

# Global Strategic Competition

IS CHINA ENGAGED IN STRATEGIC COMPETITION WITH THE U.S.?

## CHINA BALANCE SHEET

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## Background

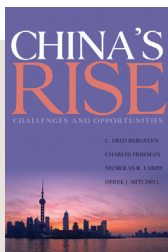
- China officially rejects any suggestion of global strategic competition with the United States, but some U.S. experts have registered concern about potential long-term competition between the two powers for global resources and influence.
- China has become notably more assertive in its economic and diplomatic outreach. This has been fueled by
  - China's economic need to acquire the resources, secure the investments, and engage the markets it will require to continue its economic growth, safeguard domestic stability, and develop its comprehensive national power.
  - China's longer-term political goal to develop its "comprehensive national power" vis-à-vis other countries and to achieve a multipolar world in which several pillars of global power, including China, would balance U.S. global influence.
  - China's desire to reassure the international community about its own peaceful intentions in order to hamstring any incentive or attempts to bandwagon against growing Chinese power.
- Nonetheless, Beijing's record of cooperation with developing countries is spotty; Chinese self-interest will often win out over notions of "South-South" solidarity.
- U.S. observers have detected a degree of strategic opportunism in China's foreign relations in recent years in relation to the United States (see box).
- Dramatic increases in international prices for food and fuel during 2008, though they were driven by myriad factors, have highlighted the implications of growing global demand for resources fueled in part by China's economic rise.

## Current Situation

- China still refers to itself as the "world's largest developing country" and has paid increasing attention to relations with the developing world as a critical component of its foreign policy.
  - China's promotion of equality and democracy in international affairs and opposition to external intervention in internal affairs appeals to many developing nations.
  - Natural resources necessary for China's development, particularly energy (oil and natural gas), are often found in the developing world.
- China's proactive global outreach in recent years is natural for a growing nation of China's size, stature, economic needs, and desire to demonstrate its peaceful intent.
- China has little interest in engaging today in direct global competition with a superpower, given its urgent need to focus on its critical domestic challenges.
- Nonetheless, Beijing's global outreach does appear consistent with longer-term political goals to promote a multipolar world and to protect itself against the preeminent power of the United States, while placing itself in a position potentially to balance against, and compete strategically with, the United States once China achieves greater strength.

## EXAMPLES OF CHINA'S STRATEGIC OPPORTUNISM IN RELATION TO THE UNITED STATES

- In May 2005, Beijing hosted Uzbek President Islam Karimov two weeks after the U.S. condemned him for violently suppressing unrest in the Uzbek city of Andijan. In July 2005, the Shanghai Cooperation Organization issued a statement calling on the U.S. to set a timetable for withdrawing its military presence from Central Asia. In Southeast Asia, U.S. preoccupation with the war on terrorism and impatience with the “ASEAN way” of consensus-based decision making provided China a strategic opportunity to enhance its position in the region through promotion of multilateral vehicles, such as the ASEAN + 3 forum.
- China has leveraged growing trade relations with Latin American countries, and the desire of many governments to demonstrate their political independence from the United States, to enhance its political ties to the region, including Venezuela, Brazil, Bolivia, and Argentina.
- In the wake of tensions between the U.S. and Europe during the first term of the George W. Bush administration, China appeared to leverage its growing economic, political, and societal relationships with the European Union to exploit transatlantic differences.
- U.S. decisions to sanction and/or isolate regimes in Cuba, Venezuela, Sudan, Burma, Iran, Angola and elsewhere have provided an economic opportunity for Chinese investors, traders, and energy companies to fill the gap, and for Beijing to develop political relationships with these governments.
- Despite historical mistrust and limited convergence of long-term strategic interests, China-Russian relations have developed markedly in recent years as each side has found common cause in protecting itself against U.S. intervention into its internal affairs and in its neighborhood.



FOR FURTHER INFORMATION:  
SEE CHAPTER 10: “CHINA AND THE WORLD ” IN *CHINA'S RISE: CHALLENGES AND OPPORTUNITIES* BY C. FRED BERGSTEN, CHARLES FREEMAN, NICHOLAS LARDY, DEREK J. MITCHELL & CHAPTER 5: “CHINA’S FOREIGN AND SECURITY POLICY: PARTNER OR RIVAL?” IN *CHINA: THE BALANCE SHEET: WHAT THE WORLD NEEDS TO KNOW NOW ABOUT THE EMERGING SUPERPOWER* BY C. FRED BERGSTEN, BATES GILL, NICHOLAS LARDY, DEREK J. MITCHELL