The Pragmatic Dragon

China's Grand Strategy and Boundary Settlements

Eric Hyer

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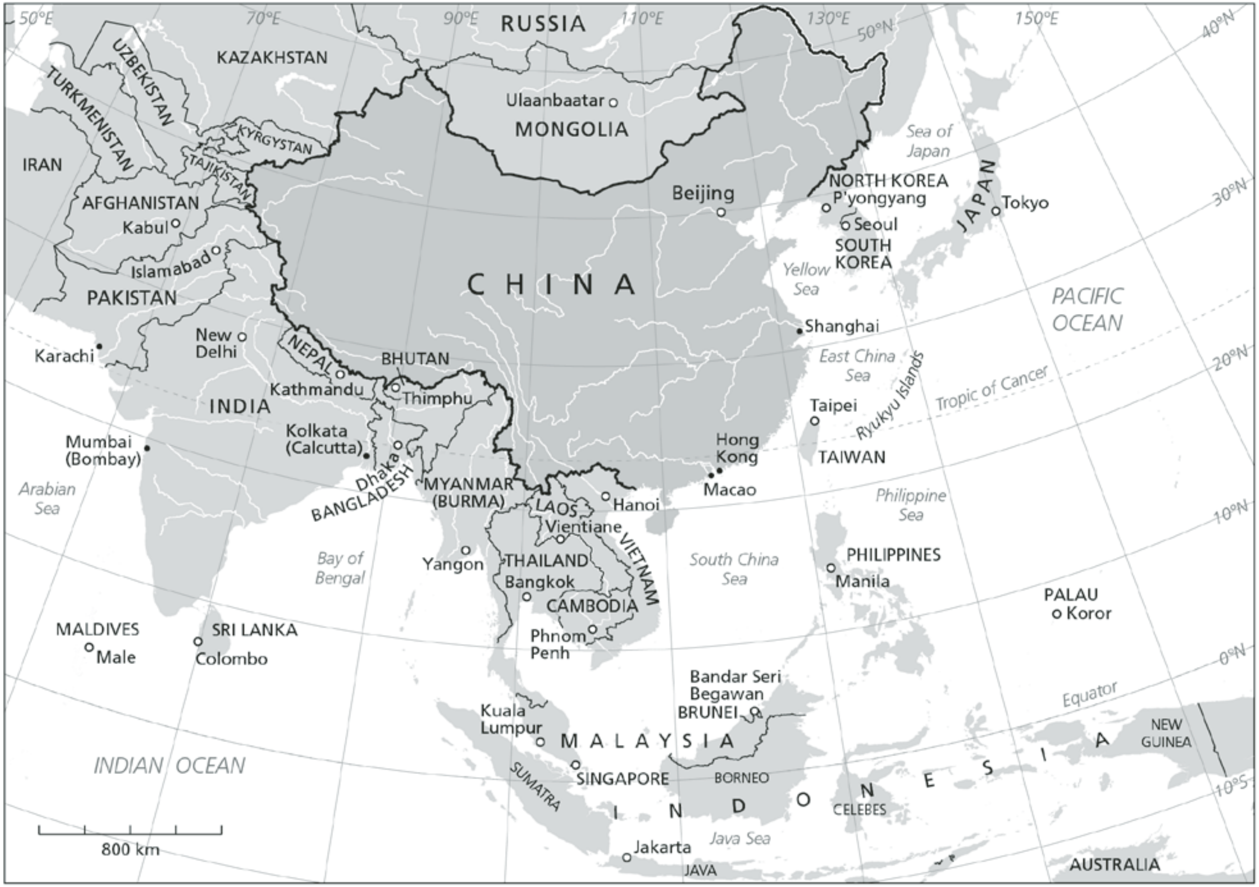
PART 1

The Strategic and Historical Context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East China Sea
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Taipei
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Macao
Arabian Sea
LAOS
Hanoi
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10°N
Vientiane
VIETNAM
Bay of Bengal
Yangon
THAILAND
South China Sea
PHILIPPINES
Manila
Bangkok
CAMBODIA
PALAU
Koror
MALDIVES
Male
SRI LANKA
Colombo
Phnom Penh
0°N
Bandar Seri Begawan
BRUNEI
Equator
Kuala Lumpur
MALAYSIA
NEW GUINEA
INDIAN OCEAN
SINGAPORE
BORNEO
SUMATRA
INDONESIA
CELEBES
10°S
800 km
Jakarta
Java Sea
JAVA
AUSTRALIA

Map 1 China

Introduction

Grand Strategy and Boundary Settlements

Boundary disputes are a "primary cause of rivalry between states" and have long been a fundamental cause of war. Territorial disputes persist in many regions of the world, with the potential to erupt into armed conflict.[1] The likelihood of war is high because territorial differences are "intractable" and "tend to give rise ... to the foreign policy practices of power politics." On the bright side, however, "if claims over contiguous territory are settled amicably ... it is highly unlikely that ... war will break out between the two neighbors regardless of issues that may arise in the future."[2] These observations seem especially relevant to China, a country that has settled land boundaries with twelve of its neighbours but continues to have a major boundary dispute with India and maritime boundary disputes involving numerous islands in the East China Sea and the South China Sea (see Map 1). To date, however, there has been no comprehensive and systematic study of China's boundary disputes and settlements.

There have been numerous studies of various disputes but only recently have more systematic ones been published. Earlier studies of China's boundary disputes and settlements made little use of the theories and methodology of international relations to enhance our understanding of China's behaviour, whereas more recent studies have adopted theoretical frameworks for analysis.[3] This study adds to this new literature by explaining the significance of the boundary settlements within the larger context of the shifting balance of power and China's strategic imperatives. It thus highlights Beijing's changing policy toward boundary disputes and settlements in response to international systemic constraints.

The central question of this book is how the strategic environment of the People's Republic of China (PRC) influences its policy on boundary disputes. There are several related questions: When seeking to settle disputes, how is China motivated or constrained by strategic considerations? Under what circumstances do territorial issues become part of Beijing's foreign policy "agenda"? What factors determine Beijing's willingness to compromise? For example, one distinguishing characteristic of the PRC's boundary settlements is that only some compensating strategic gain appears to motivate China to seek a settlement.[4]

When confronted by an external threat, states adopt policies designed to reduce the threat. Resolving a territorial dispute may help a state avoid war, and in many cases may even pave the way for an alliance or a non-aggression treaty.[5] To enhance its security, China sought to reduce tensions in bilateral relations and facilitate alliances with neighbouring states by concluding boundary settlements in the early 1960s, the 1970s, and after 1990.[6] Although states may have many reasons for particular policies on specific issues, I argue, based on the evidence, that Beijing's primary motivation was the shifting balance of power, and that its objective was to enhance China's security vis-à-vis its primary adversaries.

This book analyzes China's approach to its boundary disputes in the context of international systemic forces. One of the major obstacles to achieving settlements has been Beijing's far-reaching historical claims, which, understandably, have alarmed China's neighbours despite Beijing's professed willingness to conclude boundary treaties based on realistic historical, geographic, and security considerations. In the end, China has proved to be very pragmatic and willing to compromise in order to establish legitimate boundaries through peaceful negotiations, even ceding territory believed by both parties to belong to China historically. Knowledge of China's approach toward boundary and territorial settlements will increase our understanding of China's foreign policy, an important result for scholars of international relations and China studies given that country's growing importance in world politics and the concerns that it has given rise to.

Other studies analyze China's boundary disputes and settlements from different theoretical paradigms by adopting constructivist and domestic politics perspectives. Allen Carlson examines the Chinese concept of sovereignty in order to determine whether China's internalization of evolving international norms has effected a change in its attitude toward settling its borders. He argues that, despite China's "historically conditioned sovereignty-centric values, rational cost-benefit calculations, and external pressures … brought to bear on China by reform and opening" have resulted in a shifting stance on sovereignty. As Beijing has become more confident and has come to place greater value on international acceptance, it has become more willing to compromise and has sought territorial settlements, resulting in an unprecedented relaxation of tensions along China's borders. Nevertheless, although it has not pushed revanchist claims, Beijing has insisted on "maintaining and reinscribing conventional boundaries," which, Carlson concludes, "reflects the strict limits on its willingness to cooperate and compromise with its continental and maritime neighbors."[7]

Chien-peng Chung analyzes Beijing's behaviour by tracing the influence of "bargaining space in the presence or absence of certain domestic, institutional and leadership factors." This approach assumes that domestic politics is the major determinant of Beijing's policy toward boundary disputes. Chung admits, however, that such an approach "cannot explain when or why a disagreement, dispute or conflict arose … or for that matter its duration, let alone predict future occurrence of such disputes or conflicts," and therefore cannot explain or predict the circumstances under which China seeks settlements of such disputes.[8] Chung's analysis based on "culture" and the so-called moral basis of China's foreign policy ignores the systemic determinants of Chinese foreign policy, relying instead on ideological and Sinocentric variables to explain Beijing's behaviour. Thus, while the analysis of each individual dispute may ring true in the context of an overarching cultural explanation, it offers no generalizable explanation of China's behaviour.

M. Taylor Fravel's analysis sees Beijing's concerns over regime insecurity as motivating China to seek compromise settlements, arguing that Beijing is "willing to cooperate with other states in exchange for assistance in countering [its] domestic sources of insecurity" and has made "territorial concessions [in exchange] for assistance from neighboring states" to quell domestic unrest. He concludes that once domestic unrest has threatened the regime's control over border regions, Beijing has compromised in order to facilitate a settlement and cooperation with neighbouring states to dampen ethnic unrest.[9] However, the fact that there has not been local ethnic unrest in all cases raises questions about such a conclusion.

This book offers an alternative to these explanations by drawing on contemporary realist balance-of-power theories. According to Quincy Wright, "changes in the political map have always been disturbing to the balance of power. Such changes and demands for them have been the main problem with which power politics has dealt."[10] The survival of states and the maintenance of their boundaries require constant vigilance and self-strengthening.

When a nation's power is inadequate vis-à-vis that of an opponent, adroit use of alliances and other means becomes necessary, and Beijing has adopted such strategies.[11]

Systemic Constraints and China's Boundary Settlements

China's policy toward boundary disputes cannot be understood by studying a particular boundary dispute in an idiosyncratic way. A systemic approach requires consideration of the impact of the structure of the international system on China's behaviour. Such a deductive explanation assumes that a state's "decisions are shaped by the very presence of other states as well as by interactions with them."[12] One sinologist has concluded that "the whole development of modern China ... has been circumscribed by its external environment, and ... this wider setting has continued to preoccupy the Chinese leadership" since 1949.[13] The international structure conditions China's calculations and approach. "Singular Sinocentrism has no place in analysis" and the "important impact of the international system ... justifies linking theory with sinology in the analytic scheme."[14] I therefore adopt a structural realist explanation of China's approach to boundary disputes and settlements, while remaining sensitive to the impact of China's historical legacy on its foreign policy.

The structure of the international system and the balance of power determine China's behaviour, and ideology does not seem to affect Chinese perceptions in any concrete way. Despite some idiosyncrasies, Beijing's foreign policy follows certain predictable patterns because of general strategic constraints and limits imposed by the "regularities" of the international system. Beijing is sensitive to the constantly shifting balance of power and responds to these changes by seeking to improve relations with its neighbours despite ideological differences.[15] Careful study of China's foreign policy shows that Mao Zedong's "policies reflected ... strategic balance of power maneuvers."[16]

Because of Chinese hypersensitivity to territorial issues, leaders may have rationalized territorial settlements by invoking Mao's "united front" doctrine, which justified cooperation with less threatening and even ideologically shunned states, but this appeal to Maoist doctrines obscured the strategic calculations behind the historically painful compromises that made settlement possible. In some cases, the government did not publicize settlements for fear of undermining the Communist Party's role as an uncompromising defender of Chinese sovereignty against imperialist encroachment.

Externally, China presented these settlements as examples of its reasonableness or magnanimity.

In this book, I present a systematic explanation focusing on the influence of Beijing's strategic concerns on boundary settlements. In the early 1960s, with China confronted by a hostile United States, Soviet Union, and India, Mao sought improved relations with many smaller neighbouring states as a means of breaking China's isolation and tilting the balance of power in China's direction. The potential cost of continued confrontation "implies that leaders will think ... in terms of what the security implications will be of worsening relations" with neighbouring states, and this "provides incentives to ... reduce the levels of diplomatic and military conflict in a dispute in order to secure the continued support" of these potential allies.[17] This deeper strategic rationale for the settlements or attempted settlements is clear from a careful study of the boundary settlements concluded in the early 1960s. The same strategic analysis is used to explain China's behaviour in the late 1970s, as the Soviet threat to China escalated, and during a third period of boundary settlement following the Cold War, which changed the international dynamic and Beijing's strategic calculations, especially along China's western boundary and in Southeast Asia.

As the position of various states in the regional balance of power shifted, China adjusted its foreign policy tactics and alliances accordingly, and these adaptations were reflected in its changing attitude toward the settlement of specific boundary questions. In a sense, then, this study encompasses not only China's boundary disputes and settlements but also its evolving interactions with neighbouring states, with the boundary disputes and settlements providing a lens through which to analyze China's strategic behaviour, how it is influenced by relations with other states, and how China has used boundary settlements to further larger strategic goals.

Despite the fact that irredentist views were common among China's communist elite, there is clear evidence of a correlation between the dynamics of the international system and China's adoption of a conciliatory boundary policy. This book demonstrates that Beijing has been much more pragmatic in approaching territorial and boundary disputes than many had assumed. In fact, China obtained less than 30 percent of the territory it claimed in the already concluded settlements, and is seeking only 25 percent of the disputed territory in its outstanding disputes with India and Bhutan.[18] These claims and settlements exclude the vast territories that Chinese believe were historically part of imperial China before being carved off by imperialist powers, and Beijing has not insisted on the far-reaching historical claims it initially asserted. It is clear that a "chauvinistic nationalist" posture did not get in the way of a pragmatic approach in the already concluded settlements, and there is no sign that such pragmatism will be missing in the future.

Methodology

Although each case is unique, they are comparable when placed within a larger strategic framework. Using a detailed historical comparative mode of analysis for each case, I identify the "causal nexus" between the structural constraints of the international system and Beijing's policy toward specific disputes and settlements. The scope of analysis is restricted to the key variables of comparable cases, making it possible to "bound the domain of our concern, to organize it, to simplify the materials we deal with, to concentrate on central tendencies, and to single out the strongest propelling forces."[19] The structural realist assumptions and comparable-cases approach enable us to focus on Beijing's larger strategic concerns and how these influenced policy toward boundary disputes and settlements. In turn, the comparative analysis of individual cases makes generalizations possible, and we can engage the larger debates in the field of international relations.

I am aware that domestic politics and individual levels of analysis are important to a complete analysis, but this is beyond the scope of this book. Foreign policy was closely controlled by Mao and a small circle of foreign policy elite, so domestic politics in the sense of "bureaucratic politics" and "public opinion" did not constrain decision-making in any significant way. A. Doak Barnett observes that "Mao was totally dominant and made all of the 'big decisions.'"[20] Although China's foreign policy bureaucracy became more complex in the post-Mao era, Chinese foreign policy scholar Zhang Qingmin argues that "Deng [Xiaoping] also enjoyed similar authority in foreign policy" and he "retained the final say on any details of … policy."[21] The consensus among scholars and practitioners of Chinese foreign policy is that in the post-Deng era, Beijing's policy remains "based on practical rather than ideological considerations," and that decision making characterized by "oligarchical consensus" is "highly centralized in the hands of a few or even one top leader, with very little delegation of decision power." As in the Mao and Deng eras, decisions on major issues, such as boundary disputes, are "decided at the very top by party leaders or the elders who command real power behind the scenes." The foreign policy bureaucracy can deploy research and analysis to exercise "recommending power" on issues such as boundary disputes, but a high level of control makes "subversion of a decision" difficult.[22] As Zhang points out, "so long as the Chinese hierarchical decision-making structure remains along with its authoritarian political system, the role of the core leader will continue to be the center to understand Chinese foreign policy."[23]

A new layer of domestic politics that complicates post-Deng foreign policy is the growing role of social media and publically expressed opinion. Even some People's Liberation Army (PLA) generals speak more freely to the press, especially the press that caters to popular opinion, and this can inflame nationalistic sentiments among the public, supported by conservative and nationalistic scholars. The impact of this relatively new phenomenon on the foreign policy process is hotly debated among Chinese and Western scholars of Chinese foreign policy. Statements attributed to outspoken PLA officers and published in "commercial" outlets, such as the *Global Times,* that cater to public opinion, have become common in the post-Deng era, but such extreme statements do not appear in the "official press," such as the Party's flagship paper, the *People's Daily.* Many scholars conclude that this is a key indicator that although public expressions of foreign policy views are now more common, the official Party-controlled media carefully represents the central leadership's measured views on foreign policy.[24] In addition, recent research has concluded that over the past fifteen years, the PLA's influence on foreign policy has waned as the PLA has become a more professional organization with clear defence duties – the result of a "deliberate decision to remove the military from elite politics and the most powerful decision-making councils." This could be one reason why the Party now tolerates more public expressions of opinion by PLA officers than was the case a decade ago. However, on "fundamental" national security issues the influence of the PLA has diminished because "the PLA today wields far less political power than it did during the Mao Zedong and Deng Xiaoping eras. Moreover, ultimate decision-making authority regarding fundamental foreign relations … resides in the CCP Politburo Standing Committee."[25]

Popular expressions on foreign policy issues are also more common and tolerated than in the past. Boundary issues, such as the unsettled territorial dispute with Japan over the Senkaku/Diaoyu Islands and the South China Sea disputes, are especially likely to inflame public sentiment. Recent scholarship has concluded that public opinion does influence China's foreign policy, but there is no "general framework for understanding the interactive effects between popular sentiments and foreign policy in China," and very little research that "critically assesses the Chinese state's capacity to shape public opinion on foreign policy issues."[26] One new careful study concludes that, whereas China's foreign policy leaders respond to short-lived public outcry over highly emotional issues, they will not allow "popular activism" to "threaten core foreign policy interests" and have quickly adopted policies of "moderation and engagement once public mobilization levels died down."[27] Public activism does affect negotiations, however, and can slow progress toward a resolution. According to one Chinese scholar, the attentive public reduces the "space and flexibility to implement policy … from a long-term, reasonable, strategic perspective … even though Chinese leaders needed to take a stance on the basis of China's national interests [they] could not ignore the strong feelings of this part of the population."[28]

However, while keeping in the background this "second-level" influence on Chinese foreign policy toward boundary disputes and settlements, adopting a rational actor model makes it possible to focus on the *general pattern* of China's behaviour and the role of Beijing's strategic calculations when resolving boundary disputes. Structural realist explanations of Chinese foreign policy have proven to be robust. Allen S. Whiting, doyen of Chinese foreign policy studies, observes that "motivational analysis is necessarily tentative, especially when the event is long past, the evidence is partial, and the actors are unavailable"; moreover, "reading the mind of Mao Zedong is contentious under the best of circumstances." However, studying China's foreign policy is possible using "inferential analysis of published material [that] can provide valuable clues to strategy and tactics." And "parsimony in theory, if enriched with area study and cultural knowledge, can illuminate … systemic and national actor levels of realpolitik analysis."[29]

China's Grand Strategy and Boundary Disputes

The analytical thread that ties together Beijing's consistent behaviour in different boundary disputes is the larger strategic context of such behaviour. Understanding China's grand strategy facilitates the analysis of how China's changing strategic environment influences Beijing's boundary settlements. An axiom of international politics is that a fundamental objective of states is to maintain their borders. When the communists took power in 1949, they extended central control to China's border regions for the first time in over a century. In Beijing's eyes, China's boundaries were either historically established "traditional customary" boundaries or boundaries imposed on China by unequal treaties.[30] Beijing disputed most every boundary, rejecting the current location of the boundary line with its neighbours or arguing that no treaty or historical documents had established a boundary.[31]

To understand the approach of the People's Republic of China to boundary disputes, one must first place these disputes in the context of China's fundamental strategic concerns, such as the balance of power. Many scholars conclude that Beijing is preoccupied with the "constant change in international relations and [shows] acute sensitivity to situational change" as well as "balance-of-power politics" and "geopolitical struggle." It follows that Chinese leaders have an "appreciation of ... the use of pragmatic balance-of-power politics."[32] Their perceptions of threats do not "correspond with any permanent moral quality" of a state but are determined by shifts in the balance of power that affect their view of the character and behaviour of other states.[33]

According to John Mearsheimer, "if a great power confronts two or more aggressors at the same time, but has neither the resources to check all of them nor an ally to which it can pass the buck, the besieged state probably should prioritize between its threats ... so as to free up resources to deal with the primary threat."[34] Despite Mearsheimer's avowal of "offensive realist" arguments, this statement is more an expression of "defensive realism," which is exhibited by China's foreign policy behaviour.[35] Mao's "united front" doctrine, adopted during the communists' protracted struggle for power, explicitly defined primary and secondary threats and called for the subordination of minor threats in order to form a united front against perceived primary threats to China's national security – a strategy of external balancing. This doctrine continues to influence China's foreign policy calculations; whenever strategic imperatives have dictated, Beijing has subordinated a secondary goal (such as revolution in Burma in the early 1960s) to a primary national security goal, such as a more favourable balance of power vis-à-vis other threatening states (for example, Sino-Japanese rapprochement in the 1970s to balance the threat from the Soviet Union), and Beijing has generally signalled its intentions rather clearly to its adversaries and potential allies.[36]

A fundamental shift in the East Asian regional balance of power took place during the early 1960s, which saw the Sino-Soviet split, improved Soviet-Indian relations, and the escalating involvement of the United States in Southeast Asia. There is a correlation between this shift in the strategic environment and Beijing's efforts to settle boundary disputes during this period. At the time of a second major shift in the 1970s, the dispute with

Vietnam escalated into violence; at the same time, Beijing sidestepped territorial disputes with Japan and the Philippines, which it considered potential allies against the Soviet Union. With the end of the Cold War, a third major shift in the strategic environment in the early 1990s prompted the settlement of the Sino-Russian boundary, settlements with Central Eurasian states, as well as agreements with Vietnam on the land boundary and the Gulf of Tonkin.

Although China was unable to resolve its disputes with India and the Soviet Union, during the 1960s it negotiated a compromise settlement with most of the other neighbouring states, which permitted bilateral relations to develop unhindered. This pattern can be explained by the hypothesis that Beijing's perception of strategic imperatives and corresponding foreign policy determine its policy in a specific dispute; thus, Beijing prioritized threats and adjusted its policy accordingly to deal with the primary threat from the Soviet Union, India, and, to a lesser extent, the United States. The boundary settlements with Burma, Nepal, Mongolia, Pakistan, and Afghanistan illustrate this pattern. China certainly had the military capability to seize the disputed territories, but did not resort to the use of force because control of the disputed territories was not, on balance, strategically important, whereas settlement of the disputes served larger important strategic objectives.

Beijing showed great flexibility in its approach to boundary disputes in order to reach a compromise settlement and bolster amicable relations with a particular state, thereby maintaining a favourable balance of power and achieving its strategic objectives. It expected at most only tacit recognition of China's victimization by imperialism, and was more interested in stable and legitimate boundaries than in asserting historical claims. Borders that were a legacy of China's humiliation at the hands of imperialist powers left China frustrated and its neighbours apprehensive over the possibility that Beijing would behave expansively in order to satisfy irredentist aspirations. However, Beijing was willing to cede territory in order to achieve larger strategic goals, as long as this did not diminish China's boundary security or hamper its ability to defend the heartland.[37]

At the 1955 non-aligned conference in Bandung, Indonesia, Zhou Enlai stated that China was prepared to move forward and peacefully negotiate new boundary treaties.[38] Progress toward settlement of boundary disputes did not gain much momentum until the 1960s, however. Despite the radical tone of Chinese domestic politics at the time, China's domestic economic crisis and the perception of a heightened foreign threat *(neiluan waihuan)* necessitated adjustments in foreign policy. In the face of deteriorating relations with India, a growing threat from the Soviet Union after 1960, and increasing US involvement in Southeast Asia, Beijing moved quickly to negotiate boundary settlements (unsuccessfully in the case of India) in order to strengthen relations with its neighbours and offset the threat posed by the two superpowers. China was facing a possible Soviet-Indian alliance with an anti-China raison d'être; moreover, beginning in the late 1950s, its radical policies had led to strained relations with most of its other neighbours. Seen in the context of Beijing's larger strategic concerns at the time, boundary settlements were a way for Beijing to balance power and enhance its national security.

Despite China's radical domestic policies, international realities necessitated better relations with its neighbours. To offset the growing confrontation with the Soviet Union, India, and the United States, Beijing moved to settle boundaries with all of its neighbours, concluding treaties with Burma, Nepal, Pakistan, Afghanistan, and Mongolia during the 1960s, and attempting to reach some agreement with India too. As early as 1959, when the Sino-Indian boundary dispute began causing friction between the two countries, Beijing clearly expressed its alarm over the increasingly hostile international environment in a diplomatic note to India: "China will not be so foolish as to antagonize the United States in the east and again antagonize India in the west ... We cannot have two centers of attention, nor can we take friend for foe."[39] To prevent further deterioration in Sino-Indian relations, Zhou Enlai initiated negotiations to settle the boundary dispute.[40] In February 1963, at a state banquet honouring Cambodian Prince Norodom Sihanouk, Liu Shaoqi, the president of the PRC and ranking Politburo Standing Committee member, stated that "it has always been the sincere desire of the Chinese Government to live in peace and friendship with the countries of the world, settle complicated questions left over by history through negotiations with its Asian neighbors and strive for a peaceful international environment favorable to socialist construction."[41] PLA documents also attest to the fact that China adopted a conciliatory policy toward India.[42] The series of boundary settlements between 1960 and 1964 suggest a causal relationship between such settlements and larger strategic concerns. China, however, failed to settle its boundaries with India, the Soviet Union, and Vietnam, resulting in war in these cases.

At the peak of the Cultural Revolution in 1969, the Sino-Soviet confrontation over Zhenbao Island in March made it clear that China and the Soviet

Union were on the brink of a larger war, although a summit in mid-September initiated Sino-Soviet negotiations on boundary issues. This confrontation also resulted in renewed flexibility on China's part in territorial settlements with neighbouring states in order to counterbalance the growing Soviet threat. Most notable were China's willingness to shelve the Senkaku/Diaoyu Islands dispute with Japan to facilitate normalization of relations in 1972 and the Treaty of Peace and Friendship in 1978, and China's readiness to sidestep its dispute with the Philippines in the South China Sea in order to facilitate improved relations. It became clear that Beijing would not allow festering territorial differences to derail a higher foreign policy objective: allying with less threatening neighbours in order to strengthen China's developing anti-Soviet alliances.

By the early 1980s, China adopted an "independent foreign policy" and distanced itself from the United States due to continuing differences over the Taiwan issue. "New thinking" in Soviet foreign policy led to a rapid improvement in US-Soviet relations in the late 1980s. China could not afford to have a boundary dispute get in the way of better Sino-Soviet relations, not if it did not want to again become the odd man out in the three-way relationship. The Soviet Union responded to China's initiatives and relations between the two countries improved significantly. Boundary negotiations gained momentum in 1989 when Mikhail Gorbachev travelled to Beijing to normalize relations after three decades of hostility.

The dramatic end of the Cold War with the collapse of the Soviet Union in December 1991 brought about a sea change in China's strategic environment. Although China and Russia concluded a boundary agreement in 1991, it was not as critical as it would have been in the early 1960s or in the 1970s. The end of the Cold War prompted Beijing to renew boundary negotiations with Hanoi even as Hanoi's relations with Washington began to improve. China also moved quickly to develop relations with its Eurasian neighbours following the disintegration of the Soviet Union. Boundary settlements with these newly independent states were an important way for China to remain a key player in a region where US and European pressure was increasing on its western frontier. Relations with India have improved in recent years, although progress on a boundary settlement has been limited to a tacit agreement on the Tibet-Sikkim boundary reached in 2003. These developments demonstrate Beijing's efforts to maintain a favourable balance of power in the post–Cold War world.

The complicated disputes in the South China Sea remain unsettled, but bilateral and multilateral talks have achieved some degree of accommodation. In November 2002, China signed the Declaration on the Conduct of Parties in the South China Sea, pledging to "promote a peaceful and harmonious environment in the South China Sea between ASEAN [Association of Southeast Asian Nations] and China for the enhancement of peace, stability, economic growth and prosperity in the region" in order to "enhance favorable conditions for a peaceful and durable solution of differences and disputes among countries concerned."[43] Nonetheless, the complex multilateral dispute over territory potentially rich in natural resources has all parties continuing to dance a complex minuet of military and diplomatic moves.

Although possible, future military confrontations over boundary disputes with India, Bhutan, and Japan as well as in the South China Sea are unlikely despite the recent spike in tensions because negotiations have been ongoing for several decades and the parties have concluded interim agreements calling for the peaceful settlement of these disputes.[44]

Overview of the Case Studies

Boundary settlements reached in the early 1960s and the manner in which the dispute with Japan over the Senkaku/Diaoyu Islands was handled in the 1970s show remarkable similarities in terms of Beijing's strategic objectives and response to shifts in the balance of power. Settlement of the Sino-Russian border and renewed Sino-Vietnamese boundary negotiations in the early 1990s also came at a time of significant change in the international system. This presents an interesting parallel: although separated by more than a decade in each instance, the cases are comparable in that boundary settlements coincided with important shifts in Beijing's strategic assessment and its corresponding efforts to resolve boundary disputes. These systemic changes, I argue, were a decisive factor influencing Beijing's policy toward its territorial disputes and boundary settlements.

Although the political dynamics of the outstanding territorial and boundary disputes – with India, Bhutan, and Japan as well as in the South China Sea – have been significantly transformed with the end of the Cold War, historical legacies and growing nationalistic sentiments still make the resolution of these disputes very problematic; in some instances, they are flashpoints of potential military confrontation. Beginning in the latter 1990s, however, in an effort to counterbalance the United States' dominant position in Asia, China has actively sought to improve relations with its regional neighbours. Under a "New Security Concept," Beijing has fostered a "strategic partnership" with Russia, and through the Shanghai Cooperation Organization it has established a security partnership with its Eurasian neighbours. Efforts to improve relations have made significant progress, symbolized by the ASEAN Treaty of Amity and Cooperation in Southeast Asia that China signed in 2003, renouncing the use of force and committing to settle disputes peacefully.

The shifting balance of power and strategic concerns were decisive factors in China's conclusion of boundary settlements in the 1960s and sidestepping of disputes in the 1970s. The settlements concluded in the 1990s exhibit a similar pattern to earlier settlements despite the significant change in the international system with the end of the Cold War. Even the Sino-Indian dispute, which resulted in a border war in 1962 and is still unresolved, is comparable to the others because of the strikingly similar pattern in China's behaviour and approach. The improvement in US-Indian relations in recent years has given China greater incentive to improve relations with India, but a boundary settlement is necessary before this can happen. The 2003 tacit agreement on the Tibet-Sikkim boundary is a clear example of China's willingness to make concessions in order to build momentum toward a comprehensive resolution. These examples support the conclusion that China's behaviour is not idiosyncratic but rather follows a predictable pattern dictated by fundamental strategic imperatives that have impelled Beijing to engage in balancing behaviour.

Because of the relationship between China's behaviour in each of the various boundary disputes and settlements and these fundamental strategic imperatives, the cases discussed here are grouped according to the larger strategic context, the logic of Beijing's grand strategy, and China's primary security concerns at the time: deteriorating relations with India in the early 1960s, trepidation over US involvement in Southeast Asia and ongoing concerns about the Soviet threat in the 1960s and 1970s, and the post–Cold War strategic environment after 1990.

In Part 2, I consider boundary disputes settled with South Asian countries in the early 1960s (Chapters 2 to 6) in the context of Sino-Indian relations and the larger context of escalating tensions with the Soviet Union – a key factor throughout the 1960s – and China's overall concern with the growing presence of the United States in South and Southeast Asia. In other words, Sino-Indian negotiations in the late 1950s and early 1960s were not merely a function of the bilateral relationship, and China's handling of boundary disputes with other South Asian countries was not solely a function of the Sino-Indian boundary dispute, as other scholars have argued; rather, China's larger security concerns and strategic imperatives were paramount.

During the Cold War, the Soviet Union considered India geopolitically important as a non-aligned South Asian power. In the mid-1950s, Moscow began nurturing closer ties with India, providing India with significant economic assistance and political support. Soviet and Indian interests were complementary: Moscow supplied India with much-needed military and technical assistance, while India formed a bulwark against Chinese and American expansion into South Asia. Sino-Indian relations were exacerbated as the Soviets cultivated India as a counterweight to the United States and China by enlisting Indian military strength as a deterrent force and encouraging India to exclude US and Chinese influence from the region.[45]

The deterioration of Sino-Soviet relations during the late 1950s was accompanied by Chinese alarm at the growing warmth of Soviet-Indian relations. "One of Beijing's overriding strategic objectives" was "to prevent the greater threat emanating from the … north from linking up with a threat to the PRC's southern borders." China sought to prevent further decline in its relations with India by attempting to settle the boundary dispute that had been a significant cause of conflict between the two countries. By the late 1950s, however, Sino-Indian relations had fallen to such a point that the dispute proved intractable.[46] China then sought to bolster relations with other South Asian states, using boundary settlements as a primary means of accomplishing this.

Many scholars have hypothesized that China's approach to these boundary disputes was a function of the Sino-Indian dispute, arguing that China "had incentives to avoid confrontation with some states and thereby convince those states to support [its] claims in a dispute with another adversary," in this case India. China, the thinking goes, "pursued accommodative policies in disputes with some states in order to foster an image of reasonableness and peaceful intentions, so as to build greater international support for [its] territorial claims" against India and, in other cases, the Soviet Union.[47] A more satisfactory explanation of China's behaviour can be found, however, by placing China's relations with its South Asian neighbours in the broader context of the challenges confronting Beijing as a result of growing US influence and deteriorating Sino-Soviet relations.

As Beijing worried about worsening relations with India, China suffered one of its greatest domestic economic disasters as a result of the Great Leap Forward. At the same time, it faced a growing Soviet threat along its northern border; increasing US involvement in Vietnam along its southern border as well as the US-supported Tibetan resistance based in Nepal; and the Nationalist Chinese government's desire to "retake the mainland" from its base on Taiwan as well as the Guomindang army's continued operations in Burma. This combination of internal political and economic challenges and growing external threats to China's security set the stage for a quick succession of boundary settlements in the early 1960s. The glaring exception is China's failure to achieve a compromise settlement with India, which precipitated the brief 1962 border war. Since the analysis of these disputes and settlements is placed within the broader framework of Sino-Indian relations, I will begin with a discussion of the Sino-Indian boundary dispute and the failure to achieve a settlement, then consider the cases settled in the early 1960s with China's other South Asian neighbours.

The next group of boundary disputes and settlements (Part 3, Chapters 7 to 10) fall along the Sino-Soviet/Russian dimension and are therefore analyzed in the larger context of this bilateral relationship. Although the Sino-Soviet boundary dispute became public only after China had negotiated settlements with several other states and the dispute with India had flared into a border war, relations with Moscow had already deteriorated over the previous several years. The crescendo in Sino-Soviet tensions necessitated a new tack in China's foreign policy and altered Beijing's approach toward boundary disputes and settlements with Mongolia, Japan, and Vietnam during the 1960s and 1970s.

As Sino-Soviet relations deteriorated in the late 1950s and the balance of power in East Asia began to shift, China attempted to counter the growing Soviet threat by developing better relations with other states in the region and with the United States.[48] A 1962 boundary settlement with the Mongolian People's Republic, like settlements with Burma and other neighbouring states, was part of Beijing's strategy to surround itself with friendly, or at least neutral, states. A decade after the Sino-Soviet boundary dispute became public, the dispute with Japan over the Senkaku/Diaoyu Islands erupted. China's national security concerns and strategies as well as its behaviour in this dispute paralleled those in the early 1960s. The Sino-Vietnamese dispute initially flared up in the 1970s and culminated in a border war in 1979. A final settlement on the land boundary was negotiated in December 1999 and the two countries agreed to a boundary in the Gulf of Tonkin a year later, after the collapse of the Soviet Union and the end of the Cold War; nevertheless, this case also shows how Beijing's concern over growing Soviet influence in the region drove China's initial efforts to settle the boundary dispute.

Since the analysis of these disputes and negotiations is placed within the broader framework of Sino-Soviet/Russian relations, I will begin with a discussion of the Sino-Soviet boundary dispute and the settlement that was negotiated with Russia during the 1990s and finalized in 2005. The Sino-Korean boundary settlement is quite mysterious for lack of significant documentation, but is discussed briefly with the Sino-Russian boundary settlement. I then turn to the settlement negotiated with Mongolia in the early 1960s. This is followed by analysis of the unsettled disputes with Japan because the timing of the initial negotiations relates China's behaviour to larger strategic concerns with the Soviet Union. The final chapter in Part 3 considers the settlement with Vietnam in the latter 1990s. The situation along the boundary with Laos is also inscrutable for lack of significant documentation, but is discussed briefly with the Sino-Vietnamese boundary settlement.

In Part 4, I analyze the contemporary settlements with China's Eurasian neighbours (Chapter 11) and the South China Sea disputes (Chapter 12). Following the collapse of the Soviet Union, Beijing moved deftly to establish close security and economic relations with the newly independent Eurasian states. Uppermost in China's mind was the post–Cold War strategic environment in the region and security along its Eurasian frontier. A primary concern was the security vacuum left by the collapse of the Soviet Union and the subsequent increase in US influence in the region. An editorial critical of NATO expansion into Eurasia highlights China's threat perception: "NATO is actively expanding itself ... [and] constitutes a new threat." Explicitly identifying the United States, the editorial concluded that "instead of restraining its power politics and hegemonism, the superpower is intensifying its efforts to continue to pursue them."[49] The fluid security environment in the region threatened China's western frontier, and it became Beijing's goal to establish a security perimeter in Eurasia by improving relations and establishing closer security cooperation with these newly independent neighbours.[50] Key to enhancing relations with Kazakhstan, Kyrgyzstan, and Tajikistan were boundary settlements to reassure them that China was not planning to lay claim to territories that it believed Russia had taken by force or "unequal treaties" over the past century. Eliminating the Eurasian countries' concerns over Chinese irredentism was the first step in strengthening China's role as a major player in regional security, and in building the economic relations necessary for China's development and meeting its growing energy needs.

The South China Sea disputes involve hundreds of uninhabitable small islets, coral atolls, reefs, shoals, and submerged rocks scattered across the South China Sea; China's total maritime claims cover approximately 3.5 million square kilometres. When analyzing these disputes, it is important to distinguish two separate issues: the Sino-Vietnamese dispute over the Paracel Islands, about 150 miles southwest of Hainan Island, and the multilateral dispute over the Spratly Islands. The issue of sovereignty over the Spratlys is unique and more complex because it involves claims by the People's Republic of China, Vietnam, the Philippines, Malaysia, and Brunei, complicated by the claim by Taiwan, the Republic of China. Placing these disputes in a larger strategic context illustrates how China's behaviour has paralleled its behaviour in earlier cases. Finally, the concluding chapter highlights the correlation of China's behaviour in all of these disputes and settlements with its broader strategic concerns that forms the main analytical thread running through this book.

Before we turn to the case studies, Chapter 1 will establish a historical vantage point. State boundaries have fundamental historical significance because they affirm a state's power. Boundary lines are "not a product of nature but a product of histories and struggle between competing authorities over power to organize, occupy, and administer political space," and imperial China "exercised [its] power through [its] ability to impose order and meaning upon space."[51] According to Henry Kissinger:

> Any international settlement represents a stage in a process by which a nation reconciles its vision of itself with the vision of it by other powers … But an exact balance is impossible … because while powers may appear to outsiders as factors in a security arrangement, they appear domestically as expressions of a historical existence. No power will submit to a settlement, however well-balanced and however "secure," which seems totally to deny its vision of itself.[52]

This observation seems especially relevant to China since its past wields an imposing power over the present. An understanding of contemporary boundary disputes and settlements is impossible without some understanding of the historical legacy inherited by the People's Republic of China.