

# **The U.S. -China Relations: Contending Perspectives and Scope Conditions for Conflict Resolution**

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## **Introduction<sup>①</sup>**

Many scholars of international relations and security studies recently turned their attention towards Sino-U. S. relations. This turn away from non-traditional themes such as terrorism, fragile states, or environment protection re-emphasizes the state as primary actor of international relations as well as questions of peace and war among states. Sino-U. S. relations first and foremost have been framed with reference to mainstream international relations theory ranging from rationalism to constructivism as well as from realism to liberalism. Sino-U. S. relations are therefore used as the most recent test case or illustration of the eternal struggles for power and stability, over the distribution of wealth among nations, or the prevailing norms and ideas of international order. It is no surprise that focusing on Sino-U. S. relations reinvigorated old debates and fierce struggles among theorists of international relations.

Most participants of the debate can agree on several key observations. In terms of economy, the People's Republic of China<sup>②</sup> has become the second largest economy in the world. It is also the fastest growing economy with annual rates of between

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① I wish to express my deepest gratitude to Reinhard Wolf and the participants of the Beijing Forum 2013 for extraordinary helpful comments on the previous version of this paper. Remaining errors are entirely my own responsibility.

② Subsequently, I will use the terms "People's Republic", "People's Republic of China", or simply "China" interchangeably.

seven and ten percent over the last 20 years. This success of economic performance is largely due to an export led growth strategy. The Chinese economy has been fully integrated in the world economy. If current trends of growth continue it is just a matter of time when China will overtake the largest economy, i. e. the United States. Some authors, like Charles Kupchan, expect this to happen in the mid-2020s<sup>①</sup>.

However, this impressive record of economic development moved China only to rank 101 (out of 184 states) of the Human Development Index in 2012. This position is in the upper section of a group labeled “medium human development”. China’s human development status is similar to Jordan or Turkmenistan. It is nowhere near the United States that ranks third right after Norway and Australia. China’s GDP per capita adjusted for purchasing power parity is \$6146 compared to \$48,387 of the United States. While China and the United States are still worlds apart in terms of human development and wealth the People’s Republic made considerable progress over the last two decades.

In terms of military capabilities there is broad agreement that China is the most powerful state in the region. However, it is far from matching the global military power of the United States. Rather its power resources are mainly economic<sup>②</sup>. It is not likely, that China can catch up with the U.S. any time soon particularly if it wishes to simultaneously concentrate on social and human development<sup>③</sup>. Yet, there remain several unresolved territorial conflicts in the region with competing claims potentially causing concern among China and its neighbors. Moreover, as most imports and exports of China pass through adjacent waters, free communication and navigation is vital to the interest of many regional and global actors<sup>④</sup>. While the U.S. recently strengthened its relationship with China’s neighbors by the (in) famous “pivot”<sup>⑤</sup>,

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① Charles A. Kupchan and Edward S. Steinfeld, “Critical Dialogue”, *Perspectives on Politics*, 11(3), 2013, p. 887.

② David A. Beitelman, “America’s Pacific Pivot”, *International Journal*, 64(4), 2012, pp. 1073-1094.

③ Martin A. Smith, *Power in the Changing Global Order: The U. S. , Russia and China* Cambridge, UK: Polity Press, 2012. William C. Wohlforth, “The Stability of a Unipolar World”, *International Security*, 24(1), 1999, pp. 5-41.

④ Office of the Secretary of Defense, *Annual Report to Congress. Military and Security Developments Involving the People’s Republic of China* 2013, U.S. Department of Defense, Washington, DC: U.S. Department of Defense, 2013. Sarah Raine and Christian Le Mière, *Regional Disorder: The South China Sea Disputes*, London, UK: Routledge, 2013.

⑤ Mark E. Manyin, Stephen Daggett, Ben Dolven, Susan V. Lawrence, Michael E. Martin, Ronald O’Rourke and Bruce Vaughn, *Pivot to the Pacific? The Obama Administration’s “Rebalancing” Toward Asia*, Congressional Research Service, R42448, Washington, DC: Congressional Research Service, 2012.

China engaged in bilateral and multilateral confidence building through common military exercises.

Most scholars also do not dispute that China is deeply integrated in the world economy and greatly benefits from integration. It replaced Germany as the largest exporting country in the world with markets mainly in Europe and North America. It is also a huge market for U. S. and European exports. And it increasingly becomes a major competitor of the U. S. and Europe in terms of energy supply. China joined the World Trade Organization (WTO) in 2001, is a member of the G20 and a permanent member of the UN Security Council. Finally, China is the biggest foreign holder of the U. S. public debt. In July 2013 it held \$1277.3 billion or 32 percent of all foreign holdings of U. S. Treasury securities<sup>①</sup>. Few scholars disagree that Sino-U. S. economic relations are asymmetrically interdependent. The U. S. for its part made clear that its economic and therefore geopolitical interests shift away from Europe and possibly from the Western Hemisphere towards Asia. It therefore pays more attention to the Asian Pacific region than to transatlantic relations. In the broader historical perspective provided by John L. Gaddis (1982) the U. S. chose a new asymmetrical approach to its foreign policy but this time reversed the regional focus. During the cold war, asymmetrical containment emphasized Europe rather than Asia. Today, Europe takes a distant third place behind Asia and the Middle East. However, it escaped the attention of many scholars that the “pivot” simultaneously is an integral part of “retrenchment” of U. S. foreign policy rather than “augmentation”<sup>②</sup>. In a recent study, the International Institute for Strategic Studies (2013) showed that the U. S. did not beef up the announcement with significant military measures but shifted the focus to the Transpacific Partnership (TPP) negotiations<sup>③</sup>. It also sought to strengthen its regional allies rather than engaging itself directly.

In short, there is broad consensus on some basic observable facts. However, their meaning in terms of actors' intentions, impact on power, wealth, and order is highly contested. Scholarly debate on Sino-U. S. relations is therefore not primarily about empirical analysis or methods of research but inference and conclusion. In other

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① U. S. Department of Treasury, “Major Foreign Holders of Treasury Securities”, 2013, <http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/mfh.txt>, last access: September 27.

② Robert E. Osgood, “American Grand Strategy: Patterns, Problems, and Prescriptions”, *Naval War College Review*, XXXVI(5), 1983, pp. 5-17.

③ International Institute for Strategic Studies, “Competitive Diplomacy in Southeast Asia”, *Strategic Comments*, 19(31), 2013.

words, the research on Sino-U.S. relations has reinvigorated the old struggle over ontology among international relations scholars. Factual observations are selected, structured, filtered, and analyzed according to powerful assumptions on international relations, which become the main determinants of conclusions, disagreements, and debate. There is a clear and present danger that scholarly analysis of empirical evidence will turn into self-fulfilling prophecies based on the respective theory selected.

Obviously, research results on Sino-U.S. relations entail a large degree of uncertainty. One can only draw broader lessons if the underlying yet contested assumptions of scholarship are correct. Critical thinking, caution, and careful judgments are necessary tools when surveying the literature. Only when scholars arguing on the basis of different theories and assumptions reach similar or even identical conclusions, i. e. when different strands of theory converge, can broader lessons be drawn. In his examinations Reinhard Wolf<sup>①</sup> finds that even when applying different lenses of contending international relations theories the dynamic of Sino-U.S. relations point towards a major confrontation if not outright war in the future. However, Aaron L. Friedberg (2005) shows that realism, liberalism, and constructivism allow for both peaceful or confrontational development of the relationship<sup>②</sup>. It is therefore useful and important to spell out the scope conditions under which Sino-U.S. relations might turn one way or the other. The identification of these conditions is the overall goal of this paper. When applied to empirical research they can help avoiding self-fulfilling prophecies. The paper therefore reviews the recent literature on Sino-U.S. relations in order to tease out some scope conditions under which the relationship is likely to take a confrontational or peaceful turn.

## Realism and Neorealism

In a long interview with James Fearon, the late Kenneth Waltz characterized the contemporary structure of the international system: "There's one great power, the United States, and then there are some major powers. And there's the potential second great power being China...it's a unipolar world, pending what happens in the future development of China...So it's unipolar for the time being, but its unstable in

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① Reinhard Wolf, "The U.S. as Pacific Power? Chinas Aufstieg und die Zukunft der amerikanischen Weltführungspolitik" in: Jürgen Wilzewski and Florian Böller eds., *The Future of American Power* (TBA: TBA).

② Aaron L. Friedberg, "The Future of U.S.-China Relations", *International Security*, 30(2), 2005, pp. 7-45.

the sense that we can expect a second great power to emerge in the relatively near future”<sup>①</sup>.

#### Security vs. Power

However, Waltz did not expect war resulting from the rise of China and the decline of the United States “because countries with nuclear weapons don’t fight one another, but it is consequential in terms of global interventions.”<sup>②</sup> He actually welcomed the rise of China because the U.S. would be contained. It would have to consider the Chinese reaction first regionally, later globally, when it considers military interventions. Clearly, in Waltz’ view a militarily stronger China on par with the United States would increase international security.

Waltz’ version of neorealism clearly deviates from John Mearsheimer’s more offensive one.<sup>③</sup> The key difference is that Waltz believed states seek security and once they are saturated—e. g. when they possess a nuclear second strike capability—they can lay back and watch.<sup>④</sup> Mearsheimer by contrast believes that states seek power in order to provide for their security<sup>⑤</sup>. Therefore, they can only be saturated if they dominate their neighbors in a region: “The best way for any state to insure its survival is to be much more powerful than all other states in the system, ... the ideal situation for any great power is to be the hegemon in the system”<sup>⑥</sup> Global hegemony is almost impossible because it is difficult to project power over huge distances. According to Mearsheimer, great power may dominate their own or neighboring regions. Hegemony is regional. Once states achieved regional hegemony, Mearsheimer continues, “they seek to prevent great powers in other geographical regions from

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① Kenneth Waltz and James Fearon, “A Conversation with Kenneth Waltz”, *Annual Review of Political Science*, 15(1), 2012, pp. 1-12.

② Waltz continued: “there’s only one power now, the United States that can act globally, with a blue water fleet and all that, and that’s what the Chinese are trying to achieve and are moving toward with considerable rapidity. But they’re not there yet.” *Ibid.*, p. 7.

③ Aaron L. Friedberg (“The Future of U.S. -China Relations”, pp. 16-24.) provides a good literature overview on what he termed the “realist pessimist school”.

④ However, even Waltz concedes that “We all know the United States spends more than the military expenditures of the other countries of the world combined. Why do we do that? ... There is no threat in being, or on the horizon” (Kenneth Waltz and James Fearon, “A Conversation with Kenneth Waltz”, p. 8). He explains such unreasonable defense spending in part by “the temptation for power” and in part by bureaucratic politics.

⑤ John J. Mearsheimer, *The Tragedy of Great Power Politics*, New York, NY: W. W. Norton, 2001.

⑥ J. J. Mearsheimer, “The Gathering Storm: China’s Challenge to the U.S. Power in Asia”, *The Chinese Journal of International Politics*, 3(4), 2010, p. 387.

duplicating their feat.” ①For Asia this means: “Beijing will want to dictate the boundaries of acceptable behavior to neighboring countries” and “try to push the United States out of the Asia-Pacific region” ②. While China mirror images the behavior of the United States as a hegemon, “the United States is likely to act toward China similar to the way it behaved toward the Soviet Union during the Cold War” ③. In Mearsheimer’s offensive version of neorealism security seeking great powers cannot be satisfied by achieving sufficient self-defense capabilities. They also seek the ability to dictate the terms of acceptable behavior to neighbors, i. e. power as defined by the German sociologist Max Weber as control over actors.

Robert Gilpin adds the elements of power as the control over outcome and resources to this definition, when he states that states seek to determine the rules of the international systems, the decision of spheres of influence, and the distribution of territory ④. Moreover regional hegemons strive for preventing others from rising towards their own status. Mearsheimer therefore expects a “gathering storm” in Asia because China is compelled by systemic forces to become a regional hegemon and therefore a rival of the United States. The U. S. will do everything to prevent China from its hegemonial aspirations by containing the rising power. The stage is therefore set again for the “tragedy of great powers” ⑤. China’s neighbors welcome the American effort of “offshore balancing” because they are more afraid of China’s most immediate than by America’s more remote threat to their security. ⑥This Sino-U. S.

① J. J. Mearsheimer, “The Gathering Storm: China’s Challenge to the U.S. Power in Asia”, *The Chinese Journal of International Politics*, 3(4), 2010, p. 388.

② Ibid., p. 389.

③ Ibid., p. 390.

④ David A. Beitelman, “America’s Pacific Pivot”, *International Journal*, 64(4), 2012, p. 1078. Robert Gilpin, *War and Change in World Politics*, Cambridge, UK; New York, NY: Cambridge University Press, 1981. Jeffrey Hart, “Three Approaches to the Measurement of Power in International Relations”, *International Organization*, 30(2), 1976, pp. 289-305.

⑤ John J. Mearsheimer, *The Tragedy of Great Power Politics*.

⑥ John J. Mearsheimer, “The Future of the American Pacifier”, *Foreign Affairs*, 2001a, pp. 46-61. With this argument Mearsheimer-like Walt (cited from Stephen M. Walt, *The Origins of Alliances*, Ithaca, NY/ London, UK: Cornell University Press, 1987) deviates from the neoralist claim that sub-systemic factors cannot claim explanatory power in international relations. Threat perceptions or “balancing against threats” are clearly sub-systemic factors. Moreover, Levy and Thompson (cited from Jack S. Levy and William R. Thompson, *Causes of War*, Wiley-Blackwell, 2010, p. 42) indicate: “there is systematic statistical evidence that great powers usually balance against a leading state that is strong enough to threaten hegemony but not against a leading state that has lesser margins of advantage.” In this view, hegemony is a matter of relative capabilities rather than geographic distance. Mearsheimer fails to explain why less powerful states believe in the power of an offshore balancer to contain their stronger regional hegemon on the one hand but not in the same power of the same offshore balancer to threaten themselves.

conflict cannot be avoided, Mearsheimer argues, because other than systemic factors do not determine state behavior. Avoiding confrontation is not up to the political leaders on either or both sides of the power struggle. They have no control over the “temptation of power” (Waltz).

Mearsheimer's analysis appeals to the intuition of many policymakers, pundits, and scholars. In the U.S. and other western states they refer to China's “new assertiveness” as evidence supporting Mearsheimer's claims<sup>①</sup>. However, Alastair I. Johnston<sup>②</sup> provided a careful analysis demonstrating that China's behavior does not amount to a “new assertiveness” but follows long-term established patterns of diplomacy. A critical reading of Raine and Mièrè (2013) reveals that China did not make any new territorial claims beyond its already stated ones. Their conclusions are not based on new evidence but on inferences. E. g. they claim that China uses military power to successfully underscore territorial claims. Yet, they admit that the PLA navy has not been involved in the incidences they evaluate. Instead, China used para-military units. The authors fail to present one case in which the PLA navy has been involved. Instead, they infer that the stronger navy always remained in the back but could have been brought to bear when necessary. This argument is weak on several accounts. First, it confuses threats based on diffuse military strength with actual threats of use of force in specific cases. Second, the authors fail to demonstrate that China applied the use of military force successfully. None of China's territorial claims have been realized beyond contestation. Third, the analysis is biased because it only evaluates the potential threat by the Chinese navy. The presence of the U.S. navy as a potential military backup of non-Chinese claimants in the South China Sea is not considered. Similarly, the authors estimate the cost of China's trade sanctions for Japan but omit to estimate the cost of these sanctions for China. However, the entire literature on trade demonstrates that sanctions produce costs to both parties. Fourth, Raine and Le Mièrè bias their analysis because they infer Chinese intentions from military capabilities. They fail to infer how U.S. military capabilities induce intentions. Finally, recent events question the conclusion that China rejects any multilateral conflict resolution mechanism in the region and pressures its neighbors in exclu-

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① Sarah Raine and Christian Le Mièrè, *Regional Disorder: The South China Sea Disputes*, London, UK: Routledge, 2013.

② Alastair I. Johnston, “How New and Assertive is China's New Assertiveness?”, *International Security*, 37(4), 2013, pp. 7-48.

sive bilateral relationships<sup>①</sup>.

## Revisionist vs. Status Quo Powers

Some commentators also view the American “pivot” as a move countering China’s assertiveness that is consistent with Mearsheimer’s expectations<sup>②</sup>. Even some Chinese commentators frame their view according to Mearsheimer’s terms<sup>③</sup>. By contrast, Waltz’ position is more difficult to match to empirical evidence. He would have expected significant cuts of the U.S. defense budget but not as a result of the battles over the budget among branches of government. If the evidence points to a regional arms race Mearsheimer’s offensive neorealism offers a plausible explanation. His description may lead to the outbreak of war following two separate paths. First, if China is indeed “assertive” it would be characterized as a revisionist power. At one point it would make a *deliberate* decision to change the status quo in its favor by launching an attack on neighbors and/or the U.S.<sup>④</sup>. Second, given uncertainty resulting from anarchy the security dilemma drives both sides into an arms race that *inadvertently* leads to war<sup>⑤</sup>. Avery Goldstein<sup>⑥</sup> is particularly concerned with the second path and proposed detailed arms control measures between China and the U.S. in order to reduce the probability of a war by accident or miscalculation. The only way to counter the first path to war—strong mutual deterrence—is the key realist requirement. However, it likely leads straight to the second path. However, Levy and Thompson<sup>⑦</sup> conclude that both paths entail theoretical flaws because they ignore the specific context

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① Till Fährnders, “Entspannung in der Asean-Familie”, *Frankfurter Allgemeine Zeitung*, 15, August 2013, p. 5. International Institute for Strategic Studies, “Competitive Diplomacy in Southeast Asia”.

② Mark E. Manyin, Stephen Daggett, Ben Dolven, Susan V. Lawrence, Michael E. Martin, Ronald O’Rourke and Bruce Vaughn, *Pivot to the Pacific? The Obama Administration’s “Rebalancing” Toward Asia*.

③ Yan Xuetong, “Strategic Cooperation without Mutual Trust: A Path Forward for China and the United States”, in Abraham M. Denmark, ed., *Roundtable: Regional Perspectives on the U.S. Strategic Balancing*, Seattle, WA: The National Bureau of Asian Research, 2013, pp. 4-6.

④ Jack S. Levy and William R. Thompson, *Causes of War*, p. 29.

⑤ John H. Herz, “Idealist Internationalism and the Security Dilemma”, *World Politics*, 2(2), 1950, pp. 157-180. Robert Jervis, *Perceptions and Misperceptions in International Politics*, Princeton, NJ: Princeton University Press, 1976.

⑥ Avery Goldstein, “First Things First: The Pressing Danger of Instability in U.S.-China Relations”, *International Security*, 37(4), 2013, pp. 49-89.

⑦ Jack S. Levy and William R. Thompson, *Causes of War*.



of dispute or crisis. Deterrence or appeasement<sup>①</sup> may work in some circumstances but can fail in others. Mearsheimer's prediction that anarchy leaves great powers no choice but to seek power and to prevent potential competitors from becoming rivals is simply too deterministic to cover cases across time and space. One scope condition might be whether or not great powers are revisionist or status quo oriented.<sup>②</sup> One empirical test of this scope conditions would be whether states can agree on confidence building measures to avoid the turn from the first path to the second one.

Waltz argues that saturated nuclear powers including China and the U. S. are status quo oriented. Several authors pointed out that China's diplomacy is anything but assertive<sup>③</sup> and therefore indicates a status quo orientation. A carefully crafted study by the International Crisis Group questions the realist assumption that the Chinese government is capable of exercising central control over all its forces and bureaucratic branches.<sup>④</sup> The evidence provided undermines the realist assumption that states can be treated as unitary actors at least on security matters.

### Unipolarity, (In) Stability, and Peace

However, the question remains whether or not the largely undisputed economic rise of China can be managed peacefully. "the most dangerous and war-prone situation is one in which a state that is dissatisfied with the status quo begins to approach the strength of the leading state in the system and threatens to surpass it in power"<sup>⑤</sup>. Power transition theory therefore establishes three key conditions under which a challenger initiates war<sup>⑥</sup>.

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① Raimund Grafe and Christian Tuschhoff, "Bringing Back Appeasement: The Case for Umbrella Solutions", in Wolfgang Danspeckgruber, ed., *Emerging Dimensions of European Security*, Boulder, CO: Westview Press, 1992, pp. 21-46.

② Neorealists typically assert that sub-systemic factors cannot explain systemic outcomes. However, they might have explanatory power for state behavior. Waltz himself hinted that the U.S. defense spending may be at least partially caused by bureaucratic politics. Yet, neorealists primarily focus on explaining systemic outcomes such as war and peace not state behavior.

③ Rosemary Foot, "China and the United States: Between Cold and Warm Peace", *Survival*, 51(6), 2009, pp. 123-146. Niu Xinchun, "Sino-U.S. Relations: Dependence and Fragility", *Contemporary International Relations*, (20)2010, pp. 74-95. Niu Xinchun, "Eight Myths about Sino-U.S. Relations", *Contemporary International Relations*, 2011, pp. 1-17.

④ International Crisis Group, *Stirring up the South China Sea (I)*, Beijing; Brussels: International Crisis Group, 2012. International Crisis Group, *Stirring up the South China Sea (II): Regional Responses*, Beijing; Brussels: International Crisis Group, Asia Report 229, 2012.

⑤ Jack S. Levy and William R. Thompson, *Causes of War*, p. 44.

⑥ Ibid.

1. Power shifts;
2. Approximate equality of power (between 80 percent of the leading power or 20 percent above it);
3. Dissatisfaction with the status quo.

Theoretically, there is no consensus whether hegemony (or unipolarity) contributes to stability and peace or is highly unstable. Waltz and Layne believe a unipolar distribution of power is unstable and just generates incentives for internal or external balancing or even the use of force<sup>①</sup>. Posen, Brooks and Wohlforth argue that U.S. hegemony—or unipolarity of the international system—contributed significantly to international stability.<sup>②</sup> Brooks and Wohlforth also argue against their critics<sup>③</sup> that unipolarity will endure<sup>④</sup>. This argument rests on three pillars. First, the current and continuing balance of power unambiguously puts the United States into first place<sup>⑤</sup>. The distance to potential challengers is extremely wide. The

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① Christopher Layne, "The Unipolar Illusion: Why New Great Powers will Rise", *International Security*, 14(4), 1993, pp. 5-51. Kenneth Waltz and James Fearon, "A Conversation with Kenneth Waltz", pp. 1-12. Kenneth N. Waltz, *Theory of International Politics*, Reading, Mass.: Addison-Wesley Pub. Co., 1979. Kenneth N. Waltz, "Evaluating Theories", *American Political Science Review*, 91(4), 1997, pp. 913-917. Kenneth N. Waltz, "Structural Realism after the Cold War", *International Security*, 25(1), 2000, pp. 5-41.

② Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy*, Princeton, NJ: Princeton University Press, 2008. Stephen G. Brooks and William C. Wohlforth, "Assessing the Balance", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 201-219. Barry A. Posen, "Command of the Commons: The Military Foundations of U.S. Hegemony", *International Security*, 28(1), 2013, pp. 5-46. William C. Wohlforth, "The Stability of a Unipolar World", pp. 5-41. William C. Wohlforth, "Unipolarity, Status Competition, and Great Power War", *World Politics*, 61(01), 2008, p. 28. See also the debate on the argument in a special issue of *Cambridge Review of International Affairs* (Simon Bromley, "The Limits to Balancing", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 129-134).

③ Charles L. Glaser, "Why unipolarity doesn't matter (much)", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 35-47. Charles A. Kupchan, "The False Promise of Unipolarity: Constraints on the Exercise of American Power", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 165-173. Jeffrey W. Legro, "The Mix that Makes Unipolarity: Hegemonic Purpose and International Constraints", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 185-199. Randall L. Schweller, "The Future is Uncertain and the End is Always Near", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 175-184. Erik Voeten, "Unipolar Politics as Usual", *Cambridge Review of International Affairs*, 24(2), 2011, pp. 121-128.

④ Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy*. Stephen G. Brooks and William C. Wohlforth, "Assessing the Balance", pp. 201-219. William C. Wohlforth, "The Stability of a Unipolar World", pp. 5-41. William C. Wohlforth, "Unipolarity, Status Competition, and Great Power War", p. 28.

⑤ Michael Beckley, "China's Century? Why America's Edge Will Endure", *International Security*, 36(3), 2011/12, pp. 41-78.

existing power gap between the U. S. and other secondary powers discourages them from challenging. Second, in light of the power gap no other state can pursue policies that depend on prevailing in war or in an extended rivalry against the U. S. Therefore, unipolarity provides peace between major powers—however, not necessarily between others. Great power conflict only occurs when one of two conditions are met: a) the power gap between a leader and a challenger is small, or b) when the challenger overtakes the leader in some categories of power and is able to bring them to bear. War is therefore likely only, when hegemony or unipolarity breaks down. Third, unipolarity is here to stay because no potential rival such as Germany, Japan, Russia, or China will be in a position to seriously challenge U.S. preponderance. Internal balancing,—i. e. raising more resources to change the existing balance of power in ones one favor—is beyond the potential of these states.

External balancing—i. e. the formation of alliances to counterbalance U. S. hegemony—is both costly and/or ineffective. They are costly, because sovereignty must be compromised when engaging in binding agreements or effective security arrangements. States typically shy these sovereignty and entanglement costs of alliances. If states shirk those costs, alliance arrangements are not binding and/or reliable for counterbalancing purposes. For balancing a hegemon to work, Wohlforth argued, integration among states must be almost as strong as building a new state<sup>①</sup>. There are no regional integration processes at work in Europe or Asia that meet that condition. Alliances therefore cannot change the structure of the international system. Developing an Asian pole to overcome unipolarity, Japan and China would have to merge their capabilities. For Wohlforth and Brooks the only way to end unipolarity would be if the United States abandoned it intentionally or unintentionally<sup>②</sup>.

Unipolarity allows the U. S. to disregard the international system and its incentives. The system will not punish it for what Waltz called the “wrong choice”<sup>③</sup>. As the system is built around its dominance the U. S. is strongly encouraged to engage and maintain unipolarity because according to Brook’s and Wohlforth’s cost-benefit

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① William C. Wohlforth, “The Stability of a Unipolar World”, pp. 30-32.

② Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy*. Stephen G. Brooks and William C. Wohlforth, “Assessing the Balance”, pp. 201-219. William C. Wohlforth, “Unipolarity, Status Competition, and Great Power War”, p. 28.

③ Kenneth N. Waltz, “Evaluating Theories”, pp. 913-917.

calculation unipolarity is preferable to bi-or multipolarity<sup>①</sup>. Along with Ikenberry they therefore reject an isolationist foreign policy<sup>②</sup>.

In short, the occurrence of great power conflict depends on the condition of a significant narrowing of the power balance between a hegemon and a challenger in at least some critical categories. Effective externalbalancing using alliances must succeed in overcoming formidable integration obstacles as a serious scope condition.

Recent empirical trends do not meet any of these two conditions. The efforts of second-tier states to redress their relative position in their favor can be easily managed under unipolarity without raising the specter of power transition or a struggle for primacy. And because the second tier states shape policies always with their eyes towards the leader, the probability of security competition between second-tier states is low, too<sup>③</sup>. Specifically, this means, China is not likely to challenge the United States globally as long as unipolarity persists. Moreover, the probability between China and other major powers such as Japan or Russia is also low. In this view, the U.S. pivot is not the American response to a serious challenge foreshadowing hegemonic rivalry in the Pacific. Rather it is the U.S. attempt to discourage China's efforts towards redressing the relative balance of power in its favor.

Should China indeed seek to improve its relative power position towards the U. S. and emerge as the main rising power it faces yet another problem. Regionally, it has to deal with other second-tier states such as Japan and Russia<sup>④</sup>that might also aspire to hegemony. Wohlforth also subscribes to Mearsheimer's argument of "off-shore balancing"<sup>⑤</sup>. According to this argument, local or regional balance of power calculations are more important to second-tier states than global ones<sup>⑥</sup>. A rising China will therefore have to cross an even higher threshold in order to be capable to provide a serious challenge to the U.S. Its power will have to be strong enough to deal with the U.S. and other second tier states. The combination of both global and re-

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① Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy*. William C. Wohlforth, "The Stability of a Unipolar World", pp. 5-41.

② Stephen G. Brooks, G. John Ikenberry and William C. Wohlforth, "Don't Come Home America", *International Security*, 37(3), 2012, pp. 7-51.

③ William C. Wohlforth, "The Stability of a Unipolar World", pp. 27-28.

④ Wohlforth does not include Russia in his equation but the logic of his argument compels its consideration.

⑤ John J. Mearsheimer, "The Future of the American Pacifier", pp. 46-61.

⑥ Robert S. Ross, "Balance of Power Politics and the Rise of China: Accommodation and Balancing in East Asia", *Security Studies*, 15(3), 2006, pp. 355-395.

gional competition puts the U.S. in a comfortable position to “divide and conquer” among regional actors in order to manage others’ aspirations. Faced with these prospects China has a huge incentive to live and prosper under unipolarity of American hegemony. Wohlforth believes that China and other second tier states live very well under these conditions when he states: “The end of the bipolar order has decreased the security interdependence of regions and increased the latitude of some regional powers”<sup>①</sup>. However, there still remains a big difference between the U.S. as the hegemon and second tier states. The U.S. is not constrained by either the international system or other major competitors. No other power influences the U.S. across multiple regions. “However, *all* major regional powers do share one item on their political agenda: how to deal with U.S. power”<sup>②</sup>. An important scope condition therefore is whether or not states prefer off-shore balancing over on-shore balancing.

### Costs and Benefits of Polarity Configurations

Michael Beckley<sup>③</sup> supports Brook’s and Wohlforth’s view with his examination of the U.S. -China balance of power. He shows that the United States is still far ahead of China and concerns that strong and sustained economic growth puts China in a position to compete with the U.S. are largely overblown.<sup>④</sup> Even more important, he highlights the different of constraints of polarity configurations for the U.S. and second tier states in three realms: security, finance, and trade. In each realm maintaining hegemony or unipolarity is costly, he argues, but less so than alternative configurations. In the security realm, the United States guaranties the security of more than 50 states and already fought more wars after the cold war than during it.<sup>⑤</sup> In finance the U.S. needs to supply the world with liquidity because the dollar functions as the main global reserve currency and exchange unit. The cost for the provision of this common good is a persistent balance-of-payments deficit of the U.S. This undermines the competitiveness of U.S. exports and possibly the confidence of mar-

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① William C. Wohlforth, “The Stability of a Unipolar World”, p. 36.

② Ibid.

③ Michael Beckley, “China’s Century? Why America’s Edge Will Endure”, *International Security*, 36 (3), 2011/12, pp. 41-78.

④ See also the debate on definitions and indicators of rise and decline of great powers (Joshua R. Itzkowitz and Michael Beckley, “Correspondence: Debating China’s Rise and U.S. Decline”, *International Security*, 37 (3), 2012, pp. 172-181).

⑤ Michael Beckley, “China’s Century? Why America’s Edge Will Endure”, p. 45.

kets and central banks in the dollar. Large foreign debts make the U.S. vulnerable to threats to sell dollar currency reserves<sup>①</sup>. In trade the U.S. must maintain an open market even in case of protectionism by others. Otherwise the global free trade regime would collapse. <sup>②</sup>

However, these costs of “system making” are more than offset by the benefits of U.S. privileges. <sup>③</sup>The U.S. possesses a lot of tools to reward and punish, provide, restrict or deny access. It can set agendas, shape normative frameworks or change the choices available to others. Military superiority allows employing force without war and therefore imposing specific bargains on other states. The dollar, while costly to maintain as an international reserve currency, brings benefits of seigniorage and reduces the exchange risk for U.S. companies and competitive advantages for the U.S. commercial banks operating in international markets. Furthermore, it confers the ability to U.S. governments to delay or even deflect current account adjustments to other countries<sup>④</sup>. “The dollar is our currency, but your problem”, former U.S. Secretary of the Treasury, John Connolly, told the Europeans in 1971<sup>⑤</sup>. In trade, the U.S. can use its diplomatic leverage to advance the interest of American companies. Governments use American law to punish countries that are considered unfair trades<sup>⑥</sup>. In short, as a hegemon the United States can apply what Susan Strange called “structural power”. <sup>⑦</sup>

① Michael Beckley, “China’s Century? Why America’s Edge Will Endure”, p. 47.

② Ibid. , pp. 47-48.

③ Ibid. p. 48. Paul Kennedy, “The Greatest Superpower Ever”, *New Perspectives Quarterly*, 19(2), 2002, pp. 8-18. Michael Mastanduno, “System Maker and Privilege Taker”, *World Politics*, 61(01), 2008, p. 121. Bruce Russett, “The Mysterious Case of Vanishing Hegemony; or is Mark Twain Really Dead?”, *International Organization*, 39(2), 1985, pp. 207-231.

④ Michael Beckley, “China’s Century? Why America’s Edge Will Endure”, pp. 48-49. Daniel W. Drezner, “Bad Debts: Assessing China’s Financial Influence in Great Power Politics”, *International Security*, 34(2), 2009, pp. 7-45. Joseph S. Nye, Jr. , “Grand Strategy and Global Public Goods”, *New Perspectives Quarterly*, 19(2), 2002, pp. 19-26.

⑤ “Our currency and our problem”, *Financial Times*, November 17, 2007, <http://blogs.ft.com/maverecon/2007/11/our-currency-anhtml/#axzz2gl2GnPiJ>; accessed: October 4, 2013.

⑥ Michael Beckley, “China’s Century? Why America’s Edge Will Endure”, p. 50.

⑦ G. John Ikenberry, “American Power and the Empire of Capitalist Democracy”, *Review of International Studies*, 27(05), 2003, pp. 191-212. Susan Strange, *States and Markets. An Introduction to International Political Economy*; Pinter, 1988. “Structural power... is the power to shape and determine the structures of the global political economy within which other states, their political institutions, their economic enterprises and ... their scientists and other professional people have to operate in” (Strange 1988: 24-5). This definition is close to Gramsci’s understanding of hegemony.

Clearly, second-tier states find themselves at the receiving end of this structural power and U.S. cost-benefit calculations. Why should they accept it or find it beneficial as Wohlforth suggests? "The powerful state may, and the United States does, think of itself as acting for the sake of peace, justice, and well-being in the world. These terms however will be defined to the liking of the powerful, which may conflict with the preferences and interests of others..." Some of the weaker states in the system will therefore act to restore a balance and thus move the system back to bi-or multipolarity. China and Japan are doing so right now," wrote Kenneth Waltz<sup>①</sup> in 1997. Contrasting Waltz' and Wohlforth's views therefore shows that Waltz like Mearsheimer assumed a zero-sum game whereas Wohlforth, Brooks, and Beckley assume a win-win or mixed-motive game. This conceptual difference points to an important scope condition: U.S. hegemony endures or is sustainable if actors base cost-benefit calculations on mixed-motives games. Their calculations lead to a preference for living under American hegemony. However, if actors base their cost-benefit calculations on zero-sum games they are likely to engage in balancing behavior in order to move the system back to bi-or multipolarity.

Some evidence points towards Brooks' and Wohlforth's view. For instance, China settled 17 of the 23 territorial conflicts in the region between 1949 and 2005. Very recently, it started a new initiative to settle its core conflict with Taiwan<sup>②</sup>. It is therefore not impossible that it can be accommodated in a unipolar world as Amitai Etzioni and Robert Ross argued<sup>③</sup>. In fact, it already engaged in numerous multilateral organizations regional and globally. China also provides the most troops to the *genuine* UN peacekeeping missions<sup>④</sup> among the five permanent members of the UN Security Council and therefore contributes to the production of security as a collective good in international relations<sup>⑤</sup>. And its official and semi-official reaction to the

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① Kenneth N. Waltz, "Evaluating Theories", pp. 915-916.

② Petra Kolonko, "Erst die Hochzeit, dann die Liebe", *Frankfurter Allgemeine Zeitung*, 15. Oktober 2013, p. 7.

③ Amitai Etzioni, "Accommodating China", *Survival*, 55(2), 2013, p. 45. Robert S. Ross, "Balance of Power Politics and the Rise of China: Accommodation and Balancing in East Asia", pp. 355-395.

④ Other permanent members contribute troops too but mostly under the arrangement of UN mandated operations. (Johannes Varwick, "Die deutsche UNO-Politik", in Thomas Jäger, Alexander Höse and Kai Oppermann, eds., *Deutsche Außenpolitik, 2. aktualisierte Auflage*, Wiesbaden: VS Verlag für Sozialwissenschaften, 2010, pp. 514-531.)

⑤ International Crisis Group, *China's Growing Role in UN Peacekeeping*, Beijing; New York, NY; Brussels: International Crisis Group, 2009, Asia Report 166.

American pivot was modest<sup>①</sup> even when a more assertive approach would have been warranted<sup>②</sup>. This record indicates that China behaved according to a status quo and mixed motive orientation.

If anything, the continuing domestic struggle between the President and Congress, Democrats and Republicans could—if sustained over extended periods of time—cause the self-defeating effect that harms American hegemony and unipolarity according to Wohlforth's theory. The United States would not only undermine the availability of foreign and defense policy tools but also seriously harm the confidence of its partners and allies in its sustained reliability. <sup>③</sup>

### (Neo) Liberal Institutionalism

The realist view of Brooks, Wohlforth, and Beckley<sup>④</sup> also points to another important debate among theorists of international relations: Can states cooperate with one another and if so to what extent? Waltz, Mearsheimer, and Joseph Grieco have been very skeptical about the possibility of international cooperation. <sup>⑤</sup> Their key argument has been that cooperation can lead to an uneven distribution of gains. However, when some states gain more from an international cooperation than others, the resulting advantage can ultimately be used for security or power seeking purposes that subsequently undermine the security of the disadvantaged cooperation partners. States, they argue, cooperate only if gains are distributed equally among cooperating

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① Michael D. Swaine, "Chinese Leadership and Elite Responses to the U.S. Pacific Pivot", *China Leadership Monitor*, (38), 2012, pp. 1-26.

② Kai Liao, "The Pentagon and the Pivot", *Survival*, 55(3), 2013, pp. 95-114.

③ che, "Asiaten fürchten Amerikas Zahlungsunfähigkeit", in *Frankfurter Allgemeine Zeitung*, 11. Oktober 2013, p. 13. che, "China greift in Asien mit Milliardeninvestitionen an", in *Frankfurter Allgemeine Zeitung*, 4. Oktober 2013, p. 16. che, "China lockt asiatische Nachbarn mit Milliarden", in *Frankfurter Allgemeine Zeitung*, 7. Oktober 2013, p. 19. Geinitz, Christian, "Chinas Hinterhof", in *Frankfurter Allgemeine Zeitung*, 11. Oktober 2013, p. 11. Grudgings, Stuart, "As Obama's Asia 'pivot' falters, China steps into the gap", *Reuters*, (October 6, 2013), <http://news.yahoo.com/obamas-asia-pivot-falters-china-steps-gap-034717036.html>; accessed: October 6, 2013.

④ Michael Beckley, "China's Century? Why America's Edge Will Endure", pp. 41-78. Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy*. Stephen G. Brooks and William C. Wohlforth, "Assessing the Balance", pp. 201-219.

⑤ Joseph M. Grieco, "Anarchy and the Limits of Cooperation: A Realist Critique of the Newest Liberal Institutionalism", *International Organization*, 43(3), 1988, pp. 485-507. John J. Mearsheimer, *The Tragedy of Great Power Politics*. Kenneth N. Waltz, *Theory of International Politics*.



partners. This argument has been termed the “relative gains condition” of cooperation. States are more concerned with their position in comparison (i. e. “relative”) to others than with their absolute status or absolute gains from cooperation. ①

#### Relative vs. Absolute Gains

Brooks and Wohlforth do not discuss relative gains issues but their argumentation suggests that they are less concerned with it because the gap between the United States and others including China is just too big for relative gains to matter. In their view, cooperation between the U.S. and China is possible even if the distribution of cooperation gains is uneven. This uneven distribution has been called the “absolute gains condition”. Under this condition, cooperation is possible if it is mutually beneficial even when the gains are unevenly distributed among partners. States cooperate when they gain something. However, they will not cooperate when they expect to lose from such cooperation. ②

The debate over relative vs. absolute gains<sup>③</sup> had been the core of the discussion between realists and liberal institutionalists most importantly Robert O. Keohane<sup>④</sup>. Institutionalists posit that states do not only seek security or power but also wealth. However, wealth grows according to a broad consensus among economists when actors engage in division of labor, specialization, and trade. The gains of international cooperation are mutual. However, there are also important costs. Specialization and

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① This distinction between relative vs. absolute gains also made it into the controversy between Beckley and Itzkovitz in which the latter argued that trends in economic growth relative to another state is a more important indicator of power than absolute power measures as the former argued. (Joshua R. Itzkowitz and Michael Beckley, “Correspondence: Debating China’s Rise and U.S. Decline”, pp. 172-181. )

② However, research has shown, that even the more modest condition of absolute gains let alone relative gains has not always been met in international relations. Most importantly, the extension of EU membership to include East European countries does not meet both the relative gains and the absolute gains condition (Frank Schimmelfennig, “The Community Trap. Liberal Norms, Rhetorical Action, and Eastern Enlargement of the European Union”, *International Organization*, 55(1), 2001, pp. 47-80. Christian Tuschhoff, “The Challenge of Asymmetry. Origins, Issues and Implications of Enlarging the EU”, in Bertrand Fort and Douglas Webber, eds., *Regional Integration in East Asia and Europe Convergence or Divergence?*, London, UK: Routledge, 2006, pp. 175-198. ).

③ David A. Baldwin, ed., *Neorealism and Neoliberalism. The Contemporary Debate*, New York, NY: Columbia University Press, 1993. Andreas Hasenclever, Peter Mayer and Volker Rittberger, *Theories of International Regimes*, Cambridge, UK: Cambridge University Press, 1997.

④ Robert O. Keohane, *After Hegemony. Cooperation and Discord in the World Political Economy*, Princeton, NJ: Princeton University Press, 1984. Robert O. Keohane, *International Institutions and State Power. Essays in International Relations Theory*, Boulder, CO/San Francisco, CA/London, UK: Westview Press, 1989.

division of labor inadvertently lead to greater interdependence and some loss of autonomy. ①Waltz consistently argued that states prefer autonomy and therefore shy away from interdependence②. Scholars of international political economy and institutionalists argue that interdependence inducing international cooperation is possible if certain conditions are met③. These conditions have been built on collective action theory④and address obstacles to cooperation such as cheating, moral hazard, or so-called coordination problems. Research has been shown that most of these obstacles to international cooperation can be overcome by a long shadow of the future or focal points. ⑤Most importantly, cooperation obstacles can be overcome by establishing international institutions. ⑥The stronger such institutions the higher are the compliance rates and the more intense international cooperation⑦. If institutions are strong international cooperation becomes possible not only in economic but also in security affairs. ⑧

The evidence shows that both China and the United States benefitted from mu-

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① Robert O. Keohane and Joseph S. Nye, Jr., *Power and Interdependence*, 2<sup>nd</sup>, Glenview, IL; Boston, MA; London, UK: Scott, Foresman and Co., 1989.

② Kenneth N. Waltz, *Theory of international politics*.

③ Andreas Hasenclever, Peter Mayer and Volker Rittberger, *Theories of International Regimes*. Arthur A. Stein, *Why Nations Cooperate. Circumstance and Choice in International Relations*, Ithaca, NY/London, UK: Cornell University Press, 1990. Bernhard Zangl, "Regimetheorie", in Siegfried Schieder and Manuela Spindler, eds., *Theorien der Internationalen Beziehungen*, Opladen/Farming Hills: Verlag Barbara Budrich, 2006, pp. 121-144. Michael Zürn, *Interessen und Institutionen in der internationalen Politik. Grundlegung und Anwendung des situationsstrukturellen Ansatzes*, Opladen: Leske + Budrich, 1992.

④ Mancur Olson, *The Logic of Collective Action. Public Goods and the Theory of Groups*, Cambridge, MA; Harvard University Press, 1971. Todd Sandler, *Collective Action. Theory and Applications*, Ann Arbor, MI: Michigan University Press, 1992.

⑤ Robert Axelrod, *Die Evolution der Kooperation*, München: Oldenbourg Verlag, 1988. Lisa L. Martin and Beth A. Simmons, "Theories and Empirical Studies of International Institutions", *International Organization*, 52(4), 1998, pp. 729-757. Arthur A. Stein, *Why Nations Cooperate. Circumstance and Choice in International Relations*. Michael Zürn, *Interessen und Institutionen in der internationalen Politik. Grundlegung und Anwendung des situationsstrukturellen Ansatzes*.

⑥ Robert O. Keohane, *After Hegemony. Cooperation and Discord in the World Political Economy*. Robert O. Keohane, *International Institutions and State Power. Essays in International Relations Theory*.

⑦ Kenneth W. Abbott, Robert O. Keohane, Andrew Moravcsik, Anne-Marie Slaughter and Duncan Snidal, "The Concept of Legalization", *International Organization*, 54(3), 2000, pp. 385-399. Kenneth W. Abbott and Duncan Snidal, "Hard and Soft Law in International Governance", *International Organization*, 54(3), 2000, pp. 421-456.

⑧ Helga Haftendorn, Robert O. Keohane and Celeste A. Wallander, eds., *Imperfect Unions. Security Institutions over Time and Space*, Oxford, UK/New York, NY: Oxford University Press, 1999.

tual cooperation<sup>①</sup>. China has built its economic model on exports and therefore heavily depends upon export markets. In order to gain access it became member of the World Trade Organization in December 2001. As such it is subject to a strong dispute settlement regime if others suspect that it does not comply. China has been respondent to complaints in 31 cases and complainant in 11 cases<sup>②</sup>. By comparison, the United States has been respondent in 120 cases and complainant in 106 cases<sup>③</sup>. The U.S. is WTO member since January 1995. The United States faced an average of 6-7 complaints per membership year while China's average is 2.5 cases per membership year. This record shows that both seem to comply with WTO rules and are actively engaged in dispute settlements. There are no accusations of flagrant attempts to exploit membership at the expense of others. A special U.S. China Economic and Security Review Commission closely watches the behavior of China in international relations and must report to Congress annually<sup>④</sup>. Such close tracking of China also enables the U.S. to engage Beijing directly when it believes WTO rules have been compromised. This is a standard feature of international trade relations indicating that China acts very similar to other states. The WTO rules and dispute settlement system encourages members to comply, settle potential complaints diplomatically, and offer binding arbitration if a conflict cannot be solved bilaterally. The U.S. Review Commission recommends adding or improving various mechanism to solve remaining conflicts. It does *not* recommend abandoning relations. <sup>⑤</sup>

China and the U.S. are also members of various regional organizations or bilateral agreements that generate interdependence with Asian partners<sup>⑥</sup>. These organizations and agreements on economic and security issues improve transparency of behavior and enable peer review processes. Full compliance with all rules and obligations cannot be expected. Compliance is not a fixed measure but a space with several

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① Wayne M. Morrison, *China's Economic Rise: History, Trends, Challenges and Implications for the United States*, Congressional Research Service, RL 33534, Washington, DC: Congressional Research Service, 2013.

② World Trade Organization, "China and the WTO", 2013, [http://www.wto.org/english/thewto\\_e/countries\\_e/china\\_e.htm](http://www.wto.org/english/thewto_e/countries_e/china_e.htm), last access: October 7, 2013.

③ World Trade Organization, "United States of America and the WTO", 2013, [http://www.wto.org/english/thewto\\_e/countries\\_e/usa\\_e.htm](http://www.wto.org/english/thewto_e/countries_e/usa_e.htm), last access: October 7, 2013.

④ U.S. -China Economic and Security Review Commission, 2011 Report to Congress, Washington, DC: U.S. Government Printing Office, 2011. U.S. -China Economic and Security Review Commission, 2012 Report to Congress, Washington, DC: U.S. Government Printing Office, 2012.

⑤ Ibid.

⑥ Aaron L. Friedberg, "The Future of U.S. -China Relations", pp. 12-15.

thresholds. Conflicts may arise over what behavior is appropriate in a specific situation. Over time, institutions also develop silent agreement over reasonable expectation including some discount from strict rule bound behavior. And finally, actors establish processes within international organizations that facilitate converging expectations<sup>①</sup>. Such processes ensure that Sino-U.S. relations can endure and conflicts can be resolved without major disruption.

In sum, high and growing interdependence between the United States and China facilitates the need for sustained cooperation. Both sides benefit from cooperation and the support of international organizations and institutions.<sup>②</sup> Sino-U.S. relations clearly meet the condition of a mixed-motive game because shared interests of wealth improvement coexist with conflicting interests on security matters and the distribution of cooperation gains.

### A Changing Mix of Motives?

One important debate among scholars addresses the question what this “mix” of motives look like. Edward S. Steinfeld<sup>③</sup> and Steve Chan<sup>④</sup> concluded that the shared interest between China and the United States in maintaining a liberal world order is much stronger than particularistic interests. Essentially, integrating China in the world economy transformed China's political economy in ways that it developed a strong stake in maintaining and defending the rules of the liberal world order. It

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① Christian Tuschhoff, “Alliance Cohesion and Peaceful Change in NATO”, in Helga Haftendorn, Robert O. Keohane and Celeste A. Wallander, eds., *Imperfect Unions. Security Institutions over Time and Space*, Oxford, UK/New York, NY: Oxford University Press, 1999, pp. 140-161. Christian Tuschhoff, “The Impact of NATO's Defence Planning and Force Generation on Member States”, in Sebastian Mayer, ed., *NATO's Post-Cold War Politics. The Changing Provision of Security*, Houndsmill: Palgrave.

② However, to my knowledge there are no empirical studies—with the exception of (cited from Martin Wagener, “Anomalien des Realismus? Über die wundersam kooperative China-Politik der USA”, in Jochen Hils, Jürgen Wilzewski and Reinhard Wolf, eds., *Assertive Multilateralism and Preventive War. Die Außen- und Welordnungspolitik der USA von Clinton zu Obama aus theoretischer Sicht*, Baden-Baden: Nomos Verlagsgesellschaft, 2012, pp. 261-304), -on Sino-U.S. cooperation that directly discuss the relative vs. absolute gain conditions. While it is fair to say that agreements meet the absolute gains condition because neither side suffered from a loss the relative gains condition has not been seriously examined beyond, Wohlforth's and Beckley's claim that it would not be an insurmountable obstacle to Sino-U.S. cooperation because the U.S. so far ahead of China.

③ Edward S. Steinfeld, *Playing Our Game: Why China's Rise Doesn't Threaten the West*, Oxford, UK; New York, NY: Oxford University Press, 2010.

④ Steve Chan, *Looking for a Balance: China, the United States, and Power Balancing in East Asia*, Stanford, CA: Standord University Press, 2012.

found a way to seamlessly merge the process of internalizing liberal principles with the process of inventing its own development path based on its unique history and culture. Strong commercial ties operate against a country's own interest and signal a strong commitment to maintain good relations with rivals<sup>①</sup>. Yet, Charles A. Kupchan<sup>②</sup> contradicts this view. His examination of China's motive "mix" has way more particularistic than shared interests. The liberal global order, Kupchan argues, is alien to the unique experience and does not accommodate the interests of rising powers (not only China but also India, Brazil, and Russia). Therefore, as soon as the relative power has sufficiently shifted towards these new centers they will change the global order in ways more conducive to their ways of doing business.

One reason for these contending conclusions can be found in assumptions about the key actors. Kupchan applies a unitary actor perspectives in which the Chinese leadership acts authoritatively and consistently on behalf of the state. By contrast, Steinfeld applies a plural actor model similar to the civilization research examined below. In this view, there is neither one China nor a unified West. Both are composed of a broad range of more or less independent and influential actors that cannot be subsumed under a unitary actor perspective. Most importantly, "China today has no "ism" of its own, Steinfeld argues. Neither state nor society has articulated any unique set of indigenous values or institutions that citizens embrace"<sup>③</sup>. In other words, neither is China a unitary actor nor has it developed a master plan that meets two crucial conditions: be unequivocally supported by a strong majority within the Chinese society and could effectively compete with the liberal world order. Steinfeld concludes: "China... is more eager to join the club than to burn down the clubhouse"<sup>④</sup>. Quite common differences between states are normal business in international relations and should therefore not be confused with a major conflict over the basic principles of the social order.

In his response to Steinfeld, Kupchan concedes that a Manichean clash is indeed unlikely. However, key stakeholders in the Chinese society—the middle class—are strongly attached to the communist party state. They lack the formative

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① Steve Chan, *Looking for a Balance: China, the United States, and Power Balancing in East Asia*, Stanford, CA: Standord University Press, 2012.

② Charles A. Kupchan, *No One's World: The West, the Rising Rest, and the Coming Global Turn*, Oxford, UK; New York, NY: Oxford University Press, 2012.

③ Charles A. Kupchan and Edward S. Steinfeld, "Critical Dialogue", p. 891.

④ Ibid.

experience of Western middle classes whose bourgeoisie interest conflicted with absolute monarchies. Liberal principles emerged only when power was wrestled from absolute state governments. By contrast, “a compact between the Chinese Communist Party and the country’s economic elite gives state capitalism considerable staying power”<sup>①</sup>. The Chinese leadership therefore builds its “legitimacy and accountability...in a Confucian and communitarian political milieu, not in a liberal and republican one”<sup>②</sup>. Kupchan therefore sees plenty of evidence that China seeks to circumvent liberal institutions dominated by the West and build its own order mostly in the Asian region. Therefore, there is no agreement in scholarship about the actors driving political and social processes, their formative experiences driving their interests and social networks, and the (in)compatibility of values that underscore regional or global order. These differences are less the result of empirical analysis but mostly the consequence of theoretical assumptions and perspectives. It is therefore very likely, that the academic debate and the uncertainty of how to interpret political action will continue.

### Prescription for the Resilience of a Liberal World Order

The key condition of institutionalism, however, is the stronger international institutions the less likely are collective action problems. Surprisingly, Steinfeld and Kupchan converge on six points of a common prescription that would make world order more resilient. First, legitimacy of government should be based more on performance indicators rather than regime type.<sup>③</sup> Second, the rule of sovereignty needs to be strengthened and internationally respected. Third, multilateral organizations must be more inclusive and accommodating to the emerging powers. Fourth, the global order must be more tolerant to national efforts taming globalization effects. Fifth, due to its limited capacities of enforcing global standards, the new order should embrace regionalization and decentralization. And finally, a new order must prevent hegemonic rivalry<sup>④</sup>. This prescription for a new presumably more effective world order combines measures of decentralization in order to accommodate new powers and simulta-

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① Charles A. Kupchan and Edward S. Steinfeld, “Critical Dialogue”, p. 891.

② Ibid., p. 892.

③ According to Chan (Charles A. Kupchan, *No One's World: The West, the Rising Rest, and the Coming Global Turn*). This measure is already firmly in place.

④ Charles A. Kupchan and Edward S. Steinfeld, “Critical Dialogue”, p. 889.

neously reduce unrealistic expectations of a global convergence with centralization by strengthening common principles and multilateral organizations. In short, the prescription is a realignment or a new mix of “self-rule and shared rule”—i. e. Elazar’s definition of federalism<sup>①</sup>.

#### Solving Specific Collective Action Problems

According to liberal theory the strength of international institutions should not be exclusively measured in terms of legalization research such as obligation, precision, and dispute settlement arrangements<sup>②</sup>. It is also useful to examine catalysts for bilateral conflict management and processes of facilitating converging expectations. They can contribute to the reduction of collective action problems, too. Moreover, research by Stein and Zürn demonstrated that not all cooperation and coordination problems are born equal. Some collective action problems are easier to overcome than others. And some scope conditions facilitate cooperation in specified situations while they fail in others. Stein and Zürn distinguish between four types of situations or collective action problems<sup>③</sup>. Coordination problems represent situations in which interest may conflict but once an agreement has been found they are self-enforcing. Actors have no incentive to break an agreement because they would not benefit from non-compliance. Cooperation problems represent a class of situations in which conflicting interest between actors persists beyond the settlement of an agreement. Any agreement in such a situation is not self-enforcing because actors have a strong incentive to non-compliance. Both, coordination and cooperation problems can be further subdivided and associated with scope conditions that either facilitate or obstruct agreements or compliance.<sup>④</sup>

Coordination problems without conflict over gains distribution are situations in which a number of mutually beneficial agreements exist. The key problem of coordi-

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① Daniel J. Elazar, *Exploring Federalism*, University of Alabama Press, 1987.

② Kenneth W. Abbott, Robert O. Keohane, Andrew Moravcsik, Anne-Marie Slaughter and Duncan Snidal, “The Concept of Legalization”. Kenneth W. Abbott and Duncan Snidal, “Hard and Soft Law in International Governance”, pp. 421-456.

③ Edward S. Steinfeld, *Playing Our Game. Why China's Rise Doesn't Threaten the West*. Michael Zürn, *Interessen und Institutionen in der internationalen Politik. Grundlegung und Anwendung des situationsstrukturellen Ansatzes*.

④ For the following see Zürn (Michael Zürn, *Interessen und Institutionen in der internationalen Politik. Grundlegung und Anwendung des situationsstrukturellen Ansatzes*).

nation is to find the one solution under which all actors benefit the most. These problems can be solved most easily as shared interests dwarf minor conflicting ones. Agreements are even more likely the more actors participate in cooperation and reap benefits. The scope condition of a *high number of actors* clearly facilitates cooperation. Cooperation in such almost harmonious situations may break down only if the overall relationship among participants is highly competitive or even hostile. Therefore the *overall relationship* is a second scope condition in this particular situation.

Coordination problems with conflict over gains are situations in which actors share a common aversion but any resolution of the problem leads to an uneven distribution of gains. Typically, these cooperation problems can be solved only if some or all scope conditions are met. *Along shadow of the future* may be conducive to finding an agreement. Also, *high density of transactions* facilitates the acceptance of a solution. Moreover, an *asymmetrical distribution of power* offers the opportunity for the more powerful actors to make concessions. Finding a *focal point* that provides a solution is also extremely critical to solving coordination problems with conflicts over gains. And again, a *highly competitive overall relationship* presents a major obstacle to cooperation.

Cooperation problems in which incentives for non-compliance with an agreement are high (e. g. prisoners dilemma) present a much tougher challenge for the actors involved because they must not only agree on how to settle a conflict but also establish measures to monitor and possibly sanction non-compliance. The following scope conditions may facilitate a solution: *a long shadow of the future*, *a high transaction density*, a reputation for *reciprocal foreign policy*, and *asymmetrical distribution of power* among actors. However, a *high number of participants*, i. e. a multilateral agreement, presents a formidable obstacle to cooperation because monitoring and sanctioning a non-compliant actor become inherently difficult.

A final situation is called "Rambo-game" because one side holds all the cards and will not benefit from a cooperative agreement that solves a problem unless further compensated. Cooperation is extremely unlikely and requires the following scope conditions: *long shadow of the future*, *high transaction density*, *reciprocal foreign policy*, and an *amicable overall relationship*.

Again, there need to be studies that would systematically examine Sino-U. S. relations by dividing collective action problems according to this typology and assess whether or not the scope conditions facilitated or hindered mutual cooperation.



#### The Cooperation Obstacle of a Regime Type Match

Yet, some liberal theorists go one more step further by adding domestic conditions to the equation. Some scholars are convinced, that economic openness is strongly associated with high economic growth<sup>①</sup>. They further insist that regime type matters a great deal when actors assess the range of opportunities for mutual cooperation. Mutual cooperation is enhanced, they argue, when the regime types match because interaction can then be based on similar processes or practices of trust building. Moreover, similar regime types facilitate interaction because actors are already familiar with established procedures that catalyze cooperative behavior. Actors have not to become acquainted with or familiarize themselves with new rules or procedures. While most scholars agree that China pursued effective policies of economic openness there is much less certainty how to classify its economic system in which several industrial sectors remain under firm state control. <sup>②</sup>

The move towards openness greatly enhanced China's opportunities and integration in world markets and contributed significantly to sustained economic growth rates as mentioned above. Moreover, allowing and guaranteeing private property rights facilitated the formation of joint ventures and brought in a substantial amount of foreign investments. There is no question that overall both, China and the United States, along with other international actors benefited from this change in the economic regime type. However, these benefits may have been unequally distributed among the various social groups in the two societies ( see below ). The question is also, whether or not China succeeds in maintaining its economic openness if prosperity

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① Robert J. Barro, "Democracy, Law and Order, and Economic Growth", in Terry Miller, Kim R. Holmes and Edwin J. Feulner, eds., 2013 *Index of Economic Freedom*, Washington, DC; New York, NY: Heritage Foundation, Wall Street Journal, 2013, pp. 41-58. Marc A. Miles, Kim R. Holmes and Mary A. O'Grady, eds., 2006 *Index of Economic Freedom*, Washington, DC; New York, NY: The Heritage Foundation, Wall Street Journal, 2006.

② Roselyn Hsueh, *China's Regulatory State: A New Strategy for Globalizations*, Ithaca, NY: Cornell University Press, 2011. Kellee S. Tsai, "China's Political Economy and Political Science", *Perspectives on Politics*, 11(03), 2013, pp. 860-871. The two conservative Institute ratings by the Heritage Foundation and the Frazer Institute disagree with this assessment. For them China made almost no progress in changing its economic regime that ranked 92 in 1980 and 101 in 2011 of all countries whose economic freedom had been rated ( James Gwartney and Robert Lawson, *Economic Freedom of the World, 2006 Annual Report*, Vancouver, BC: Frazer Institute, 2006. James Gwartney, Robert Lawson and Joshua Hall, *Economic Freedom of the World, 2013 Annual Report*, Vancouver BC: Frazer Institute, 2013. Marc A. Miles, Kim R. Holmes and Mary A. O'Grady, eds., 2006 *Index of Economic Freedom* ). The Heritage Foundation sees China only at rank 136 in its 2013 report ( Terry Miller, Kim R. Holmes and Edwin J. Feulner, eds., 2013 *Index of Economic Freedom* ).

gains cannot be sustained forever. Some scholars fear that under conditions of increased competition among social groups the government will resort to stronger national appeals, protectionism, and restrictions to free markets or private property<sup>①</sup>. Such a backlash would almost certainly lead to a major disturbance of Sino-U.S. relations.

As to the political regime type, China and the U.S. do not match at all because the United States is a liberal democracy while China maintains a non-democratic regime. The difference in the political regime type continues to undermine mutual trust leading to occasional mutual irritations.

**Table 1 Comparison of Global and Chinese Views of U.S. Influence in the World.**

	World average		China	
	Mainly positive	Mainly negative	Mainly positive	Mainly negative
2005			40	42
2006	38	47	40	42
2010	46	34	29	44
2011	49	31	33	53
2012	47	33	29	48

Source: Globescan 2005-2012. Remaining to 100% means Don't know, no answer.

As table 1 shows, the Chinese saw the American influence in the world slightly more positive than the global average in 2005 and 2006. However, whereas the rest of the world improved its assessment of America's influence in the world to almost 50% that held a "mainly positive" view, large relative majorities and an absolute majority in 2011 of Chinese went the other way finding the U. S. influence in the world "mainly negative".

**Table 2 Comparison of Global and American Views of China's Influence in the World**

	World average		USA	
	Mainly positive	Mainly negative	Mainly positive	Mainly negative
2005	48	30	39	46
2010	41	38	29	51
2011	44	38	36	51
2012	50	31	42	46

Source: Globescan 2005-2012. Remaining to 100% means Don't know, no answer.

① Aaron L. Friedberg, "The Future of U.S.-China Relations", pp. 29-31.

Similarly, Americans consistently view China's influence in the world more negative than the global average as table 2 shows. Particularly in 2010 and 2011 an absolute majority of Americans viewed China's global influence mainly negative. Taken together, both tables leave substantial room for improving the mutual appreciation. It is plausible to argue that regime type differences are at least partially responsible for these perception gaps.

Several scholars argued that high growth rates are strongly associated not only with economic openness and market economy but also with democratic government<sup>①</sup>. If these arguments are valid, China's spectacular growth rates over the last decades are not sustainable without democratic reform. Rather these scholars would expect that without democratic reform China's economic performance will hit a ceiling and not be able to break out. In light of such arguments China's growth rates look much less threatening because its capacity of internal balancing is limited. Mearsheimer's and Kupchan's predictions would turn out exaggerated. The probability of a new hegemonic war between the United States and China would be low.

### The Impact of Domestic Politics on International Cooperation

Some liberal theorists further argue that mutual cooperation depend on sufficient domestic support. All agreements must be supported by a winning coalition<sup>②</sup>. Helen Milner<sup>③</sup> stated that liberal theorists who ignored domestic factors systematically overestimate the probability of international cooperation. At least in democratic systems an international agreement must be ratified and therefore brings domestic veto play-

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① Daron Acemoglu and James A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, London, UK: Profile Books, 2012. Robert J. Barro, "Democracy, Law and Order, and Economic Growth". James Gwartney and Robert Lawson, *Economic Freedom of the World. 2006 Annual Report*. James Gwartney, Robert Lawson and Joshua Hall, *Economic Freedom of the World. 2013 Annual Report*. Marc A. Miles, Kim R. Holmes and Mary A. O'Grady, eds., *2006 Index of Economic Freedom*. Terry Miller, Kim R. Holmes and Edwin J. Feulner, eds., *2013 Index of Economic Freedom*.

② Helen V. Milner, *Interests, Institutions, and Information: Domestic Politics and International Relations*, Princeton: Princeton University Press, 1997. Andrew Moravcsik, "Taking Preferences Seriously. A Liberal Theory of International Politics", *International Organization*, 51(4), 1997, pp. 513-553. Andrew Moravcsik, "The New Liberalism", in Christian Reus-Smit and Duncan Snidal, eds., *The Oxford Handbook of International Relations*, Oxford, UK; New York, NY: Oxford University Press, 2010, pp. 234-254. Robert D. Putnam, "Diplomacy and Domestic Politics: The Logic of Two-Level Games", *International Organization*, 42(3), 1988, pp. 427-460.

③ Helen V. Milner, *Interests, Institutions, and Information: Domestic Politics and International Relations*.

ers to the fore. Domestic support for international cooperation depends on whether or not a winning coalition can be formed. With regard to U.S. trade agreements such winning coalitions are typically built around affected industrial sectors. Once these sectors approve an agreement it is usually ratified<sup>①</sup>. The recent TPP negotiations demonstrated that the U.S. government followed the demands of strong business interests<sup>②</sup>. However, even in non-democratic countries the political leadership may face so-called audience costs. Such costs arise when political groups mobilize to challenge or oppose the leadership<sup>③</sup>. With regard to China the literature focuses on the PLA or some PLA factions as a group able to mount opposition<sup>④</sup>. Some authors assess the strength of nationalist groups to voice opposition<sup>⑤</sup>. Most importantly, research on labor has examined how economic openness and regime change affected workers. A population used to extremely high job security (yet not prosperity) has been exposed to reform processes that not only reduced employment protection but also led to a broad differentiation between specific groups that formed. This process of so-called informalization of work promoted a more segmented labor movement that might react unevenly to further processes of openness and reform. Both, government and employers responded to the needs and demands of a more segmented labor force<sup>⑥</sup>.

And recently the International Crisis Group pointed to decentralized bureaucracies in a quasi-federal administration that might object to a deal negotiated by the central leadership<sup>⑦</sup>. Surprisingly, Sheng finds that economic openness did not stimulate regional quests for more autonomy. The central government managed to maintain control over regions that benefit from economic openness and have an interest in

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① Helen V. Milner, *Interests, Institutions, and Information: Domestic Politics and International Relations*. Helen V. Milner, "The Political Economy of International Trade", *Annual Review of Political Science*, 2, 1999, pp. 91-114.

② Yasuhiko Ota, "Japans neue Chance in der TPP", in *Frankfurter Allgemeine Zeitung*, 22. Oktober 2013, p. 12.

③ Jessica L. Weeks, "Autocratic Audience Costs: Regime Type and Signaling Resolve", *International Organization*, 62(01), 2008.

④ Sarah Raine and Christian Le Mièrre, *Regional Disorder. The South China Sea Disputes*.

⑤ Alastair I. Johnston, "How New and Assertive is China's New Assertiveness?", pp. 67-69.

⑥ Sarosh Kuruvilla, Ching Kwan Lee and Mary E. Gallagher, eds., *From Iron Rice Bowl to Informalization: Markets, Workers, and the State in a Changing China*, Ithaca, NY: ILR Press, Cornell University Press, 2011. Kellee S. Tsai, "China's Political Economy and Political Science", pp. 860-871.

⑦ International Crisis Group, *Stirring up the South China Sea (I)*. International Crisis Group, *Stirring up the South China Sea (II): Regional Responses*.

not sharing their growing wealth<sup>①</sup>. Tendencies of decentralization are not so much driven by economic than political and social factors. One can conclude that while the domestic consequences of economic openness on the economy and the society of China have not been unexpected<sup>②</sup> the leadership response does not easily fit into any of the well-known models of political economy<sup>③</sup>. While the Chinese leadership remains strong, it must remain sensitive to the needs and demands of a society that is increasingly heterogenous. Therefore, the political strength of domestic actors, i. e. their ability to form veto or winning coalitions, must be considered an important scope condition of international cooperation in both democratic and non-democratic systems.

## Constructivism and the Production of Civilizations

Whereas realism and liberalism share key assumptions of rational choice or utilitarianism constructivism starts from assumptions of identity and norm guided behavior. What I do does not only depend on what I need but also on who I am and what is considered appropriate<sup>④</sup>. Starting from a thorough discussion of Samuel P. Huntington's popular work on the clash of civilizations<sup>⑤</sup> a group of researchers under the leadership of Peter J. Katzenstein provided a critical counterargument with a series of three book<sup>⑥</sup>. The following section is largely built upon these books.

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① Yumin Sheng, *Economic Openness and Territorial Politics in China*, Cambridge, UK: Cambridge University Press, 2010. Kellee S. Tsai, "China's Political Economy and Political Science", pp. 860-871.

② Ronald Rogowski, *Commerce and Coalitions. How Trade Affects Domestic Political Alignments*, Princeton, NJ: Princeton University Press, 1989. Ronald Rogowski, "'Globalization' and Convergence: Getting the Theory and the Evidence Right", 1998, <http://www.sscnet.ucla.edu/soc/groups/scr/global.htm>, last access: February 24. Ronald Rogowski, "Commerce and Coalitions: How Trade Affects Domestic Political Alignments", in Jeffrey A. Frieden and David A. Lake, eds., *International Political Economy: Perspectives on Global Power and Wealth*, 4, Belmont, CA et. al.: Thomson & Wadsworth, 2000, pp. 318-326.

③ Kellee S. Tsai, "China's Political Economy and Political Science", pp. 860-871.

④ Alexander Wendt, *Social Theory of International Politics*, Cambridge, UK; New York, NY: Cambridge University Press, 1999.

⑤ Samuel P. Huntington, "The Clash of Civilizations?", *Foreign Affairs*, 72 (3), 1993, pp. 22-49. Samuel P. Huntington, *The Clash of Civilizations: Remaking of World Order*, New York, NY: Simon & Schuster, 1996. Peter J. Katzenstein, "'Walls' between 'Those People'? Contrasting Perspectives on World Politics", *Perspectives on Politics*, 8 (1), 2010, pp. 11-25.

⑥ Peter J. Katzenstein, ed., *Civilizations in World Politics: Plural and Pluralist Perspectives*, London, UK; New York, NY: Routledge, Taylor & Francis Group, 2010. Peter J. Katzenstein, ed., *Anglo-America and Its Discontents: Civilizational Identities Beyond East and West*, London, UK; New York, NY: Routledge, Taylor & Francis Group, 2012. Peter J. Katzenstein, ed., *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, London, UK; New York, NY: Routledge; Taylor & Francis Group, 2012.

In the view of the authors, civilizations are not actors but social orders based on processes and practices of behavior. Therefore, their identities are socially constructed rather than primordial. It is these practices and processes that form the bases of closer interaction within the group than with other groups. Interaction with outsiders is based upon “intercivilizational encounter” and “transcivilizational engagement”<sup>①</sup>. However, conflict—or clash—is more common within than across civilizations. All civilizations coexist within a larger context of modernity that stresses “individualism, diversity, ecumenicism, and a loose sense of shared moral values”<sup>②</sup>. At the minimum the context of modernity entails a commitment to human rights and the improvement of human welfare. Yet, each group finds ways how their identity relates to the larger context. Particularly, the different religious traditions provide a source for diverging programs how modernity is enacted by each of these civilizations. Each tries to make sense of it while shaping it and also being shaped by the context itself. Taken together these processes produce both sameness and difference in world politics that can change in time and space.

Within and across civilizations conceived as social orders numerous actors drive processes. In America, the liberal state is a central yet not the only actor and an integral part of an encompassing imperium. In China, the state is a central actor but does not control a wide spread diaspora that is part of the Chinese civilization<sup>③</sup>. With this comparison between the United States and its broader imperium on the one hand and China’s civilization encompassing the citizens of the People’s Republic and the diaspora Katzenstein is able to show how U.S. and China’s state power is similarly circumscribed. The distinction between territorial and non-territorial aspects of empires highlight an important difference to Brooks’ and Wohlforth’s account: Whereas these realist argue that overwhelming material power frees the U. S. from following any rules Katzenstein’s analysis highlights norms and rules as part of the non-territorial American imperium that even the United States must comply with<sup>④</sup>. Moreover, civilizations are internally very heterogeneous—“plural” in Katzenstein’s terminology. Therefore, there is always differentiation and contestation. Yet, rela-

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① Peter J. Katzenstein, “A World of Plural and Pluralist Civilizations. Multiple Actors, Traditions, and Practices”, in Peter J. Katzenstein, ed., *Civilizations in World Politics: Plural and Pluralist Perspectives*, pp. 1-40.  
Donald J. Puchala, “International Encounters of Another Kind”, *Global Society*, 11(1), 1997, pp. 5-29.

② Ibid., p. 2.

③ Ibid., p. 24.

④ Ibid., pp. 27-28.

tions within and between civilizations are embedded in an encompassing ecumene. Most encounters are peaceful; actors tend to “borrow” from the cultural repertoire of others. Clash is a possible but not necessarily a likely outcome<sup>①</sup>.

Transcivilizational engagements and intercivilizational encounters can lead to different outcomes. One is cultural imperialism marked by a unilateral imposition of norms and practices in an effort to displace or destroy local processes and practices. A second outcome is wholesale adoption of norms and rules by local actors. Most likely, these actors adopt only the format but not necessarily the content of imported cultural practices. A third outcome is hybridization. Here, local norms and practices are altered by selectively adopting and adjusting imported practices which are fitted to pre-existing ones<sup>②</sup>.

Civilizational analysis provides a broad perspective on social orders and relationships among a broad range of actors. It is able to demonstrate that outcomes are not determined by simple cause-effect propositions but are always contingent on the confluence of multiple factors. It encourages critical and counterfactual thinking but is less able to produce deterministic or at least probabilistic propositions. Its analysis is more descriptive than evaluative or predictive.

### Social Power in the Chinese Civilization

The description of the Chinese civilization developed thus far is more compatible with Steinfeld's assessment than with Kupchan's or realism. The key difference is that civilizational analysis does not put as much emphasis on power and shifting power relations as the main drivers of a global competition between proponents of contending social orders. It is more concerned with sources, content, and processes of (re)configuration or (re)invention than with competition, compellence, or coercion. The meaning of the Chinese civilization is not only routed in the practices of the Chinese state but also in the practice of neighboring countries or in the continuing interpretation of Confucianism. The relevance of the latter for politics is grounded in its humanism emphasizing key values such as wisdom, morality, generosity, and

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① Peter J. Katzenstein, “A World of Plural and Pluralist Civilizations: Multiple Actors, Traditions, and Practices”, in Peter J. Katzenstein, ed., *Civilizations in World Politics: Plural and Pluralist Perspectives*, pp. 1-40. Donald J. Puchala, “International Encounters of Another Kind”, *Global Society*, 11(1), 1997, pp. 36-37.

② Peter J. Katzenstein, “A World of Plural and Pluralist Civilizations: Multiple Actors, Traditions, and Practices”, p. 33.

obligation<sup>①</sup>. It enjoys regional support beyond the territory of the People's Republic of China because it proved effective as a means for exercising domestic control and managing foreign relations<sup>②</sup>. In security terms, Chinese civilization practices were remarkably peaceful over long periods of time<sup>③</sup>.

The economic success of China, in the view of civilizational analysis is not due to strictly applied master plan but the result of recombining old values and practices with new ones, in which state, capital and foreign investment have been realigned. Yet, Confucianism with emphasis on strong government, meritocracy, high trust politics, and enduring familial relationships were not only the cultural basis of the People's Republic economic success but of its neighbors and diaspora Chinese as well. However, both regional and global structures within which the rise has been achieved remain firmly U. S. -centered. <sup>④</sup>The flow of civilizational practices is not limited to outward push but include an inward push, too.

In his analysis of China's rise, Katzenstein emphasizes social power rather than military power. He interprets this as a fairly new recombination of practices rather than a fundamental break with the past. China has engaged in new public diplomacy activities using newly available information technology for public relations purposes. It thereby counters more private competitors such as CNN rather than U.S. government entities. Moreover, it founded a growing number of Confucius Institutes to encourage learning of the Chinese language abroad and increased student exchange programs<sup>⑤</sup>. However, the evidence cited is more indicative of new initiatives than expected impact. Social dimensions of power including public diplomacy are contingent upon the recipients' responses. The Chinese government aimed at generating interna-

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① Peter J. Katzenstein, "China's Rise: Rupture, Return or Recombination?", in Peter J. Katzenstein ed., *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 10-11.

② David Kang, "Civilization and State Formation in the Shadow of China", in Peter J. Katzenstein, ed., *Civilizations in World Politics: Plural and Pluralist Perspectives*, pp. 91-113.

③ Peter J. Katzenstein, "China's Rise: Rupture, Return or Recombination?", p. 3.

④ Ibid. Chih-yu Shih, "Cultural Sinicization in Four Diasporic Lives", in Peter J. Katzenstein, ed., *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 153-174. Tianbiao Zhu, "Compressed Development, Flexible Practices, and Multiple Traditions in China's Rise", in Peter J. Katzenstein, ed., *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 9-119.

⑤ Peter J. Katzenstein, "China's Rise: Rupture, Return or Recombination?" pp. 14-15.



tional support for the “Beijing consensus” countering the “Washington consensus.”<sup>①</sup> But social dimensions of power do neither directly nor indirectly confer control over desired outcomes as Chih-yu Shih and Caroline Hau have shown<sup>②</sup>. Moreover, there are competing entrepreneurs and enterprises broadcasting their own versions of meaning of being Chinese that offer multiple opportunities for identification. Therefore, governmental efforts had only limited success but showed a wide gap between the Chinese government self-image as a fragile regional power on the one hand and external perceptions of China as a robust, still rising, and even threatening giant<sup>③</sup>.

Whereas many observers are impressed by China's economic accomplishments and perceive it at least as a major rupture in if not a systemic threat to the world economy, Katzenstein argues that China merely combined new and old elements to develop a dynamic economy but one that is structurally very open—and possible dependent—to the world. For evidence he points to a process of Asian industrialization driven by a region wide trade and technology transfers. The more recent dynamic could therefore build on long existing traditions, networks, and established practices that have been both intensified and accelerated. Therefore the new elements of speed and intensity have been combined with firmly established practices to become a new economic dynamic. However, according to Katzenstein the undoubtedly impressive economic performance of China or Asia does not threaten the structure of the world economy or the West for two reasons. First, even China's very advanced products provide only a small portion of value added gains in the assembly line that is truly global rather than centered in one economy. China's success heavily depends on eco-

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① The “Beijing consensus” is characterized by institutional experimentation, aspiration for social equality and the reliance on high-tech defense. It is based upon the principle of strict non-intervention and noninterference in domestic affairs and emphasizes economic and social definitions of human rights. It is incompatible with the responsibility to protect doctrine. The “Washington consensus” is characterized by a strong emphasis of market principles, a dominance of growth before equality and assertive power projection. The definition of human rights is mainly based upon civil and political liberties. The Washington consensus allows international interference or intervention and is compatible with the responsibility to protect civilians doctrine. However, the marked difference between these contending concepts shows how shallow the civilization of modernity is within which other civilizations exist. Human rights and human welfare, it seems, are more containers for divergent aspirations rather than basic or shared values.

② Caroline S. Hau, “Becoming ‘Chinese’ in Southeast Asia”, in Peter J. Katzenstein, ed., *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 175-206. Chih-yu Shih, “Cultural Sinicization in Four Diasporic Lives”, in Peter J. Katzenstein, ed., *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 153-174.

③ Peter J. Katzenstein, “China's Rise: Rupture, Return or Recombination?” p. 17.

conomic openness and interdependence. Second, in such network based economies it is very difficult if not outright impossible to establish centers of power and control<sup>①</sup>. Even if any actor aimed at building up such a center in order to command and control there are insurmountable obstacles to do so. With this conclusion, Katzenstein very much agrees with Steinfeld. No single or unitary actor is able to govern the international political economy singlehandedly. Achieving mutual gain cooperation in order to produce collective goods becomes a necessity. While civilizational analysis shares this perspective with liberalism it is simultaneously open to the opposite outcome, i. e. a breakdown of multilateral governance as predicted by realists. However, Katzenstein does not see this as inevitable nor caused by a single actor. The assumption that civilizations are social orders generated and recreated by practices and processes involving a broad variety of actors by itself limits both the disruptive and constructive power of single actors or small groups. It also downplays material capabilities as power resources and emphasizes the social dimension i. e. identification with, acceptance and practical support of established processes and practices.

The case of a recombination of old and new rather than rupture is less persuasive in security matters. Katzenstein points to simultaneous processes of intensified and attenuated security competition. China's improved military capabilities are examples of the former, its acceptance and operation within multilateral security institutions such as the Shanghai Cooperation Organization or Track 2 and Track 3 Dialogues within the ASEAN Regional Forum (ARF) are examples of the latter<sup>②</sup>. Allen Carlson and Xu Xin point to incipient processes of rethinking the concept of border, territory and sovereignty in Chinese discourses<sup>③</sup>. Katzenstein identifies an ongoing U.S. attempt to engage China as a responsible regional power while simultaneously hedging against China's potential outbreak from such containment<sup>④</sup>.

Like China and Chinese civilization, Katzenstein views "the West" far from being unified but plural. Departing from practices of strong racism and a settler soci-

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① Peter J. Katzenstein, "China's Rise: Rupture, Return or Recombination?" pp.18-21.

② Ibid. , p. 25.

③ Allen Carlson, "Reimagining the Frontier: Patterns of Sinicization and the Emergence of New Thinking about China's Territorial Periphery", in Peter J. Katzenstein, ed. , *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 41-64. Xu Xin, "One China, Two Worlds: Taiwan and China's Quest for Identity and Security", in Peter J. Katzenstein, ed. , *Sinicization and the Rise of China: Civilizational Processes Beyond East and West*, pp. 41-64.

④ Peter J. Katzenstein, "China's Rise: Rupture, Return or Recombination?" , pp. 25-26.

ety the civilization today consist of several impulses shaping domestic politics and international relations within an environment conceived as “complex interdependence”<sup>①</sup>. Practices of leadership, followership, and shared purpose shape relations of the United States with Canada and Australia. Negotiated arrangements converge around the goal of maximum feasible autonomy not strict independence<sup>②</sup>. Internal divisions generated a variety of distinct practices allowing Australia to deeply engage in Asia; Canada to link up with Europe, and New Zealand to partially distance itself from the U.S. while incompletely turning towards Asia and maintaining a sibling rivalry with Australia. The U.S. did not overcome its racial divide but turned it into a partisan one. However, it maintains a strong openness and provides multiple interfaces for others to access.

## Conclusion

The ongoing academic debate on Sino-U. S. relations covers a broad range of proposition how the relationship will evolve. Predictions range from violent conflict over hegemony to peaceful encounters and engagement. In between we find proposed strategies ranging from polite ignorance to containment to active management supported by multilateral institutions. It is essential to note that examinations, inferences, conclusions, and recommendations vary first and foremost because they are based upon different theoretical assumptions and perspectives. The empirical evidence of the Sino-U. S. relationship itself is much less conclusive than the inferences that scholars draw from it. The meaning of observations changes depending on the choice of level of analysis, actors, subject matter, and specific data.

Realist unitary actor perspectives emphasize the conditions of the international system that severely restrict the choice of states. Offensive realists like Mearsheimer expect a “gathering storm” in Asia because power seeking states more or less inadvertently end up in hegemonic rivalry. These authors assume that trends of changing power capabilities are more important for making predictions than status of power indicators. Defensive realists like Waltz emphasize the instability of unipolarity but ar-

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① Robert O. Keohane, and Joseph S. Nye, Jr., *Power and Interdependence*, 2<sup>nd</sup>.

② Louis W. Pauly, and Christian Reus-Smit (2012), “The West as Anglo-America”, in Peter J. Katzenstein, ed., *Negotiating Anglo-America: Australia, Canada, and the United States*, London, UK; New York, NY: Routledge Taylor and Francis Group, pp. 127-151.

gue that nuclear weapons severely limit the probability of a major war between China-U.S. More traditional realists like Wohlforth stress the importance of power status indicators and conclude that the gap between the United States and China is unlikely to be closed any time soon. A transition of power war is highly unlikely and China developed a stake in maintaining a liberal world order.

Liberal theorists point to states' interest in well-being and the opportunities of mutually beneficial cooperation rather than interest in security or power. Sino-U.S. relations can be managed by creating strong international institutions capable of overcoming collective action problems. As interdependence grows, both sides will develop high stakes in maintaining the existing world order and avoid a major conflict. In managing the relationship it will be most helpful to identify specific collective action problems and agree on solutions by using problem specific mechanisms.

However, liberals are divided as to the emerging mix of motives when the balance of power changes. Some authors such as Kupchan assume that China's increasing power will change its mix of motives from status quo to revisionism. It will no longer support a liberal world order but change its principles in ways more conducive to the ones operating in domestic affairs. Others, such as Steinfeld, assume that power does not rest with the Chinese state as a unitary actor but will be dispersed among many influential actors. China will neither have the capability to singlehandedly change world order nor have a master plan to do so.

Katzenstein's civilizational analysis moves the analytical focus away from material to immaterial sources of power. He stresses identification with, acceptance and active support of established practices as key in determining social order, clash, encounter or engagement. While not ruling out a major even violent confrontation between the Anglo-American West and a Chinese civilization, he believes the likelihood to be rather low. Social power within both civilizations is too dispersed and the rich behavioral repertoire of mutual engagement is conducive to peaceful conflict resolution. It is important to note that in Katzenstein's view the liberal world order is not fixed but might change not against but with active support by the Anglo-American West.

The empirical examples used in this paper cannot amount to a systematic test of the various claims on Sino-U.S. relations derived from the different theories. However, they are sufficient to cast doubt on the general validity of these claims. No one theory is strong enough to explain the multifaceted phenomena of the complex relationship. Rather, the claims may achieve validity if some scope conditions are added

that limit the explanatory power of theories to a more narrow range of empirical observations and also help understanding under what circumstances the Sino-U.S. relationship turns toward conflict or cooperation. Finally, scope conditions point to some important factors that can help solving conflicts peacefully. I argued that rather than continuing the ontological struggle between theoretical schools, research on Sino-U.S. relations should evaluate the presence or absence of these scope conditions in order to assess the direction in which the relationship evolves.

#### Realism and Its Scope Conditions

For realism, it makes a huge difference whether states seek security or power. Conflict is more likely if not even inevitable if states seek power rather than sufficient security through a nuclear second strike capability. This sufficiency condition can be empirically measured by using performance indicators. Another important scope condition for evaluating realist claims is the distinction between revisionist vs. status quo aspirations. Detecting revisionist aspirations would signal a “gathering storm” towards the “tragedy of great powers” while status quo aspirations signal preparedness to normal conflict management. This scope condition is similar but not fully identical to the scope condition of states preferring to play a zero-sum or a mixed-motive game. Conflict is more likely under a zero-sum preference because in mixed-motive games states develop important stakes in maintaining the existing order that they will lose when changing to playing a zero-sum game.

Moreover, even fast changing balance of power trends are insufficient to generate a major conflict between China and the United States. Only when China's power status reaches similar levels as the U.S. in at least some crucial categories one should expect a major conflict over (regional) hegemony. While such internal balancing is unlikely, external balancing depends on the scope condition of effective regional integration. Effectiveness can be measured by states' preparedness to pay the sovereignty or independence costs of regional integration. Preferences for off-shore over on-shore balancing are another important scope condition. Only when this preference is reversed should we expect Asia to effectively balance against the United States.

#### Liberalism and Its Scope Conditions

Liberal theorists believe that states do not only seek security or power but also wealth and human well-being. These goals are achievable only by playing a mixed-

motive game that facilitates absolute gains from international cooperation. Participation in, compliance with, and active support for international institutions are important scope conditions for whether or not Sino-U.S. relations can be managed peacefully. Still, there is a possibility that the mix of motives can change over time from shared to particularistic interests. Such change however depends on the scope condition that stakeholders are unitary actors who control the motive mix. Conflictual relations are more likely under a unitary control than when stakeholders are dispersed.

An entire set of scope conditions applies when one addresses the question how specific collective action problems can be resolved cooperatively. The conditions not only specify the particular problem requiring targeted solutions they also indicate how specific factors ( e.g. shadow of the future, density of transactions, focal points, asymmetry of power distribution overall relationship etc. ) facilitate or prevent cooperative efforts.

Some liberal scholars have argued that chances of a sustained development of China ultimately require a democratic regime type. Non-democratic regimes cannot compete with the economic performance of democratic market economies. Therefore, as long as China does not change its political regime type a conflict over regional hegemony is not likely because China will not be able to reach the development level of the United States. The scope condition of regime type effectively prevents a hegemonic war.

### Constructivism and Its Scope Conditions

According to Katzenstein's civilizational analysis a major conflict between China and the United States over order is possible but not very likely. All civilizations are at least loosely connected to a civilization of modernity and therefore share a commitment to human rights and human welfare. As a first scope condition conflict becomes a distinct rather than a remote possibility when one or more civilizations no longer share this commitment but contest it.

The probability of confronting modernity however is low because of the second scope condition: in civilizations social power is decentralized and dispersed among a multitude of actors. It is therefore extremely difficult to amass sufficient social power to unify actors in order to eradicate other civilizations or to impose normative orders. Modification, adaptation, or rejection are much more likely outcomes of encounter and engagement. Only if actors succeed in centralizing authority a clash of civilizations comes within range. But even when violent means will be applied they are not

effective in breaking individuals' identification with and support for distinct civilizational practices. Rather, Katzenstein's analysis leads to the prediction that the world will continue to consist of several durable civilizations with distinct practices of coping with contemporary and future challenges.

This paper has shown that continuing the ontological struggle in order to find the encompassing theory of international relations is unlikely to help predicting the future direction of Sino-U.S. relations. It is more promising to evaluate the proposed scope conditions of each of the three schools of thought to assess which way the relationship turns. I therefore wish to encourage more empirical research on specific scope conditions.