

The

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From the Desk of...

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Asia's great game: “soft” power counts for more than hard. Despite the Pentagon's concerns about China's military might, Dominic Ziegler, Japan Bureau Chief for *The Economist* and commentator on North-east Asia affairs, thinks China's renaissance is more about winning friends and influencing its neighbours.

That China is the next great power is one of the accepted certainties of the early 21st century. People put a straight rule to China's current growth rates and, depending on how the size of economies is measured, guess that within a decade or two China will be the world's second economic superpower, and the clearly dominant force in Asia. China's rise is seen by many as a return to historical greatness. Between 1600 and the early 19th century China accounted for something between one-quarter and one-third of global output. So China's tripling of its share of world output over the past 20-odd years, to 15%, may give just a taste of its future power and prestige as it once again resumes its historical role as Asia's central actor.

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The prospect causes alarm in some quarters. China at its peak was a power with imperial reach, with vassal or tributary states stretching from Burma through Vietnam to Mongolia and Japan. Even today, imperial chauvinism is not far beneath the surface in China's treatment of Tibet and its claims on Taiwan. Regional suspicions remain widespread about China's military intentions, which are far from transparent, and in late May the Pentagon expressed concern over the speed with which China appeared to be developing sophisticated weapons systems. Many people, in other words, are unhappy at the prospect that history is reasserting itself now that China is moving the tectonic plates that have defined Asia for the past-century.

This author is more sanguine about the future face of Chinese power, however. To explain why, it is worth recalling that countries exercise influence broadly through three means: coercion, material inducement

or intellectual conviction—in other words, guns, money and ideas. And despite the Pentagon's concerns about China's guns, it is through money and ideas that China, particularly among its Asian neighbours, is winning friends and influencing people. The calculus of the Chinese Communist Party is straightforward: unless China secures peace and prosperity around its borders, it cannot secure peaceful development at home. And without such development at home, not only is the legitimacy of the ruling Communists thrown into question, so is the whole notion of China's rise. This underpins a sea-change in China's attitudes to the region over the past decade. China's prickly suspicious face is these days rarely seen. Instead, on general view is what might be called China's “smile diplomacy”. Nowhere are the smiles more evident than in South-East Asia, where China has undertaken not to settle territorial disputes by force and where free-trade agreements have done much to reassure neighbours that China's rise does not come at others' expense.

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If diplomacy is the art of the possible, then China's smiles also hint at the limits to its influence. For if China was once the unchallenged central actor in Asia, its rise today is taking place in a very crowded space. China's strategic competitors include populous India, which promises tantalisingly to take up Chinese rates of growth; Russia, a resource giant though still a diplomatic sleeper in Asia; the ten-country Association of South-East Asian Nations (ASEAN), which is increasingly developing its own set of norms; Japan, still the world's second biggest economy and now climbing out of its long slump; and

the top dog still—despite strategic disasters in the Middle East—the United States.

Japan offers perhaps the clearest example of how China's rise is bringing about an opposite reaction. Before being wracked by its own economic problems after 1990, Japan considered itself to be Asia's natural leader, at least in economic and aid terms. It was caught napping by China's growing influence. Now, its diplomats say, Japan is playing a huge "great game", competing with China for resources, power and prestige. It does much to explain Japan's desire, articulated by Shinzo Abe, prime minister since September, to play a more assertive role in international affairs—going so far as wanting to rewrite the pacifist constitution in order more easily to shape the future course of politics in East Asia and seek regional alliances to counter China's power.

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Where this might lead is unclear. Still, military competition or even conflict appears less likely in Asia than a competition for "soft" power and influence. China may chiefly be spending billions on the military as simply one route to prestige, or to be able to secure its vital sea lanes. It may even, as it claims, need the money for army pensions and new uniforms. Only soft power, however, underpins future prosperity.

As for that soft power, it does not all flow China's way. Even its more thoughtful diplomats admit privately that a stiff stated policy of non-interference in others' affairs often does China few favours—notably, China comes in for criticism for its cosy ties with the government of Sudan, Robert Mugabe's Zimbabwe and the awful generals in Myanmar.

Values, in other words, count, and Asia's general embrace of democracy and the values it underpins stands in tacit opposition to China's authoritarianism.

Japan, for one, is attempting to forge regional ties with free countries such as Australia, India and ASEAN members; it talks of being the anchor for an "arc of freedom and prosperity" across Asia. ASEAN is increasingly articulating the need to strengthen democratic values and even—with a nod to Myanmar's condition—reconsider its hallowed principle of non-interference.

While these values now stand in opposition to Chinese power, think what China might achieve if it adopted some of them itself.

About Dominic Ziegler

Dominic Ziegler is Japan Bureau Chief with *The Economist* based in Tokyo leading the newspaper's focus on North-east Asia and covers the relationships and crucial developments unfolding between the powers of China, Japan and the Koreans.

He was *The Economist's* China correspondent from 1994-2000. He was previously its Finance and Economics editor.

Mr. Ziegler is the author of the recent *Economist* survey on China and its neighbours, *Reaching for a renaissance*, a study of China's rise and impact on the rest of the world, starting with Asia.

He is a regular speaker at conferences and business forums.

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