WITH CHINA HAVING the world’s second largest economy, increasingly sophisticated armed forces, deepening networks of foreign relations, and prominent participation in international institutions, discussions of its foreign policy increasingly involve the consideration of ‘power’. Yet ‘power’ can mean many things in the Chinese context. It may refer to China’s identity in international politics: variously a ‘rising power’, a ‘partial power’, and a ‘potential superpower’. It may describe the means or resources through which Beijing pursues its foreign policy objectives: including ‘military power’, ‘economic power’ or, increasingly, ‘technological power’. The pursuit of ‘power’ may even constitute China’s ultimate goal in world politics.

The pathways to power are numerous, diverse, and complex. As an example, consider the two-day APEC summit held in Papua New Guinea in November 2018. This illustrated the multiple ways in which Chinese diplomacy may have affected events: the soaring rhetoric of Xi’s speech, allegedly controversial negotiating tactics by the Chinese delegation, lucrative deals for certain South Pacific nations but not others, and the ultimate failure of participants to agree on a joint communiqué.

This forum offers a conceptual framework for analysing power in Chinese foreign policy, including in instances such as we saw at APEC. Employing a simple and widely used definition of the English word power, roughly equivalent to quánlì 权力 (see Chapter 1 ‘Immunity to Temptation — “Power” in Chinese Language’, pp.14-24) we identify five discrete pathways states can take to exercise power in
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phasises that power is relational and strongly conditioned by the context of attempts by one state to influence another, including the identity of the target(s) and the matter(s) over which influence is sought. Devoid of context, the mere possession of resources is not a reliable measure of an actor’s ability to change others’ behaviour. While China’s resources — military, economic, and otherwise — are growing, this does not automatically mean Beijing enjoys a commensurately enhanced ability to change others’ behaviour. The statement ‘China is becoming more powerful’ says little about over whom, and to do what.

The Concept of Power

While power is defined and conceptualised in numerous ways, for the practical purpose of evaluating foreign policy successes, we use Robert Dahl’s intuitive idea that ‘A has power over B to the extent that [they] can get B to do something that B would not otherwise do’. This definition rejects the idea of power as an attribute determined by a state’s possession of tangible and intangible resources. Rather, it their external affairs, illustrating the mechanism through which each operates, with examples from the Chinese experience.
Five Pathways to Power in Chinese Foreign Policy

Coercion

Coercion takes place where China imposes (or threatens) costs on a target to change its behaviour. Coercion seeks to manipulate a target’s decision-making calculus such that the costs of resisting the demand (and protecting its interest in dispute) outweigh the benefits. While typically associated with military force, China uses a variety of instruments to coerce others.

One prominent example is informal economic sanctions. When South Korea agreed to jointly deploy a US-supplied Terminal High-Altitude Area Defense (THAAD) missile defence system in July 2016, China curtailed the import of certain Korean goods and services, restricted outbound group tourism to Korea, and disrupted the operations of key Korean firms on the mainland. (For more on this, see China Story Yearbook 2017: Prosperity, Chapter 3 ‘North Korea: A Year of Crisis’, pp.83–93.) Combined, these measures were estimated to shave 0.4 per cent off South Korea’s economic growth in 2017. The purpose of inflicting these economic costs appeared to be to push Seoul to reverse the THAAD decision; however, Beijing appears to have had limited success so far.

Bargaining

Bargaining power is exercised through voluntary exchange, where a state exchanges (or offers to exchange) something of value with the target. A straightforward case would be the provision of (usually economic) benefits in a direct quid pro quo for a policy concession. For example, Beijing exercises bargaining power to isolate Taiwan diplomatically — in 2018 the Dominican Republic, Burkina Faso, and El Salvador severed ties with Taipei, reportedly in exchange for economic benefits from Beijing. The Belt and Road Initiative similarly involves deals where recipients offer concessions that privilege Chinese firms, or may yield strategic advantages, in exchange for infrastructure loans.

Agenda setting

Agenda setting occurs where a state is able to shape the parameters of what is legitimate or feasible for other states to do within a specific institutional framework or issue area. A state may decide, for example, both the
substance of and procedure for discussions within international forums. For example, as chair of the 2018 Shanghai Cooperation Organisation summit in Qingdao, Beijing set both the topics for discussion and the framework for how they would be discussed in service of its own priorities.16

On a broader level, a state may go so far as to create or shape the rules, practices, norms, and institutions that govern inter-state relations. China’s creation of the Asian Infrastructure Investment Bank, for example, may facilitate the reshaping of certain rules, and, accordingly, the behaviour of others, in the field of multilateral development financing.17

**Persuasion**

Persuasion is the use of communication to alter beliefs about what is true, right, or appropriate.18 It relies on the provision of information about empirical facts or normative principles and how they relate to a target’s interests. If successful, this method can cause others to perceive their interests as being in line with those of the persuading actor.

Throughout the 1990s and 2000s, through public, diplomatic, and other channels, the Chinese government has consistently provided information about its capabilities, development trajectory, and strategic intentions to South-East Asian states concerned about China’s rise.19 The goal has been to minimise concerns about the ‘China threat’ and encourage greater engagement with Beijing.

**Attraction**

Attraction, commonly termed ‘soft power’, operates where a target’s beliefs and, possibly, actions change to become more aligned with the attracting state’s preferences due to admiration or a desire to emulate. It is the ability to make targets ‘want what you want’.20 Many factors might contribute to a state’s ‘attractiveness’, such as its culture, policies, and domestic institutions.21 (See Chapter 8 Forum ‘Soft Power, Hard Times’, pp. 237–241.)

In 2007, president Hu Jintao 胡锦涛 called for greater investment in ‘soft power’. Beijing has spent billions supporting initiatives to cultivate positive perceptions of China abroad, including educational and cultural exchanges; the staging of cultural exhibitions and concerts; inserts and supplements in foreign-language news
outlets; and educational programs including more than 500 Confucius Institutes. Yet China’s greatest source of attraction may be its post-Mao economic model, which raised hundreds of millions out of poverty and potentially provides a template for other developing nations to emulate.

Conclusion

Distinguishing the pathways through which China can exercise power helps elucidate a newer concept used to describe aspects of China’s foreign policy behaviour: ‘sharp power’. Initially described as the strategy whereby states sow discord or silence criticism by ‘manipulating or poisoning the information’ that reaches target audiences, it has also been defined as the use of ‘subversion, bullying and pressure...to promote self-censorship’, and even a ‘shorthand for information warfare’. While discussion of the concept is united by a concern about the vulnerability of open, democratic societies to such influence, its parameters are somewhat unclear.

Our framework views sharp power less as a new and unique form of influence, but rather as the coordinated use of existing means to achieve particular objectives — deterring criticism and promoting a positive narrative. Threatening to restrict access to the Chinese market for an Australian publisher of a book critical of China is coercion; making payments or donations to politicians in exchange for support of Chinese policies is bargaining; and obtaining financial interests in media organisations to limit critical coverage is a form of negative persuasion, because it denies communication that might alter beliefs. Together, these constitute ‘sharp power’. For state or other actors interested in countering it, they need to understand the different pathways through which it works in the first place.