

HOW DID OBAMA EMBOLDEN CHINA? —COMPARATIVE ANALYSIS OF “ENGAGEMENT” AND “CONTAINMENT” IN POST-COLD WAR SINO-AMERICAN RELATIONS—

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Since the birth of the People’s Republic of China in 1949, differences in political institutions and ideologies have strained the relationship between the United States and China. Previous U.S. administrations have managed the post-Cold War Sino-American relationship by combining elements of “engagement,” meaning cooperation through diplomacy and economic relations, and “containment,” or the maintenance of a military balance of power. This paper offers a comparative analysis of U.S.-China policy during the Obama administration and the pre-Obama, post-Cold War years, with a major focus on the examination of how the Obama administration’s decisions and rhetoric have influenced China’s behavior.

Introduction

For more than half a century, leaders of the People’s Republic of China have challenged United States policymakers as their competitors and partners. The rapid economic and military rise of China, still under a Communist dictatorship, in the past decades has meant that the intentions behind its military growth have been a source of international mistrust. Offensive realist scholars and security experts have claimed this mistrust is leading these two nations into an inevitable “rivalry,”¹ and the US should prepare for China to someday challenge the US’ preponderance of influence in the Asia-Pacific region and in the world. On the other hand, China has also acted as a partner for US strategic interests. For instance, China is a major US bondholder, and is the US’s largest trading partner outside its regional Free Trade zone, NAFTA.² Businesses and dovish

¹ Friedberg, Aaron L. *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia*. (New York: W.W. Norton &, 2011), p.2.

² According to the figure from Treasury Department, the holding amounts to \$1.26 trillion as of December. <http://ticdata.treasury.gov/Publish/mfh.txt>

policymakers thus emphasize cooperation with China as critical for the US' economic growth and financial stability.³

Existing literature suggests that previous US administrations have managed the post-Cold War Sino-American relationship by combining elements of “engagement,” meaning cooperation through diplomacy and economic relations, and “containment,” or the maintenance of a military balance of power. President Barack Obama, who assumed office in 2009, attempted to balance both engagement and containment to gain cooperation from China on pressing international issues such as the global financial crisis, nuclear non-proliferation in North Korea, and climate change. However, his high expectations and his misunderstanding of Chinese intentions allowed accommodative American policies to be passed. This empowered China to behave more assertively and expand its territories, particularly in maritime regions.

This paper offers a comparative analysis of US-China policy during the Obama administration and the pre-Obama, post-Cold War years, in order to discuss the successes and failures of Obama's China policy. In the first section, I will briefly outline the elements of the engagement and containment policies during the Bill Clinton and George W. Bush presidencies, relying largely on a framework outlined in *Contest for Supremacy* by international relations scholar Aaron Friedberg. In the second section, I will analyze Obama's policy towards China since his inauguration using his speeches, statements, and memoirs, and identify the similarities and differences between his and previous administrations. The major focus of this paper will be an examination of how the Obama administration's decisions and rhetoric have influenced China's behavior.

Historical Overview of US China Policy – “Congagement”⁴

Since the birth of the People's Republic of China in 1949, differences in political institutions and ideologies have strained the relationship between the United States and China. Earlier in the Cold War, the US attempted to contain China purely to prevent the

³ Such as former Secretary of Treasury Henry Paulson and the so-called China huggers in Washington.

⁴ The term “conengagement” was first used by Zalmay Khalizad in his “Issue Paper” published from RAND in 1999.

spread of Communist ideology in Asia. According to Robert Jervis, China's participation in the Korean War in 1950, the first proxy war between the Soviet Union and the U.S, made the US start to perceive China as a threat.⁵ It is important to note that China was weak at that time; the US' primary enemy was the Soviet Union. In 1969, the Nixon administration changed course from containment, and began to engage with China from a realpolitik perspective. At that time, China and the Soviet Union were experiencing intense border clashes, and tension between the two nations was rising. Henry Kissinger, then the US' National Security Advisor, saw these disputes as an opportunity to break up the Sino-Soviet Communist block, and sought to partner with China against the Soviet Union. According to Friedberg, the "convergence of interest caused by the existence of a common enemy,"⁶ the Soviet Union, was critical for bringing such divergent countries together. However, he adds that the two countries failed to form a "true Sino-American strategic alliance," owing to ideological problems such as American disapproval of China's domestic political institutions, distrust of its totalitarian leaders, and sympathy for anti-Communist Taiwan in the closing decades of the Cold War.⁷ Indeed, the loss of a common adversary after the collapse of the Soviet Union in 1991 forced both countries to question the rationale behind their partnership.

A number of historical facts convinced US leaders that China's political liberalization would make the country more predictable, and that economic development was the key to bringing about such a transformation. Chief among them was Chinese President Deng Xiaoping's economic reforms in the late 1970s, which increased China's openness to trade and accelerated its development. People, capital, money, and information have flowed out of China since the Communists took power, and this gave US leaders hope that a movement towards democratization would soon follow.⁸ Nevertheless, a series of events, both domestic and international, increased American concern about the consequences of China's new economic growth. Chief among them was the Tiananmen

⁵ Jervis, R. "The Impact of the Korean War on the Cold War." *Journal of Conflict Resolution* 24.4 (1980): 563-92. Web.

⁶ Friedberg. *Contest*, p54.

⁷ Friedberg, *Contest*, pp.85-86.

⁸ Friedberg, p.87.

Square massacre in 1989, in which the People's Liberation Army killed several hundred unarmed civilians. To the international community, this demonstrated a setback in human rights and democracy in China. So too did the Taiwan Strait Crisis amid the Taiwanese elections in 1996. Beijing's increasingly confrontational stance towards Washington made it clear to Americans that, for the first time, China could become a potential rival and a competitor.

To deal with this uncertainty, the US has mixed elements of engagement and containment policies in a single strategy to manage the post-Cold War Sino-American relationship. Containment here refers to a strategy, which aims to maintain the balance of power tilted against emerging nations. According to Friedberg's analysis, the key elements of containment include (1) bolstering US military capabilities in the Asia-Pacific Region, (2) strengthening ties with regional friends and allies, and (3) slowing the growth of China's military power.⁹

The first strategy – boosting American military power in the region – was explicit in the Clinton administration's move to preserve the military's size and capacity in the Asia-Pacific region after the Cold War. In the early 1990s, there was a prevailing demand for Western countries to scale back their militaries, and the Prime Minister of the United Kingdom, Margaret Thatcher, and Clinton's predecessor, George H.W. Bush, proposed such a policy through the slogan, "Peace Dividend."¹⁰ Clinton's policy, too, was to maintain US military presence abroad, reflecting his commitment to prepare for a rising China. During the latter Bush administration, US forces, especially naval and air personnel, were "redistributed" to the Asia-Pacific region. Furthermore, the chief of the US Pacific Command remarked in 2007 that the administration intended the US to "retain the ability to dominate in any scenario, in all environments, without exception."¹¹ Increasing concern about China's rise has contributed to preservation of military deterrence in the region through the last two US presidencies.

⁹ Ibid. , p.89.

¹⁰ Ibid. , p.102.

¹¹ Ibid. , p.103.

The second strategy, strengthening relations with US allies in East Asia, had a notable effect on the US-Japan alliance, in particular. In 1996, Clinton and then Japanese Prime Minister Ryutaro Hashimoto, in a joint statement, reconfirmed the significance and the role of the alliance in the 21st century, and they updated defense guidelines in the following year. The new guidelines enhanced the mechanism for bilateral cooperation by allowing military coordination in peacetime, and by defining the geographical scope of US military jurisdiction to “situations in areas surrounding Japan.”¹² Most critically, the two countries reviewed their 2005 bilateral security alliance, which clarified the desire to peacefully resolve the issue of Taiwanese sovereignty. For the first time, it implied that China’s use of force against Taiwan would risk provoking not only the US, but also Japan.¹³ While the Japanese government’s interpretation of the Japanese constitution prohibited collective self-defense at that time, the two countries have expanded the areas of cooperation from times of contingencies to peacetime to adjust to the changing security landscape after the Cold War.

The third policy, which involved slowing China’s economy and military expansion, was implemented through export control, but was more difficult to enforce as US businesses preferred looser control for their profit. After the Tiananmen Square massacre in 1989, the US, along with several European countries, imposed a ban on lethal weapons and munitions exports to China, as a form of protest against Chinese leaders’ human rights abuses. The Clinton administration, however, was in favor of relaxing these controls, and approved hundreds of requests to sell dual-technology tools, satellites, and high-speed supercomputers to China.¹⁴ Under George W. Bush, the government attempted to more strictly control these exports, but the issue took a backseat after the September 11 attacks, which shifted its focus towards combating the global war on terror. According to Friedberg, the Bush administration did readjust its policy to increase the end control of high-tech exports to China, but this was rather a passive decision, motivated by Europe’s

¹² "The Guidelines for Japan-US Defense Cooperation." Ministry of Foreign Affairs. Ministry of Foreign Affairs of Japan, n.d. Web. 08 May 2016.

¹³ Friedberg P.104

¹⁴ Friedberg. P110-111

increasing desire to repeal the 1989 embargo policies.¹⁵ Some scholars argue that this economic engagement, rather than containment, actually contributed to the economic and military strength of China.¹⁶

Engagement refers to the strategy of seeking cooperation through trade and diplomacy. According to Friedberg's analysis, engagement was supported by three rationales during the Clinton and George W. Bush administrations. Firstly, this was good policy from the perspective of national interest. After President Deng's economic reforms, policymakers started to view China as a major player in world affairs, and thought the US could benefit from Sino-American cooperation. For instance, in 1990, Secretary of State Lawrence Eagleburger insisted "Washington needs to engage with Beijing in order to seek out areas where their interests overlapped and where they might be able to work together."¹⁷ In his view, both countries shared the same global concerns, such as the proliferation of nuclear and chemical weapons and ballistic missiles, and climate change.

From a strategic perspective, engagement could be used to "tame" China and adjust its external policies to better fit the US-led global order.¹⁸ The Clinton administration gave China Most Favored Nation status, believing that it would "increase...China's stake in cooperating... and complying with a wide range of international norms,"¹⁹ while the Bush administration sought to achieve further benefits from engagement, and pressured China to take responsibility for its role in solving international issues. In 2005, Under Secretary of State Robert Zoellick urged China to become a "responsible stakeholder," a nation "ready to work with (the United States) to sustain the international system that has enabled its success." He believed that giving China a larger stake in world affairs would constrain its actions and help its goals to ultimately converge with US interests, regardless of regime differences.²⁰

¹⁵ Ibid p.112

¹⁶ Blackwill, Robert D., and Ashley J. Tellis. "Revising US Grand Strategy Toward China." Council on Foreign Relations. Council on Foreign Relations, Apr. 2015. Web. 16 May 2016.

¹⁷ Friedberg, p.91.

¹⁸ Ibid., p.92.

¹⁹ Ibid., p.92.

²⁰ Ibid., p.92.

Both administrations also had the political desire to transform China into a liberal democracy through engagement. For instance, Clinton regarded the integration of China in the free trade system as an effective way to transform China, both externally and internally. In his speech during Chinese leader Jiang Zemin's 1997 visit to the US, Clinton said that "trade would accelerate China's growth, leading to higher incomes, greater freedom of choice in employment, housing and travel, and an accompanying increase in demands for political rights... (and) Chinese leaders would also eventually be confronted by the realization that in a modern, information-age society, restrictions on speech and communication are incompatible with continued, rapid growth."²¹ With this, he welcomed China into the World Trade Organization. Bush, too, supported China's liberation and said "young people who grow up with the freedom to trade goods will ultimately demand the right to trade ideas."²² However, he downplayed the US' role in bringing that change, and claimed instead that reform in China will come from its own people.²³ These decisions and statements imply that US leaders maintained a balance against China, but both administrations also regarded engagement as an effective means to better align Chinese and American US strategic interests, and to ultimately to transform China into a liberal democracy.

Obama's Engagement: China as a Strategic Partner

When Democratic President Barack Obama took office in 2009, Sino-American relations had become more complex and interdependent than ever, both economically and strategically. The increasing economic interaction had resulted in a US trade deficit, and China now held the largest amount of US bonds. China had also channeled some of its economic growth into modernizing its military, which was now able to threaten American dominance in the Asia-Pacific region. Strategically, China was a stakeholder in the US's top foreign policy issues – the global financial crisis, nuclear non-proliferation, and climate

²¹ Friedberg., p.93.

²² Ibid., p.94.

²³ Ibid.

change. As of 2009, China was the third-largest economy in the world, and the US wanted to prevent it from closing its markets, which could have dragged the world into further recession. Secondly, China was one of Iran and North Korea's major economic partners, giving it diplomatic leverage to pressure these countries. Thirdly, with regards to climate change, China had surpassed greenhouse gas emission limits, but also became a critical actor in creating a successful, binding environmental framework – that is, the Paris Agreement in 2015.²⁴

1. Analysis of Obama's Engagement Policy

In his first year, Obama downplayed the hedging strategy. He instead made a series of attempts to elevate the US-China relationship, with the hope of facilitating cooperation on global issues. This strategy mirrored Friedberg's first element of engagement; he viewed their relationship from the perspective of national interest. first move was a symbolic one. In their first summit in London in April 2009, Obama and Chinese President Hu Jintao agreed to build a "positive, cooperative, and comprehensive relationship"²⁵ between their two countries. Compared with the language used during the previous Bush administration, the words "cooperative, constructive, and candid" seemed to stress Obama's divergence from Bush's strategy, and his focus on China and the US' shared interests.²⁶ Obama's use of the term "strategic partner" also reflected his wish to alter and elevate China's diplomatic status. Clinton used the same phrase, but was criticized for it by Bush during his 2000 presidential campaign.²⁷ Obama's choice of words signifies his effort to rhetorically signal China that the US was willing to cooperate.

Second was an increase in diplomatic interaction, such as frequent Sino-American summits and the establishment of the Strategic and Economic Dialogue (S&ED).

²⁴ Bader, Jeffrey A. *Obama and China's Rise: An Insider's Account of America's Asia Strategy*. (Washington, D.C.: Brookings Institution Press), 2012. p.21.

²⁵ "Statement On Bilateral Meeting With President Hu Of China." The White House. April 1, 2009. Accessed February 08, 2016. <https://www.whitehouse.gov/the-press-office/statement-bilateral-meeting-with-president-hu-china>

²⁶ Blanchard, Jean-Marc F., and Simon Shen. *Conflict and Cooperation in Sino-US Relations: Change and Continuity, Causes and Cures*. Vol. 125. Routledge Contemporary China Series. (Routledge, 2015).

²⁷ Friedberg, p. 94.

The creation of the S&ED reflected the elevation of bilateral relations in many ways, particularly as it related to economic, political and national security-related issues. During George W. Bush's presidency, the Strategic Economic Dialogue, led by former Secretary of Treasury Henry Paulson, was the central mechanism for high-level dialogue between the U.S. and China on economic issues.²⁸ With Secretary Hillary Clinton's initiative, the Obama administration set up a two-track system – a Strategic Track for political and security-related issues, and an Economic Track for economic issues – for a new annual dialogue. This new system was meant as a “commitment to a sustained dialogue to enhance (the two countries’) shared interest,” and aimed to serve as a “platform for building trust and understanding by identifying areas of shared interest and addressing disagreements.”²⁹ The structure further developed in 2010, and a sub-dialogue, the Strategic Security Dialogue (SSD), was formalized within the strategic track. It became a venue for discussing sensitive issues, such as cyber-espionage and maritime security. Furthermore, the SSD was the first attempt to bring together civilian and military leaders from both countries, and marked major progress since 2008, when the US Congress approved arms sales to Taiwan. These talks were also the first time in the history of Sino-American relations that officials from various agencies had been brought together to discuss such a wide range of topics. Furthermore, the US had never had such an extensive mechanism for bilateral communication with any other country.

The third Obama initiative was a greater degree of respect for China's interests. This was suggested in a speech by Secretary of State Clinton in 2009, in which she said that the administration would not allow contentious issues, such as human rights abuses and conflict with Taiwan and Tibet, to “interfere with the global economic crisis, the global climate change crisis and the security crisis.”³⁰ This attitude was incorporated into the 2009 Joint Statement between Hu and Obama during Obama's visit to Beijing that November,

²⁸ Bader, *Obama*, p.21.

²⁹ "The US-China Strategic and Economic Dialogue, Rounds I-IV Strategic Track Outcomes." US Department of State. May 04, 2012. Accessed February 08, 2016. <http://www.state.gov/r/pa/prs/ps/2012/05/189288.htm>.

³⁰ "US-Asia Relations: Indispensable to Our Future." US Department of State. February 13, 2009. Accessed February 08, 2016. <http://www.state.gov/secretary/20092013clinton/rm/2009a/02/117333.htm>.

which stated “[t]he two countries reiterated that the fundamental principle of respect for each other’s sovereignty and territorial integrity is at the core” of the US-China relationship and “the two sides agreed that respecting each other’s core interests is extremely important to ensure steady progress in US-China relations.”³¹ Officially, China claims Taiwan and Tibet as their “core interest[s].” Because of this, the US postponed arms sales to Taiwan for eleven months after Obama’s inauguration, and it also rescheduled a meeting with Tibet’s religious leader, the Dalai Lama, to prioritize Obama’s meeting with Hu.

Scholars have suggested that the Chinese government felt positively about the US’ new approach. Yuan Peng, director of a Chinese government-affiliated think tank, said that the Chinese felt it was “possible to build a cooperative relationship” with the US after Obama stressed the two countries’ common interests and their joint responsibility in solving global issues – items beyond the scope of bilateral talks.³² In an article in *Foreign Affairs*, Thomas J. Christensen wrote that this US rhetoric let China set excessively expectations about pursuing its core interests – in other words, it allowed China to act more aggressively.³³ Nevertheless, these reactions underscore the Obama administration’s desire to substantially engage with China before reintroducing elements of a containment policy.

2. China’s Response

Despite these engagements, the US was not able to align with China on pressing global issues. In regards to climate change, Hu did not agree to adopt a mechanism for holding China accountable for emission reductions by the end of the 2009 United Nations Climate Change Conference. With the 2010 sinking of the South Korean navy vessel *Cheonan* by North Korea, China also refused to accept the results of an investigation done by the US and South Korea. Instead, China criticized the US deployment of ships in the Yellow Sea as a threat to Chinese national security.³⁴ China also grew more assertive regarding its claim over the country’s “core interests,” which, beyond Taiwan and Tibet,

³¹ "US-China Joint Statement." The White House. November 17, 2009. Accessed February 08, 2016. <https://www.whitehouse.gov/the-press-office/us-china-joint-statement>.

³² *East Asian Strategic Review 2011* (2011): p.110. The National Institute for Defense Studies. Web.

³³ Christensen, Thomas J. "Obama and Asia." *Foreign Affairs* 94.5 (2015), 28-36.

³⁴ Bader, p.89.

also includes Chinese maritime territories. Chinese leaders strongly criticized the US' sale of \$3 billion in arms to Taiwan, despite this sale being limited to defensive weapons and the US' imposition of an 11-month delay. Congress was notified of the arms sale in January 2010, and Beijing subsequently suspended military-to-military relations in protest.³⁵ Beijing also attempted to prevent meetings between Obama and the Dalai Lama by threatening to not attend the first ever Nuclear Security Summit, which was scheduled to be held in Washington D.C. in April of that year.³⁶

Most importantly, Beijing began to exert influence over China's territorial claims in maritime regions. Councilor Dai Bingguo claimed rights in the South China Sea, calling it the country's "national priority" during a visit to then-senior director for Asian Affairs on the National Security Council Jeffery Bader and Deputy Secretary of States James Steinberg in March 2010.³⁷ In her memoir, Secretary Clinton also recollected her concern during S&ED in 2010 that Chinese leaders included the South China Sea as one of their their "core interests," and stressed their claim that outside intervention with these claims are unacceptable.³⁸ An exchange during the Shangri-La Dialogue in 2010, when a People's Liberation Army (PLA) general told US Defense Secretary Robert Gates that China will no longer accept US arms sales to Taiwan because the PRC is now strong enough to oppose the US, further exemplified China's growing confidence.³⁹ These accounts of China's bold responses suggest that the the US' attempts at accommodation did not create a positive environment for both countries to work together.

According to many foreign policy analysts, the notion of a shifting power balance has allowed China to take firm positions against the US. Clinton recalls in her memoir that by 2009, China was "emboldened by the financial crisis of 2008 that weakened the US economy, as well as the wars in Iraq and Afghanistan that sapped American attention and resources, and a rising current of nationalism among the Chinese people," and that "China

³⁵ Bader, p.73.

³⁶ Ibid. p.72.

³⁷ Ibid, pp.76-77.

³⁸ Clinton, Hillary Rodham. *Hard Choices*. (New York: Simon & Schuster, 2014), pp.75-76.

³⁹ Gates, Robert Michael. *Duty: Memoirs of a Secretary at War*. (New York: Vintage Books, 2014), p.416.

started making more aggressive moves in Asia, testing how hard it could push.”⁴⁰ Her assistant at the State Department, Kurt Campbell, had already warned about this kind of sentiment in his book *Hard Power* in 2006.⁴¹ Other Chinese experts regarded China’s behavior as predictable and reasonable for its survival and for achieving its aspirations of global hegemony. James R. Holmes and Toshi Yoshihara argue that China’s recent maritime ambitions could be explained through American naval historian Alfred T. Mahan’s theory of Sea Power. In their view, a US-led preponderance of power in the seas surrounding China is a threat to Chinese survival.⁴² Other analysts suggest that the recent expansion of the “core interests” is a response to public demand for “greater assertion of rights based on... global importance.”⁴³ In other words, shifts in global power structure contributed significantly to changes in Chinese behavior, but it is fair to say that US policymakers also overestimated China’s willingness to cooperate.

Obama’s Containment: Rebalance to Asia

China’s growing assertiveness in the first two years of the Obama administration motivated US policymakers to take a harder line towards China, such as by incorporating elements of containment into US-China policy. In a 2011 speech, Obama made clear that the “United States is turning (its) attention to the vast potential of the Asia-Pacific region,” and named his goals: to “advance security, prosperity, and human dignity.”⁴⁴ Since then, officials from concerning agencies have interpreted the US’ “pivot” strategy (also known as “rebalancing”) in several ways. According to a chronological and comprehensive assessment by the Center for Strategic and International Studies in 2015, the following five

⁴⁰ Clinton, pp.73-75.

⁴¹ Campbell, Kurt M., and Michael E. O’Hanlon. *Hard Power: The New Politics of National Security*. (New York: Basic, 2006).

⁴² Holmes, James R., and Toshi Yoshihara. *Chinese Naval Strategy in the 21st Century: The Turn to Mahan*. (New York: Routledge, 2008). pp.1-2

⁴³ *East Asian Strategic Review 2011* (2011): p.110. The National Institute for Defense Studies. Web.

⁴⁴ “Remarks By President Obama to the Australian Parliament.” The White House. November 17, 2011. Accessed February 08, 2016. <https://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament>

statements on Sino-American security constituted this new strategy: (1) Secretary Clinton's six key lines⁴⁵; (2) President Obama's 2011 speech in front of the Australian Parliament; and three defense related statements – Defense Strategic Guidance 2012 (3),⁴⁶ Secretary of Defense Leon Panetta's speech at the Shangri-La Dialogue in June 2012 (4),⁴⁷ and Deputy Secretary of Defense Ashton Carter's speech in August 2012 (5).⁴⁸ Despite this, another assessment published by CSIS in January 2016 concluded that the Obama administration still hasn't been able to articulate a single, unified objective.⁴⁹

1. Analysis of Obama's Containment Policy

Altogether, Obama's rebalancing strategy has followed three containment-esque policies that previous administrations have abided by: bolstering the US military presence overseas, strengthening ties with regional allies, and trying to hamper China's economic and military buildup.

Firstly, all five of the aforementioned statements include phrases suggesting the US will enhance its military presence in the East Asian region. In his speech, Obama first stressed the importance of preserving the US military's ability to project an image of power, and statements by the US Defense Department went on to describe his policy, which included investments in power projection capabilities and innovation in operational planning.⁵⁰ Scholars have determined that "significant" progress towards these goals has already been made; the US Navy has announced it will shift 60% of its fleet to the Pacific,

⁴⁵ Clinton, Hillary. "America's Pacific Century." Foreign Policy Americas Pacific Century Comments. October 11, 2011. Accessed February 08, 2016. <http://foreignpolicy.com/2011/10/11/americas-pacific-century/>

⁴⁶ "Sustaining US Global Leadership: Priorities for 21st Century Defense." US Defense Department. January 2012. Accessed February 8, 2016. http://archive.defense.gov/news/Defense_Strategic_Guidance.pdf

⁴⁷ "The US Rebalance Towards the Asia-Pacific: Leon Panetta." IISS. June 2, 2012. Accessed February 08, 2016. <http://www.iiss.org/en/events/shangri-la-dialogue/archive/sld12-43d9/first-plenary-session-2749/leon-panetta-d67b>

⁴⁸ "Defense.gov Deputy Secretary of Defense Speech: The US Strategic Rebalance to Asia: A Defense Perspective." US Department of Defense. August 1, 2012. Accessed February 08, 2016. <http://archive.defense.gov/speeches/speech.aspx?speechid=1715>

⁴⁹ Michael, Green, Kathleen Hicks, and Mark Cancian. *Asia Rebalance 2025 Capabilities, Presence and Partnerships*. Washington D.C.: Center for Strategic & International Studies, 2016.

⁵⁰ Berteau, David, Michael J. Green, and Zack Cooper. *Assessing the Asia-Pacific Rebalance*. (Washington D.C.: Center for Strategic & International Studies, 2012). p.14.

and the US Air Force has deployed fifth-generation fighter aircraft to the region. The US Army will also realign the 1st Corps, currently stationed in Washington State, for missions in the Asia-Pacific region.⁵¹ The five statements also indicated the US' plans to become closer with existing allies. Accordingly, the administration successfully upgraded its Defense Guidelines with Japan in April 2015, revised the Operational Command Transitions in South Korea, agreed to a new force posture with Australia, and signed a new defense cooperation pact with the Philippines.⁵² Another important feature enumerated in the statements – this one particular to Obama's containment policy – is a commitment to ratifying the Trans Pacific Partnership, a massive free trade agreement with more ten nations across the Pacific Rim. Experts suggest that the sheer scale of this FTA, which excludes China, is a critical means to maintain the US-led liberal order in Asia and to control China's economic and political influence.⁵³ Other elements of this new containment policy include an emphasis on US participation in multilateral frameworks, such as APEC, the ASEAN Regional Forum, and the East Asian Summit to discuss regional security.

Despite the announcement of a "pivot" towards harsher dealings with China, however, the US government has faced various challenges in implementing these changes. One factor was a lack of willingness by US officials. In his 2012 speech, National Security Advisor Thomas Donilon cut a line referencing human rights and the need for a "broad-based military presence" from Secretary Clinton's six lines, instead adding the phrase, "pursuing a stable and a constructive relationship with China."⁵⁴ Then-incoming Secretary of State John Kerry also said in his confirmation hearing that he was "not convinced"⁵⁵ of the necessity of increasing the US military presence in the Asia-Pacific region. Finally, the new National Security Advisor Susan Rice announced that the US would "seek to

⁵¹ Green, Michael J., and Zack Cooper. "Revitalizing the Rebalance: How to Keep US Focus on Asia." *The Washington Quarterly* 37, no. 3 (Fall, 2014): p.26.

⁵² Green and Cooper, *Revitalizing*, p.26.

⁵³ Blackwill and Tellis p.5.

⁵⁴ "Remarks by National Security Advisor Tom Donilon -- As Prepared for Delivery." The White House. November 15, 2012. Accessed February 08, 2016. <https://www.whitehouse.gov/the-press-office/2012/11/15/remarks-national-security-advisor-tom-donilon-prepared-delivery>.

⁵⁵ Economy, Elizabeth C. "Secretary of State John Kerry on China." Council on Foreign Relations. February 27, 2013. Accessed February 08, 2016. <http://blogs.cfr.org/asia/2013/02/27/secretary-of-state-johnkerry-on-china/>

operationalize a new model of major power relations,”⁵⁶ which served to reinforce Donilon’s engagement approach towards China. Furthermore, the new government national security team immediately faced other constraints, such as the Budget Control Act in 2013, which sequestered resources needed for rebalancing efforts. These statements and circumstances challenged the sustainability and credibility of the rebalancing policy both domestically and internationally.

2. China’s Response

Meanwhile, Xi Jinping, an assertive new leader, contributed to China’s willingness to act on its “core interests” and mark its territorial claims. Scholars and a number of media reports have suggested that Xi, who assumed office in 2013, has embraced the Chinese ideal of becoming a strong nation and a regional hegemon. In his book, Michael Pillsbury states that Xi has a dream of “a resurgent China that would reclaim its rightful place atop the global hierarchy.” Mao had this same ambition in 1949, the year commonly understood by Chinese leaders as the beginning of the “Hundred-Year Marathon.” The *Wall Street Journal* has reported that Xi has repeatedly referenced a “Chinese Dream,” and has put forth 2049 as the date by which this dream will be realized. These remarks suggest that Xi differs greatly from Hu, who was milder in his support of China becoming a hegemon.

China’s assertiveness became decisive after Xi and Obama’s joint announcement of their intent to build a “new type of major power relationship”⁵⁷ in 2013. During Obama’s informal June summit with Xi in Sunnylands, Obama jointly stated that the US would indeed form a new relationship with China. According to remarks made by Foreign Minister Wang Yi at the luncheon of the Second World Peace Forum in June 2013, the core elements of this new relationship involves “no

⁵⁶ "Remarks As Prepared for Delivery by National Security Advisor Susan E. Rice." The White House. November 21, 2013. Accessed February 08, 2016. <https://www.whitehouse.gov/the-press-office/2013/11/21/remarks-prepared-delivery-national-security-advisor-susan-e-rice>

⁵⁷ Xiao, Ren. "Modeling a “New Type of Great Power Relations”: A Chinese Viewpoint." The ASAN Forum. October 4, 2013. Accessed February 08, 2016. <http://www.theasanforum.org/modeling-a-new-type-of-great-power-relations-a-chinese-viewpoint/>.

conflict, no confrontation, mutual respect, and win-win cooperation.”⁵⁸ From China’s perspective, this meant equal status with the US, which China had long desired and which would allow it to openly negotiate. According to an article in *East Asian Strategic Review* by Yang Xuedon, the Deputy Director of the Center for Contemporary Marxism, Central Compilation & Translation Bureau of the CPC, a greater degree of equality in the Sino-American relationship, “brought on by the enlargement of China’s aggregate national power, means that the United States is no longer able to unilaterally set the agenda in the bilateral relationship, and that the long-standing “asymmetry” in the relationship “is improving.”⁵⁹ Inversely, the acknowledgement of China as an equal will become an obstacle to “taming” China – that is, making it conform to US-led institutions.

Indeed, China has taken a series of actions contravening international law and courtesy as well as US interests. For example, China has started a land reclamation program in the South China Sea, which challenges the territorial claims of the US’ East Asian allies. In 2013, China unilaterally declared an Air Identification Zone above much of the East China Sea, including the Senkaku/Diaoyu Islands, which Japan claims as its territory – a position the US has supported under the Japanese-American bilateral security treaty. In her speech at the ASEAN Regional Forum in 2010, Secretary Clinton stated for the first time that stability in the East Asian region is part of the US’ “national interest,”⁶⁰ and stressed the principle of freedom of navigation, currently ensured under international law. Though these issues were of foremost importance at S&ED in 2014 and 2015, little progress has been made to ease tensions since. Both China’s unilateral actions and the US’ failure to prevent them reveal that the adoption of a new type of relationship – or rather, the elevation of an existing bilateral relationship with China – was not only an ineffective way for Obama to gain Chinese cooperation for US strategic interests, but it actually emboldened China to undermine US diplomatic leverage and the efficacy of bilateral security dialogues.

⁵⁸ "Exploring the Path of Major-Country Diplomacy With Chinese Characteristics." *Ministry of Foreign Affairs of People's Republic of China*. N.p., 27 June 2013. Web. <http://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/2461_663310/t1053908.shtml>.

⁵⁹ *East Asian Strategic Review 2011* (2011): p.110. The National Institute for Defense Studies. Web.

⁶⁰ Clinton, p.76.

3. Prospect for Multilateral Institutions

The difference, however, from the past administrations is Obama's strong commitment to contain China through diplomatic pressure. In fact, discussions at recent regional conventions suggest that the US could more effectively push China to conform to international rules by taking leadership in multilateral institutions and obtaining by additional support from its allies and supporters. Progress has been made, for example, in the resolution of South China Sea dispute between China and other East Asian countries. The first attempt at this was Secretary Clinton's participation in the ASEAN Regional Forum in 2010, where she called for the development of a Code of Conduct for resolving territorial disputes in the South China Sea. She also made it clear that the US will facilitate the process.⁶¹ China vigorously opposed this approach, as it preferred to resolve territorial disputes bilaterally with concerning countries, so as to leverage its relatively great power against smaller neighboring nations.⁶² Nevertheless, multilateral diplomacy, supported by the US, has allowed ASEAN and China to agree to advance the 2002 Declaration on the Code of Parties in the South China Sea.⁶³ Recently, the East Asia Summit in November 2015 revealed that at these multilateral venues, US allies, namely Japan and the Philippines, have potential to effectively pressure China. These instances suggest that the US has more diplomatic leverage over China in multilateral venues than in the two countries' bilateral relations.

Despite all this, progress towards the implementation of TPP is unclear. Twelve countries, including the US, signed the agreement on February 4, 2016, but as the US congress has not approved it. The 2016 presidential candidates from both parties are also against the passage of TPP, which foreshadows further delays or a rejection of the agreement.

Conclusion

⁶¹ Clinton, p.76.

⁶² Clinton, p.75.

⁶³ Simon, Sheldon. "Comparative Connections A Triannual E-Journal on East Asian Bilateral Relations." Center for the Strategic & International Studies. September 2011. Accessed February 9, 2016. http://csis.org/files/publication/1102qus_seasia.pdf

Obama, like previous presidents, has introduced both elements of engagement and containment in managing relations with China. But he has shown an inclination to engage the Chinese and seek cooperation from them. His administration has made some progress in global issues, such as in reducing climate change and in the alignment of policy towards Iran and North Korea. But previous attempts to elevate the Sino-American relationship made China overconfident, and have served to undermine US diplomatic leverage, making it harder for to constrain China's assertive actions and adjust their policies to comply with international law.

Enhanced bilateral dialogues, such as S&ED, were the perfect venues for reaffirming the two countries' commitment to cooperation on topics they share an interest in. However, they were not suited to managing disputes regarding global affairs or reconciling differences in each country's "core interests." Displays of respect for China's interests and the embrace of an egalitarian relationship further strained these talks. Meanwhile, the Obama administration's frequent participation in Asia's various multilateral institutions, along with its renewed ties with regional allies, suggest multilateral diplomacy may provide a solution. This new containment strategy would allow the US to manage geopolitical security issues by binding China to international and regional norms.

Chinese expansion in the South and East China seas has somewhat accelerated, and the analysis presented throughout this paper suggests that China does not currently perceive the US as a threatening power. Indeed, some scholars believe a long-term rivalry is inevitable, and shifts in policies are ineffective in managing structural changes in the regional and global power balance. Yet, as think tanks in Washington suggest, there is room for articulation of US policy in Asia to prevent further forceful actions by China. Furthermore, delays in ratifying the TPP could harm the US' economic and political influence in the region, allowing China to take a bolder stance in ongoing issues. To foster peace and prosperity in the Asia-Pacific Region under the US-led liberal order, Obama's containment policy should continue to be implemented.