

ONE

A Rising China's Growing Presence

The Challenges of Global Engagement

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The second decade of the twenty-first century has been a period of transition within China and in China's international relations. At a moment in its history when China's leaders have been addressing domestic challenges that have emerged after three decades of dramatic reforms, they have also been refashioning their country's foreign policy to better fit what they see as China's place in a changing world order. The recalibration of China's foreign policy has been visible in an increasingly proactive approach to international economic affairs, a more vigorous approach to international security affairs, and a more focused approach to its engagement with international cultural and educational affairs. In each of these areas, the trajectory of China's international relations has reflected dramatic developments within China in the decades since the death of Mao Zedong and within the international system its leaders have faced. While the future of China's global role defies prediction, it is possible to take stock of national and international

factors that account for China's current posture. This chapter begins, however, by briefly looking backward, to put recent trends in historical perspective.

FROM A REGIONALIZED WORLD ORDER TO THE MODERN ERA

China's rise to prominence in the twenty-first century actually marks the country's reemergence as a political entity with important relations extending beyond the realm over which its leaders formally rule. Beginning in 221 B.C., a series of imperial dynasties controlled territories in the area that is today's China. During these millennia, the empire's relations with the world beyond its boundaries were mostly regional rather than global in scope as interactions across often loosely defined borders and vast oceans were limited by prevailing transportation and communications technologies. In its part of the globe, however, China was typically the greatest economic and military power.

The Celestial Empire itself consisted of a political core (or heartland) that interacted with and typically dominated its periphery.¹ Connections between the core and periphery and the extent of the latter's subordination to the imperial throne varied over time but, in principle, their relations remained hierarchical; the latter paid deference to the throne's preeminent status within what John King Fairbank described as a distinctive "tribute system" that defined a Chinese world order.² The organizing principle of this order contrasted sharply with that of the modern international order of formally sovereign and equal states first established in the European regional system by the Treaty of Westphalia in 1648. But despite this distinctiveness, exchanges between the empire's core, its periphery, and even more distant reaches of the world resembled what we now think of as international relations. Goods and ideas (especially the religious beliefs of Buddhism and Islam) flowed into China across the mountains that marked the southern periphery and across the vast and desolate western periphery along what became known as the Silk Road. China's maritime reach, though generally limited, also led to

interaction with the closest parts of the periphery in East Asia, including Japan, Taiwan, and Oceania.

China's prestige as the center of Confucian culture and the regional dominance of Sinitic civilization in East Asia proved resilient even during periods when the capacity of the ruling dynasty waned. On the two occasions when invaders from the northern periphery (Mongols in the thirteenth century and Manchus in the seventeenth century) used military victories to establish their own dynasties (the Yuan and the Qing) to rule the core, these "outsiders" embraced the essential practices of the political, economic, and cultural system already established by the Han Chinese "insiders" centuries earlier. Thus, for nearly two millennia imperial China's influence as the key player, if not always the omnipotent hegemon, within its regional system endured.

In the course of the nineteenth century, however, the regionalized era of international relations ended. Technology and industrial modernization provided Western countries (and, by the end of the century, Japan) with the ability and the motivation to challenge China's long-standing dominance in its neighborhood. Europeans and Americans grew increasingly frustrated by the unwillingness of the last of China's imperial rulers, the Qing, to accept diplomacy based on the principle of the formal equality of sovereign states that the West had embraced. International commerce, too, became an issue. Imperial China resisted efforts by the West, spearheaded by Great Britain, to promote commerce resting on the modern notion of mutually beneficial free trade rather than the traditional mercantilist notion of trade managed by and for the benefit of the state. As important, for the first time outsiders from well beyond the usual periphery were able to tap superior military force to impose their will on China's rulers. Their success required the Qing dynasty to agree to concessions that undermined China's erstwhile dominance of its regional subsystem. Defeat after military defeat at the hands of foreign powers not only cast doubt on the regime's claims about the superiority of China's Confucian civilization, the pillar of dynastic rule for centuries, but also compounded new internal military challenges arising within the empire's core that were testing the Qing court's grip on power. As imperial China's domestic control and international prestige

were simultaneously being shattered, it began to lose political sway over its periphery; as it did, foreigners began establishing their own imperial influence in these surrounding areas. China had entered what later generations would retrospectively label a “century of national humiliation” that began in the 1840s. It was only after decades of civil strife triggered and then exacerbated by repeated foreign military attacks and interventions that the Chinese Communist Party (CCP) in 1949 finally succeeded in establishing a regime—the People’s Republic of China (PRC)—that restored effective central rule over most of the territory once controlled by the Qing dynasty.

A CHANGING CHINA IN THE COLD WAR ORDER

The PRC emerged within an international order that was no longer regional. As it did, Beijing remained sensitive to the legacy of humiliation suffered by China at the hands of foreigners. While Chinese officials remained wary of international military and economic relations, under the leadership of Mao Zedong (1949–76) ties with the outside world were at times recognized as necessary, even if they might require unpleasant compromises of national autonomy.

Most notable among such compromises were those that facilitated the strategic cooperation needed to help ensure the regime’s security. The PRC faced serious threats from much more powerful adversaries for most of the Cold War years—first from the United States, and then from the Soviet Union. Although the risk of a full-scale invasion and occupation was low, the superpowers’ unprecedented power projection capabilities (including aircraft and missiles that could carry nuclear weapons) meant that they could use military force to coerce or attack China without first having to invade and occupy its territory. Until Beijing was able to develop its own military capabilities that could dissuade these adversaries by threatening to inflict punishing retaliation, Mao and his colleagues had little choice but to forge strategic links with one superpower as a way to check the other. China turned first to the Soviet Union to dissuade threats from the United States, and then later to the United States to dissuade threats from the Soviet Union.³ Despite such collaborations, China’s

leaders resisted the closely integrated sorts of alliances that other countries formed (especially those allied with the United States) and instead limited their international strategic relations, even in the context of a formal Sino-Soviet treaty alliance, to what they deemed absolutely necessary.

China's international economic relations were also limited during the Cold War years. In the 1950s, while the United States encouraged its global partners to isolate China, Beijing's international economic engagement was mostly restricted to the Soviet-led socialist bloc. Although Soviet direct investment and technical assistance were helpful for China's initial industrialization, by the mid-1950s Mao and his associates were already chafing at what they saw as the unacceptable price of assistance—an unseemly need to defer to foreign (in this case, Soviet) leadership and advice. During the 1960s, ties with the Soviet Union unraveled entirely and China's modest international economic profile was further reduced. Perhaps making a virtue of necessity, Mao promoted an economic strategy that emphasized extreme self-reliance. Even when a serious military threat from the Soviet Union induced Beijing to pursue strategic ties with the United States in the 1970s, Mao continued to carefully circumscribe China's international economic engagement. It was only when the political succession to Mao Zedong yielded new leaders whose reform agenda included a redefinition of China's global role that Beijing's international economic policy shifted dramatically. Beginning with a landmark CCP Central Committee meeting in December 1978, Deng Xiaoping and like-minded colleagues decisively rejected Mao's one-sided emphasis on self-reliance and instead eagerly sought the benefits of increased international engagement. Over the last decade of the Cold War, this led to an unprecedented opening of China to the outside world that included trade with and investment by regional neighbors in Asia as well as Europe and the United States.

The new era of growing international involvement that dawned in the early 1980s was distinguished not only from the decades of Maoist isolation but also from the centuries-long traditions of imperial rule. Yet, the contrast with China's recent and more distant historical experiences should not be overstated. China's reformers, like national leaders in every country, were not interested in trading the extreme

of Maoist autarky for dependence on others. They made clear that even as they pursued engagement and interdependence with the outside world, China's development would mainly rely on its own efforts. And, although they would not be resurrecting the deference that China enjoyed in the era of emperors, Beijing's leaders at times displayed a sensitivity to protocol that echoed rituals identified with their imperial predecessors. Of course, they no longer claimed cultural superiority. But they parlayed respect for China as the center of one of the world's great civilizations, as well as the foreign fascination with a country rendered exotic by its inaccessibility during much of the post-WWII era, into what might be termed modern diplomacy with traditional Chinese characteristics.⁴

A CHANGING CHINA AND THE END OF THE COLD WAR WORLD

China's reform program under the leadership group headed by Deng Xiaoping was anchored in a dual mandate, "enliven the domestic economy and open to the outside" (*duinei gaohuo, duiwai kaifang*), that clearly linked China's own prospects to greater involvement with the outside world. Over the final two decades of the twentieth century, the new leaders crafted policies to integrate a lagging China with the global system. The PRC joined existing international economic institutions, most of which were established decades earlier under American leadership and from which the PRC previously had been excluded or that it previously had been uninterested in joining.

As part of the reforms, Beijing also adopted new policies that made it financially attractive for foreigners to invest in manufacturing and assembly of their products in China just as falling trade barriers and advances in communications and transportation were giving rise to the globalization of economic activity. When the end of the Cold War eliminated divisions reflecting Soviet-American rivalry and brought down most remaining barriers to the flow of goods and people, the process of globalization accelerated. Global production chains enabled China to leverage a large, relatively cheap, and disciplined labor pool, business-friendly government policies (including significant

tax breaks), and a currency exchange rate that the government carefully managed to become a favored site for international corporations to establish manufacturing facilities. At first churning out mostly textiles and other low-end consumer goods, soon factories in China included those assembling imported components for electronics and appliances that would be re-exported for sale on global markets. By the end of the twentieth century, the economic significance of China for the world and of the world for China was dramatically increasing.

In contrast with China's transformation that reflected domestic economic reforms and globalization, the end of the Cold War did not result in comparably dramatic changes in the country's military-security situation. By 1983 Beijing had already become much less concerned about the threat that an internationally overextended and internally troubled Soviet Union could pose to China. As such, even before the Cold War ended, Beijing believed it faced a much less dangerous world, one that provided a more favorable environment in which China could focus its attention on economic modernization. The final decline of the Soviet Union that played out over the 1980s only reinforced that view.⁵ To be sure, Beijing soon grew worried about the potential threat that an America unconstrained by concerns about its defunct superpower rival might pose to Chinese interests, especially after 1989 when the specter of internal instability was raised by massive demonstrations in Tiananmen Square and by the ouster of communist parties from power across Eastern Europe and eventually the Soviet Union itself. But the challenge was initially perceived as political rather than military in nature. The CCP responded by reasserting its grip on power—first by brutally crushing popular demonstrations in June 1989 that called for political reforms and then by standing firm in the face of the international condemnation of the crackdown that followed. Once it felt securely back in command, Beijing reengaged the global community. By the middle of the 1990s it was embracing a new, reinvigorated approach to foreign relations.

Under this approach, what some labeled the grand strategy of "peaceful rise," China placed top priority in its foreign policy on creating an international environment that was conducive to the country's economic development while minimizing what were seen as the

low risks of military conflict. This strategy, banking heavily on creative diplomacy, reflected a recognition that China's continuing economic and technological shortcomings meant that Beijing could not rely mainly on its military capabilities to advance the country's national interests.⁶ And despite misgivings about the possible implications of unchecked American military power, it also reflected a recognition that the United States and its Cold War legacy alliances in East Asia continued to supply the collective good of a peaceful environment that enabled the region's states, most notably China, to invest in economic development rather than military competition.

CHINA'S ECONOMIC ARRIVAL

By the opening years of the twenty-first century, China had reaped substantial and growing benefits from its engagement with an ever more globalized world economy and a peaceful East Asia. Indeed, China had benefited to the point that its choices were beginning to shape, as well as be shaped by, this international order.⁷ As a surging China moved toward becoming the world's leading trading state and second largest economy, its demand for commodities and supply of low-priced goods on international markets meant that producers elsewhere were routinely faced with the challenge of adjusting to the "China price" in order to remain competitive. In the early twenty-first century, Beijing not only sought to maintain its role as the world's workshop, but also urged its businesses to "go out" and pioneer a wave of Chinese investment overseas. The result was another boom in China's international economic activity spreading well beyond its established export markets of Asia, Europe, and North America to Africa and Latin America. In what seemed like the blink of an eye by historical standards, China had gone from being an admirable success story in the developing world to a behemoth that all recognized as an essential player, and some began to view as a coming economic rival.

While foreign companies increasingly felt the pressure of Chinese competition, consumers in many countries benefited from China's economic expansion. Downward pressure on prices increased their

purchasing power. In America, consumers also benefited from low interest rates partly driven by the Chinese government buying U.S. Treasury securities as Beijing invested the dollars from its foreign exchange reserves that swelled along with its trade surplus.⁸ This benefit for Americans, however, soon became a double-edged sword when Washington's policies abetted risky home mortgages and generated a housing bubble that would burst in 2007 as the global financial crisis hit.

In short, during the first decade of the twenty-first century, China had clearly arrived as an economic great power whose decisions were having major effects around the world. As the international community began discussing how best to update the globe's major multilateral institutions for managing trade and finance to reflect a changing post-Cold War order, China's role loomed ever larger as a central consideration.⁹ China's greater importance for the global economy was dramatically revealed again in 2015 as concerns about slowing growth in China, its volatile stock market, and its changing currency policy rattled trade partners and investors around the world whose prosperity was increasingly linked with the performance of a changing Chinese economy.¹⁰

Although China's new international economic role has become a global story, its significance has been most pronounced within the Asia-Pacific region, which has emerged as the world economy's center of gravity. The economic vibrancy of Asia created new opportunities for a rising China to undertake important initiatives on trade and investment within the region during the second decade of the new century. Two stand out.

In the fall of 2013 China's top leader, Xi Jinping, rolled out a Chinese government plan to develop infrastructure and promote trade along a wide swath stretching from maritime Southeast Asia through Central Asia all the way to Europe. Labeled the Silk Road Economic Belt and the Maritime Silk Road (popularly known as "One Belt, One Road"—OBOR—or *yidai yilu*), the initiative envisioned tapping China's domestic overcapacity for infrastructure development and industrial production to make investments in regions south and west of China, largely in countries where others (national governments and international financial institutions) have been reluctant to invest.

The risks that discouraged others from economic involvement in these countries may ultimately confound China's expectations for the success of this initiative. But success for Beijing may be measured in political as well as economic terms. OBOR offers China an opportunity to integrate more closely the economies of these countries with China and perhaps to cultivate in them a more Sinocentric set of policy preferences—a political-economic dynamic first analyzed in the mid-twentieth century by the economist Albert Hirschmann.¹¹ Moreover, in the westward-focused OBOR initiative, China is less likely to find itself competing with the economic clout of other advanced economies or triggering security concerns and a strong pushback from the United States and its allies, a challenge it faces in much of East Asia.¹² Instead, this initiative mostly focuses on a region where American interests have traditionally been weak and where China faces the comparatively easier task of allaying Russian and Indian concerns.¹³

Perhaps even more noteworthy than OBOR was Beijing's initiative a year later to set up and provide a founding financial stake for the Asian Infrastructure Investment Bank (AIIB). Remarkably quickly, a long list of countries from around the world, and not just Asia, decided to respond to Beijing's invitation to sign on as founding members. Their ranks included some, like Britain, that apparently bucked advice from Washington not to join what the United States saw as a potential rival to established international financial institutions. The United States reportedly warned that principles of responsible governance embodied in the Asia Development Bank, the International Monetary Fund, and the World Bank might not be honored in the rules of an AIIB dominated by China. Whether or not the American concerns about China's intentions were well founded (Chinese and many foreign analysts argued that they were not), in the end Beijing's surprising success in recruiting members to the AIIB effectively reduced China's ability to dictate decision-making standards (for example, on environmental or labor conditions in potential recipient countries), since voting shares were tied to each member's financial contribution to the bank. Moreover, the AIIB's charter set up rules that enable Beijing to exercise the kind of veto power the United States enjoys in the IMF on only a limited class of decisions that require a supermajority for approval.¹⁴

A changing regional order in the Asia-Pacific region and a changing China were providing unprecedented opportunities for Beijing to exercise leadership. But neither OBOR nor the AIIB represents a Chinese pivot to a narrow regional, rather than a global, economic focus. Beijing maintains a strong interest in playing a role commensurate with its growing economic power in global institutions—both those established during the era when the U.S.-led Western economies were preeminent, and new ones that reflect attempts at international coordination among the key emerging economies colloquially referred to as the BRICS (Brazil, Russia, India, China, and South Africa). Although a diverse group with sometimes divergent interests, the BRICS constitute an important subset of the biggest late-developing economies whose deliberations provide one more venue in which China may be able to play the kind of leading role that it cannot yet play in other global economic groupings—older ones, such as the Group of Seven or Eight, or G-7/8, of which it is not a member, or newer ones, such as the Group of Twenty, or G-20, in which the large membership dilutes China's influence.

These various changes in China's international economic role have reflected the growing significance of a more prosperous China as well as developments beyond China's borders. But as Evan Feigenbaum and Robert Manning have argued, in the Asia-Pacific region a second story line has emerged alongside these economic developments—the revival of serious military-security problems.¹⁵

CHINA'S MILITARY ARRIVAL

During the first decade of the twenty-first century, what had been China's steady, if at first slow, investment in military modernization since the early 1980s began to yield results. China was successfully exploiting the jump-start provided by the purchase of advanced aircraft and naval vessels from Russia, which was not party to the arms embargo imposed by the United States and Europeans after the June 1989 crackdown in Tiananmen Square. China was also more effectively ramping up its indigenous arms industries and improving its technological base. In part this was made possible by the economic

and scientific benefits of the country's broader integration with the global economy. But in part this was a payoff finally resulting from the expanding resources the Chinese government had been investing in military modernization beginning in the early 1990s—annual double-digit percentage increases made possible by a booming economy.

As with its changing international economic profile, in the twenty-first century China's military profile was changing. The Chinese navy, in particular, while mainly focused on contingencies in the near seas, was beginning to undertake operations farther afield.¹⁶ Most notably, China's role in antipiracy patrols off the Somali coast demonstrated the new competencies of the People's Liberation Army (PLA) Navy and permitted it to practice meeting the challenges of carrying out, sustaining, and resupplying long-range missions. Though still small in scale, other operations involving PLA air and naval forces, including the evacuation of Chinese nationals caught in Libya's domestic chaos, exploratory submarine patrols in the Indian Ocean, and port calls in the Mediterranean, while not signaling China's arrival as a force that would alter the global balance of power, hinted at a role for China that would no longer be limited to coping with the security challenges of American military deployments in East Asia.

In the near term, however, China's changing military profile was most dramatically altering the security landscape in East Asia. Previously viewed as a large but arguably second-rate military power, in the new century China was increasingly viewed as a country armed with an array of sophisticated capabilities that were making it an ever more dangerous potential adversary in the region. Moreover, the transformation in China's military profile coincided with a period in which U.S. military forces were dedicated to protracted, burdensome, and expensive military actions in Afghanistan and Iraq. Although these major American operations did not create a power vacuum in the Asia-Pacific, they did entail opportunity costs that observers criticized as a dangerous diversion of U.S. attention from an increasingly important Asian theater, a diversion that might be creating an opening for a stronger China to bolster its regional position. With the onset of the great global recession in 2007–08, during which

China seemed to be weathering the storm better than many others, concerns about the future of U.S. economic leadership compounded simmering concerns about a war-weary America's willingness to continue shouldering the burdens of military leadership in Asia as elsewhere.

The sense that both economic and military leadership in the Asia-Pacific might be shifting away from a beleaguered United States and toward a rising China began to take root, even if it was based on perceptions that were outracing reality. The concern that China's growing economic and military capabilities might presage a change in the regional order prompted responses from Beijing's East Asian neighbors and from the United States. Washington ramped up efforts to signal its continued engagement in the Asia-Pacific and to offset the impression that it had somehow been absent earlier in the century. Most notably perhaps, in 2011 the United States declared that it was undertaking a strategic rebalance in its foreign policy to focus on the Asia-Pacific region (a move that some labeled "the pivot"). Yet, the stubborn persistence of an arc of instability from Afghanistan through Syria and Iraq to Libya, Somalia, and Yemen continued to drain U.S. attention and resources. These challenges reduced confidence in the practical significance of the announced American strategic rebalance and preserved the perception that in East Asia a rising China would be less constrained than it might otherwise have been.

In this context, especially as Beijing embraced a more forceful approach to supporting its claims to East Asian maritime territories and their surrounding waters disputed by its neighbors, the implications of what some saw as an emerging China challenge to the status quo deepened apprehension in Tokyo, Manila, Hanoi, and Washington.¹⁷ By 2015, after four years of increased regional tensions punctuated by incidents between China and Japan in the East China Sea, and in the South China Sea between China and the Philippines and China and Vietnam, the assessment of China's role in the region was changing. Growing concern fueled a debate about whether China's allegedly new assertiveness called for a more forceful response.¹⁸ Even many previously optimistic observers, who had expected that inevitable frictions would accompany China's rise but that such problems

would be manageable, became more pessimistic. The somber tone was captured well in David Lampton's uncharacteristically downbeat musing that China and the United States might well be at a "tipping point" with a much more difficult and confrontational relationship in the offing.¹⁹ The transition to the Donald Trump administration after the 2016 U.S. presidential election reinforced such concerns.

In sum, by the second decade of the twenty-first century, potentially dangerous security problems in East Asia were attracting increased attention.²⁰ As they did, the United States repeatedly tried to allay China's fears of encirclement by stating that the United States did not seek to contain China, that it would not take sides in the sovereignty disputes in which Beijing was embroiled in the East and South China Seas, and that the rebalance was not mainly about military-strategic concerns but instead an adjustment reflecting the greater importance of the region, especially as its global economic significance had risen. Nevertheless, Beijing's view of such assurances was skeptical, if not dismissive. It instead focused on the need to better prepare for the possibility that it was witnessing the advent of a newly hostile U.S. strategic posture that would result in a security environment for China more dangerous than at any time since the early 1980s.

While Beijing's new security concerns may be exaggerated, there is little doubt that a rising China faces a growing array of foreign policy challenges in East Asia and that these challenges in part have resulted from its own improving military capabilities and the responses these improvements have triggered. China, its regional neighbors, and the United States all insist that their military preparations merely aim to defend the status quo. Yet they are unable to overcome disagreements about the definition of the status quo, harbor uncertainty about others' candor, and worry about the need to hedge against the durability of today's intentions in tomorrow's unpredictable circumstances. They confront what international relations scholars refer to as the security dilemma. As such, their interactions, not fully under any one state's control, continue to drive the evolution of this complicated regional dynamic while a changing China shapes and is shaped by a changing world.

CHINA'S CHANGING ROLE IN GLOBAL SOCIETY

When China's reform program was launched in 1979, its CCP architects sought to end the country's self-imposed isolation and to engage with the outside world in ways that would advance China's modernization and ultimately provide the basis for becoming a stronger actor on the world stage. But this opening was not just about trade and investment or building a more powerful military. It was also about lowering a broad array of barriers that had been interposed between China and the world while Mao's self-reliant development strategy prevailed. When Mao's successors opened China, they also exposed it to the rich variety of modern life that was taken for granted in much of the rest of global society. The improvement in the quality of the Chinese people's daily lives that this opening would make possible was a step that the reformers expected would help rebuild popular support for the CCP that had frayed badly during the drab, barren final decade of insular Maoist rule.

There were, however, limits to the Party's embrace of openness. From the beginning of the reform era, it was determined to manage the terms of China's engagement with global society. Initially, management mostly entailed filtering the foreign ideas and cultural products permitted to enter China, excluding those the CCP deemed unacceptable.²¹ But as in the realms of economics and security, over time a rising China's leaders shifted from their relatively passive posture of selectively engaging the world the country encountered to playing a more active role designed to reshape international society and China's relation with it. And, as in the economic and military-security realms, by the second decade of the twenty-first century the initially warm welcome for a more active China's broader role in global culture and society was giving way to concerns about its implications and sometimes a backlash.

Education, Information, and Soft Power

As post-Mao reforms ended China's self-imposed isolation, reengagement with international society was most dramatically reflected first in international education. After 1980, Chinese scholars and

students quickly became a highly visible presence on campuses around the world. Overseas education and research opportunities initially depended on financial support from the Chinese government or from foreign universities or foundations. Most of these pioneers headed abroad were either visiting senior scholars or graduate students. In the early twenty-first century, however, Chinese nationals were also becoming one of the largest contingents of foreign undergraduate students. China's growing prosperity was facilitating an expansion in the number as well as an increase in the diversity of those Chinese headed overseas for training. Some of China's increasing number of very prosperous families even began sending their children to private secondary schools overseas to improve their prospects for coveted admission to the best colleges and universities in the English-speaking world.

Although Beijing's reformers expected these expanded international educational opportunities to boost the contribution China's intellectuals could make to the country's modernization, at first a disappointingly small fraction were actually returning. Some remained overseas because they were not confident they could find employment in China that would allow them to put their hard-earned credentials to good use, worried that they were overqualified for the positions available in a Chinese economy that still lagged behind those in the advanced industrial world. Others worried that the importance of seniority and political connections for job placement and career advancement in China would pose challenges they could avoid by working overseas. And still others, especially in the immediate aftermath of the 1989 Tiananmen Square crackdown, hesitated to return to China because they worried about retribution for their open support of the pro-democracy demonstrators.

Yet, if the "yield" on the CCP reformers' investment in encouraging overseas education during the 1980s and 1990s may have fallen short of their hopes, the country's modernization clearly benefited from those who did return after acquiring the kind of academic training that was not yet readily available in China. And by the turn of the century, as the employment opportunities available in the PRC improved along with the economy's development, and as the perceived risks of previous political activities diminished, more of those

trained abroad began to filter back to China, though some moved in that direction tentatively by first “parking on the doorstep” in Hong Kong.²² Since 2000, the job market on the mainland has become sufficiently attractive to increase the fraction of those receiving education abroad who decide to pursue their careers in China, and the absolute number of returnees has risen as more have gone abroad to study. Nevertheless, Beijing still faces a tough challenge enticing the very best foreign-trained Chinese to return and settle in the PRC.²³ Despite advances in the economy, returnees (the “sea turtles,” or *hai-gui*, in Chinese slang) continue to confront an array of professional complications (including political restrictions on the use of information technology, essential to a wide variety of modern careers, and an uncertain legal environment) and personal inconveniences (including worries about the health risks resulting from poor consumer product safety and environmental degradation) that they and their families would not face in many other countries where they could put their training to good use.

In addition to opening the door to Chinese seeking education abroad, the reforms launched in 1979 also made it possible for large numbers of foreigners to learn about China by studying in the PRC, a society that had been off-limits to all but a select group of politically acceptable foreign friends during the Maoist decades. And in 2004, as China’s international presence expanded, the Chinese government launched an initiative to increase the availability overseas of a Chinese education about China. Echoing the “go out” policy aimed at China’s business community, through the Ministry of Education’s National Office for Teaching Chinese as a Foreign Language (the Hanban), Beijing subsidized, dispatched key staff members, and provided curricular materials for “Confucius Institutes” to promote familiarity with Chinese language, history, and culture around the world. These “CIs”—some affiliated with public schools, others with colleges and universities—vary in their role and mission, depending on the agreements struck with host institutions and local governments. To the consternation of their Chinese sponsors, however, their presence has at times provoked controversy. Some CIs have foundered because of local concerns about Beijing’s control over the content of their curriculum. Some have triggered suspicion that in

order to preserve funding for their CIs, administrators at host universities and colleges might defer to Chinese government sensitivities (especially about the issues of Tibet and Xinjiang) rather than uphold the principles of academic freedom of inquiry and expression in programs and events across their campuses.²⁴

The unwelcome controversy that has accompanied China's CI education initiative notwithstanding, it remains part of Beijing's broader interest in enhancing China's soft power, international influence rooted in a country's appeal to others, a concept popularized by Harvard's Joseph Nye and that has attracted substantial attention in China.²⁵ Enthusiasts of soft power argue that countries that have it reduce, even if they do not eliminate, their need to rely on costly material incentives ("carrots and sticks") to shape the policy choices of international admirers. Confucius Institutes are one, but not the only, initiative aimed at enhancing China's soft power by managing the country's image in international society. Another has been the global spread of China's outlets for news and information in the twenty-first century. Including the state-run Xinhua News Agency and the CCTV network, this international expansion aims not simply to increase knowledge about or interest in China overseas, but also more reliably to convey a positive image of China around the world, offsetting what Beijing sees as overly negative coverage of the PRC in much foreign reporting.

Yet the payoff from these government-sponsored attempts to enhance China's soft power has thus far been disappointing. In part, this is because China's leaders have encountered the same problem as their counterparts in other countries who have undertaken such image-polishing initiatives.²⁶ Soft power, unlike hard power, is maddeningly difficult to manufacture. To the extent that it is rooted in the perceived virtues of a way of life, initiatives that are sponsored by a government are likely to be tainted from the outset because they so obviously reflect a political self-interest.²⁷ China's global public relations activities have often been viewed in this light, diminishing their usefulness for augmenting soft power. While China's engagement is welcomed by others, it is welcomed mostly because it provides tangible benefits (especially language training) at an acceptable cost. This is a straightforward transactional logic rather than one that reflects a

deep-rooted attraction that might result in an inclination to identify with and defer to Chinese policy preferences, the sine qua non of soft power. Consequently, these efforts have not reduced the need for Beijing to rely mostly on hard power—tapping its growing material resources to influence others and to assuage their concerns about the price that comes with accepting China's larger international role.

Art Opening

During the 1980s and 1990s, the opening to the outside world also greatly expanded the availability within China of the creative arts from abroad. Music, painting, drama, television, and film that were part of contemporary culture around the world quickly became part of China's cultural scene as well. From the very start, however, a wary Communist Party set limits on the foreign influences permitted within China. And when a new generation of Chinese artists began to emerge in the more relaxed and cosmopolitan post-Mao Chinese society, the Party also tried to limit the role they could play internationally.

The revival of the film arts in the PRC after the regime eased the stultifying cultural blinders of the Maoist period typified the pattern. Party authorities permitted but selectively restricted the import of Western films, and censored their contents. They also closely monitored the growing number of Chinese films screened overseas as a new wave of work by Chinese directors attracted global attention and praise, including awards at major international film festivals.²⁸ As more Chinese films were made both for domestic and global audiences, those that touched on sensitive themes became the focus of controversy as Beijing occasionally resorted to heavy-handed censorship. Artists and their sponsors (including international film festivals that featured Chinese films in their awards competitions) confronted official and unofficial criticism, demands that films be edited to satisfy the politically tinged cultural tastes of China's censors, and the prospect of limits on distribution within the PRC.²⁹

In the twenty-first century, two interacting trends in the movie industry have given rise to new frictions with the Chinese authorities. First, the market for foreign films on the mainland has surged along

with the purchasing power of Chinese consumers. Second, more foreign directors have sought to shoot their films in China to take advantage of distinctive locations and lower production costs. As these trends furthered the integration of China into the international film community, foreigners bridled at accommodating the conditions that Beijing often imposed on work to be produced or consumed in China. Foreign concerns initially centered on simple censorship that entailed deleting sequences or altering scripts the Chinese authorities previewed. But more recently, as China's economic importance to Hollywood has grown at a time when the film market within the United States has sputtered, some in the international artistic community have expressed fears of self-censorship (similar to the concerns about deferential administrators at institutions hosting Confucius Institutes). To ensure access to China's lucrative distribution networks, some worry that foreign directors or producers might be altering content in anticipation of the need to account for the preferences of censors in Beijing. If so, the leverage of China's growing market power might shape the choices of foreign artists who covet the professionally and financially profitable distribution of their work on the mainland. Whether or not such fears are misplaced or exaggerated, the concern suggests that the film industry provides another example of the way China's changing international profile has affected its relations with a changing world, transiting the path from a country mainly coping with an international context it took as given, to a country that seeks to shape that context.

Human Rights

Over the past several decades, a growing transnational community of activists and nongovernmental organizations (NGOs), along with a wide variety of governments around the world, have endorsed and promoted what they view as universal human rights to which all members of international society are entitled. China's leaders, however, have long stood out in resisting this emerging consensus, rejecting the argument that all must conform with a single standard that fails to take into account the distinctiveness of each country's national historical experiences and current material conditions. Beijing's

response to international criticism of its own record on human rights has emphasized the inviolability of the principle of state sovereignty that renders foreign interference in a country's internal affairs illegitimate. Beijing has coupled this argument with its advocacy of an expanded understanding of human rights that attends not only to civil and political rights but also to social and economic rights—areas where Beijing could credibly claim the conditions for China's people, and thus China's human rights record, had greatly improved. These positions remain the twinned pillars of the PRC's view articulated in international forums where human rights are discussed and invoked when others criticize China's human rights record.

In the twenty-first century, however, an ostensibly more self-confident Chinese leadership may be shifting to a posture that moves beyond this defensiveness and seeks instead to reshape the context of the international debate about civil and political rights in ways that would make China less of an outlier in global society. Under the leadership of Xi Jinping, China has moved on two fronts that reflect such efforts. One is its attempt to craft new international standards on the regulation of cyberspace that reflect the Chinese regime's strong preference for tighter restrictions on the right to circulate information. Beijing seeks safeguards against the spread of heterodox ideas that it believes could pose a threat to domestic political stability and ultimately the security of one-party rule by the CCP. The second is the drafting of China's new law regulating foreign NGOs operating in China, including those emphasizing the protection of citizens' rights. In both of these initiatives, China is taking steps to mold new international norms and rules rather than simply pushing back against the Western consensus that had become dominant in the post-Cold War era. And in doing so, China is not alone. It is joined by other authoritarian regimes, most notably Vladimir Putin's Russia, that share the CCP's concerns about the implications of international influence on domestic politics in their own countries, especially in the era of vibrant social media. Thus far, Beijing's challenge to the growing globalization of Western norms about civil and political rights that supersede national sovereignty has failed to gain widespread support. But in a world where a wide variety of regimes, including some in the West, worry about the blurred lines between

innocent NGOs and transnational terrorist organizations and the trade-off between the desirability of an open Internet and its vulnerability to malicious exploitation by criminals, spies, and extremists, it is possible that China's position on these matters will not remain the outlier it once was.

The contributors to this volume explore some of the many issues raised by a changing China's interaction with the evolving global order in the twenty-first century. Gregory T. Chin, Daniel C. K. Chow, Edward S. Steinfeld, and Cynthia A. Watson focus on the dramatically increased importance of China's international economic role. Chin examines the PRC's influence in the global monetary system. He describes the growing significance of China as an international creditor (accelerated by the need for currency stability during the great recession of 2008 and then the sovereign debt crisis in Europe in 2011–2012) as well as China's concerns about American economic policies that led Beijing to push for the Chinese renminbi (or yuan) to play a larger role within a more diversified international monetary system. Chin's analysis suggests that Beijing's aim is not to fundamentally alter the system, but instead to revise and reform it in ways that are consistent with the original vision of the Bretton Woods order while better taking account of the changed economic realities of the current era in which the importance of other currencies (especially the euro and yuan) relative to the still dominant U.S. dollar has increased. Sounding a theme that reappears in other chapters, Chin portrays a China that is both interested in changing the world it is engaging and also better able than ever to press for such changes. He does not, however, see China mounting a direct challenge that threatens international stability or the interests of other states.

Daniel C. K. Chow's view is less sanguine. He sees China following a strategy that aims to advance its own economic interests at the expense of others. Focusing on Beijing's investment policies, Chow argues that these are designed to accelerate China's rise as a global economic power. He emphasizes two features of these policies. First, Beijing implements discriminatory rules that undermine the competitiveness of foreign-owned multinational companies operating

within China. Second, Beijing gives its state-owned enterprises (SOEs) an advantage as they expand their overseas investments, especially in the developing world, by refraining from national regulations—especially those covering bribery of officials and codes of conduct covering labor conditions—that many of China's major foreign competitors impose on their businesses operating abroad. Chow notes that however unfair such practices may seem, they are technically not a violation of international legal obligations under the World Trade Organization (WTO). Consequently, objections to China's policies cannot be pursued within the international forum of the WTO's dispute settlement system. Instead, Chow indicates that the only recourse available is to pursue complaints through the Chinese legal system, an approach unlikely to provide a hearing that foreigners will deem fair or results that they will find satisfactory.

Edward S. Steinfeld, too, notes concerns and complaints about a rising China's economic policies and intentions, but argues that viewing these policies as the predatory approach of an aggressive economic rival is an unhelpful and inaccurate oversimplification. Examining the energy technology sector, Steinfeld sees elements of cooperation amid the inevitable commercial competition, and mutual benefit despite the self-interest underlying national policies. The rise of Chinese firms as suppliers of technologies and products has, Steinfeld indicates, boosted the availability of affordable clean energy alternatives around the world, thereby contributing to the broadly recognized need to address the problem of global warming. But Western critics have given this collective benefit short shrift, he notes, instead raising objections to Beijing's subsidies that preclude fair competition, its toleration of (and possibly support for) intellectual property theft that benefits Chinese companies, and its industry's failure to generate innovative technologies necessary to advance the struggle against global climate change. While acknowledging the merits in these concerns, Steinfeld views them as ahistorical (China's industrial policies are similar to those that were embraced by other rising economic powers in the past) and dangerously shortsighted (if others respond with their own self-interested industrial policies, rational pursuit of national interests may undermine the collective rationality of preventing global climate change—a classic “tragedy of the

commons”). Yet Steinfeld hopefully adds that beyond the rhetoric of national competition, in practice, cooperation between Chinese and foreign firms continues to demonstrate tangible mutual benefits from the two-way sharing of technology and expertise in production. Thus, his depiction of a changing China’s international role is one that realistically presents reasons for concern but also evidence that such concerns need not preclude cooperation.

Cynthia A. Watson traces the remarkably quick growth of China’s engagement with Latin American economies in the twenty-first century. Much attention has been focused on China’s newly significant economic role in Africa. Watson identifies a similar story playing out in another resource-rich part of the developing world. China’s search for energy and minerals to sustain its breakneck pace of economic growth early in the century, and for suppliers of foodstuffs to complement domestic production, made Latin America a logical destination for Chinese overseas trade and investment once Beijing encouraged its businesses to “go out.” As economic ties with the region expanded, Chinese investment in infrastructure to facilitate bilateral trade expanded as well. When these ties initially took off, many in the region anticipated that their economic relationship with China would be mutually beneficial and contrast sharply with what they saw as the exploitative nature of their earlier experience with Europeans and especially the United States. This apparent enthusiasm for China’s arrival led some in Washington to express concern about a potential strategic rival making inroads in the Western hemisphere. Watson argues, however, that the region’s hopes and Washington’s fears were both exaggerated. China’s distance from the region and foreign investment decisions that reflected its inexperience and narrow focus on self-interest greatly diminished the prospect that China would supplant American influence or fundamentally recast the role that international trade and investment plays in the development of Latin America’s economies.

The next four chapters consider China’s changing role in international security affairs. Jonathan D. Pollack, Allen Carlson, Robert S. Ross, and Jacques deLisle each examine the implications of a more powerful China in an evolving, uncertain, and potentially dangerous world.

Jonathan D. Pollack considers the prospects for adjustments in East Asia's security order which has continued, at least formally, to reflect arrangements dating to the early decades of the Cold War. Unlike Europe, where rivalry between two large alliances faced off for more than four decades until one of the alliances dissolved, in East Asia a hub-and-spokes network of bilateral arrangements between a dominant United States and its various regional allies and partners has persisted. Pollack assesses the implications as China and the United States figure out how to respond to China's rise and the resulting shifts in the balance of power. In so doing, he depicts the diversity of views and interests in Beijing and Washington that are shaping what remains a fluid, evolving regional order.

Allen Carlson looks at an aspect of security affairs, the role of intervention for military and humanitarian purposes, that is often undertreated in the international security literature and rarely the focus of attention in analyses of China's foreign policy. As Carlson notes, after the Cold War China has periodically debated the appropriateness of intervention in ways that depart from the PRC's once uniformly blunt rejection of all intervention as unjustifiable interference in the internal affairs of sovereign states. Examining a renewal of the debate among China's foreign policy elites, Carlson identifies two major positions. One amounts to a reassertion of the traditional view, suspicious of the rationale offered for intervention and worried that it is a pretext employed by the United States and its allies to ensure the preservation of an international order that serves their interests, while potentially constraining China or even jeopardizing its national interests. This view argues for a Chinese policy that responds to what is viewed as a worrisome increase in international intervention since the end of the Cold War and that more effectively resists departures from the traditional view of national sovereignty. This conservative position reflects China's own victimization at the hands of foreign powers during its "century of humiliation." By contrast, other analysts promote a more active role for China in molding new norms to set the terms for justifiable intervention. This progressive position has been most prominently advanced by those who see opportunities for the PRC to help shape an emerging international norm on a "responsibility to protect" that could serve as a carefully

circumscribed basis for legitimate humanitarian intervention. Rather than reflecting China's past experience as a weak country, this position is consistent with a view of China as a newly emerging great power that has a right and a responsibility to play a key role in forging a new global order.

Robert S. Ross examines China's growing naval power, an aspect of China's military modernization that has increasingly drawn the attention of international security analysts. China's military modernization had previously given priority to land forces, air forces, and ballistic missiles. In the twenty-first century China began to elevate the role of, and to sharply increase the investment in, its navy. While agreeing with the conventional wisdom about the national interests driving China's naval modernization, Ross questions those who see China becoming a global maritime power, highlighting geopolitical circumstances that may prevent its navy from achieving this goal. He instead emphasizes the security challenges that face China in its immediate neighborhood, considerations that will constrain even a larger and more modern PLA navy to concentrate its deployments in East Asia. And, he adds, the rising economic and strategic significance of East Asia will also lead the United States to concentrate its naval power in the region to ensure its own interests as China's naval power expands. The result, Ross predicts, is likely to be a more fraught East Asian security landscape and growing insecurity elsewhere around the world as the U.S. Navy will no longer be readily available to play its longstanding role as a force for stability in other regions.

Jacques deLisle presents a fresh approach to thinking about the interaction of security and international law in the context of China's disputes with its neighbors in the East and South China Seas. Much of the literature that has addressed the renewed intensity of rivalry over these territorial sovereignty and maritime rights disputes has juxtaposed national actions aimed at consolidating, defending, or advancing claims to landforms at sea with an alternative that would rely on the application of international law to settle or manage disputes. DeLisle, however, argues that relevant international legal doctrines that are generally conducive to international peace and stability have, in the context of the South and East China Seas, in fact created incentives for states to act in ways that raise tensions and

increase the possibility of military crisis or conflict. In particular, he identifies features of international law that encourage attempts to strengthen national claims to landforms because the law makes these the most reliable basis for establishing the important maritime rights to vast stretches of the economically valuable and strategically vital waters of the East and South China Seas that rival states seek. He also points to the ambiguity of legal doctrines, which encourage conflicting, self-serving interpretations and raise mutual distrust and suspicions that China is pursuing a revisionist agenda. DeLisle acknowledges the significance of considerations such as pride, honor, nationalistic fervor, and straightforward military competition also driving state behavior in Asia's waters. But he draws attention to the perverse incentives for assertive action that flow from relevant international maritime law as long as the states involved (especially China) are unwilling to submit to formal dispute resolution procedures such as the arbitration tribunal for which the UN Convention on the Law of the Sea provides. These disputes and their complex link with the relevance and usefulness of international law, then, suggest another issue area in which a rising China is both shaping and being shaped by the international order it faces.

The final group of chapters, by Pitman B. Potter, David Zweig, Stanley Rosen, and Randy Kluver, focus on changes in China's role in international society and culture. Though addressing substantively diverse topics, each indicates the growing significance of an increasingly capable and active China on the world stage on matters that extend beyond economics and security affairs.

Pitman B. Potter examines long-standing disagreements between China and the international community about human rights. Potter identifies major continuities in the position staked out by the CCP, which rejects foreign criticism of the limitations on civil and political rights enjoyed by the Chinese people and insists that such rights are subordinate to the stability and economic development that require strong Party leadership. But Potter also notes the growing challenges that leaders in Beijing face as they continue to defend this position against recurrent pulses of activism by citizens at home and growing support for these activists from the international community. Both press for expanding civil and political rights and focus on

shortcomings in China's legal system, its treatment of national minorities, its limits on freedom of expression, and its tight constraints on religious freedom. Despite the regime's occasional concessions to address some of the most egregious abuses identified by domestic and foreign critics, Potter notes the limited effectiveness thus far of such pressure and concludes that there has been remarkably little improvement in these aspects of China's human rights record. Potter also suggests, however, that the persistence of such pressures that accompany China's engagement with the international community, essential to the regime's broader development agenda, may eventually have corrosive effects on the legitimacy of the CCP's human rights orthodoxy.

David Zweig explores the challenges Beijing faces in encouraging China's most talented scholars and businesspeople to return to the PRC after their education or employment abroad. He identifies several difficulties that shape the decisions of Chinese overseas as they ponder their future. These include concerns about the conservative organizational culture of many Chinese institutions, political uncertainties, and the jealousy felt by those who have not had similar international opportunities to advance their careers. The initial wave of Chinese scholars who took advantage of the educational opening at the advent of the reform era, Zweig notes, were motivated by a patriotic sense of responsibility to contribute to China's modernization. But since the mid-1980s those going abroad have increasingly given higher priority to career goals and family interests when they decide whether or not to return to live and work in the PRC. In light of these changing motivations, Zweig sees the extent to which China's leaders have succeeded in encouraging reverse migration as remarkable, and as a direct consequence of innovative policies they have adopted. Yet, although these policies mitigate the career and family concerns of China's overseas talent pool, the entrenched institutional interests and culture that have been the taproot of their concerns remain in place. Especially for the very best in the pool, the changes fall short of the fundamental reforms that are needed to convince them to forgo opportunities overseas in a global economy that offers attractive landing spots in a wide variety of advanced industrial countries.

Stanley Rosen examines changes in China's film industry and its growing international engagement. By 2015, China had become the world's second largest film market and was on a trajectory that could soon make it the world's largest. This box office boom has included many imported movies from Hollywood that have been spectacularly successful in China. Rosen notes the response to this success from the CCP regime, which includes attempts to filter the types and limit the number of Western movies shown in the PRC as well as attempts to foster a Chinese film industry whose movies will not only be warmly received at home but will also have global appeal. Rosen sees the regime's effort at promoting China's film industry as part of its broader push to increase China's soft power. As indicated in the preceding discussion of soft power, however, the results of this initiative have been disappointing. Rosen describes Beijing's quest for movies that market the "Chinese dream" at home and abroad as an alternative to the more familiar "American dream" so intimately interwoven with the films from Hollywood. But, Rosen explains, because the Chinese dream is a particularistic vision rooted in a single nation's culture and politics, it is predictably a hard sell in key overseas markets. Perhaps more surprisingly, and surely disappointingly for China's CCP leaders, it has also been a hard sell among Chinese youth who drive the domestic box office. They continue to find the culture and ideals reflected in American films more appealing, even if they remain hostile to American foreign policy. In short, Rosen's assessment of China's film industry suggests the complexities of the connection between cultural appeal and political appeal, and casts doubt on the feasibility of a rising China's state-sponsored attempts to boost its soft power.

The book concludes with Randy Kluver's chapter focusing on another element of a rising China's attempt to increase the international visibility and appeal of its culture—the Confucius Institutes (CI) established overseas beginning in 2004. Kluver disputes the frequent association of the CI initiative with Beijing's geopolitical strategy to advance the country's national interest in achieving greater international economic and military influence. Instead, Kluver argues that the initiative is mainly about a geocultural agenda that aims to reshape "global cultural flows" with little expectation of an immediate

political payoff for China. He rejects the view that CIs are most importantly vehicles for political propaganda. In part because Klüber sees that mistaken impression resulting from a narrow focus on the reaction to CIs in the West, he offers a broader global view. It suggests that CIs have become a prominent feature of cultural globalization not simply because of Beijing's promotion but also because interest in China around the world has grown apace with the dramatic increase in its international economic and political role.

The chapters included in this volume chronicle key aspects of China's reemergence during the second decade of the new century as a more capable actor whose global engagement continues to reshape the international order. Changes within China have made it a more consequential player in world affairs than at any time in modern history. And changes in the international economic, security, and social-cultural order—some that China has sought and others that reflect the reaction to China's more salient role—are in turn altering the context within which the country's future role will be determined.

NOTES

1. John W. Garver, *Foreign Relations of the People's Republic of China* (Englewood Cliffs, N.J.: Prentice Hall, 1993), pp. 2–30; Michael D. Swaine and Ashley J. Tellis, *Interpreting China's Grand Strategy: Past, Present, and Future* (Santa Monica, Calif.: RAND, 2000), pp. 21–95.

2. John King Fairbank and Ta-tuan Ch'en, *The Chinese World Order: Traditional China's Foreign Relations*. Harvard East Asian Series (Harvard University Press, 1968).

3. See Avery Goldstein, *Deterrence and Security in the 21st Century: China, Britain, France and the Enduring Legacy of the Nuclear Revolution* (Stanford University Press, 2000); and *Rising to the Challenge: China's Grand Strategy and International Security* (Stanford University Press, 2005).

4. See David L. Shambaugh, *China Goes Global: The Partial Power* (Oxford University Press, 2013), pp. 56–57.

5. See Carol Lee Hamrin, "China Reassesses the Superpowers," *Pacific Affairs* 56, no. 2 (Summer 1983), pp. 209–31; also Goldstein, *Rising to the Challenge*, pp. 25, 119.

6. Goldstein, *Rising to the Challenge*.

7. Thomas J. Christensen, *The China Challenge: Shaping the Choices of a Rising Power* (New York: W. W. Norton, 2015).

8. These purchases also helped Beijing prevent the appreciation of the renminbi. China's trade surplus with the United States grew rapidly and dollars flowed into China. Determined to prevent the value of its currency from rising since that could hurt China's export sector, the authorities in Beijing bought up the billions of dollars to which the renminbi was pegged. The result was China's rapid accumulation of massive foreign exchange reserves, mostly dollars. Beijing's decision to invest a large fraction of those reserves in safe U.S. Treasury securities helped keep U.S. interest rates low, enabling Americans to borrow money cheaply.

9. One of the most visible signs was the leading role that China played alongside the United States as they sought to cope with the effects of the global recession at the Pittsburgh summit meeting of the G-20 in 2009.

10. See "China and the World Economy: Taking a Tumble," *The Economist*, August 29, 2015.

11. Albert O. Hirschman, *National Power and the Structure of Foreign Trade*, Publications of the Bureau of Business and Economic Research, University of California (University of California Press, 1945).

12. This logic is reflected in an interview with Peking University's Wang Jisi, one of the top Chinese experts on international relations and especially U.S.-China relations. Wang Jisi, "'Xijin,' Zhongguo diyuan zhanlue de zaipingheng" ["Go West," China's geostrategic rebalance], *Huanqiuwang* [Global Network], October 17, 2012 (http://opinion.huanqiu.com/opinion_world/2012-10/3193760.html). See also Yun Sun, "March West: China's Response to the U.S. Rebalancing," *Brookings Blog*, January 31, 2013 (<http://www.brookings.edu/blogs/up-front/posts/2013/01/31-china-us-sun>).

13. See Evan A. Feigenbaum, "Central Asia Contingencies," in *Managing Instability on China's Periphery*, edited by Paul B. Stares and others (New York: Council on Foreign Relations, 2011), pp. 60–70.

14. See "A Look at the China-Led Asian Infrastructure Investment Bank," *Deutsche Welle*, July 9, 2015 (<http://www.dw.com/en/a-look-at-the-china-led-asian-infrastructure-investment-bank/a-18541209>). See also Article 28 of the Articles of Agreement founding the AIIB (<http://www.aiib.org/uploadfile/2015/0814/20150814022158430.pdf> available from The Multilateral Interim Secretariat of the Asian Infrastructure Investment Bank, http://www.aiibank.org/html/aboutus/Basic_Documents/).

15. See Evan A. Feigenbaum and Robert A. Manning, "A Tale of Two Asias: In the Battle for Asia's Soul, Which Side Will Win—Security or Economics?" *Foreign Policy*, October 31, 2012.

16. See Andrew S. Erickson, “China’s Military Modernization: Many Improvements, Three Challenges, and One Opportunity,” in *China’s Challenges: The Road Ahead*, edited by Jacques deLisle and Avery Goldstein (University of Pennsylvania Press, 2014), pp. 178–203.

17. Not all saw China’s approach as new or more assertive. See Michael D. Swaine, “China’s Assertive Behavior—Part One: On ‘Core Interests,’” *China Leadership Monitor*, no. 34 (Winter 2011), pp. 1–25; Michael D. Swaine and M. Taylor Fravel, “China’s Assertive Behavior, Part Two: The Maritime Periphery,” *China Leadership Monitor*, no. 35 (Summer 2011), pp. 1–34; Alastair Iain Johnston, “How New and Assertive Is China’s New Assertiveness?” *International Security* 37, no. 4 (April 2013), pp. 7–48.

18. See Avery Goldstein, “U.S.-China Interactions in Asia,” in *Tangled Titans: The United States and China*, edited by David L. Shambaugh (Lanham, Md.: Rowman & Littlefield, 2013), pp. 263–91.

19. See David M. Lampton, “A Tipping Point in U.S.-China Relations Is Upon Us,” *U.S.-China Perception Monitor*, May 11, 2015 (<http://www.uscnpm.org/blog/2015/05/11/a-tipping-point-in-u-s-china-relations-is-upon-us-part-i/>.) The growing pessimism also drew attention to the views of those who had long proffered more alarmist views about China’s rise and had called for a firm response. See Robert D. Blackwill and Ashley J. Tellis, “A New U.S. Grand Strategy Towards China,” *National Interest*, April 13, 2015; Matthew Harries, “Survival Interview: Aaron L. Friedberg on the Debate over US China Strategy,” *Politics and Strategy: The Survival Editors’ Blog*, May 29, 2015 (<http://www.iiss.org/en/politics%20and%20strategy/blogsections/2015-932e/may-7114/debate-over-us-china-strategy-f18a>).

20. Although less pressing than events to the south in East Asia, deepening concerns about the implications of a nuclear-armed North Korea also posed challenges for China’s foreign policy. The improvement in U.S. theater and national missile defenses to cope with North Korea’s potentially dangerous unpredictability energized China’s pursuit of more advanced technologies to ensure the continued reliability of its own nuclear deterrent despite a changing strategic environment. These include China’s advances in anti-satellite, electronic-, and cyber-warfare capabilities, and most importantly increases in the number of its intercontinental ballistic missiles, some with multiple warheads.

21. Carl Minzner recalled Deng’s expectation that the Party would need to deal with this concern: “When other party leaders criticized such policies for allowing dangerous foreign influences to circulate, Deng famously responded, ‘If you open the window for fresh air, you have to expect some flies to blow in.’” In “China Is Again Slowly Turning in on Itself,” *Los Angeles Times*, August 14, 2015.

22. David Zweig, "Parking on the Doorstep," Working Paper 3 (Hong Kong: Center on China's Transnational Relations, 2002) (http://www.cctrust.hk/materials/working_papers/WorkingPaper3.pdf).

23. See David Zweig, "Luring Back the Chinese Who Study Abroad," *New York Times*, January 21, 2013.

24. For a highly critical view, see Marshall Sahlins, *Confucius Institutes: Academic Malware* (Chicago: Prickly Paradigm Press, 2014). On the decision of the Toronto School District to close its Confucius Institute, see Karen Howlett and Caroline Alphonso, "TDSB Votes to Officially Cut Ties with Confucius Institute," *Globe and Mail*, October 29, 2014. For a range of academic opinion, see "The Debate Over Confucius Institutes: A China File Conversation," *China File*, June 23, 2014 (<http://www.chinafile.com/conversation/debate-over-confucius-institutes>); "The Debate Over Confucius Institutes Part II," *China File*, July 1, 2014 (<http://www.chinafile.com/conversation/debate-over-confucius-institutes-part-ii>).

25. See Shambaugh, *China Goes Global*, 207–68; Mingjiang Li, ed., *Soft Power: China's Emerging Strategy in International Politics* (Lanham, Md.: Lexington Books, 2011).

26. American initiatives since the early 2000s to offset the perception that the United States is hostile to Islam, rather than just Islamic extremists, have also fallen flat.

27. See David Shambaugh, "China's Soft-Power Push," *Foreign Affairs* 94, no. 4 (2015), pp. 99–107.

28. In 1979, China began to submit movies to the Academy Awards for nomination for the Best Foreign Film Oscar. Only two have been nominated, and neither won. Still, by the early twenty-first century, Chinese directors such as Zhang Yimou and Chen Kaige had become globally renowned. Perhaps emblematic of the growing visibility of Chinese cinema was *Crouching Tiger, Hidden Dragon*, winner of Best Foreign Film for 2000. Although it was directed by Taiwan's Ang Lee, it was filmed on the mainland and entailed cooperation between film companies there and those on Taiwan and in Hong Kong.

29. In addition to facing political constraints, some Chinese filmmakers face challenges in finding a market for less conventional work at home. See Edward Wong, "Chinese Independent Filmmakers Look to Locarno Festival," *New York Times*, August 14, 2015.