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In this ThinkChina.dk Policy Brief, professor Brantly Womack analyses China’s centering and recentering of Asia. China’s prominence as a rising economic power has been particularly notable since the global financial crisis of 2008, and many commentators expect a similar rise in its political prestige given the uncertainties generated by current American leadership. The recentering of regional attention on China is accentuated by the incentives promised in the Belt and Road Initiative (BRI) and the Asian Infrastructure Investment Bank (AIIB). Meanwhile, China’s military modernization and militarization in the South China Sea attract attention of a different sort. Of course, China has been at the centre of Asia before, but not for the past 180 years, and not for the entire modern era.

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Introduction

China’s prominence as a rising economic power has been particularly notable since the global financial crisis of 2008, and many commentators expect a similar rise in its political prestige given the uncertainties generated by current American leadership. The recentering of regional attention on China is accentuated by the incentives promised in the Belt and Road Initiative (BRI) and the Asian Infrastructure Investment Bank (AIIB). Meanwhile, China’s military modernization and militarization in the South China Sea attract attention of a different sort. Of course, China has been at the centre of Asia before, but not for the past 180 years, and not for the entire modern era.

Inside and outside China there are conflicting analyses of China’s traditional centrality, each with different implications for its future prospects. On the one hand, there is the view that China’s centrality was cultural. Asian diplomatic culture was more accepting of hierarchy and therefore was rather peaceful compared to the restless competition of Western states. China’s return to Asian leadership is a restoration of a familiar and accepted regional pattern. Moreover, the content of Chinese philosophy stressed moral superiority and universal benevolence. By this interpretation one might expect China’s new centrality to be peaceful and mutually beneficial — “win-win” in current slogans.

On the other hand, some stress that traditional China held preponderant power in Asia. It pursued its own interests and other states were prudent to comply. Traditional China’s behaviour and motivations were not substantially different from the realism of the West. China ruled where it could, retreated when it had to, and fought to determine which side was more powerful. Applying this interpretation to future prospects one would see China as a rising power threatening the United States — the “Thucydides Trap” argued by Graham Allison — and in the process of herding its neighbours into its backyard. By this interpretation, China is repeating the pattern of the U.S. in the nineteenth century, with rapid economic growth and a Monroe Doctrine, except that now the presence of the U.S. and its allies makes the current situation more threatening.

Certainly, culture and power were key features of traditional China’s centrality and of its current re-emergence. However, I argue that neither is the root cause of China’s original or re-emerging centrality. Both culture and power are important in their own right, but while both fluctuated over time China’s centrality proved resilient until the modern era. Neither culture nor power are resilient in themselves. Mutual understandings once questioned are difficult to re-establish, and power once lost is not likely to return. An explanation of the root features of China’s centrality must account for the resilience of traditional China, its loss of centrality during the modern era, and the current trend toward recentering.
I argue that the underlying factors of China’s centrality are its presence, its population, and its productivity relative to its neighbours. By “presence” I mean both its central location and the absence of comparable alternatives. Population is not merely a matter of numbers, but also of aggregate advantages of mobilization and market as well as challenges of governance. Production refers to both scale and to qualitative advantages associated with scale and complexity. These “3 Ps” — presence, population, and production — encouraged a resilient centrality and a mentality of managing peaceful asymmetric relationships in the pre-modern era. However, the forced incorporation of Asia into the commercial global economy of the West drained each of the 3 Ps of their salience and left China as the peripheral frontier of colonized Asia. Currently the 3 Ps, led by productivity, are encouraging a recentering of Asia, but on quite different terms from the pre-modern era.

Traditional centrality: controlling thin connectivity

In the overwhelmingly agrarian and nomadic societies of pre-modern Asia, the world of most residents did not extend much beyond their village or clan. China’s centrality in East Asia, while real, was remote. It had the default advantage of central location, and after the Qin unification of 212 BC the East Asian realm had edges but no symmetric competitors. Amplifying its locational presence, China’s population was much larger than its East Asian neighbours and ranged between a quarter and a third of global population. While a subsistence population is irrelevant as a market force, more people can mean more tax revenue and larger armies, as well as more tempting piles of supplies for raiders. Maintaining order required routinisation and the management of layers of administration. Productivity was also enhanced by demographics. Larger cities and sophisticated products emerge, massive infrastructure projects like the Grand Canal could be undertaken, and innovations could spread more widely.

To be sure, presence, population, and production made China created a material base for its culture and power. But there were long periods of disunity and also the conquest dynasties of the Yuan (Mongols 1271-1368) and the Qing (Manchus 1644-1911). Despite discord and defeats, China proved a resilient centre. The security of domestic contenders depended on reunification, and the sustainable power of conquerors depended on adaptation to effective governance. Culture and power gravitated to the centre, but they did not create it.

China’s centrality produced an attitude toward its periphery that was quite different from Western imperialism. As the founder of the Ming Dynasty put it:

“Their lands would not produce enough for us to maintain them; their peoples would not usefully serve us if incorporated [into the empire]. If they were so unrealistic as to disturb our borders, it would be unfortunate for them. If they gave us no trouble and we moved troops to fight them unnecessarily, it would be unfortunate for us. I am concerned that future generations might abuse China’s wealth and power and covet the military glo-
ries of the moment to send armies into the field without reason and cause a loss of life. May they be sharply reminded that this is forbidden.”

The Mongol dynasty that Ming Taizu had defeated had exhausted central resources in the fruitless pursuit of further conquests to the south and east. The more prudent policy that he expressed was one that recognized the autonomy of neighbouring states in exchange for their deference to Chinese centrality. The tribute system was the key ritual: a regular exchange of gifts and the granting of seals of authority to neighbouring rulers. The tribute system preserved peace on China’s borders and allowed China to concentrate on domestic governance and on border defence against nomads. It gave China’s neighbouring states assurance that China would respect their borders and their domestic power. Of course, wilful rulers are not a modern invention, and Ming Taizu’s son violated his injunction and invaded Vietnam. However, the eventual defeat of Chinese occupation in Vietnam confirmed the wisdom of the Ming founder.

The main purpose of China’s traditional diplomacy was to maintain its centrality undisturbed rather than to extend its power. Its mission was to maintain control of a thin connectivity centred on the official ritual of the tribute system. Trade and migration were grey areas of contact that were prohibited if they were considered disruptive. The point was to sustain the current system: China first, and then Asia with China in the middle.

Modern Asia decentred

Certainly, culture and power each received credit for the dismantling of the Chinese empire by Western imperialism. The West congratulated itself as Christianity and enlightenment prevailed against superstition and the backward mandarins, while Western militaries destroyed local rulers. Even within China traditional culture lost its voice and power disintegrated into warlord anarchy. Despite the importance of these changes in culture and power, I would argue that the most basic causes of the decentralization of Asia and China’s exile to the global periphery are best understood through changes in the 3 Ps.

Beyond initial plundering, the purpose of imperialism was to transform colonial political economies into functioning parts of a commercial system focused on the respective mother countries. Asia did not acquire a new centre. Rather, it became a decentred and fractured periphery of a world owned by the West. Colonial control replaced deference to China, and autonomy was out of the question. Indochinese learned about “our ancestors, the Gauls,” Malays studied the Magna Carta, and Indonesians admired Queen Wilhelmina of the Netherlands. The new imperial relationship was not a thin one designed to minimize trouble, but rather a sharp and intrusive one designed to maximize profit and benefit to the mother country. Thousands of Asians were transported to work in the Americas and to fight in Europe’s wars, and Asia’s markets were at the whip end of Western financial crises. Then came Japan’s Greater East Asia Co-Prosperity Sphere. Japan gave Asia a common misery, but it
simply redirected the various colonial relationships toward Japan and intensified them.

One might think that while China’s production might have suffered, its presence and population would remain constant. Not so. China was still the mainland centre of Asia, but Asia had gone maritime, and the new global centres expected command performances from their colonies. Moreover, China was itself decentralised. Its commercial transformation lagged behind the colonies. In the 1930s it took longer to go from Shanghai to Chongqing than it took to go from London to Shanghai. In 1910 the French built a railroad from Haiphong through Hanoi to Kunming in Yunnan, but they could not reach much further than this rather poor province. China had become a disjointed peripheral frontier of the global hub-and-spoke economy.

Similarly, in a world where commercial production and consumer markets now mattered, China’s population was largely irrelevant. Indeed, China’s large population was held responsible for its inertia. How could “peasant China” keep up with Japan’s determined modernization or with the transformation of Vietnam’s economy into commercial rice and rubber plantations? With warlord chaos the population could be exploited, but it could not be taxed for public purposes, and peasant soldiers fought other peasant soldiers. China’s lag in productivity was its most obvious failing. Its share in global GDP fell from 33 percent in 1820 to 5 percent in 1952. Because China was no one’s colony there was no strategic plan for infrastructural development and the shortage of capital delayed commercialization.

The founding of the People’s Republic of China in 1949 changed China’s cultural and power relationships, but it did not re-establish its centrality. New China’s revolutionary culture frightened most of its neighbours. Its power was primarily its mobilisation capacity stemming from its rural revolution and directed at internal transformation. Post-colonial Asia was less segmented, but it became even more integrated into global markets headed by the United States. China had stood up, but it stood alone, splitting from even the communist camp in 1960. Its presence was now beyond the periphery of the global economy, and its population and productivity developed in isolation until 1980. Its 3 Ps were changing but they remained largely irrelevant to the region and world.

**China joins the world and begins recentering**

Deng Xiaoping reoriented China toward reform and openness 40 years ago, and his success has transformed the significance of China’s presence, population, and productivity for Asia and the world. In 1980 China’s GNP was only two percent of the global economy and 11 percent of the East Asian economy. Among the non-wealthy East Asian economies it was already over half of the total, but that was only a matter of arithmetic since China wasn’t trading. By 2007, the eve of the global financial crisis, China had climbed to 6 percent of the global economy, 29 percent of total East Asia, and 75 percent of non-wealthy Asia-Pacific. China was trading, though only beginning to
invest. By 2016 China had blossomed into an interactive 15 percent of global production, 50 percent of East Asia, and 83 percent of non-wealthy East Asia. And now it is investing. In 2016 China’s outbound foreign direct investment (FDI) exceeded its inbound for the first time, and it became the world’s second-largest foreign investor. With China’s “new normal” growth rate of around 6 percent its leap-frogging days are over, but it is already huge and current trends are likely to continue.

In the new era China’s 3 Ps have emerged from their non-commercial and isolationist box, but they are not returning to their pre-modern situation. China’s presence is returning to prominence because its own socio-economy is now integrated and it is playing a special role in regional infrastructural development. While BRI attracts the most attention, already in the 2010-2015 period China provided three-fourths of East Asian outbound investment. In the pre-modern era, China just sat there in the middle of Asia, and it was left sitting when ocean-oriented commercialization arrived. Now China is a major destination as well as conduit, and a facilitator of infrastructural projects that expand the global reach of the region as well as its integration.

As China has prospered and become more open, its population has become a key market, and for the first time a truly unified market. Previously China’s provinces were rather like Marx’s description of peasants — a “sack of potatoes.” The network of high-speed railways is only the most obvious sign of a new national cohesiveness. Just as importantly, China has demonstrated to the rest of the developing world that population is not necessarily a demographic curse, and therefore it is not an adequate excuse for stagnation. China’s rapid growth has changed the outlook for all developing countries with large, mostly rural populations. The demographic curse may come later, with the aging of the population, but that is related to the generational cycle of development rather than to demographic scale. An additional aspect of the presence of China’s population, increasingly noticed around the world, but especially intense in Asia, is the increase in Chinese tourism. One-third of Southeast Asia’s foreign tourists are now Chinese.

Production is the most obvious of China’s current 3 Ps. It has become the world’s largest manufacturer. Just as important as its final products, it is a major importer and exporter of partial products for global production chains, and the ownership of its production is enmeshed in foreign investment. In all respects, its scale of production brings it to the centre of regional and global attention. As its labour costs increase it is moving up the ladder of sophistication as well as investing in more labour-intensive production elsewhere. China’s environmental impact is a major concern inside and outside China, but its increasing emphasis on sustainability and investment in green technologies is reassuring. China now has more installed wind power than all of the EU.

The basic difference between China’s traditional thin centrality and the current trend is that now the connectivity is thick, inclusive, and transformative; then it was thin, ruler-to-
ruler, and aimed at maintaining existing relationships. It differs from colonial centrality because it is not based on subordination within exclusive relationships. The new centrality is asymmetric, but as long as it does not discourage other relationships, including regional organizations the logic of win-win is credible. The new centrality is a soft centering because it facilitates connectivity beyond Asia. Asia is not exclusive. It is simply the densest area of China’s connectivity.

The role of culture and power in the new era are still in flux, but they function within the general context of centrality created by the 3 Ps. China’s current diplomatic culture continues Deng’s commitment to peaceful cooperation, but with new emphasis on China’s leadership. If we break down the notion of soft power into its three components of attention, attractiveness, and persuasion, then China is certainly doing well on the first. Moreover, its success makes it more attractive, and the incentives it has to offer make it more persuasive. One does not have to become a Confucian to want a closer relationship with China. Power is a two-edged sword for China. On the one hand, by putting in question U.S. invulnerability in the Western Pacific it creates a space for its independent action at the cost of confirming American animosity. On the other hand, except for North Korea, China’s neighbours do not feel threatened by the U.S., and the sharp increase in their disparity of power with China causes anxiety. The militarization of the South China Sea is the most prominent example of a new sense of vulnerability in the region.

Leaders, policies, and the shaping of Chinese centrality

While the landscape of China’s recentering of Asia is set by its presence, population, and productivity, the political relationships on the surface of the landscape will be shaped and re-shaped by the interactions of leaders and their policies. President Donald Trump provides frequent reminders that the course of leadership is not simply pre-determined by its most prudent options, or even by its previous decisions. And the landscape itself is affected by politics. Nevertheless, decisions are made among perceived alternatives, and the fates of leaders and their policies will be played out on the existing landscape. Like bad golfers, their swings can make holes in the turf and they can cheat in reporting their scores, but the course determines the path.

In general, Xi Jinping and his policies are in line with encouraging Asia’s recentering. Most importantly, continuing Deng’s diplomacy of inclusive partnerships rather than alliances and highlighting frequent state visits increases contact without posing difficult choices for neighbours. Second, the infrastructural projects and financing associated with the BRI directly facilitate connectivity. While Asia’s recentering is broader than being simply a policy outcome of BRI, BRI speeds the process. Third, there is the contrast between Xi’s commitment to a multilateral “community of common destiny” and Trump’s erratic pursuit of “America First.” Ironically, Xi’s global posture facilitates Asian recentering because it reassures the neighbours that a more intense relationship with China is not exclusive.
While Trump’s erratic and advantage-seeking behaviour provides a foil to China’s attitude of inclusive cooperation, growing rivalry with the U.S. poses a double risk of limiting China’s centrality. Most obviously, as the U.S. paints the rivalry in Cold War terms, it will try to strengthen its existing alliance relationships and to highlight the risks of dependency on China. This tendency could be seen already in President Obama’s “pivot toward Asia,” and so it is likely to be an enduring part of American diplomacy. Although it is not likely to succeed in alienating countries like South Korea or Thailand from China, it influences their domestic politics as well as their alignments. Given the reality of the 3 Ps the U.S. is incapable of containing China. However, if China over-reacts to American containment attempts it might induce neighbours to brace against the centre.

The less obvious effect of China-U.S. rivalry would be that their antagonism would cause other countries to reduce their dependency on both superpowers and instead concentrate on developing other relationships. Countries have a greater range of choice in a post-hegemonic world, and it would be prudent for them to diversify their exposure to risk. To the extent that they might be faced with an either/or choice between the superpowers they would be well advised to limit their exposure to both. Thus a future antagonistic superpower rivalry might appear to be a return to Cold War bipolarity, but in fact the world is not likely to split into Cold War camps. The effect on China’s centrality would be to reduce the exposure of the neighbours and thus to increase their leverage.

It is foolish to try to predict the medium and long-term political future of Asia. Leader and policies will appear and disappear. What seems today to be a trend may turn out to be a temporary fad, and vice versa. However, the underlying landscape, while also evolving, does so in geographic time — faster than geologic time but slower than political cycles. Unless some new cataclysm reverses the salience of China’s presence, population, and production, Asian politics will play out in a social space increasingly centred on China, and the reorientation of Asia will in turn be a defining feature of global reality.