

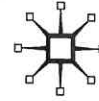
GLOBAL GIANT

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IS CHINA CHANGING THE  
RULES OF THE GAME?

Edited by  
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GLOBAL GIANT

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## Chapter 12

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### Is China Rising?

*Sheena Chestnut and Alastair Iain Johnston*

#### Introduction

Is China rising? How do we know? The vast majority of today's commentary—in the United States and China, across the policy, pundit, and academic worlds—assumes that China is rising. But the vast majority also does not provide a clear definition of “rising,” or consistent indicators of what a rising state looks like. This chapter makes a simple but often overlooked point: whether China is rising—and at what speed—depends on one's definition and indicators. Some suggest that China is rising rapidly, while others suggest that it is not—yet. While it may seem facile to contest the rise of China—few would argue that China is not somehow “bigger” today than yesterday—we believe that injecting a note of caution into the debate is worthwhile. The reason is that different perceptions and judgments about whether, how, and how fast China is rising have profound real-world implications.

We begin by outlining some of the conceptual and empirical “pluralism” that characterizes the rising China discourse. We then show that China is currently situated in relation to the hegemon (the United States) in material power terms such that it is not yet closing the gap. But if China continues to grow at a faster rate than the United States, then the mathematics of differential growth rates mean that China will begin to close the gap—and one will legitimately be able to claim that it is rising. We next comment on the question of China's soft power—a popular term of late—and conclude that there are reasons to be skeptical of its utility. We finish with a discussion of the implications of different measurements of China's

“rise.” The point of all this is an obvious one—we need to be very careful about how we use the term “rising China” because it has consequences for potential Sino-U.S. conflict.

## The Rising China Discourse

The term “rising China” is seen everywhere these days. For instance, articles referencing “rising China” in LexisNexis (General News) increased almost 10 times from around 65 in 1995 to over 600 in 2006. Similarly in the same period, the frequency of articles on international relations and politics in Chinese academic journal that mention either “China’s rise” (*zhongguo de jueqi*) and/or “rising China” (*jueqi zhongguo*) increased about 27 times from 35 to 940.

Despite this increasingly common description, there is little consensus in academic discourse or political rhetoric about where it leaves China vis-à-vis the United States. Hillary Clinton recently called China a “global superpower.”<sup>1</sup> Bates Gill refers to China as “a rising star in the constellation of great powers” (2007:1). One pundit claims, “China is already a rival of the United States in many important areas” (Ramo 2004). Others are more restrained. One group of scholars wrote recently, “it will be a decade, if not two, before China has a world-class economy and military establishment” (Kupchan et al. 2001:4), while others place China’s surpassing of the United States, “sometime before the middle of this century” (Lemke 2003:270). Avery Goldstein refers to China as a “rising but not yet risen power” (Goldstein 2005:29), while David Kang calls it a “major regional power” (Kang 2007:3, 12).

Chinese characterizations of the country’s status or position also vary, within narrower bounds. Chinese analysts have referred to China as everything from a not-yet superpower second only to the United States (Yan 2006:10, 18; Hu and Men:23); to a “cross-regional major power” (*kuadiqu de daguo*);<sup>2</sup> to a “regional-type major power with global influence” (*you shijie yingxiang de diyu xing daguo*) (Renwei 2006:22); to a “developing major power starting to have an impact on Asian regional affairs” (*zai Yahzou diqu shiwu zhong kaishi fahui zuoyong de fazhanzhong daguo*) (22). One PLA Air Force analyst argued that due partly to a lack of land and sea space for potential expansion, the People’s Republic of China’s (PRC) only choice is to be a regional great power (*diquxing daguo*).<sup>3</sup> Others suggest that China’s rise is severely constrained by lagging “informatization,” low Gross Domestic Product (GDP) per capita, a large and inefficient agricultural sector, income inequality, and rising social welfare costs.<sup>4</sup>

Each claim is based on a particular implicit or explicit conceptualization of “rising.” There is, however, little agreement over valid and reliable indicators of a rising state. Different conceptualizations and indicators lead to different conclusions about whether China is rising. Below we discuss several conceptualizations and assess in a heuristic fashion the empirical validity of each.

**Historical** (vis-à-vis a state’s past). The terms *fixing* (revival), *zhuanxing* (transformation), or *zhenxing* ([re]vitalization) have all been used to describe China’s recent growth. These terms reference China’s past role as a powerful state as their baseline, focusing on the country’s recovery from dramatic weakness from external threats and internal chaos in the nineteenth and early twentieth century (Deng and Wang 2005:56, Khong in Kupchan et al. 2001:54). It seems self-evident that China is wealthier and more powerful today than in the last century of the Qing dynasty.

**Visibility.** The state is economically and politically present in more places around the globe (e.g., China’s activities in Africa and Latin America). Increased visibility is perhaps best captured in a passage by Ted Fishman beginning, “China is everywhere these days” (2005:1–7). Here, too, few would deny that China is more visible to more people than ever before, certainly in the post-Mao period.

**Influence.** The state is more proactive and has more impact on outcomes in global political, military, and economic affairs. Bates Gill writes, “A day does not go by when events and decisions in China do not resonate in capital markets and political capitals” (2007:xvii, Shambaugh 2005). Its actions affect ordinary people’s lives in more issues and at higher levels (“[China] is influencing our lives as consumers, employees, and citizens”).<sup>5</sup> Hyperbole aside, by this definition it is probably correct to say that China is rising (though one could say the same thing, to a lesser degree, of other large, rapidly developing countries such as India).

**Threat to the Hegemon’s Interests.** Rather than capabilities, rising states might challenge the hegemon’s security *interests*.<sup>6</sup> For example, some analysts observe that China is developing anti-access capabilities with which it could limit the U.S. Pacific naval presence (Cliff et al. 2007, Rapkin and Thompson 2003:335).<sup>7</sup> Others remain confident that ongoing modernization of U.S. capabilities and deployment make it likely that the United States will prevail in any conventional military conflict (Blair 2008).

**Innovation.** A rising state could be one whose “radical technological innovation” enables it to challenge the hegemon’s economic leadership or military potential (Rapkin and Thompson 2003:315–342). While some scholars believe that China is vastly technologically inferior and will “have

to scramble to compete in the information age" (Copeland 2000), others wonder if informationalization could enable China to catch the United States faster than under past metrics. Put differently, how far are the PRC and the United States from harnessing the transformational effects of the next Revolution in Military Affairs?<sup>8</sup> Here the lack of consensus on what these technologies and organizational innovations might be makes measuring China's progress relative to the United States problematic.

**Threat to Hegemonic Order.** Rather than challenging the hegemon's interests, a rising state might contest dominant norms of "international order" itself. Some scholars argue that China's authoritarian governance challenges the prevailing Western liberal order (Barma and Ratner 2006). Others suggest that compared to the Maoist period, China has become much more involved in and supportive of international institutions, and acceptant of international norms—to the extent these exist—than ever before (Jacobson and Oksenberg 1990, Johnston 2003, Gill 2007).

**Size.** Often "rising" denotes a state getting bigger or obtaining more resources. A "rising" state could expand geography and capabilities through conquest (Liebman 2008:7, Gilpin 1981:187), or by allying with others (Liebman 2008:7, Woosang 1989).<sup>9</sup> In international relations, power is often measured by material capabilities, such as GDP, military spending, or Correlates of War National Capabilities data.

Current work on the changing "size" of Chinese power encounters three problems. First, though China is clearly searching for resources, the expansion of its resource base has thus far not been through conquest (Taylor Fravel 2005). And China has acquired no new formal alliance relationships since the start of its alleged rise. (Some see the Shanghai Cooperation Organization [SCO] as having anti-American elements, but the SCO currently lacks sufficient military coordination to constitute anything close to a formal alliance.)

Second, different indicators produce different conclusions. The Correlates of War Composite Index of National Capability data, for instance, exaggerate China's power by counting total population as an asset. The data also conclude that China essentially caught the United States in the early 1980s.<sup>10</sup> If one uses iron/steel production—core elements of the COW-CINC data—China began catching up in the mid-1960s and surpassed the United States in the early 1990s.<sup>11</sup> The "largest drop-off" rule—a rising/contending power *i* is the state where the difference between the hegemon's power and state *i*'s power is smaller than the difference between state *i* and the next-largest state *j*'s power—shows that Japan was the only contender to

the United States from the early 1980s to the mid-1990s, after which there has been none.<sup>12</sup>

A third problem is whether one should use relative or absolute comparisons. That is, a rising state could be one whose capabilities constitute an increasing *proportion* of a more powerful state's (e.g., China's capabilities as a percentage of U.S. capabilities). Or the rising state is one whose *absolute* capabilities are closing in on those of a more powerful state (e.g., the absolute gap between China's capabilities and U.S. capabilities is shrinking). The difference between the two will be explored further in subsequent sections, but to telegraph our argument: China is rising in relative terms, but not yet in absolute terms.

**Intersubjective Expectations.** Finally, a rising state may be one whose economic and military development is *expected* to be so rapid that it moves quickly into the ranks of the system's most powerful states (Kennedy 2007:1, Liebman 2008:7–8). By this conceptualization, it may not matter what the indicators show; as long as everyone believes China is rising, actors in the international system will behave accordingly. As our earlier discussion shows, there is little doubt that Chinese and American leaders believe China is rising.

In sum, even granted some legitimate debate over operationalization of definitions, it is clear that different definitions lead to different conclusions about whether China is rising:

Table 12.1 Definitions of "rising"

Definition of "rising"	Is China "rising"?
Historical	Yes
Visibility	Yes
Influence	Yes
Threat to hegemon's core security interests	Unclear
Innovation	Unclear
Threat to hegemonic order	No
Size	
<i>getting more of some key resource</i>	Yes
<i>alliance construction</i>	No
<i>territorial expansion</i>	No
<i>as a proportion of hegemon's power</i>	Yes
<i>closing the absolute gap in the hegemon's power advantage</i>	No (not yet)
Intersubjective expectation	Yes

*Note:* These answers are for heuristic purposes, as some are based on less rigorous empirical testing than others.

While most of these definitions and indicators provide insight into the changing nature of Chinese power, we believe that the most important are size and intersubjective expectations. This is due to their interactive effects on how decision makers react to China's evolution. Specifically, real-world policy implications can arise from mismatches between intersubjective expectations of China's rise (often based on observations of increased visibility and influence), and the more nuanced picture drawn from data on relative and absolute differences between Chinese and American power. Below we explore the latter distinction in greater depth.

### Rising Power: Relative and Absolute Calculations

As noted above, a wide range of conceptualizations exist in recent discourse about China's growth. But we believe that intuitively, "rising" is a question of how China's changes compare to the capabilities of the system hegemon, the United States, and that a commonsense way of thinking about rising is "catching up." What does that mean?

In international relations, there are typically two ways of measuring relative power between two actors—capabilities as a percentage of the dominant state's, and the absolute difference between the dominant state's capabilities and those of weaker challengers. In terms of the former, catching up means that state B's capabilities as a percent of A's are increasing. In terms of the latter, catching up means that the absolute gap between A's and B's capabilities is getting smaller.

For many people, both of these examples suggest that state B is rising. Yet the simple mathematics of differential growth rates show that, under certain common conditions, B can be increasing its capabilities as a share of state A while simultaneously falling behind in absolute capabilities. Suppose A and B start out with the following distribution of power and differential growth rates. A has 100 units of power and grows at 5 percent per year. State B has 10 units of power, but grows at 10 percent per year. If one projects out (see figure 12.1), state A's absolute advantage in power capabilities expands until year 36, even as B's capabilities as a percent of A's increase. Why? Because state A starts with such a large lead.

At some point (here, year 37), differential growth rates may have a tipping effect: the absolute gap favoring A begins to decline and B begins to catch up: that is, it begins to rise. This tipping point can happen sooner or later, depending on the difference in growth rates, but will inevitably occur as long as B's growth rate is higher.

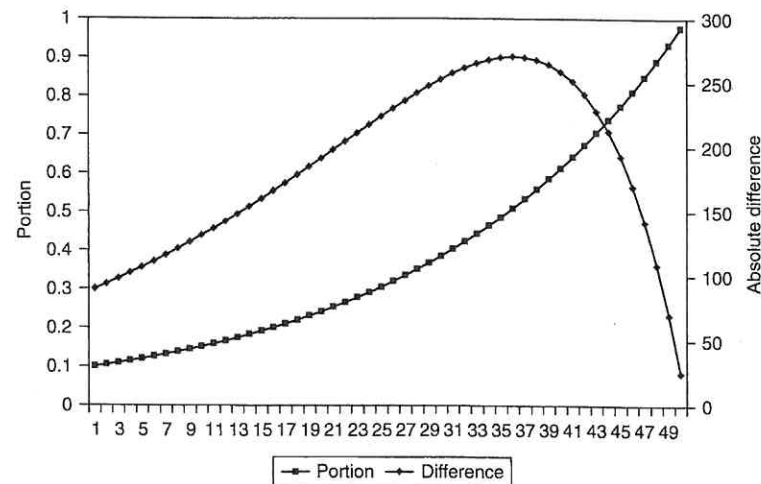


Figure 12.1 The difference between relative and absolute indicators of power: B's power as a portion of A versus the absolute difference between A and B's power

The absolute difference indicates that, at base, state A has a growing cache of resources relative to B with which to create military capabilities, distribute aid, or cement alliances—in other words, resources for internally or externally balancing against B. The growth in B's relative power indicates that the states are on a trajectory whereby at some point—assuming roughly constant differential in growth rates and linearity—a tipping point is reached. It means that B has more resources at time  $t+n$  than at time  $t$ , some of which can be devoted to military capabilities. But it also means B's gain in resources is, for a time, overwhelmed by the resources A gains between time  $t$  and time  $t+n$ . We often think that if B is rising relative to A, it gets more and more of its will/way compared to A due to increased resources. But how is this possible during the period when A's absolute advantage in resources—carrots and sticks—is increasing?

Figure 12.2 shows (using iron/steel production) that the United States did not begin to "rise" vis-à-vis the most powerful state in the system—Great Britain—until the early 1870s. After the Civil War, U.S. power as a portion of Great Britain's grew, even as the absolute gap in capabilities favored Great Britain by wider margins. A similar pattern shows up in the case of Germany in the nineteenth century—though its power as a proportion of Great Britain's increased from the 1850s onward, Germany didn't start to rise vis-à-vis Britain until later in the 1870s.

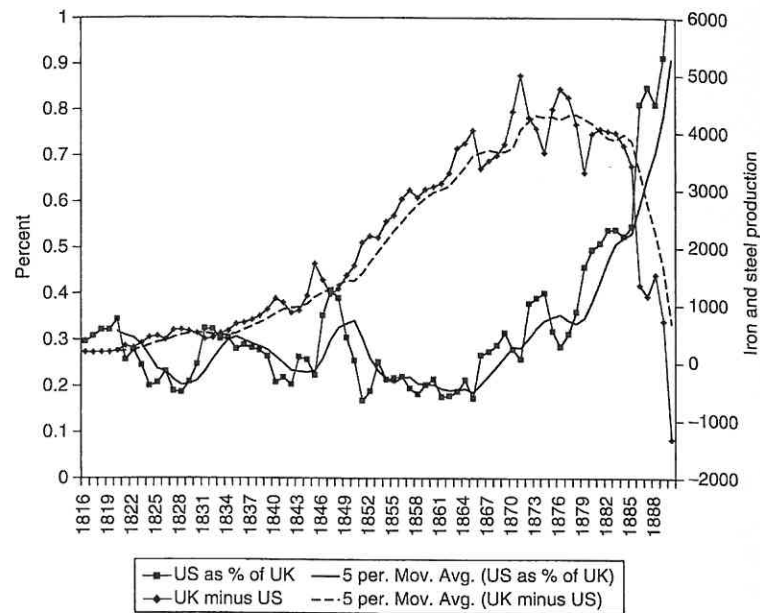


Figure 12.2 U.S. power capabilities as a portion of Great Britain's power capabilities; the absolute difference in U.S. and UK power capabilities

It strains the concept to suggest that the United States and Germany were rising when Great Britain's absolute advantage in capabilities was actually increasing. If we did so, we would also have to characterize *any* state with a faster growth rate than the United States (and a good chance of sustaining it over the long term) as a rising power. This does not fit a commonsensical notion of rising power.

### Relative and Absolute Change in the Sino-U.S. Power Relationship

Today, the China-U.S. case appears to be following the theoretical and historical examples outlined above: China's power as a proportion of U.S. power is increasing, but the absolute advantage in capabilities favoring America continues to widen. China and the United States have not yet reached the tipping point indicating the beginning of rising Chinese power. This pattern holds for a wide range of standard indicators that

one might use to measure power capabilities—economic (GDP), military (military spending), and scientific-technological metrics (Gilpin 1981).

### GDP

According to the World Bank, in current U.S. dollars China's GDP as a percent of U.S. GDP has gone from about 13 percent in 2001 to almost 20 percent in 2006.<sup>13</sup> The absolute difference in GDP, however, has increased in the U.S. favor from US\$8.8 trillion to US\$10.5 trillion over this same period, a 20 percent increase (see figure 12.3). Figure 12.4 projects out China's GDP as a percent of the U.S. GDP and the absolute difference in GDPs using a very optimistic unchanging estimate for PRC GDP growth of 10 percent year.<sup>14</sup> Even using the most optimistic projections, China falls further behind in absolute terms until around 2014. If one assumes a slightly slower Chinese growth rate (8 percent), then the tipping point is delayed another eight or so years.

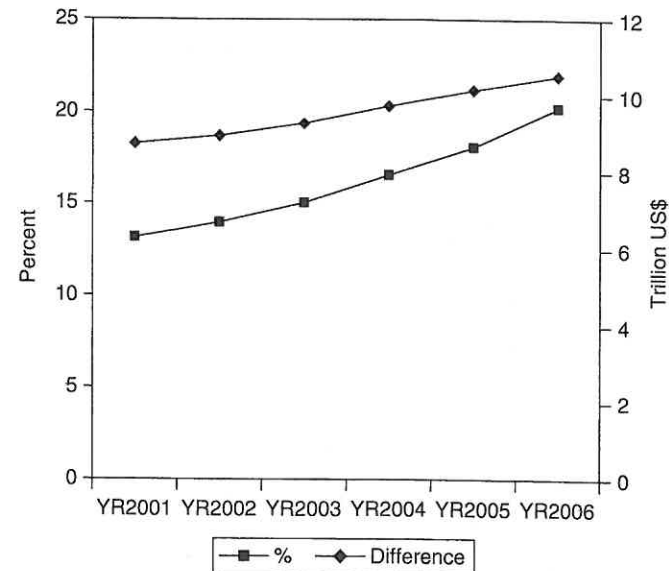


Figure 12.3 The relative and absolute difference between U.S. and China GDP  
Source: World Bank Development Indicators.

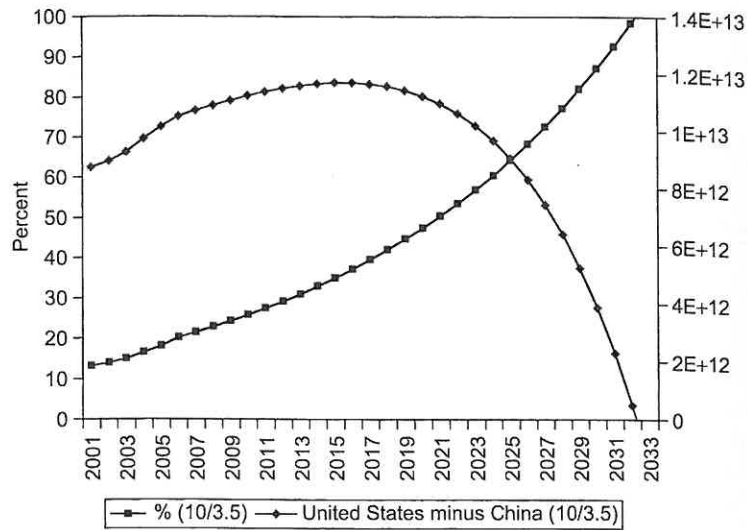


Figure 12.4 Trends in relative and absolute differences in U.S. and Chinese GDP

Source: World Bank Development Indicators to 2006; thereafter assumes 10% growth in Chinese GDP and 3.5% growth in American GDP.

## Military Spending

A similar pattern appears in U.S. and Chinese military spending. As figure 12.5 shows, China's spending as a percentage of U.S. spending has increased steadily, especially since the mid-1990s. In 1997 China stood at about 5 percent of U.S. military spending, but in 2006 it approached 10 percent. Yet at the same time, due to its enormous head start, the U.S. advantage in military spending went from around US\$320 billion to almost US\$480 billion; the American absolute advantage in military spending increased by about 50 percent.

## Science, Technology, and Information Integration

Science and technology (S&T) development and "informationalization" are often seen as central to power production in the postindustrial age. Here, too, the pattern of China's development is one of increasing as a proportion of U.S. capabilities while falling behind in absolute terms. Figure 12.6 shows this pattern using Chinese and U.S. patent data; polynomial trend

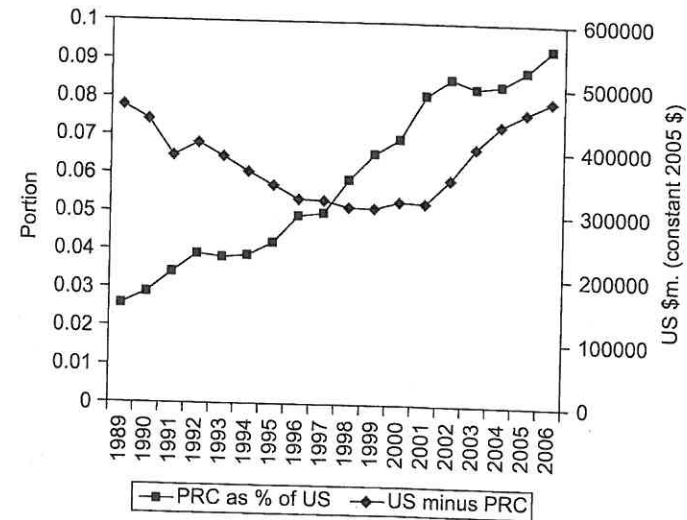


Figure 12.5 Relative and absolute difference in U.S. and Chinese military spending

Source: SIPRI Yearbook (2007).

lines illustrate an increase in both China's proportion and the U.S. absolute advantage.

China's contribution to science patents around the globe is not impressive. In key areas such as nanotechnology and biotechnology, for instance, Chinese patents constitute a minuscule portion of those from the United States,<sup>15</sup> even though China's average annual growth rate in patents is the world's highest. In wind-energy, fuel cell, space-related, and nuclear power technology, China simply does not register as a source of patents (OECD 2007:21–28; Lampton 2008:132).

Measures of China's engagement with global information systems confirm the familiar pattern. According to the International Communication and Technology Opportunity Index (ICT-OI)—which measures information density and use—China's figure as a portion of the United States is mostly increasing, while the absolute difference continues to favor the United States (ITU 2007:120).

Various other organizations have tried to develop globalization indices to measure the degree of economic, political, social, and technological connectivity to the rest of the world. Typically China tends not to rank very high (limited, undoubtedly, by its large, relatively poor rural population). In A.T. Kearney's globalization index, China fell from 2006 (fifty-first



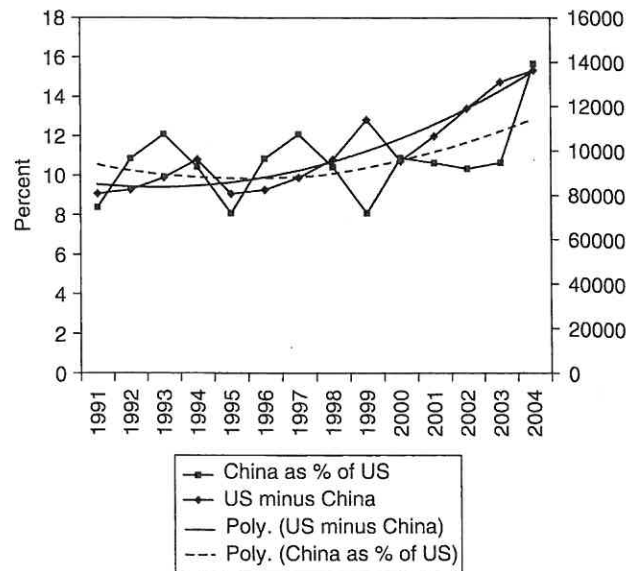


Figure 12.6 Chinese and U.S. patent applications (by residents)

Source: World Bank Development Indicators.

Note: China's 2005 patent applications to the European, U.S., and Japanese patent offices constituted 0.5%, 1.1%, and < 0.1% of total applications, respectively (OECD 2007).

place) to 2007 (sixty-sixth).<sup>16</sup> In an index developed by the Swiss Federal Institute of Technology, China was ranked forty-third in 2005—up from sixty-second in 1990, but still only around the level for Bulgaria, Ukraine, and Romania.<sup>17</sup>

At least three conclusions flow from this discussion. First, China has more material capabilities compared to its past; relative to its own history, China is clearly rising. Second, in comparison to the U.S. hegemon, it is not clear that China is yet rising. Although its power as a proportion of the United States is increasing, in absolute terms one might fairly conclude that China is less powerful vis-à-vis the United States than in the past, and will continue to decline through to at least 2015 (possibly further, depending on GDP growth rates). Third, however, China is on a trajectory to begin closing the absolute gap sometime after the next eight years: it is not yet a rising power, but a potential one.

A decline in the absolute difference in capabilities between the hegemon and the rising power may not be the best definition for all purposes. But we find it useful to illustrate that a weaker state having an increased percentage of a hegemon's capabilities is not equivalent to catching up.

## The Question of Soft Power

Ever since Joseph Nye popularized the term, Western and Chinese analysts have tried to decide how “soft power” (*ruan shili*) relates to China's so-called rise. Like material power, soft power is discussed in different ways by different people. The concept is not new to Chinese discourse (Wuthnow 2008). Since the 1980s, Chinese analysts have tried to calculate the country's comprehensive national power (CNP) using a range of hard metrics and soft indicators (e.g., diplomatic influence, domestic cohesion) (Hu and Men:23), occasionally attempting to compare China's soft power to that of others (Yan and Xu 2008).

Today, soft power refers to Nye's conceptualization: the “ability to get what you want through attraction rather than coercion or payments” (2006). This definition differs from popular usage, which often incorporates material threats and incentives; several recent studies of Chinese soft power redefine the term as everything except hard military capability, thus almost guaranteeing that China is a rising soft power (Kurlantzick 2007:6, Whitney and Shambaugh 2008, CRS 2008:3).<sup>18</sup> Furthermore, at its most parsimonious, soft power also excludes social threats and promises; it rules out diplomatic pressure based on praising or shaming other states. What remains is pure persuasion, whereby attractiveness of values and ideas leads actors to change policy preferences.

Discussions of soft power often refer to factors such as popular cultural and ideological flows as examples. Questions remain, however, as to how precisely these flows change the preferences of relevant actors in other countries. How does popular culture translate into political influence? How does consumption of American fast food or movies lead to changes in state leaders' foreign policy preferences? Through an electoral process where voters are influenced by values embodied in American cultural products? Through indirect public opinion constraints on authoritarian leaders? One scholar suggests that the malleability of global culture means that “democracy could be short-lived if for any reason (such as the ‘rise of China’) authoritarianism should again become an attractive and exalted model” (Lynch 2006:27). But how would China's model foster authoritarianism elsewhere? By leading voters to favor leaders who will subsequently revoke their political privileges? By emboldening coups?

In the Chinese case, how precisely will Confucius Institutes influence the society and politics of host countries? One common perception is that these institutions—as well as educational exchanges such as the Fulbright program—cultivate elite familiarity and hopefully sympathy with Chinese positions (Wuthnow:11, Zhang 2006, Liu 2007).<sup>19</sup> Though

Confucian Institutes are a recent development, evidence suggests that their influence in fostering understanding of Chinese culture has thus far been limited.<sup>20</sup> Even if successful, however, cultural familiarity does not necessarily increase political influence. How much influence have Germany and France accrued from the Goethe Institutes or Alliance Francaise offices? The detailed causal micro-processes about how cultural flows foster political influence are very unclear.<sup>21</sup>

Ideological influence seems close to what Nye thinks constitutes genuine soft power. In the past century, four ideational waves or ideologies promoted by states have attracted sufficient adherents to lead to demands for change in other states' policy preferences: Fascism and Communism in early twentieth century, Nationalism in the developing world, and classical market ideology from the 1980s on. At least for a time, the attractiveness of these ideologies increased the influence of their main proponents in other countries as well as their own. But even if ideological attractiveness is a form of soft power not epiphenomenal to hard power considerations, the question remains: what ideology, exactly, does China have to market that might translate into political or strategic influence?<sup>22</sup> How would one know if it did? Is it rising? Is there a tipping point or power transition in soft power relationships? How would we recognize it?

Some argue that attractive elements of China's ideological or value system include prioritization of order, family, community, and social harmony. But these are not uniquely Chinese. Essentially these are "social conservative" values, already shared by certain conservative parts of the Christian and Muslim traditions. And thus far, the Chinese government has not been a particularly efficient or enthusiastic proselytizer. In contrast to the implied universalism of liberal democratic models, Chinese social conservatism is often articulated in context-dependent terms: what is appropriate for the West is not necessarily appropriate for less developed countries or ones with different cultural values (Sullivan 1999). As with the "Beijing Consensus," this particularism renders the "China model" less exportable.

Others argue that the so-called Beijing Consensus development model is prime example of China's soft power. Sometimes touted as the answer to the failed Washington Consensus, the Beijing Consensus (or China model) rejects the former's emphasis on fiscal discipline, public spending on primary education and health care infrastructure, an increasing tax base, market-based interest rates, exchange rate and trade liberalization, privatization of state enterprises, deregulation, and protection of property rights (Williamson 2002). The Beijing Consensus, then, can be seen as another element of China's challenge to U.S. hegemony, this time to American-style capitalism and free market economic liberalism—a soft power challenge.

But what is the Beijing Consensus? The person who coined the term, Joshua Cooper Ramos, claims it is a pragmatic rejection of one-size-fits-all development strategies, seeking to temper marketization with state-directed efforts to protect equality and social welfare. Others call it authoritarianism plus socialized capitalism. A Shanghai academic suggests that it is an alternative to Westernization for a developing world wishing "to grasp the opportunities of globalization," thereby diversifying international politics (Wang 2008). The normative claim underlying some Beijing Consensus rhetoric is that Western-style liberalization was inappropriately forced upon developing states by more economically powerful Western countries; absent that pressure, countries will be more likely to follow a development path closer to China's own.

As an expression of soft power, however, the Beijing Consensus is problematic. First, it is not clear that the term has much content or effect. Ramos himself noted that the core of the Beijing Consensus model is that there is no model—each country chooses its own development route.<sup>23</sup> Yet, it is hard to see how another state choosing its own development path translates into greater political influence for the PRC specifically. How precisely does the Beijing Consensus lead others to change foreign policy preferences to favor China or undermine U.S. hegemony? Does following some elements of the so-called China model make authoritarian leaders more likely to adopt anti-American foreign policy positions, or is it an expression of preexisting anti-U.S. sentiments? The Beijing Consensus' attractiveness may be an effect, not a cause, of dissatisfaction with the Washington Consensus and U.S.-dominated international order.

Second, given that China's economic development is not yet complete, any exacerbation of problems associated with the "Chinese model"—such as massive environmental and health problems, widening income inequality, and potential social instability—may yet weaken the attractiveness of the model, insofar as one exists (Wuthnow 2008:14, Men 2007, Zheng and Zhang 2007).

Third, and more fundamentally, the Beijing Consensus appears to be an intriguing example of the invention, reification, branding, and selling of an idea for which there may not be much evidence. Although developed by a foreigner, the Beijing Consensus term serves a useful purpose for Chinese nationalists to claim a difference between U.S. hegemony and China's rise—one reactionary, one progressive—without seriously examining the precise degree of this alleged difference. The Beijing Consensus discourse, along with the general focus on Chinese soft power, adds, however, to the outside impression of a China on the march, challenging U.S. hegemony not only materially but ideationally.<sup>24</sup>

## Conclusion: Why It Matters

Noting that according to a moderately rigorous definition China is not yet rising does not mean that its economic growth or military modernization have little consequence. We are not resurrecting Gerald Segal's argument that China does not matter, that it is a "second-rank middle power that has mastered the art of diplomatic theater" (Segal 1999). Indeed, as Steve Chan notes, "China's sheer physical size and the rapid rate of its recent growth can be an obvious cause of concern by other states regardless of the extent of its relative power gain" (Chan 2008:25). China is increasingly capable of "posing problems without catching up" (Christensen 2001). China may not yet be closing the gap between it and the hegemon, but its effect on environmental degradation and primary product prices, to name just two examples, are already obvious.<sup>25</sup> China doesn't have to catch the United States—to "rise" in strict material power terms—to have a profound impact on nontraditional security and welfare issues—transnational crime, disease, and pollution. Even in security terms, it can confront the United States as a regional military contender well before it reaches parity.<sup>26</sup>

But behind Segal's contrarian claim was an important pedagogical point: be careful about discursive bandwagons. We would add a different word of caution (actually three words)—test, test, and test.<sup>27</sup> What should we expect to see empirically if China is indeed rising? Do we see it? How does one measure growing influence—the obvious consequence of rising power? How will we know whether the hype over China's "rise" is justified, or whether it will go the way of the 1980s discourse on "rising Japan"? Indeed, Japan once seemed poised to exploit large economic and technological advantages to catch the United States even faster than China today (Samuels 1992), though the economic trajectories of the two countries during the 1990s put a quick end to that debate. Concerns over China's internal stability and burgeoning social welfare costs may prove it more similar to Japan than current discourse suggests.

Why worry about the gap between the discourse and reality of China's rise? What may matter instead are people's *expectations* about China's trajectory—which are a product of rough rules of thumb and measurement heuristics. Past examples of these heuristics include the Soviet notion of "correlation of forces" or Mao's estimates of which superpower was on the "offensive." Clearly there is a shared *perception* that China is rising, and some analytic ground for the claim—why not leave it at that?

The risk—and therefore the need for greater conceptual care in policy and academic worlds—comes from the interactive effects of discursive choices on Sino-U.S. relations. There are at least four logical possibilities.

- If neither American nor Chinese leaders believe China is rising, then presumably the effect will be to dampen security dilemma dynamics in the relationship. As this chapter has demonstrated, however, this scenario is unlikely. The predominant view in America and much of China is that China's "hard power" and to some extent its "soft power" is rising, even if the two sides differ in their assessments of the extent and speed (see below).
- If American leaders do not think China is rising, while Chinese leaders believe it is, the U.S. response may seem insufficiently respectful, ignoring what Chinese leaders and citizens believe are legitimate claims to higher status. Events such as the 2005 anti-Japan protests and the 2008 demonstrations against Western criticism of China's Tibet policy underscore the power of Chinese nationalism (Shirk 2008:225–256; Gries 2005:112). Public opinion polling suggests that Chinese citizens isomorphize Chinese as a country and the Chinese people, attributing positive characteristics to both and treating an insult to one as an insult to the other (Johnston and Stockmann 2006:170).<sup>28</sup> This apparent sensitivity to external slights would thus be expected to exacerbate the effects of American discounting of China's power and status. Moreover, if American leaders do not believe China is rising, while Chinese leaders believe it is and act to ensure it does, then the United States may respond badly to a power transition for which it is unprepared.
- If American leaders think China is rising, while Chinese leaders do not, then the U.S. response—presumably an attempt to constrain or mold this rise—will seem to the latter an unjustified overreaction, a challenge to China's legitimate interests. In attempting to forestall China's rise, the United States may foster revisionist sentiments; classical power transition theory argues that powerful states must be *dissatisfied* to pose a threat to the hegemon (Organski and Kugler 1980, DiCicco and Levy 1999). But dissatisfaction does not inhere in subordinate power per se. It is a response to perceived treatment that is inconsistent with self-perceived status. This is, in essence, the concern behind Nye's comment that if one treats China as an enemy, it will become one. As above, the point to note is the risk posed by the mismatch between U.S. and Chinese beliefs.
- If both American and Chinese leaders believe China is rising, their beliefs may stoke current fears as to how the phenomenon poses threats

or creates windows of opportunity on both sides. It may accentuate security dilemma dynamics, with all their attendant effects—arms racing, competition for politico-military influence, the dominance of decision making by hardliners, and socialization into perceptions of strategic rivalry, all conditions that tend to increase the probability of war (Copeland 2000:243–244, Lemke 2003, Vasquez 1993).

We believe this last possibility may characterize contemporary U.S.-China relations. Talk about “rising power” is not cheap if this talk is part of a power transition-type analysis based on faulty or lazy empirical claims. If we are correct about the implications of these four possibilities, it behooves scholars, pundits, and policymakers on both sides to be much more conceptually careful and rigorous in how they understand and talk about “rising” Chinese power.

## Notes

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1. <http://www.hillaryclinton.com/news/speech/view?id=6196>.
2. Su Hao, Foreign Affairs University, conversation with Alastair Iain Johnston (Beijing, June 2007).
3. Dai Xu. 2007. *Zhongguo shangwei dianding daguo jichu*. (China has not yet established the basis of being a great power). *Global Times*. June 28, p. 11.
4. Johnston gave presentations in Beijing and Hangzhou in summer 2007 on whether China is rising. Audience members often argued that severe economic inequities, endemic corruption, and environmental degradation all constrained China's rise.
5. Fishman (2005:1).
6. We thank Vipin Narang for this definition.
7. Rapkin and Thompson imply that China is rising if it can push the intersection between its “loss of strength gradient” and the U.S. “loss of strength gradient” further from Chinese territory.
8. We benefited from conversations with Michael Horowitz on RMAs as indicators of power.
9. Extant U.S.-centered alliances vastly overpower any foreseeable China-centered alliance.
10. On problems with using COW-CINC scores, see Chan (2008:11–25). For an earlier discussion of metrics, see Organski and Kugler (1980).

11. However, in an era of computerization, composite materials, and systems integration it would appear that iron and steel production may not be appropriate indicators of power.
12. Calculated using World Bank GDP data (2007). On the largest drop-off rule, see Chan (2008:21–22).
13. We use market exchange rate (MER) rather than PPP estimates of the size of the Chinese economy for two reasons. First, it avoids potential confusion caused by the 2008 World Bank revaluation of China's economy in PPP terms. Second, many economists believe that PPP estimates are appropriate for measuring standards of living, but not potential military or economic power. (Cooper 2005, Keidel 2008, World Bank 2008).
14. These projections do not address variation in quality and longevity of GDP components, environmental degradation and long-term costs of GDP growth, or resource strain from a rapidly aging population. All favor U.S. power.
15. In 2004, the United States held 40.3 percent of nanotech patents; China held 1 percent. (OECD 2007:Figure 3.2.1, p. 21).
16. Globalization Index Rankings. *Foreign Policy Online*. [http://www.foreignpolicy.com/story/cms.php?story\\_id=4030#rankings](http://www.foreignpolicy.com/story/cms.php?story_id=4030#rankings).
17. 2008 KOF Index of Globalization. [http://globalization.kof.ethz.ch/static/pdf/rankings\\_2008.pdf](http://globalization.kof.ethz.ch/static/pdf/rankings_2008.pdf); KOF Index of Globalization.<http://globalization.kof.ethz.ch/query/>.
18. David Lampton uses “ideational power,” which includes “leadership, human resources, innovation, and culture” (118).
19. See also Consul-General, PRC. 2004. “More Foreign Students Coming to China.” March 19. <http://www.nyconsulate.prchina.org/eng/xw/t80128.htm>.
20. Their main market is high school students, business people, and Chinese descendants interested in improving language. Classes are small, and their impact relative to university programs is likely limited (Begin 2007, Xiaolin 2008).
21. Participants at a Berkeley conference on transnational cultural flows presented interesting preliminary evidence of these flows and their effects. For instance, the “Korean wave” of popular culture appears to have led to some improvement in Korea's image in Taiwan (Sang-yeon 2007).
22. Shambaugh (2005:2) is blunt: China has no values, models, or ideologies to export.
23. Ramos, Joshua Cooper. 2005. Interview at CCTV. March 23. [http://www.cctv.com/program/e\\_dialogue/20050323/100736.shtml](http://www.cctv.com/program/e_dialogue/20050323/100736.shtml). See also Cui (2008).
24. With more careful comparative research, we may well find that the peak of China's ideological attractiveness was the 1960s, when the Maoist model of revolution and revolutionary development inspired movements and countries in many parts of the developing world out of reach of traditional tools of Chinese state power, and helped convince the United States to commit to a long and costly war in Vietnam.
25. An effect magnified by earlier industrialized economies' rates of global resource consumption.
26. We thank Steve Chan for this point.

27. For a possible testable framework in using power transition theory, see DiCicco and Levy (1999).
28. Respondents in the Beijing Area Study, for instance, have consistently evaluated both the Chinese state and people as peace-loving, sincere, civilized, and modest.

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