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The Economist

March 26, 2005  
U.S. Edition

SECTION: LEADER

LENGTH: 1236 words

HEADLINE: China and the key to Asian peace - China and the key to Asian peace;  
Asia's security

HIGHLIGHT:

Will China lead the Pacific century?

BODY:

Whether first or among equals, what sort of player will China be?

CLAIMS that this would be the "Pacific" century were being made long before the Atlantic-dominated one had ended. East Asia's economic dynamism, its widening prosperity and—bar a few awkward hold-outs—its strengthening democracies would all seem proof, so far at least, of that potential. But will this fast-changing region be increasingly China-led, as some (especially many proud Chinese) now expect and others fear? And will it turn out to be any less strife-torn—potential conflicts loom over Taiwan, North Korea's nuclear activities, and rocks and reefs of disputed ownership thought to lie atop rich energy finds—than a Europe that for decades in the last century was the battleground between competing powers and ideologies? As first among equals or just one among them, how China chooses to handle its growing influence will determine whether East Asia remains stable enough to continue to prosper, or stumbles back into rivalry and conflict.

China is no longer shy at counting itself among the world's great powers. Its seemingly insatiable economy drives its diplomats ever farther afield in search of new relationships to bolster trade and secure raw materials, in Africa, Central Asia, the Middle East and Latin America, as well as in Europe and North America. Yet, for all China's modern-day market magnetism, a claim to regional leadership in East Asia will long remain premature for two broad reasons.

The first is that China's impressive economic growth hides a multitude of problems, including increasingly resented disparities between rich and poor, rampant corruption and capricious party rule—as hundreds of thousands of local protesters in recent years have demonstrated, quite literally, out on the streets. Should the economy falter for any

reason, China's political stability is far from assured. And as the region's biggest anti-democratic hold-out by far, come a crunch China's policies are not going to be driven by a concern for the greater good, whether of the Chinese people or the region as a whole, but by what is good for maintaining party control.

That makes it harder to bet with confidence on a stable future for East Asia and the Pacific, not just because China itself may face internal upheaval, as it last did in the Tiananmen Square protests in 1989, but because an authoritarian, anti-democratic China will always be less easy for the neighbours to rub along with. Even those in awe of the China market are far less enamoured of China's growing military muscle. Hence the second reason why predictions of China's regional primacy are likely to be overdone: they will be contested energetically both by Japan, China's natural local rival (see pages 25-27, and by the United States which, while not an East Asian power by geography, is very much an Asia-Pacific power and one with no intention of pulling either its troops or its influence back across the water.

The region is doing better at managing these rivalries than it once did. It may still lack binding multilateral alliances, like NATO or the European Union, that are now helping to stabilise and integrate the fledgling new democracies of central and eastern Europe (and in some ways even a prickly Russia too). But these days there are plenty of opportunities for the neighbours and interested outsiders to talk over their problems, including in regular bilateral, multilateral and region-wide summits. For all the glad-handing of recent years, however, and excited talk of a new free-trade area to link the economies of South-East Asia with those of China, Japan and South Korea, there is something lacking.

China refuses, despite all that is at stake, to discuss the really difficult security problems in the way that it now defends its corner on trade and other issues. Yet it is over the future of a democratic Taiwan and the damage being done by a nuclear-arming North Korea that China's true intentions will be tested.

Whatever other benefits China has since drawn, it first joined the various regional talking shops in an effort to shut out Taiwan, which China claims as its own. Those entities it has joined are now in effect barred from discussing the matter. Meanwhile, China's military modernisation is clearly geared to pressure—even coerce—Taiwan into accepting the view that the only future for the island is reunification with the mainland. The anti-secession law recently rubber-stamped by China's parliament sets no deadlines, and China insists it will explore peaceful avenues first. But the law is clearly meant to provide a quasi-legal basis for more forceful action, should China's leaders so choose.

A China where nationalism has largely replaced communist ideology as the party's rationale for clinging to power has no patience for Taiwan's developing democracy—the first in 5,000 years of Chinese history—or the wishes of its people. So far it has not acted on its threats (though it rehearses them regularly in military exercises), in large part because of the calculation of the risks it would run in doing so, the chief one being to draw in America, which is committed to help Taiwan defend itself if attacked.

But that leaves open the possibility that this calculation may change as China's economic and military strength increases. All the more reason for European governments, who benefit hugely from the trade and investment made possible by East Asia's current stability, but who take no responsibility for its upkeep, to think again about lifting their arms embargo on China, or find ways of replacing it with clear understandings that ensure no harm is done to the interests either of America or Japan, the two countries who would bear the brunt should conflict break out.

The Europeans' instinct to engage China is not wrong. But it is dangerously naive to expect such engagement in trade and technology to affect China's calculation over an issue where nationalist emotions run so high. Is it equally naive to rely on China, as America has been doing, to put pressure on North Korea to give up its claimed nuclear deterrent?

In public at least, China chooses to believe North Korea when it says that it has no illicit uranium-enrichment programme, as America has claimed. But then it overlooks North Korea's other claim: that it has nuclear weapons anyway and is busily building more. That China is engaging in diplomacy on the issue at all is to be welcomed. But it balks at leaning on the recalcitrant North to return to the negotiating table.

The motives of North Korea's regime are not hard to read: it wants both to hang on to its nuclear weapons, and still get enough aid from China (which also supplies most of its food and energy imports) and South Korea to fend off American pressure. China's motives are more complex. It wants to avoid a regime collapse, which could dump a mass of refugees across its border. And it resists in principle the imposition of sanctions (as it has been doing recently at the United Nations over Sudan) for fear that someday its treatment of Taiwan will attract similar foreign "interference".

Yet just as conflict between China and Taiwan would do untold damage, so North Korea's nuclear ambitions, unless curbed sharply and soon, could set off a chain reaction that could militarise alarmingly the enduring rivalries of East Asia. In both cases, East Asia's fate is largely in China's hands.

LOAD-DATE: March 25, 2005