rising concern about the U.S. military alliance would impose further challenges for China to effectively improve relations with a number of key countries in this region.

Period of Strategic Opportunity

The period of strategic opportunity is an important concept for Chinese decision-makers. They believe China has been in various periods of strategic opportunity as the general external environment for China has been peaceful and stable and as the United States has been distracted by problems in other regions and has not focused its efforts on containing China. However, with the U.S.-China rivalry quickly on the rise, many Chinese strategists are declaring that China's long period of strategic opportunity may be finally ending. As China feels growing pressure and threat from the United States, its calculations over some regional issues may change as a result.

Regarding the Korean peninsula, although China shares the goal of a nuclear-free Korean peninsula with the United States, the prospect seems low that North Korea would completely give up its nuclear capabilities in the foreseeable future. If it becomes clear that North Korea would likely remain a nuclear-capable country, it would be in China's interests to ensure that a nuclear-capable North Korea maintain a closer relationship with China than with the United States. In other words, the U.S. and Chinese interests over the Korean peninsula would become more competitive than cooperative; both of them might care more about maintaining and strengthening their own geopolitical influence vis-à-vis the other side than anything else.

Over other regions such the Middle East , although China and the United States share a common interest in regional peace and stability, the rising U.S.-China rivalry and the Chinese fear about the closing of the period of strategic opportunity may mean that, if the United States can be bogged down in other places, it would have less bandwidth to counter China's rise. Therefore, despite China's interest to preserve the JCPOA, it may also have an interest in watching the relationship between the United States and Iran worsen to the point of serious military tensions without wanting to actively help defuse the tensions. After all, preserving the period of strategic opportunity means China may be less interested in substantive cooperation with the United States in resolving other regional problems.

Risks and Uncertainties

All of these factors do not necessarily lead to the conclusion that China will take more risks in its foreign and security policy approach. In fact, given the Chinese belief that when the balance of power has so obviously shifted to China's favor in the future, it would eventually make China's rivals recognize the futility of confronting China and therefore choose to settle their disputes with China peacefully. There is no evidence that China wants military conflict with the United States for the near- to mid-term future. For Chinese strategists, time is on China's side, and China ought to wait for the balance of power to gradually shift. That means China would still be very interested in avoiding accidental military conflicts with the United States and in avoiding small military conflicts from inadvertently escalating to higher levels. Chinese military experts have also written publicly that the most fertile area for U.S.-China military dialogues is over the issues of avoiding conflicts and managing crisis escalation. For such reasons, China may still be largely risk-averse in dealing with the United States. With that said, compared with the relatively high interest in crisis stability, the risks of an intensified arms competition and even an arms race between the United States and China seem much more difficult to manage; and the bilateral arms race stability may be under more serious challenge over time.

As mentioned above, the room for conducting open debate and discussion on important foreign and security policy issues within China has become smaller. That means the risks of internal policy shortcomings not being revealed and addressed in time would become greater. Under a highly centralized governance system that discourages efforts to criticize the policies of the central government, it is impossible to know to what extent the members of the Chinese strategic community disagree with the current foreign and security policy approach of the government. If domestic disagreements are significant and continue accumulating over time, the possibility of sudden internal readjustment of policies cannot be completely ruled out, especially if serious crises emerge as a result of the growing U.S.-China rivalry and of the the current government approach to policy This inhibition of open debate creates

uncertainties over China's policies in the future.