

## Introduction

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### RISING POWER, TERRITORY, AND WAR

China is the new great power of the twenty-first century. Whether its rise will be peaceful or violent is a fundamental question for the study and practice of international relations. Unlike many past power transitions, China's current economic growth has occurred largely through its acceptance of the prevailing rules, norms, and institutions of the international system. Nevertheless, ambiguity and anxiety persist around how China will employ the military power that its growing wealth creates.

Amid this historical change, one concern is China's potential for violent conflict with other states over territory. The congressional U.S.-China Economic and Security Review Commission, for example, stated in its 2006 annual report that China might "take advantage of a more advanced military to threaten use of force, or actually use force, to facilitate desirable resolutions . . . of territorial claims."<sup>1</sup> Such concerns have merit. Historically, rapid internal economic growth has propelled states to redefine and expand the interests that they pursue abroad.<sup>2</sup> Economic development funds the acquisition of more robust military capabilities to pursue and defend these interests. Often such expansion results in the escalation of territorial disputes with other states. More generally, the disruption in the balance of power generates uncertainty among the leading states in the system about the security of vital interests and the structure of international order.<sup>3</sup>

In its territorial disputes, however, China has been less prone to violence and more cooperative than a singular view of an expansionist state suggests. Since 1949, China has participated in twenty-three unique terri-

<sup>1</sup> 2006 Report to Congress of the U.S.-China Economic and Security Review Commission, November 2006, p. 130. Also see Office of the Secretary of Defense, *Annual Report to Congress: The Military Power of the People's Republic of China* (Washington, D.C.: Department of Defense, 2005), 9.

<sup>2</sup> For just a few examples, see Nazli Choucri and Robert Carver North, *Nations in Conflict: National Growth and International Violence* (San Francisco: W. H. Freeman, 1975); Robert Gilpin, *War and Change in World Politics* (New York: Cambridge University Press, 1981); John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W. W. Norton, 2001); A.F.K. Organski, *World Politics* (New York: Knopf, 1958).

<sup>3</sup> Given this history of great-power conflict, for example, John Mearsheimer predicts that the "rise of China will not be peaceful at all." John J. Mearsheimer, "The Rise of China Will Not Be Peaceful at All," *The Australian*, November 18, 2005.

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torial disputes with its neighbors on land and at sea. Yet it has pursued compromise and offered concessions in seventeen of these conflicts. China's compromises have often been substantial, as it has usually offered to accept less than half of the contested territory in any final settlement. In addition, these compromises have resulted in boundary agreements in which China has abandoned potential irredentist claims to more than 3.4 million square kilometers of land that had been part of the Qing empire at its height in the early nineteenth century. In total, the People's Republic of China (PRC) has contested roughly 238,000 square kilometers or just 7 percent of the territory once part of the Qing.

Although China has pursued compromise frequently, it has nevertheless used force in six of its territorial disputes. Some of these conflicts, especially with India and Vietnam, were notably violent. Others, such as the crises over Taiwan in the 1950s and the clash with the Soviet Union in 1969, were tense moments in the Cold War involving threats to use nuclear weapons. Nevertheless, despite a willingness to use force in certain disputes, China has seized little land that it did not control before the outbreak of hostilities.

The wide variation in China's behavior is puzzling for scholars of international relations and China alike. Leading theories of international relations would expect a state with China's characteristics to be uncompromising and prone to using force in territorial disputes, not conciliatory. Contrary to scholars of offensive realism, however, China has rarely exploited its military superiority to bargain hard for the territory that it claims or to seize it through force.<sup>4</sup> China has likewise not become increasingly assertive in its territorial disputes as its relative power has grown in the past two decades. Contrary to others who emphasize the violent effects of nationalism, which would suggest inflexibility in conflicts over national sovereignty, China has been quite willing to offer territorial concessions despite historical legacies of external victimization and territorial dismemberment under the Qing.<sup>5</sup> And contrary to scholars who stress the role of political institutions, China has escalated only a minority of its territorial conflicts even with a highly centralized, authoritarian political system that places few internal constraints on the use of force.<sup>6</sup>

China's pattern of cooperation and escalation in its territorial disputes may also be surprising for observers and scholars of China. At the end of

<sup>4</sup> See, for example, Mearsheimer, *Tragedy*; Fareed Zakaria, *From Wealth to Power: The Unusual Origins of America's World Role* (Princeton, N.J.: Princeton University Press, 1998).

<sup>5</sup> See, for example, Stephen Van Evera, "Hypotheses on Nationalism and War," *International Security*, vol. 18, no. 4 (Spring 1994): 5–39.

<sup>6</sup> See, for example, Bruce Russett, *Grasping the Democratic Peace* (Princeton, N.J.: Princeton University Press, 1993).

the Cold War, many expected that China's numerous territorial disputes would be a leading source of instability in East Asia.<sup>7</sup> With the increased visibility of popular nationalism over the past two decades, other scholars maintain that China harbors broad irredentist claims to land on its periphery that its growing power will allow it to pursue.<sup>8</sup> Similarly, amid the prominence of popular nationalism, China is seen as "prone to muscle-flexing" in its foreign policy in order to deflect attention from growing social unrest.<sup>9</sup> Finally, some scholars maintain that China has a strategic preference for offensive uses of force, especially in zero-sum conflicts such as territorial disputes.<sup>10</sup>

Nevertheless, China has been more likely to compromise over disputed territory and less likely to use force than many policy analysts assert, international relations theories might predict, or China scholars expect. China's varied behavior sparks the questions that this book seeks to answer. Why has China pursued compromise in some disputes but used force in others? More generally, why and when do states cooperate in territorial conflicts? Under what conditions do states escalate disputes to high levels of violence instead of cooperating?

Answers to these questions can help illuminate the trajectory of China's rise as a great power. In an international system composed of sovereign states, behavior in territorial disputes offers a fundamental indicator of whether a state pursues status-quo or revisionist foreign policies.<sup>11</sup> Historically, contested land has been the most common issue over which states collide and go to war.<sup>12</sup> If states are likely to resort to force as a tool of statecraft, it will perhaps be most evident in how they pursue territorial

<sup>7</sup> For instance, Richard K. Betts, "Wealth, Power, and Instability: East Asia and the United States after the Cold War," *International Security*, vol. 18, no. 3 (Winter 1993): 34–77; Aaron L. Friedberg, "Ripe for Rivalry: Prospects for Peace in Multipolar Asia," *International Security*, vol. 18, no. 3 (Winter 1993/94), 5–33.

<sup>8</sup> For example, Richard Bernstein and Ross H. Munro, *The Coming Conflict with China* (New York: Knopf, 1997); Maria Hsia Chang, *Return of the Dragon: China's Wounded Nationalism* (Boulder, Colo.: Westview, 2001).

<sup>9</sup> Susan L. Shirk, *China: Fragile Superpower* (New York: Oxford University Press, 2007), 62.

<sup>10</sup> Alastair Iain Johnston, "Cultural Realism and Strategy in Maoist China," in Peter J. Katzenstein, ed., *The Culture of National Security* (New York: Columbia University Press, 1996): 216–270.

<sup>11</sup> On China's status-quo foreign policy in arenas other than territorial disputes, see Alastair Iain Johnston, "Is China a Status Quo Power?" *International Security*, vol. 27, no. 4 (Spring 2003): 5–56.

<sup>12</sup> Kalevi J. Holsti, *Peace and War: Armed Conflicts and International Order, 1648–1989* (Cambridge: Cambridge University Press, 1991); John Vasquez and Marie T. Henehan, "Territorial Disputes and the Probability of War, 1816–1992," *Journal of Peace Research*, vol. 38, no. 2 (2001): 123–138; John A. Vasquez, *The War Puzzle* (New York: Cambridge University Press, 1993).

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goals. As China today remains involved in several disputes, these questions are far from academic. Violence over some areas that China claims, such as Taiwan or the Senkaku Islands, would likely result in hostility between China and the United States, which maintains close ties with Taipei and Tokyo.

Answers to these questions are also hard to find. Although research on China's conflict behavior highlights the role of territorial disputes, they have yet to be examined systematically.<sup>13</sup> Instead, individual studies have weighed the legal merits of China's sovereignty claims or examined specific disputes, such as the boundary conflict between China and India.<sup>14</sup> The few comprehensive studies that do exist investigate only China's compromises in the 1960s and were unable to benefit from the flowering of new Chinese-language source materials in the last decade.<sup>15</sup> Finally, no study compares China's willingness to compromise or use force in all these conflicts, analysis that is key to understanding China's behavior.

#### COOPERATION AND ESCALATION IN TERRITORIAL DISPUTES

My explanation of China's behavior is rooted in two theories that explain how states choose to pursue their territorial claims. One theory examines

<sup>13</sup> Alastair Iain Johnston, "China's Militarized Interstate Dispute Behaviour, 1949–1992: A First Cut at the Data," *The China Quarterly*, no. 153 (March 1998): 1–30.

<sup>14</sup> Examples include Luke T. Chang, *China's Boundary Treaties and Frontier Disputes: A Manuscript* (New York: Oceana Publications, 1982); Pao-min Chang, *The Sino-Vietnamese Territorial Dispute* (New York: Praeger, 1986); Chien-peng Chung, *Domestic Politics, International Bargaining and China's Territorial Disputes* (London: RoutledgeCurzon, 2004); George Ginsburgs and Carl F. Pinkele, *The Sino-Soviet Territorial Dispute, 1949–64* (London: Routledge, 1978); Ting Tsz Kao, *The Chinese Frontiers* (Aurora, Ill.: Chinese Scholarly Publishing, 1980); Ying Cheng Kiang, *China's Boundaries* (Lincolnwood, Ill.: Institute of China Studies, 1985); Alastair Lamb, *The Sino-Indian Border in Ladakh* (Canberra: Australian National University Press, 1973); Neville Maxwell, *India's China War* (New York: Pantheon Books, 1970); J.R.V. Prescott et al., *Frontiers of Asia and Southeast Asia* (Carlton: Melbourne University Press, 1977); Tsui Tsien-hua, *The Sino-Soviet Border Dispute in the 1970's* (New York: Mosaic Press, 1983); Byron N. Tzou, *China and International Law: The Boundary Disputes* (New York: Praeger, 1990).

<sup>15</sup> Greg Austin, *China's Ocean Frontier: International Law, Military Force, and National Development* (Canberra: Allen & Unwin, 1998); Mira Sinha Bhattacharjea, "China's Strategy for the Determination and Consolidation of Its Territorial Boundaries: A Preliminary Investigation," *China Report*, vol. 23, no. 4 (1987): 397–419; Harold C. Hinton, *Communist China in World Politics* (New York: Houghton Mifflin, 1966), 273–336; Eric A. Hyer, "The Politics of China's Boundary Disputes and Settlements" (Ph.D. dissertation, Columbia University, 1990); Francis Watson, *The Frontiers of China* (New York: Praeger, 1966). For an important exception, see Allen Carlson, *Unifying China, Integrating with the World: Securing Chinese Sovereignty in the Reform Era* (Stanford, Calif.: Stanford University Press, 2005), 49–91.

the sources of cooperation in territorial disputes, while the other examines the sources of escalation. As detailed in chapter 1, each theory starts with the assumption that states choose among three generic strategies when managing an existing territorial conflict. They can (1) do nothing and delay settlement, (2) offer concessions and compromise, or (3) threaten or use force. Most of the time, a strategy of doing nothing is least risky, due to the costs associated with leaders' potential punishment at home for compromising over national sovereignty and the uncertainty of outcomes when a crisis escalates. Factors that increase the costs that a state bears for contesting territory relative to delaying, then, explain why and when states either compromise or use force in their disputes.

A state is most likely to compromise and offer concessions to counter internal or external threats to its security. Compromise is possible because pressing a claim to another state's land carries some price or opportunity cost, usually unrealized military, economic, or diplomatic assistance. When these costs outweigh the value of the land at stake, compromise becomes more attractive than delay, and a state will trade concessions for aid from a territorial opponent to counter the more pressing threat that it faces. External threats to the security or survival of the state are one source of compromise. When engaged in acute competition with a rival, for example, a state can use territorial concessions to form an alliance with a third party against its adversary. Internal threats to the strength and stability of a state offer a second source of compromise. When faced with an armed rebellion, for instance, a state can trade territorial concessions for assistance from neighboring states, such as policing the border or denying safe haven to potential insurgents.

Although a state's overall security environment creates incentives for cooperation, shifts in a state's bargaining power in a territorial dispute explain decisions to escalate these conflicts. A state's bargaining power consists of the amount of contested land that it occupies and its ability to project military power over the entire area under dispute. These two factors shape a state's ability to control contested land and achieve a favorable negotiated settlement. When a state concludes that an adversary is strengthening its relative position in a dispute, inaction becomes more costly than threatening or even using force to halt or reverse its decline. A state that faces a much stronger opponent may also use force when an adversary's power suddenly and temporarily weakens, creating a window of opportunity to seize land and strengthen its otherwise weak negotiating position.

To test these theories, I use a "medium-*n*" research design that examines China's decisions to cooperate or escalate in each of its twenty-three disputes since 1949. As both types of decision are infrequent, they can all be identified and compared with relative ease. For each dispute, I examine

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the conditions before and after the change in strategy to identify those factors that vary with decisions to compromise or use force, but not with delay. I then trace the process by which these decisions were made to determine whether these factors have the causal effect that my theories predict.

The chapters that follow exploit untapped Chinese-language sources. These documents include party history materials, oral histories, memoirs of senior leaders, government training manuals, and provincial gazetteers as well as limited materials from a variety of archives. These sources reveal disputes, boundary agreements, and key turning points in high-level negotiations that were previously unknown outside China.

#### OVERVIEW OF THE BOOK

After outlining my theories of cooperation and escalation, chapter 1 continues with an overview of China's territorial disputes. China's territorial conflicts are intertwined with the varied challenges of maintaining the territorial integrity of a large and multiethnic state. Ethnic geography, or the location and distribution of ethnic groups, largely defines the different goals that China's leaders have pursued in their country's territorial disputes. The PRC's ethnic geography consists of a densely populated Han Chinese core, a large but sparsely populated non-Han periphery, and unpopulated offshore islands. In frontier disputes on their country's land border, China's leaders seek to maintain control over vast borderlands populated by ethnic minorities that were never ruled directly by any past Chinese empire. In homeland disputes, China's leaders seek to unify what they view as Han Chinese areas not under their control when the PRC was established in 1949, namely Hong Kong, Macao, and Taiwan. In offshore island disputes, China's leaders aim to secure a permanent maritime presence among unpopulated rocks and islands far from the mainland.

External threats are one mechanism in my theory of cooperation, but internal threats best explain China's willingness to compromise in its many territorial disputes. China has offered concessions in each and every frontier dispute along its land border but not in any homeland disputes, and in only one offshore island dispute. Ethnic minorities who have maintained strong social and economic ties with neighboring states and harbored aspirations for self-determination live in many of the frontiers near China's borders. When faced with internal threats, especially ethnic unrest in the frontiers, China's leaders have been much more willing to offer concessions in exchange for assistance that strengthens the state's control over these regions, such as denying external support to rebels or affirming Chinese sovereignty over the areas of unrest.

Chapter 2 examines China's efforts to compromise in many frontier disputes in the early 1960s. In 1959, a revolt in Tibet sparked the largest internal threat ever to the PRC's territorial integrity. The outbreak of this revolt dramatically increased the cost of maintaining disputes with Burma, Nepal, and India. China offered concessions in its conflicts with these states in exchange for their cooperation in eliminating external support for the rebels and affirming Chinese sovereignty over Tibet. In the spring of 1962, China faced renewed ethnic unrest in the frontiers, especially Xinjiang, during the economic crisis following the failure of the Great Leap Forward. This combination of internal threats to both territorial integrity and political stability increased the cost of contesting land with its neighbors. China pursued compromise in disputes with North Korea, Mongolia, India, Pakistan, Afghanistan, and the Soviet Union in order to rebuild its economy and consolidate state control by easing external tensions.

How similar internal threats explain China's efforts to compromise in frontier disputes in the 1990s is demonstrated in chapter 3. In 1989, the upheaval in Tiananmen Square posed an internal threat to the stability of China's socialist system of government. This legitimacy crisis, which the weakening of other communist parties worldwide exacerbated, increased the cost of maintaining territorial disputes with the Soviet Union, Laos, and Vietnam. China traded concessions in exchange for cooperation to counter its diplomatic isolation and ensure the continuation of economic reforms. Soon after Tiananmen, ethnic unrest in Xinjiang posed a new internal threat to the state's territorial integrity. The armed uprisings and demonstrations increased the price for pressing claims against neighboring Kazakhstan, Kyrgyzstan, and Tajikistan. China compromised in these disputes in exchange for assistance to limit external support for Uighur separatists.

Although windows of opportunity opened by a rival's temporary weakness offer one mechanism in my theory of escalation, China's own declining bargaining power best explains its willingness to use force in its territorial disputes. Since 1949, China's leaders have demonstrated a keen sensitivity to negative shifts in the state's ability to control disputed land. In most instances, China's behavior reflects such concerns with its own weakness, as China has used force either in disputes with its militarily most powerful neighbors or in conflicts where it has occupied little or none of the land that it has claimed.

Chapter 4 investigates the use of force in its frontier disputes, where China sought to counter challenges from two militarily powerful neighbors, India and the Soviet Union. Domestic instability sharpened perceptions of decline in these cases, as China's leaders concluded that their adversaries sought to profit from the country's internal difficulties. In Oc-

tober 1962, Chinese forces attacked Indian positions all along the contested border after China failed to persuade India to negotiate. China escalated this conflict to halt India's increased military deployments along the contested frontier and its occupation of land in the disputed western sector, decline in China's position in the dispute that the economic crisis after the failure of the Great Leap Forward intensified. For similar reasons, in March 1969 elite Chinese troops ambushed a Soviet patrol near the disputed Zhenbao Island in the Ussuri River. Soviet troop deployments along the border, the Brezhnev doctrine to intervene in the affairs of socialist states, and an aggressive pattern of Soviet patrolling weakened China's position in the dispute, decline that the political instability of the Cultural Revolution heightened.

China's management of homeland disputes, its most important territorial conflicts, is explored in chapter 5. Although China settled disputes over Hong Kong and Macao in the 1980s, it never compromised over the sovereignty of these areas, which were transferred by Britain and Portugal to China in 1997 and 1999, respectively. China has never offered to compromise over the sovereignty of Taiwan, but it has used force to demonstrate its resolve to unify the island with the mainland. In 1954 and 1958, China initiated crises over Nationalist-held coastal islands to deter the United States from further increasing its military and diplomatic support for Taiwan, support that threatened to weaken China's already poor position in this dispute. In 1995 and 1996, China launched a series of provocative military exercises and missile tests when democratization on the island increased popular support for formal independence and Beijing viewed Washington as supporting this goal.

Chapter 6 examines China's offshore island disputes. Although China compromised in one such dispute in 1957, it has never offered territorial concessions in its other island conflicts, owing to their potential economic and strategic value. Moreover, it used force to occupy islands in the Paracels and features such as coral reefs in the Spratlys when its relative position in offshore island disputes began to decline. In the early 1970s, the first wave of offshore petroleum exploration and other claimants' occupation of features in the South China Sea highlighted China's vulnerability in offshore island disputes as control of these islands grew in importance. China used force to strengthen its position in the one area where it could project limited naval power, occupying the Crescent Group in the Paracels. In the late 1980s, China seized features in the Spratlys after Malaysia began to occupy vacant reefs and Vietnam enlarged its presence in the area, further weakening China's position in a dispute where China was the only claimant that did not occupy any disputed land.

In the conclusion, I assess the implications for China's territorial future. Fears that China will pursue broad territorial changes or fight frequently

over its territorial claims are overstated. China's rise may still be violent, but territory is not likely to be the leading source of conflict. Overall, then, this book offers relatively good news. If states fight over territory more than any other issue, then China's resolution of seventeen disputes has eliminated many future opportunities for conflict. In addition, in the agreements settling these disputes, China has signaled its acceptance of the sovereignty and territorial integrity of its neighbors and dropped potential irredentist claims to territory that had been part of the Qing empire in the early nineteenth century. As these documents are public, China has "tied its hands" to prevent violations of these settlements in the future.

Nevertheless, China has demonstrated a willingness to fight over territory, both to secure its current boundaries and to regain homeland areas. When vital interests are at stake, China will use force. As it continues to enhance its military capabilities, China will be able to fight more effectively than ever before. In this context, the potential for conflict over Taiwan should not be understated. Yet so long as China's leaders believe that the prospects for unification are not declining over the long term, the odds of violence are low. In its other territorial disputes, China has been much more willing to use force when its bargaining power has declined, not strengthened.