

China, the Great Powers, and the Koreas: Beyond the Beijing Olympics

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Abstract

A paramount geostrategic goal for China is to deny any other great power direct access to Korea. If outright control of the Peninsula is unachievable, then the second best situation for China is a divided Korea, which at least prevents other powers from having full control of Korea and limits Korea's own power. Unless a unified Korea can be independent and neutral, China has no real interest in a unified and independent Korea. Thus, for the past sixty years or so a divided Korea has suited Beijing's purposes.

But a divided Peninsula has provided scant reassurance to China in recent years. This article examines Beijing's thinking on Korea in the context of China's relations with the United States, Japan, and Russia with particular attention to the period since 2008.

Keywords: China, United States, Japan, Russia, North Korea, South Korea, Six Party Talks, Taiwan, Olympics.

Two thousand and eight was an eventful year for China. In January, the country was wracked by severe snow and ice storms during the busiest travel season—the Lunar New Year holiday. In March, Greater Tibet was shaken by the most serious and widespread unrest among ethnic Tibetans since 1959, and, in Taiwan, the presidential election resulted in the victory of the Kuomintang candidate (who assumed office in May). In May, Sichuan Province was struck by a devastating earthquake. In August, Beijing proudly played host to the 2008 Olympic Games. In the autumn, the ripple effects of a global financial crisis hit China. In December, in an unprecedented—albeit modest by great power standards—demonstration of maritime power projection, China dispatched a naval flotilla to the Gulf of Aden to conduct anti-piracy operations.¹

Perhaps the most significant events in Beijing's eyes were the Olympics, the financial crisis, and the Taiwan election. The first was a matter of enormous national pride; the second event was a matter of great concern; the third event was matter of much relief. Just as important, Beijing was almost certainly most grateful for a non-event: the absence of a high profile incident on the Korean Peninsula.

While China is concerned with events unfolding anywhere in its Asia-Pacific neighborhood, Northeast Asia is the region that constitutes China's doorstep. The countries of Northeast Asia are less China's next door neighbors than they are part and parcel of China's doorstep—the Koreas, Japan, Russia, and the United States (by virtue of its economic presence and security alliances with the Republic of Korea and Japan and security assurances to Taiwan). But the Korean Peninsula is perhaps better thought of as more a *threshold* than a doorstep. Indeed, in Beijing's eyes, Korea is the doorway to China's political and economic heartland. Thus, the condition and control of the Korean Peninsula becomes of paramount importance to China's national security. Indeed, it is widely accepted that Beijing is most sensitive to matters affecting domestic stability. The countries of Northeast Asia are extremely important to China economically. The Koreas have not only become economically intertwined with China but by virtue of their geographic proximity—sharing a land border and very being close as the crow flies—mean that instability or upheaval can spillover directly into China proper.

China's relations with the superpower and great powers are inevitably affected by events on the Korean Peninsula and colored by the

dispositions of these other powers vis-à-vis the Peninsula. This article examines China's national security priorities and its specific interests on the Korean Peninsula in the context of its relations with the United States, Japan, and Russia.

Korea in China's National Security Calculus

Of all the great powers, China is the closest of all to Korea.² For China, a paramount geostrategic goal is to deny any other great power direct access to the Korean Peninsula. If outright control of the Peninsula is unachievable, then the second best situation for China is a divided Korea, which at least prevents other powers from having full control of Korea and limits Korea's own power. Unless a unified Korea can be independent and neutral, China has no real interest in such a status. Thus, for the past sixty years or so a divided Korea has suited Beijing's purposes.

But a divided Peninsula has provided scant reassurance to China in recent years. The immediate focus has been on North Korea. Sharing a common border with Jilin Province, North Korea's proximity to China has led to the relationship between Pyongyang and Beijing being characterized as close as "lips and teeth." From China's perspective, North Korean lips protected Chinese teeth during the Cold War. Since the early 1990s, however, Pyongyang has constituted less a protective shield than a hazard in its own right. North Korea's importance as a buffer has been greatly diminished, if not disappeared completely, as China has sought to expand its economic and political ties with South Korea. Beijing's emphasis on economic development and integration into the global trading system has not resonated in Pyongyang. In fact, North Korea has proved to be China's most unruly and truculent neighbor of the post-Cold War era, refusing to embrace economic reform, seeking to restrict Seoul's efforts at rapprochement and engaging in ongoing brinkmanship with its nuclear and ballistic missile programs. China's concern in the medium and long term lies with South Korea. While Korean unification may not be inevitable, the possibility seems conceivable and perhaps even likely within a decade or two. If this were to happen, the assumption in Beijing is that it would occur under Seoul's auspices because Pyongyang is far weaker economically and more fragile politically. The specter of Korean unification looms not necessarily as an anathema to China; however, a larger, stronger single

Korean state would pose a new set of challenges, and Beijing would much prefer two stable and prosperous states on the Peninsula.³

Olympic Afterglow, Electoral Assurance, and Countering Contagion

As noted above, the most important events of 2008 for China's Communist Party (CCP) leaders were the Beijing Olympics, the global financial crisis, and the Taiwan election. The first was important because of the prestige it brought with it; the second, because of the threat it posed to China's economic dynamism; the third, because of the assurance it provided. China is very much concerned with status, seeing status as an important element of power in and of itself.⁴ Moreover, it is central to nationalism—the first—and probably the most important pillar of CCP political legitimacy. In the absence of ideology, this dimension is considered crucial to continued popular support for the regime. China had actively sought to host the Olympics for at least a decade, and Beijing's first bid to host the 2000 Games had ended in failure. From Beijing's perspective, it had been the only great power and the only country in Northeast Asia not to put on an Olympics—Tokyo had hosted the 1964 Olympics, Moscow had hosted the 1980 Olympics, Los Angeles in 1984, Seoul in 1988, and Atlanta in 1996. China's moment in the limelight was long overdue, and the government and people of China were determined to put on the greatest spectacle possible for the world. And they did.

Enhancing its own international standing and status is a top foreign policy priority for China. A positive, high profile for China on the global stage is extremely desirable for Beijing's leaders. It is important to be seen as a major global player. Beijing is very status conscious, and this motive should not be underestimated because it is related to the critical dimension of the legitimacy of the communist regime. The Chinese people are more than ever acutely conscious of and sensitive to their country's treatment and status in the world. To the extent that Beijing is seen as being able to raise China's status, the legitimacy of the CCP in the eyes of Chinese people increases; to the extent that Beijing is seen as being unable to deliver on this, it contributes to the frustration and resentment that Chinese people feel toward their own government. In short, China must look stronger and more respected abroad for its communist leaders to feel more secure at home.

The second event was important because it threatened to undermine the economic prosperity and sabotage economic growth. The second

pillar of popular legitimacy for the CCP—after nationalism—is economic growth. Anything that threatens to slow or halt China’s booming economy is viewed as a serious security threat by Beijing. What the CCP fears most is instability at home. While Beijing is concerned with ethnic unrest on its periphery—in Tibet in spring 2008 and in Xinjiang in summer 2009—the greatest worry remains unrest in the heartland among Han Chinese—who make up more than 90 percent of the populace. In recent years, China has witnessed thousands of local ‘mass incidents’ annually, but these have been contained and controlled by local authorities and not allowed to spread. The issues triggering these protests have varied by locality—discontent over official corruption, pollution, and job losses, for example. But a serious economic downturn is most feared precisely because of the nationwide impact it would have.

The global financial crisis which began in the latter half of 2008 seems to have both reassured and worried Beijing. The crisis was reassuring in that China seemed to be able to weather the storm fairly well—far better than many other countries—and rebound more quickly than other great powers and the Koreans.⁵ The crisis was worrisome because it revealed a superpower with feet of clay. The global hegemon the U.S. possessed a more fragile financial system than most of the world realized. Only massive government intervention ensured the viability of the system. By contrast, China seemed on much firmer ground economically, and its greatest concerns included ensuring the security of its substantial investments and stakes in U.S. institutions.

Beijing’s foremost priority is preserving domestic stability. While a number of scholars opine that the leaders of the CCP have entered a new era of greater confidence and maturity, this is only part of the story.⁶ What analysts often lose sight of is the high degree of insecurity Beijing continues to possess in the first decade of the 21st Century. This insecurity is not directed toward any grave external threat; rather, the alarm is over the potential for instability and unrest at home.⁷ Domestic stability does not simply presume continued firm political control (also known as *repression*), but also sustained economic growth. Both of these dimensions are viewed as being closely intertwined with the international environment. Above all, internal stability assumes peace in China’s immediate neighborhood—especially on the country’s periphery---the Korean Peninsula, Russia, Central Asia, Southeast Asia, and South Asia. But ensuring continued economic growth also demands

that Beijing operate further afield to secure natural resources and develop markets. Beijing is particularly concerned with energy security, especially petroleum.

Third, Taiwan figures prominently in terms of nationalism, economics, and a central irritant in US-China relations.⁸ The island figures in domestic stability because Beijing believes that appearing soft on Taiwan arouses the ire of the Chinese people. The island remains the only territory claimed by Beijing that maintains its independence. Governed by an 'authentic' Chinese power structure with its own military capabilities, Taiwan possesses an ocean buffer sufficient to provide the island options unavailable to Hong Kong and Macao.⁹ Moreover, the island possesses a superpower patron offering a security guarantee. Taiwan also figures in the enhancement of China's stature internationally, because the island is considered a constant thorn in its side. In Beijing's thinking, by competing with China for the diplomatic recognition of small states in the Third World and pressing for entry into organizations from the United Nations to the World Health Organization, Taiwan subjects China to constant embarrassment, if not humiliation. Moreover, if Taiwan takes the path toward independence and the communist regime is not seen to be doing an adequate job of thwarting the move, the CCP will endure the full wrath of the masses—widespread unrest or worse. Taiwan also figures prominently in China's relationship with the United States, because Beijing believes that Washington is engaged in sabotaging Chinese efforts at cross-strait unification, or at least manipulating the situation to its advantage. Hence, without cooperation or assistance from Washington, resolving the Taiwan issue is much more difficult, if not impossible. In short, the issue of Taiwan is seen as vital to Beijing's national security interests.

A top priority for China is managing its relationship with the United States and not just vis-à-vis Taiwan. Beijing views Washington as both an opportunity and a threat. Maintaining good relations with the sole superpower is seen as the key to continued CCP political rule, economic prosperity, and overall national security. Geopolitically, economically, and militarily, the United States looms large. Therefore, it is not surprising that the most important overseas posting for the PRC diplomatic corps is Washington, DC. Moreover, in recent years, the Chinese ambassador to the United States has been promoted to PRC Foreign Minister at the conclusion of his tour. However, keeping on good terms with Washington does not mean that Beijing always seeks to

accommodate, agree, or acquiesce to U.S. policy desires. On the contrary, China works to counter or at least to contain US influence in Asia and around the world. Simultaneously, China works to expand its own influence, especially in its Asian neighborhood. Nevertheless, China attempts to conduct these efforts in a manner that does not unnecessarily antagonize the United States.

Diplomacy and Leadership Change

China has continued to stress bilateral diplomacy but has also branched out into multilateral and public diplomacy. While China's diplomacy has, beyond a shadow of a doubt, 'gone global,' Beijing continues to focus the majority of its efforts within its own Asian neighborhood. China has created its own regional multilateral organizations in Asia. Notable are the Shanghai Cooperation Organization (SCO) which was formally established in 2001, although its genesis can be traced back to the early 1990s. Also noteworthy are the Six Party Talks on North Korea that China initiated in 2003. These organizations are perhaps best viewed as management mechanisms—means by which China is able to exert influence over the environment in its immediate neighborhood.

One of the most notable public diplomatic initiatives of this decade is the effort to create a global network of Chinese cultural entities. Of course, I am referring to Confucius Institutes. The first one was established in Seoul, South Korea, in 2004. The initiative is directed by the Office for Teaching Chinese as a Foreign Language in the Ministry of Education (known for short as the '*Hanban*'). Not surprisingly, the primary focus is Chinese language instruction. By October 2007, the Xinhua News Agency reported that there were 190 Confucius Institutes in 60 countries all over the world, including more than two dozen in the United States.¹⁰ In each case, the *Hanban* partners with a local organization. For example, in October 2007, China's Ministry of Education and Texas A&M University signed an agreement to establish a Confucius Institute in College Station. By October 2008, there were reportedly 326 institutes operating in 81 countries and regions. Of these, 32 were located in the United States, 10 in Russia, 11 in Japan, and 12 in the Republic of Korea.¹¹

Leadership Transitions

Key events since 2008 that have influenced China's relationships with the great powers and two Koreas include leadership turnovers and transitions in these political systems. In the United States, there was a change of parties in the White House as Democrat Barack Obama defeated Republican John McCain in November 2008 and succeeded outgoing Republican George W. Bush as head of state. In August 2009, the Democratic Party of Japan soundly defeated the incumbent Liberal Democratic Party, and Yukio Hatoyama became Prime Minister the following month. In Russia, Dmitry Medvedev took over as President from Vladimir Putin in May 2008, after being elected in March (although the latter stayed on as Prime Minister and was widely regarded as the key power broker). In December 2007, Lee Myung Bak won presidential election in the Republic of Korea and took up residence in the Blue House in February 2008, succeeding Roh Moo Hyun. Lastly, there were inklings of leadership change in North Korea as Kim Jong Il seemed to be making preparations for a second dynastic succession. Arguably the last of these has exerted the greatest impact on China and the situation on the Korean Peninsula. The ICBM launch in April 2009 and the nuclear test the following month probably have as much to do with succession politics in Pyongyang as they do about North Korean foreign policy.¹² In June 2009, Kim Jong Un, the twenty-six year old son of Kim Jong Il reportedly visited China as a member of a high-level North Korean delegation, suggesting that he is being groomed to succeed his father.¹³

GREAT POWERS

USA

China's relations with the United States have been on an upswing since September 11, 2001. Jiang Zemin was one of the first world leaders to telephone the White House to offer condolences and support. Nevertheless, for several years afterward, Taiwan remained an irritant. With President Chen Sui-bian of Taiwan widely viewed both in Beijing and Washington as a troublemaker, President George W. Bush moved from making a declaration in April 2001 that the United States would do "whatever it takes" to defend Taiwan, to announcing in a joint press conference with Chinese Premier Wen Jiabao in December 2003 that the United States did not support "any unilateral decision by either China or Taiwan to change the status quo." Bush singled out in his remarks, "comments and actions made by the leader of Taiwan."¹⁴ While Taiwan

constituted less of an irritant in bilateral relations, despite Chen's re-election in 2004, the victory of Kuomintang candidate Ma Ying-jeou came as considerable relief to Beijing. There was almost immediate improvement in the climate of cross-strait relations, followed by concrete progress in ties.

While Taiwan has almost become a non-issue in US-China relations—at least in 2009—other matters such as protectionism and North Korea have come to the fore. Most recently, Washington and Beijing have become embroiled in a dispute over tire imports to the United States. But it was financial crisis that has been cause for greatest concern. China was alarmed by the hidden flaws in the US financial system flaws which came to light as a result of the subprime mortgage meltdown. Since China has considerable holdings in US dollars, including Treasury bills, these investments were put at risk.

As a result of the crisis, China began to reassess the viability of the United States as the global economic hegemon and the longevity of Washington as the world's sole superpower. Governor Zhou Xiaochuan of the People's Bank of China suggested on several occasions in 2009 that perhaps the U.S. dollar ought not to remain the most important international currency and should be replaced by something else. Moreover, China's Finance Minister, Xie Xuren, sought assurances from his U.S. counterpart that the United States would work to cut its deficit.¹⁵ The crisis has underscored China's interest in lessening its dependence on the United States as a country to invest in and trade with. But the United States remains a key economic partner for China, even if some in Beijing believe that Washington is in gradual decline.

Moreover, the United States continues to be a key diplomatic and security player for China, especially in Northeast Asia. The United States, along with North Korea, is one of the two key parties in the Six Party Talks. Without U.S. participation, no progress is possible. China has shifted from viewing the United States as the main obstacle to resolving the crisis to seeing North Korea as an obstacle as well. With the Six Party Talks stalled at the time of writing (late 2009), there were signs that China was seeking to jumpstart them. A visit by Premier Wen Jiabao to Pyongyang in October 2009 suggested Beijing was setting the stage for a resumption of talks. The chill between the United States and North Korea has been warmed somewhat by the visit of former President Bill Clinton to Pyongyang in August 2009, when he met with Kim Jong Il and obtained the release of two U.S. journalists held by North Korea.

JAPAN

Relations with Japan have proved to be a considerable challenge to China. Despite rocky periods in the 1990s and mid-2000s, both Beijing and Tokyo have made great efforts to improve the climate of relations. The economic relationship is critical to both countries, and it is in the interests of both China and Japan to manage the history issue and territorial disputes. Japan is now China's number two trading partner. Regarding the Six Party Talks, Japan remains rather peripheral—Tokyo is focused on the abductee issue—one that China regards as irrelevant or at the very least an unwelcome distraction to the main business of the talks.¹⁶

RUSSIA

China finds Russia weak, worrisome, and unreliable. While in the early 21st Century, Russia is a shadow of the former Soviet colossus, Moscow remains a nuclear power with considerable economic clout, if only because of its substantial energy resources. Perhaps what Beijing fears most is not a strong but a weak Moscow. A Russia further weakened by severe demographic distress and ruled by a corrupt and perhaps, in the post-Putin era, inept or incompetent leadership could slide closer and closer to chaos. Of course, the reality of a failing Russia today does not preclude the possibility of a future revival. Nevertheless, it is likely that Russia will remain a state of concern for China for a considerable time to come.¹⁷

Although Russia has been valuable to China as a source of arms and military technology transfer, this usefulness appears to be declining. Moreover, Moscow has proved to be an unreliable source of energy resources—while proximate to China with abundant reserves of oil and gas, construction on a pipeline of any kind has yet to begin, let alone be completed.¹⁸ From China's perspective, its relationship with Russia is aptly described as an "axis of convenience."¹⁹

Regarding Russia's role in the Six Party Talks, Moscow, like Tokyo, is a rather peripheral player. However, Russia is widely seen as sympathetic to North Korea and can serve to reassure Pyongyang. Moreover, from Beijing's perspective, Moscow can help check possible extreme impulses on behalf of Washington.

THE KOREAS

Sino-South Korean economic ties grew dramatically in the 1990s.²⁰ South Korea became the second largest investor in China, and China became a significant investor in South Korea. In 2004, China replaced the United States as South Korea's largest trading partner, and South Korea has become China's fourth biggest trade partner.

Chinese satisfaction with the boon of economic ties with South Korea has been a dramatic contrast with Chinese dissatisfaction with economic stagnation in North Korea. Despite persistent efforts by Beijing to push and prod Pyongyang in the direction of adopting Chinese-style reforms, the response has been underwhelming. North Korea has resisted systemic reform and conducted limited ad hoc adjustments that amounted to reform around the edges. Yet Beijing has persisted with economic aid and assistance, encouraging investments by Chinese entrepreneurs in North Korea. Reportedly, at least one-third of China's total foreign economic assistance budget has gone to North Korea, 40 percent in 2006. Chinese businesses have invested in mining, food processing and the service sector. Unlike South Korean investors, Chinese investors have been granted "much wider-ranging access to many sectors of the North Korean economy."²¹

China has worked hard to increase its influence in South Korea to counter the dominant role of the United States. In the early 1990s, China was concerned with Russian influence but the weakness of the Russian economy has meant that Moscow struggles just to stay relevant on the Peninsula. Moscow's main influence is with Pyongyang, although even this is quite limited. China was also successful in making South Korea break official diplomatic relations with Taiwan.

North Korea is China's only formal ally in the post-Cold War era. However, this alliance may be best thought of as 'virtual.'²² The 1961 Treaty of Friendship and Cooperation and Mutual Assistance is technically still in effect. And yet, the message Beijing has repeatedly communicated to Pyongyang in private and public is: don't expect China to come to your rescue in a military conflict of your own making. China appears to find the piece of paper psychologically useful in a number of ways. First, it provides at least some measure of reassurance in Pyongyang that it still has Beijing's backing while discouraging overconfidence. Hence, it serves hopefully to check against North Korea's acting too provocatively. Second, the existence of the document

serves as a deterrent against any rash decision in other capitals to act against Pyongyang because of uncertainty about Beijing's reaction.²³ Finally, the treaty provides a formal justification in the event that China ever felt it imperative to intervene in North Korea.

CHINA, KOREA, AND THE UNITED STATES

China's top priority on the Korean Peninsula is stability.²⁴ While China does not want nuclearization, it can live with a nuclear North Korea. China has worked extremely hard to organize negotiations between Pyongyang, Washington and other governments. Since 2003, China's efforts to broker a diplomatic solution on the nuclear issue have been both unprecedented and remarkable. By organizing and hosting the Six Party Talks—not to mention serving as the driving force behind them—Beijing has stepped outside its traditional diplomatic comfort zone. China has sought to serve as an honest broker between the United States and North Korea, especially in prodding and cajoling both Pyongyang and Washington to be flexible and willing to compromise. Beijing appears to believe that the United States, as by far the most powerful and more secure of the two countries, is the party that can most readily compromise. North Korea, meanwhile, as the weaker party, exhibits extreme insecurity and is far less capable of compromise up front. Thus the Chinese focused their initial efforts on pushing the United States to be more flexible in the hope that this would build much needed trust between the two countries and increase the likelihood that North Korea would compromise. The discussion in the United States on China's role has tended to revolve around whether or not China was doing enough to promote resolution. This is not a useful debate, because it ignores the question of whether Beijing and Washington have the same priorities and agree on strategies.

While China and the U.S. share overlapping goals on North Korea, these are not identical; moreover, the two countries differ on strategies. There is nothing surprising or troubling about these differences. Each country brings its own set of national interests and geostrategic logic to the issue. China is most worried about instability and war on its borders, while the United States is most concerned with a nuclear-armed rogue regime with long range missiles. Beijing prefers a gradual and cautious approach to the problem to minimize tensions and focus on the process; Washington prefers a swift and bold strategy to achieve a desired outcome as soon as possible.

Thus, in the medium term, if the Korean nuclear crisis is drawn out, this is not necessarily bad for China's interests. It requires constant attention by the U.S. military and complicates a Taiwan scenario. The crisis also ties down the Americans in a complex diplomatic venture and, at the same time gives China a significant diplomatic clout and status. Beijing does not want a breakdown of the Pyongyang regime, and the extended crisis serves to prop up that regime. It buys time for North Korea's economy to stabilize and, China hopes, to see reforms enacted. Furthermore, the creeping crisis serves to perpetuate the division of the peninsula which also suits Beijing's interests.

Overall, the unresolved crisis and China's diplomatic response to it have been a significant success for China. First, it has served as a prime example of a new responsible and proactive 21st Century power, not only boosting China's status, but also serving to increase China's influence in Northeast Asia and beyond. Beijing's relations with Washington have been mostly enhanced, because the United States has come to rely on China as well as serve as a bright spot on a bilateral agenda filled with quite contentious items. While the crisis and Six Party Talks have raised tensions between China and Japan, and China and South Korea, they raised comparable tensions between the United States and its two allies. Japan has felt ignored and marginalized, and Japan is the country with the greatest threat perception of North Korea. The level of anxiety about Pyongyang's missiles and nukes is far higher in Tokyo than in any other capital. And yet, it has little influence in the negotiations as shown by the marginalization of the abductee issue in the Six Party Talks. The protracted crisis has also put strains on the U.S.-South Korea relationship, since U.S. policy has been unsympathetic to South Korean alarm over rising tensions on the Peninsula and the daunting challenges it would face in the event of a hard landing by its northern neighbor.

Given the range of possible alternatives, the situation on the Korean Peninsula at the start of the second decade of the 21st Century is quite favorable to China. Certainly, Beijing would prefer a denuclearized peninsula, but it can live with the reality of a nuclear North Korea. Moreover, in the long run Beijing is hopeful the Korean situation will gradually sort itself out, and China will emerge as the most dominant outside power. Beijing has sought to portray its on-going role as a constructive mediator in a manner that may pave the way for Koreans to accept a benevolent outside power looking out for Korean interest.

Much will depend on the fate of the Six Party Talks. China has a lot at stake in this multilateral forum. From Beijing's perspective, the prestige and status it garners from its role is very significant. Moreover, in a real sense, Beijing views the talks as a management mechanism—as an extremely useful way to control the actions of the great powers. Yet, the bar for success is actually very low. The only outcome that would constitute failure from China's point of view would be a complete collapse of the talks. Anything other than this is success. Stalling, posturing, delays, suspensions of the talks do not constitute failure. In short, success in Chinese eyes is the perpetuation of the process.

If and when unification occurs, China and South Korea both want North Korea to experience a soft landing to avoid instability. This is one reason, along with maintaining diplomatic access, that Beijing continues to treat Kim Jong Il with outward deference—as an old and respected friend—even though Chinese leaders find his regime distasteful. China's primary long term goal is to avoid dominance of a unified Korea by the United States. Since South Korea is the future, China wants good relations with that regime. All other things being equal, a future unified Korea will probably strive for true independence and for regional influence. China will want Korea to get rid of US troops or at least not see any U.S. military presence north of the DMZ.

China's long term management of conflicts with a unified Korea will almost certainly be concentrated on economic and territorial issues. A united Korea may seek to turn northeast and Eastern China and the Russian Far East into its economic hinterlands. China needs to be sensitive to the fact that the Koreans are most likely to feel a strong threat from China because of geography and China's burgeoning growth. There are certainly border, cross-border, refugee, economic, and other issues which could emerge as sources of conflict. In recent years, contentious bilateral issues have included China's treatment of North Korean refugees and the furor over the ancient kingdom of Kogoryo.²⁵

Conclusion

The Six Party Talks have become a very important venue for China—both in terms of Beijing's global status and its relations with the Great Powers and the two Koreas. For reasons of prestige and as a mechanism for controlling the American superpower, the great powers, and the two Koreas, the talks cannot be allowed to fail. Of course, the bar for success is very low so China can claim success as long as the

talks continue. Moreover, China now recognizes the value of the Six Party Talks as a mechanism for managing Northeast Asian security and not just for dealing with tensions between North Korea and the United States. Since the mid-2000s, Beijing has begun floating the idea of the talks evolving into a multilateral security mechanism for the region.

The United States remains the most important actor for China. Nevertheless, Japan, Russia, and the Koreans by dint of their closer location and economic interrelationships, have become ever more important to China. Beijing needs good relations with all these countries to maintain stability at home. A tranquil neighborhood is a prerequisite for continued economic growth, cordial ties with the United States, and steady progress on unification with Taiwan.

Notes:

¹ All of these events are mentioned in China's 2008 Defense White Paper issued in January 2009, see *China's National Defense in 2008* (Beijing: Information Office of the State Council of the People's Republic of China, 2009).

² This and the following two paragraphs draw heavily on Andrew J. Nathan and Andrew Scobell, *China's Search for Security* (New York: Columbia University Press, 2010, forthcoming), chapter 5.

³ On China's interests and priorities, see Avery Goldstein, "Across the Yalu: China's Interests and the Korean Peninsula in a Changing World," in Alastair Iain Johnston and Robert S. Ross, eds., *New Directions in the Study of Chinese Foreign Policy*, (Stanford, CA: Stanford University Press, 2006), pp. 131-161; David Shambaugh, "China and the Korean Peninsula: Playing for the Long Term," *The Washington Quarterly* Vol. 26, No. 2 (Spring 2003), pp. 43-56. Also see Andrew Scobell, *China and North Korea: From Comrades-in-Arms to Allies at Arm's Length* (Carlisle Barracks, PA: Strategic Studies Institute, 2004); Andrew Scobell, "Beijing's Headache Over Kim Jong Il," *Far Eastern Economic Review*, Vol. 170, No. 6 (July/August 2007), pp. 35-38.

⁴ Yong Deng, *China's Struggle for Status* (New York: Cambridge University Press, 2007).

⁵ See, for example, Pieter Botellier, "China and the International Financial Crisis," in Ashley J. Tellis, Andrew Marble, and Travis Tanner, eds., *Strategic Asia 2009-10: Economic Meltdown and Geopolitical Stability* (Seattle, WA: National Bureau of Asian Research, 2009), pp. 71-104.

⁶ See, for example, R. Taylor Fravel and Evan Medeiros, "China's New Diplomacy," *Foreign Affairs* Vol. 82, No. 6 (November/December 2003), pp. 22-35.

⁷ See, for example, Susan Shirk, *China: Fragile Superpower* (New York: Oxford University Press, 2007).

⁸ Alan Wachman, *Why Taiwan? Geopolitical Rationales for China's Territorial Integrity* (Stanford, CA: Stanford University Press, 2007).

⁹ This point is made in Andrew Scobell, "China's Rise: How Peaceful?" in Sumit Ganguly, Joseph Liow, and Andrew Scobell, eds., *The Routledge Handbook of Asian Security Studies* (London: Routledge, 2010), p. 16.

¹⁰ "Confucius Institute to be Established in Indonesia," *Xinhua*, October 3, 2007.

¹¹ James F. Paradise, "China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing's Soft Power," *Asian Survey*, Vol. 49, No. 4 (July/August 2009), p. 648 and Appendix 1. This author's research suggests the number of active institutes is probably less than 300. Whatever the number, the expansion has been rapid and impressive. No institutes appear to have been established in North Korea.

¹² See, for example, Mark Landler, "The North Korea Puzzle: A Leadership Mystery Inside a Nuclear Enigma," *New York Times*, May 27, 2009, p. A8.

¹³ See, for example, Jamil Anderlini and Robin Harding, "Kim's heir taken on a secret visit to China," *Financial Times* (London), June 29, 2009, p. 3.

¹⁴ See Nathan and Scobell, *China's Search for Security*, chapter 4.

¹⁵ Mark Landler and David E. Sanger, "China Seeks Assurances That U.S. Will Cut Its Deficit," *New York Times*, July 29, 2009, p. A5.

¹⁶ This discussion draws on Nathan and Scobell, *China's Search for Security*, chapter 5. For a sober account and analysis of Sino-Japanese relations, see Ming Wan, *Sino-Japanese Relations: Interaction, Logic, and Transformation* (Stanford, CA: Stanford University Press, 2006).

¹⁷ This paragraph draws from Scobell, "China's Rise: How Peaceful?" p. 14.

¹⁸ See, for example, the discussion in Evan Medeiros, *China's International Behavior: Activism, Opportunism, and Diversification* (Santa Monica, CA: RAND Corporation, 2009), pp. 101-110.

¹⁹ Bobo Lo, *Axis of Convenience: Moscow, Beijing, and the New Geopolitics* (Washington, DC: Brookings Institution Press, 2008).

²⁰ This section draws on Nathan and Scobell, *China's Search for Security*, chapter 5.

²¹ Scott Snyder, *China's Rise and the Two Korea's: Politics, Economics, Security* (Boulder, CO: Lynne Rienner Publishers, 2009), pp. 9, 98, 112. For more on Chinese investments, see Jae Cheol Kim, "The Political Economy of Chinese Investment in North Korea," *Asian Survey* Vol. 46, No. 6 (December 2006), pp. 898-916.

²² Andrew Scobell, "China and North Korea: The Limits of Influence," *Current History*, Vol. 102, No. 665 (September 2003), p. 277.

²³ Yoichi Funabashi, *The Peninsula Question: A Chronicle of the Second Korea Nuclear Crisis* (Washington, DC: Brookings Institution Press, 2007), pp. 297-298.

²⁴ This entire section draws on Nathan and Scobell, *China's Search for Security*, chapter 5.

²⁵ But there is no overt border dispute and the Kogoryo controversy has not led to any territorial claims by China. Beijing and Pyongyang resolved their border demarcation dispute in 1962. See David C. Kang, "The Security of the Korean Peninsula," in Ganguly, Liow, and Scobell, eds., *The Routledge Handbook of Asian Security Studies*, pp. 41-42.

