Soft Balancing vs. Hard Clashes

The Risks of War over the South China Sea

By T.V. Paul

In the midst of China’s decades-long economic growth, leaders in Beijing have been keen to emphasize the country’s ‘peaceful rise.’ But it’s impossible to escape the fact that China’s rise is increasingly challenging the role of the United States in the region. With President Xi Jinping’s more assertive approach to foreign relations, particularly involving Beijing’s claims in the South China Sea, T.V. Paul looks at the possibility that disputes over this key body of water could lead to conflict between China and the US.

AS CHINA’S BUILDUP and militarization of the South China Sea continues unabated, the question arises, is this the calm before the storm? In other words, will the United States respond militarily before China becomes too strong in the region? Or will China engage in violence to stop increasing US naval intrusions in the area, centered on the freedom of navigation operations under the administration of US President Donald Trump?

Many previous historical examples of naval buildups by rising powers in the core regions of preponderant powers did not produce benign outcomes. It was Germany that initiated a naval arms buildup in the principal waters of British hegemony — the North Sea and the Atlantic — beginning in 1898 and lasting until 1912. Similarly, it was a naval arms buildup in the 1920s and 1930s, first launched by the US and matched by Japan and the UK that helped lead to full-blown war in the Pacific. It took nearly two decades of arms buildup by the challenger for the hegemonic powers to feel the pressure.

In the first instance, all it took was the crisis of July 1914 in Sarajevo for war to break out. In the US-Japan case, it took another decade, with the Japanese attack on Pearl Harbor in 1941, although the possibility of war existed during the 1930s when the US engaged in intense economic sanctions on Japan. In my new book, Restraining Great Powers: Soft Balancing from Empires to the Global Era, I examine the various institutional and economic efforts by states since the Napoleonic era to restrain challengers and the conditions under which these efforts led to success or failure. The current era of deep globalization and resultant interdependence allows for the limited success of soft balancing efforts, while active hard balancing, relying on intense arms buildups and the formation of military alliances, could accelerate time pressures among contending states to act militarily, heightening the risk of war.

Today’s great-power relations differ from those of the past partly because nuclear deterrence is lurking in the background, preventing escalation to full-fledged war. Extensive and deep economic globalization is also helping to reduce the intensity of conflicts, but if it creates perceptions of winners and losers, it will become less of a guarantor for long-term peace. There is nothing that could completely prevent limited wars or intense crises occurring among nuclear powers as happened between Russia and China in 1969 in the Ussuri River crisis and between India and Pakistan in 1999 over control of the Kargil Hills.

Today, China may be underestimating the American potential and resolve to challenge its military expansion in the South China Sea. Beijing may, out of overconfidence, start preventing normal shipping or disrupting military transit for US and allied navies, which in turn could spark a destabilizing crisis. Washington may also pursue aggressive patrolling near China’s selfclaimed islets, thus generating tense standoffs under freedom of navigation operations. Other future scenarios include countries in the Association of Southeast Asian Nations (ASEAN) such as the Philippines and Vietnam getting involved in a crisis with China by their own active militarization of the disputed islands. The US could come to the rescue of these states if they are attacked by China, because the Philippines is a formal ally and is increasingly viewed in Washington as an informal strategic partner. The possibility of conflict has generated debate between optimists and pessimists on China’s rise. Recently, Graham Allison’s claims regarding the “Thucydides Trap” attracted much attention, both in favor and in opposition, on the future prospects of war. However, none of these accounts discusses the most critical mechanisms that could generate war. One is the time pressure that leaders may experience at various periods that can impact the choice for war between a rising and an established power.

NOW OR NEVER?

Wars do not happen just randomly or purely because of contending territorial or strategic claims. An important consideration is that time pressures build up gradually among rivals and produce unintended outcomes. Time pressures have multiplying effects on states who see future conditions turning against them drastically. This type of time pressure is different from what leaders experience during the peak or escalation phase of a crisis. A preventive dilemma can occur to a state experiencing time pressures, as decision makers feel they need to weigh whether or not they should strike before the other side becomes preponderant. Attacking may have costs, but leaders may believe that the current costs are bearable, and that in the future, these costs are likely to multiply. Under such conditions, leaders could perceive the need to “attack now or never.”

Most wars are wars of choice, and they happen when leaders feel the need to act because of impending changes that they consider to be highly unfavorable. Leaders facing an imminent loss of territory or power are under pressure to act before the adversary becomes too strong and changes the status quo permanently. This type of preventive war has occurred in history, although the relationship between changing capabilities and war need not be linear. When leaders of a stronger power feel that they are bound to lose a future conflict, they may have an incentive to challenge that outcome through military
action or other coercive means. Similarly, a rapidly strengthening state can experience the pressure to act because a short-term advantage may not last. Usually, hostilities are triggered because crises are initiated by any one of the parties or a third party aligned with the states. Historical examples include the much-discussed Athens-Sparta rivalry and Japan’s initiation of war against Russia in 1904. Prior to the First World War, Germany’s leaders perceived themselves to be facing increasing Russian capabilities; the same was true for Japan prior to the attack on Pearl Harbor. In regional contexts, such wars have also occurred. Pakistan’s Kashmir offensive in 1965 is a good example. Its leadership sought to prevent India from building up its military strength following the 1962 military debacle with China. Egyptian President Anwar Sadat also experienced time pressures in 1973 due to changing capability configurations with Israel and his fear that the Sinai would never be recovered once the balance of forces made Israel preponderant.

These time pressures could be generated by changes to three critical factors affecting strategic stability in an adversarial relationship: capability configurations in the theater of contest, alliance relationships, and domestic order in which individuals and groups in favor of more aggressive military strategy and doctrines emerge as central decision makers. Mutual nuclear deterrence could reduce time pressures, but it need not remove this condition in limited conflicts. Nuclear-armed rising and established powers can engage in limited conflicts as well as intense crisis behavior if they experience time pressures of this nature. Nuclear deterrence could prevent escalation to all-out war and encourage rivals to seek crisis management, if such mechanisms are in place. Unfortunately, the South China Sea today is lacking such crisis prevention or management mechanisms.

CHANGING CAPABILITIES
The first element of time pressure that could cause serious armed clashes between the US and China is a substantial increase in China’s military and economic capabilities, in particular in the South China Sea. Its capabilities in the region are increasing but are not yet on a par with the US. Increasingly, China is engaging in live drills involving its strike group led by the aircraft carrier Liaoning, and its associated battleships, frigates, destroyers and submarines, H-6K bombers and SU-35 fighter jets. In April 2018, the PLA Navy engaged in an active live-fire drill as three aircraft carriers of the US Navy passed by the area. Another in the Taiwan Strait was also conducted, and the type and strength of these activities could increase as China’s capabilities and ambitions advance. Armed clashes could occur as a result of calculations of rapidly changing capabilities on both sides. A major short-term improvement in Beijing’s capabilities could encourage it to accelerate territorial advancements and undertake pre-emptive actions if it perceives that the US is planning an attack in the near future. China could attempt to block US freedom of navigation operation patrols in the South China Sea, prompting a military response. US leaders could feel the pressure to act before the window of vulnerability closes for China. Economic calculations could also play a role in such assessments. Historically, a state that has acquired both superior economic and military power is the most formidable challenger to an established order. US leaders feeling both relative economic and military decline could consider preventive action that might include both military and economic coercion.

CHANGING ALLIANCES
The second factor that can generate war among rivals is a major change in the configuration of alliances. States experiencing alliance losses or gains are likely candidates to initiate wars. Leaders experiencing changes in their alliance relationships could engage in conflict with other states if the alliances of the opponents are weak or non-existent, and the adversary is likely to gain crucial allies in the future. The Spartans experienced this kind of alliance pressure as smaller states were joining the Delian League led by Athens. Corinth’s joining Athens was a major factor putting military pressure on Sparta to act against Athens. For many wars in the modern era, alliance calculations have acted as a crucial factor. Japan in 1904 was confident of British support in the short run, while Anglo-Russian talks in 1912 put pressure on Germany to act before the alliance became a possible hindrance to its ambitions.

The alliance factor has yet to become crucial in the China-US context in the Indo-Pacific, but this could change in the coming years. Because China is not gaining military allies and the US is not acquiring new ones, so far so good for the status quo. Chinese policies have alienated a number of key states in the region and they are unlikely to lend support to Beijing in the event of a military conflict. But the regional states are also heavily linked economically with China, making them cautious about undertaking any joint military ventures with the US. Their dependence is likely to grow massively if the Belt and Road Initiative (BRI) succeeds in making China the most important economic player of the region.

The only critical ally today that could support China in a conflict with the US is Russia. In a probable scenario, Russia could support China if it faces war in the European theater and China faces war in the Pacific, a situation somewhat akin to the conditions Germany and Japan faced prior to the Second World War. Yet another possibility is that the US could lose its alliance support from Japan and South Korea. However, this is unlikely in the near term, because as long as the Chinese threat to these states is palpable in any future conflict, they are likely to remain as US allies. China has not yet been successful in creating a powerful wedge between them and the US. A serious effort by China to take Taiwan could also be a crucial moment, because the US would face intense pressure to help Taipei or risk having its credibility suffer incalculable damage. One key possible change is the position of non-support or neutrality in a China-US military clash among Southeast Asian states, almost all of whom now have Beijing as their leading trade and investment partner. The Trump administration’s withdrawal from the Trans-Pacific Part-
nership (TPP) trade agreement and its “America First” policies have alienated many states in the region. Under the declining credibility of American presence and support, Southeast Asian states may become reluctant to support the US in a military conflict with China. They could also opt for strategies of neutrality or non-alignment.

CHANGING NEIGHBORS
A third war-generating factor linked to time pressure is domestic change in rival countries that favor the rise of hawkish leaders. Insecure or ambitious leaders could experience time pressure as they need to use windows of opportunity to survive under unfavorable circumstances. Highly ambitious leaders with messianic visions would want to act before their perceived favorable time passes and to obtain the grand strategic goals they have set in motion. Xi Jinping’s assumption of power in 2012 has would want to act before their perceived favorable time pressure and to obtain the grand strategic goals they have set in motion. Xi Jinping’s assumption of power in 2012 has inevitably clash with those of others in the neighborhood as well as at the global level. President Xi Jinping’s assumption of power in 2012 has resulted in a more expansionist policy supplanting China’s peaceful rise strategy, which was followed by Xi’s predecessors. China today is aggressively developing its capabilities in islets across the South China Sea that it built during the past decade and acquiring ports in the Indian Ocean. China opened its first overseas military base in Djibouti in July 2017, and is reportedly building another one in Gwadar in Pakistan’s Baluchistan province. China is also building commercial ports in Hambantota, Sri Lanka, Maro Atoll, Maldives, Chittagong, Bangladesh, Port Sudan, and Bagamoyo, Tanzania. The BRI will require additional ports in the years to come and the protection of these major economic assets would involve some form of Chinese security presence. These ports could become potential military bases, although strong opposition exists in local states for turning them over to China for military use. However, the civilian port building activity coupled with the BRI has given China a key reason not to upset the regional order too strongly until the projects take firm root. The BRI is thus playing a dual role, one that prevents military conflict in the short run, but may engender great power rivalry in the long run.

The pace of Chinese militarization is happening incrementally, but it could gain strength as and when China acquires full economic dominance and perceives a need to protect its assets with military might. The BRI has some elements of the initial stages of the Dutch and British East India companies. When they first arrived in Asia, they traded peacefully, but as their interests grew, they began to acquire military power and intervened in domestic politics through divide-and-rule strategies. The speed with which China has acquired economic assets in the BRI regions is astonishing, because countries are keen to attract Chinese investment in their infrastructure projects. But many of the loans for these projects carry high interest rates, and as a result the debt trap is fast emerging as a challenge to smaller states. Heavily indebted states could be forced to offer concessions similar to the 99-year lease Sri Lanka gave to China for the Hambantota port in December 2017. The BRI has encouraged other rising powers such as India and Japan to initiate rival programs, although so far, the pace of their responses has been slow. The US has also taken a turn toward right-wing politics under Donald Trump, who in 2017 began a major increase in defense spending and patrols of the South China Sea. But despite its aggressive tone, especially in the economic arena, the US has yet to change its military doctrine to an offensive mode. If that happens, pre-emption and prevention could become an option for China to consider, fearing America would do the same if it waited too long.

WHOSE SIDE IS TIME ON?
The South China Sea theater is not yet ready for war. But war clouds could gather momentum in a few years, if leaders on either side believe that time is not on their side. While the probability of a major war occurring is low due to the workings of nuclear deterrence, crises, military standoffs and prolonged periods of tension remain in the realm of possibility. Even limited military conflicts in the theater could occur, similar to the Russia-China border conflict in 1969 and the India-Pakistan Kargil war in 1999. These limited skirmishes can have far reaching consequences by making the rivals more strident and deepening their conflict. A new Cold War could emerge between China and the US.

Before such limited wars happen, protracted crises and high tensions occur. Can China, the US, and ASEAN countries give diplomacy and soft balancing through institutional mechanisms a serious chance? They have multiple strategic options to pursue here. One is to vigorously engage diplomatically in order for all parties, especially China, to sign the ASEAN-proposed Code of Conduct (CoC) and adhere to its core principles through a verification mechanism. A more ambitious route would be declaring the South China Sea and the Indian Oceans as zones of peace under UN auspices and encouraging all involved states to sign a mutually binding treaty. An institutional structure could be created to monitor the activities of states, especially China and the US, thereby making the zone an effective approach. This could include the Code of Conduct that ASEAN has been negotiating with China, but it would go beyond that. It would include a freeze on naval build ups in common territories, a multilateral treaty declaring free navigation through-out the zone, preventing heavy weaponry from being brought to the region, and develop confidence-building measures for the smooth passage of commercial and military vessels. It would stop active military exercises and maneuvers and give adequate warning to all involved parties on small-scale military exercises for purposes such as anti-piracy and crime prevention. Joint exploration of resources could be developed under international and bilateral mechanisms.

For any of these to succeed, China will have to scale down its ambitious expansion in the region and the illegal claims in the South China Sea contained in its so-called Nine-Dash Line. Multilateral mechanisms could be developed for continuous diplomatic engagement among major powers and regional states and free access to the sea lanes for all concerned countries. A peaceful rise scenario where no war occurs between China and the US, and the US accommodates a risen China without violence, is in the interests of both nations. Despite mitigating factors, if in the coming years both the US and China ratchet up their military activities in the Indo-Pacific, especially in the South China Sea, limited skirmishes and intense crises will remain a risk. Confidence building through a zone of peace could help reduce the possibility of such an outcome. Soft balancing using institutions could ease beligerence on both sides.

T.V. Paul is James McGill Professor of International Relations at McGill University, Canada. He is the author or editor of 18 books on international relations. A former president of the International Studies Association (ISA), his new book is Restraining Great Powers: Soft Balancing from Empires to the Global Era (Yale University Press, 2018).