

Costs of Coercion: Predicaments of Chinese Statecraft in the Asia-Pacific

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Abstract: China's security environment in the 21st century is highly complex and constrained by its geopolitical exposition. Its vast borders with 14 countries, territorial disputes on land and at sea, as well as U.S. allies and partners along the first island chain complicate Beijing's ambitions to become a regional great power and deny U.S. power projection into the Western Pacific and onto the East Asian mainland. If confronted with a security challenge, China has increasingly resorted to coercion. This has been seen as a sign of China's growing military and economic power. However, this view neglected the strategic costs of coercion: the diplomatic backlash, the disintegration of the peaceful rise narrative, and the balancing behavior by the target state in response, plausibly in coalition with the United States. Conversely, this essay argues that Beijing's decisions to coerce are best understood as the choice between two bad options: accepting a regional state's challenge to China's national security or attempting to coerce it into a change of behavior, with the likely side-effect of alienating the regional state, prompting closer cooperation with the United States. Hence, observable coercion hints at an underlying grave threat to China's national security that warrants the costs of alienating regional states.

Keywords: China, Foreign Policy, Coercion, Statecraft, Asia-Pacific, Security.

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China Leverages its Economic and Military Might, but at what Cost?

Conventional wisdom inheres that, against the backdrop of the U.S.-China great power competition and in line with Xi Jinping's "New Model of Major-Country Relations" and "Neighborhood Diplomacy", it is in China's interest to build and maintain close relations with Asia-Pacific states,¹ as the "Peaceful Rise",² and later "Peaceful Development" official foreign policy doctrines suggested.³ Conversely, the past has also shown that Beijing resorts to coercive measures in the Asia-Pacific region in an attempt to compel secondary states to discontinue actions that could undermine China's national security.⁴ However, such coercive measures fundamentally undermine Beijing's

1 For the New Model of Major Power relations (新型大国关系), see: Xi, *Tan Zhiguo Lizheng*, p. 271-284. For the Neighborhood Diplomacy (周边外交) see Ibid, p. 287 - 320.

2 Bijian Zheng, "China's 'Peaceful Rise' to Great-Power Status," *Foreign Affairs*, October 2005, 18-24.

3 "China's Peaceful Development [中国的和平发展]," White Paper (Ministry of Foreign Affairs of the People's Republic of China [中华人民共和国外交部], September 6, 2011), <https://www.fmprc.gov.cn/web/zyxw/t855789.shtml>.

4 Mathieu Duchâtel, "Neighbourhood Policy: Tactics and Tools," in *Chinese Futures: Horizon 2025*, ed. Eva Pejsova and Jakob Bund (Paris: EU Institute for Security Studies Report, 2017), 53-62.

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Peaceful Development doctrine—prominent cases of Chinese coercion against Japan, the Philippines, Vietnam, Australia and South Korea,⁵ to name a few, demonstrate that such actions result in increased security cooperation of the target states with the United States.

From Beijing's perspective, gaining regional states' trust and to be seen as a benign partner has often been an uphill-battle especially vis-à-vis liberal-democratic U.S. allies in the region. Foreign policy directives such as "*Asia for Asians*"⁶ were created in an attempt to underwrite the Peaceful Rise narrative and to provide an alternative to an Asia-Pacific security infrastructure that is governed by a strong U.S. hub-and-spokes alliance system.⁷ The Chinese charm offensive, combined with the "*Beijing Consensus*" as alternative to U.S. hegemony in the region proposed close economic ties and region-wide prosperity as common ground, while at the same time putting democracy, human rights, and western values writ large into a position of secondary importance.⁸ This so-called "*China Model*" has found open ears in Asia.⁹ In line with the Neighborhood Diplomacy and Peaceful Development official foreign policy doctrines, it is Beijing's defined goal to bind Asia-Pacific states as closely as possible, and to diminish, as far as possible, direct U.S. presence and influence in the region. Peaceful Development, it can be argued, was successful while it was pursued.¹⁰

Given Beijing's regional security predicaments, notably its extensive borders with 14 neighboring countries and its littoral dilemma, it is thus all the more puzzling that Beijing would choose to abandon Peaceful Development and threaten the Peaceful Rise narrative. One would expect Beijing to contest the U.S. position in the region through courses of action that are designed to compel secondary states to bandwagon with a rising China, not courses of action that alienate these states and push them to hedge or even align with the United States. In other words, coercion aggravates China's security predicament; China is presented with essentially two bad choices and none leads to an improvement of its security environment.

Beijing thus faces a dilemma, and given the fact that coercion against secondary states will almost certainly provoke a backlash, it can be assumed that decision-makers

5 A useful overview of Chinese coercion in the Asia-Pacific context, concentrating on the economic dimension, is provided by: Peter Harrell, Elizabeth Rosenberg, and Edoardo Saravalle, "China's Use of Coercive Economic Measures" (Center for New American Security, June 2018).

6 Jia Xiudong 贾秀东, "[Asian Affairs Should Be Decided by Asians] 亚洲事务要由亚洲人拿主意" (China Institute for International Studies, May 22, 2014), http://www.ciis.org.cn/chinese/2014-05/22/content_6928297.htm; Minxin Pei, "China's Asia?," *Project Syndicate*, December 3, 2014, <https://www.project-syndicate.org/commentary/asia-for-asians-political-rhetoric-by-minxin-pei-2014-12?barrier=accesspaylog>.

7 Barry Buzan, "China in International Society: Is 'Peaceful Rise' Possible?," *The Chinese Journal of International Politics* 3, no. 1 (2010): 5–36.

8 Yasheng Huang, "Rethinking the Beijing Consensus," *Asia Policy* 11 (January 2011): 1–26.

9 Daniel A. Bell, *The China Model: Political Meritocracy and the Limits of Democracy* (Princeton, NJ: Princeton University Press, 2015).

10 Tom Miller, *China's Asian Dream: Empire Building along the New Silk Road* (London: Zed Books, 2019), 11 ff.

in Zhongnanhai knowingly accept the costs of coercion, i.e. the disintegration of the Peaceful Rise narrative, in expectation of even higher costs if they chose otherwise. This essay will briefly summarize existing explanations of Chinese coercion and introduce the argument that Beijing resorts to coercion only as ultima ratio, and if its core national security interests are challenged.

Existing Explanations Neglect China's Security Predicaments

Over the past decade, coercive actions have become an oft-observed Chinese foreign policy tool. Observable coercion ranges from diplomatic means and limitations of Chinese tourist visas to shows of military force. In the established “carrots and sticks” scheme of coercion, Beijing is using sticks and withholds carrots that were given before to compel the target state to change its behavior. This approach was recently dubbed “predatory liberalism” by Victor Cha and Andy Lim, with reference to China’s attempt to sanction the NBA following Houston Rockets manager Dary Morey’s support for pro-democracy protests in Hong Kong in fall 2019.¹¹ Such a course of action not only fundamentally contradicts what has been conventional wisdom for many years, i.e. that the Asia-Pacific region may be lacking political and security cooperation, but, following the liberal paradigm, prioritizes economic relations.¹² While the Asia-Pacific remains a highly economically integrated region covering over 40% of global GDP,¹³ the Chinese readiness to use close economic ties as leverage and to even sever them has not yet been studied systematically.¹⁴

Equally, Beijing’s decisions to also coerce militarily, and to use its coast guard and navy as an asymmetric tool to effectively project power in international contested waters without meeting the threshold to count as militarily-aggressive action,¹⁵ has received much attention from international media and condemnation by the international community.¹⁶

11 Although this recent case targeted at a US private corporate entity, it identifies the puzzle that China “defies the liberalist prediction that economic interdependence between states enhances their chances of cooperation [and instead] leverages the vulnerability that interdependence creates in a predatory fashion.” Victor Cha and Andy Lim, “Flagrant Foul: China’s Predatory Liberalism and the NBA,” *The Washington Quarterly* 42, no. 4 (October 2, 2019): 23–42, 28.

12 Useful discussions of the so-called “Asian Paradox” are provided by: 4; Robert A. Manning, “The Asian Paradox: Toward a New Architecture,” *World Policy Journal* 10, no. 3 (1993): 55–64; Caitlin Boyd, “The Asian Paradox,” *World Affairs*, September 6, 2013, <http://www.worldaffairs.org/blog/394-the-asian-paradox>; Chungmin Lee, *Fault Lines in a Rising Asia* (Washington, DC: Carnegie Endowment for International Peace, 2016).

13 “Key Indicators for Asia and the Pacific 2018” (Asian Development Bank, September 2018), <https://www.adb.org/publications/key-indicators-asia-and-pacific-2018>.

14 A recent account of Chinese use of economic power to influence security relations in East Asia is given by: Robert S. Ross, “On the Fungibility of Economic Power: China’s Economic Rise and the East Asian Security Order,” *European Journal of International Relations* 25, no. 1 (March 2019): 302–27.

15 A useful overview of China’s maritime militia and its operations in China’s littoral waters are provided by: Andrew S. Erickson and Ryan D. Martinson, ““War without Gun Smoke”: China’s Paranaival Challenge in the Maritime Zone,” in *China’s Maritime Gray Zone Operations*, ed. Andrew S. Erickson and Ryan D. Martinson (Annapolis, MD: Naval Institute Press, 2019), 1–14.

16 See for example James Reilly, “Counting on China? Australia’s Strategic Response to Economic

However, few studies investigate the reasons, be it structural or with a view to actual decision-making processes in Beijing, that lie behind China's decision to coerce.¹⁷ It is to date unclear how coercive measures contribute to China's national interest and how they fit into its grand strategy, especially with respect to the incongruity of coercion with Beijing's strategically sound ambition to rise peacefully and to maintain close and stable relations with its neighbors in the Asia-Pacific.

Generally speaking, the literature on coercive diplomacy, including on economic statecraft, focuses largely on the various types of coercion as well as their effectiveness. That is to say, the resulting costs to the target state of coercive measures has been the focus of the literature, while the conditions leading to the coercing state's decision to coerce and sanction in the first place are under-theorized. Jonathan Holslag notes that the existing (neoclassical and optimist) realist discourses focus on "explaining how China affects the international order. But they fail to analyze how the international order affects China and shapes its preferences."¹⁸ This shortcoming is certainly the case in the seminal writings of George and Simons,¹⁹ as well as Schelling,²⁰ but also more recent research rather concentrates on the effectiveness of coercion and sanctions. The literature furthermore over-represents cases in which the coercers are western countries.²¹

A number of studies apply the concept of coercive diplomacy to specifically explain Chinese foreign policy behavior. Robert Ross examines Chinese coercive behavior in Indochina from the Sino-Vietnamese conflict of 1979 and throughout the 1980s targeting Vietnam, the Hanoi-backed Heng Samrin/Hun Sen government in Cambodia, and Moscow. He concludes that Chinese policy in the region, developing a "multifaceted and multilateral policy, combining diplomatic, economic, and military policy, and focusing its efforts on each member of the coalition resisting PRC interests in Indochina" was

Interdependence," *Chinese Journal of International Politics* 5, no. 4 (2012): 369–94.

- 17 Notable examples are for instance: Mathieu Duchâtel and Eugenia Kazakova, "Tensions in the South China Sea: The Nuclear Dimension" (Stockholm: SIPRI, August 2015), <https://www.sipri.org/commentary/essay/2015/tensions-south-china-sea-nuclear-dimension>; Sarah Kirchberger and Patrick O'Keeffe, "Chinas Schleichende Annexion Im Südchinesischen Meer—Die Strategischen Hintergründe," *SIRIUS - Zeitschrift Für Strategische Analysen* 3, no. 1 (2019): 3–20.
- 18 Jonathan Holslag, *China's Coming War with Asia* (Cambridge: Polity Press, 2015), 14.
- 19 Alexander George and William E. Simons, *The Limits of Coercive Diplomacy*, 2nd ed. (Boulder: Westview Press, 1994).
- 20 Thomas C. Schelling, *Arms and Influence* (New Haven: Yale University Press, 2008).
- 21 See for example George Tsebelis, "Are Sanctions Effective? A Game-Theoretic Analysis," *Journal of Conflict Resolution* 34, no. 1 (1990): 3–28; Gary Clyde Hufbauer, Jeffrey J. Schott, and Kimberly Ann Elliott, *Economic Sanctions Reconsidered: History and Current Policy*, vol. 1 (Peterson Institute, 1990); Lisa L. Martin, *Coercive Cooperation: Explaining Multilateral Economic Sanctions* (Princeton, NJ: Princeton University Press, 1994); Robert A. Pape, "Why Economic Sanctions Do Not Work," *International Security* 22, no. 2 (1997): 90–136; Jaleh Dashti-Gibson, Patricia Davis, and Benjamin Radcliff, "On the Determinants of the Success of Economic Sanctions: An Empirical Analysis," *American Journal of Political Science*, 1997, 609–18; Richard N. Haass, ed., *Economic Sanctions and American Diplomacy* (Council on Foreign Relations, 1998); Daniel W. Drezner, "Bargaining, Enforcement, and Multilateral Sanctions: When Is Cooperation Counterproductive," *International Organization* 54, no. 1 (2000): 73–102; Richard N. Haass and Meghan L. O'Sullivan, eds., *Honey and Vinegar: Incentives, Sanctions, and Foreign Policy* (Brookings Institution Press, 2001).

“immensely successful.”²² James Mulvenon analyzed China’s 1979 invasion of Vietnam using George and Simons’ model of coercive diplomacy and concluded that it failed, most importantly due to a clear asymmetry of motivation and coercive action, and because Beijing was deterred from a potential Soviet intervention if it had further escalated the situation.²³ Krista Wiegand examines Chinese coercion targeting Japan through the Senkaku/Diaoyu Islands issue in the form of militarized confrontations at sea between 1978 and 2008 through the lens of issue linkage and finds that in this case, Beijing has been using the island dispute to achieve concessions from Japan elsewhere, for instance in economic and trade relations, while at the same time nurturing Chinese nationalism and anti-Japanese sentiment at the home front.²⁴

Literature on Chinese economic statecraft has emerged alongside China’s rise, investigating how Beijing has been utilizing its increasing economic power to advance political and strategic objectives in various regions around the world.²⁵ The emergence of the Belt and Road Initiative (BRI) and consequent growing Chinese infrastructure investments across Eurasia and Africa have raised global attention to the so-called debt-trap diplomacy, as well as China’s tendency “to employ inducements in ways that undermine political processes and institutions” which Audrey Wong fittingly calls “subversive carrots.”²⁶ Cha and Lim’s coining of the term predatory liberalism, as mentioned earlier, catches this phenomenon aptly.²⁷ Holslag, against the background of European frustration with increasing unilateral protectionism stemming from the White House, reminds that “China has an even greater fixation with economic security as it pursues wealth to gain power and to reduce dependence on others,” which he dubs “China’s offensive economic statecraft.”²⁸

In a 2019 article, Ketian Zhang makes an important contribution to redress the above-identified theoretical gap of the existing literature’s overemphasis on the effects of coercion and investigates the drivers that lead to Beijing’s decision to coerce secondary states in

22 Robert S. Ross, “China and the Cambodian Peace Process: The Value of Coercive Diplomacy,” *Asian Survey* 31, no. 12 (1991): 1170–85, 1170.

23 James Mulvenon, “The Limits of Coercive Diplomacy: The 1979 Sino-Vietnamese Border War,” *Journal of Northeast Asian Studies* 14, no. 3 (1995): 68–88.

24 Krista Eileen Wiegand, “China’s Strategy in the Senkaku/Diaoyu Islands Dispute: Issue Linkage and Coercive Diplomacy,” *Asian Security* 5, no. 2 (2009): 170–93.

25 Deborah Bräutigam and Xiaoyang Tang, “Economic Statecraft in China’s New Overseas Special Economic Zones: Soft Power, Business or Resource Security?,” *International Affairs* 88, no. 4 (2012): 799–816; James Reilly, “China’s Economic Statecraft Turning Wealth Into Power,” Analysis (Lowy Institute, November 27, 2013), https://www.lowyinstitute.org/publications/chinas-economic-statecraft-turning-wealth-power#section_26556; William J. Norris, *Chinese Economic Statecraft: Commercial Actors, Grand Strategy, and State Control* (Cornell University Press, 2016).

26 Audrey Wong, “China’s Economic Statecraft under Xi Jinping,” *Brookings*, January 22, 2019, Global China: Domestic Politics and Foreign Policy edition, <https://www.brookings.edu/articles/chinas-economic-statecraft-under-xi-jinping/>.

27 Cha and Lim, “Flagrant Foul.”

28 Jonathan Holslag, “China, NATO, and the Pitfall of Empty Engagement,” *The Washington Quarterly* 42, no. 3 (July 3, 2019): 137–50, 143.

the South China Sea.²⁹ Empirically grounded on historical data of Chinese coercion in the South China Sea reaching back to the 1990s, Zhang argues that Beijing's coercive behavior can be explained as the result of a cost-benefit calculation that reconciles the need to establish a reputation for resolve with both economic and geopolitical backlash costs. Zhang demonstrates that Beijing coerces whenever there is the need to establish a reputation and the economic cost is low, but the intensity of coercion depends on the expected geopolitical backlash cost. Since geopolitical backlash costs over the past decade were expected to be high, Zhang argues, China refrained from coercing strongly, i.e. using military means. This is in contrast to the 1990s, when expected geopolitical backlash was low and China thus coerced more fervently. The key driver, according to Zhang, is the perceived necessity by Beijing to appear strong and to signal resolve to act strongly, if necessary. This was summarized under the Chinese proverb to "kill the chicken to scare the monkey,"³⁰ implying that the signal that the coercive action had to (nation state) observers is as important or even more important than the country and contested issue at hand. Zhang's research shows that Beijing's coercive measures towards a secondary state are constrained by the need to send two opposing messages to two different audiences: the target state with whom China has a dispute as well as other potential target states need to appreciate the resolve of Beijing's willingness to act strongly whereas the rest of the world should still, as far as possible, not perceive China as threatening.³¹

Given China's impressive economic and military rise of the past three decades, China's foreign relations are well-studied subject matter. However, with few exceptions, the literature on coercion in general and on Chinese coercion in particular so far overemphasized the effectiveness of coercion to solve the issue at hand but neglected the almost certain diplomatic and military-strategic backlash. The dilemma faced by Beijing, i.e. that coercion fundamentally undermines the Peaceful Rise narrative and therefore threatens China's national security, is identified by few studies,³² but has so far not been systematically addressed in the literature.

Between a Rock and a Hard Place: China's Geopolitical Security Predicaments

China faces an extremely difficult security environment. It has vast borders with 14 countries and its civilian and military sea lines of communication are at risk to be blocked by the United States and U.S. allies and partners along the first island chain.³³ In order

29 Ketian Zhang, "Cautious Bully: Reputation, Resolve, and Beijing's Use of Coercion in the South China Sea," *International Security* 44, no. 1 (2019): 117–59.

30 Ibid, 138.

31 A useful discussion of Zhang's article is provided by: Tongfi Kim, Andrew Taffer, and Ketian Zhang, "Correspondence: Is China a Cautious Bully?," *International Security* 45, no. 2 (2020): 187–93.

32 Kirchberger and O'Keeffe, "Chinas Schleichende Annexion Im Südchinesischen Meer," 11.

33 Stephen Biddle and Ivan Oelrich, "Future Warfare in the Western Pacific: Chinese Antiaccess/Area Denial, U.S. AirSea Battle, and Command of the Commons in East Asia," *International Security* 41,

to improve its security environment, China has, since Deng Xiaoping, pursued a *Hide and Bide* strategy, which persists until today in the form of the Peaceful Development doctrine.³⁴ As explained earlier, the peaceful rise narrative in combination with ever closer economic integration of Asia's economies, in which China naturally became the center of gravity, constituted a plausible mechanism to increase interdependence and improve the security of all involved actors.³⁵ However, regional states have in the past, sometimes inadvertently, challenged China's core security interests in attempts to pursue their own national interest.

In the first decade of the 21st century, Beijing had pursued a charm offensive towards Southeast Asian states and managed to delay the disputes in the South China Sea through the prolongation of legislative processes.³⁶ But when Manila received support from Washington in its efforts to improve its naval presence in the South China Sea by the second half of 2011, this presented an immediate threat to China's national security.³⁷ Contrary to conventional wisdom, China's interests in the South China Sea are not merely limited to rights of fish and hydrocarbon resource exploration as well as control of shipping lanes.³⁸ More importantly, the South China Sea is the only littoral water where Chinese submarines have direct access to water depths of more than 200m without having to slip past the first island chain first.³⁹ China's SSBNs fulfilling a key role in the country's second strike capability, it is of utmost importance for China to control the South China Sea and to be able to deny U.S. and allied vessels access to the waters in which the People's Liberation Army Navy operates its strategic submarine fleet.⁴⁰ China launched economic and military coercive measures against the Philippines for over four years in

no. 1 (July 2016): 7–48; Toshi Yoshihara and James R. Holmes, *Red Star over the Pacific: China's Rise and the Challenge to U.S. Maritime Strategy*, 2nd ed. (Annapolis, MD: Naval Institute Press, 2018), 100 ff.

34 Aaron L. Friedberg, "Globalisation and Chinese Grand Strategy," *Survival* 60, no. 1 (2018): 7–40.

35 Maximilian Ernst, "Double Down on Liberalism: A Transatlantic Response to Chinese Economic Coercion" (Washington, DC: AICGS, December 10, 2020), <https://www.aicgs.org/publication/double-down-on-liberalism-a-transatlantic-response-to-chinese-economic-coercion/>.

36 On China's Charm Offensive in Southeast Asia, see for example: Joshua Kurlantzick, "China's Charm Offensive in Southeast Asia," *Current History* (Washington, DC: Carnegie Endowment for International Peace, September 2006); Renato Cruz De Castro, "Confronting China's Charm Offensive in East Asia: A Simple Case of Fighting Fire with Fire?," *Issues & Studies* 45, no. 1 (2009): 71–116. On China's strategy to delay the disputes, see: M. Taylor Fravel, "China's Strategy in the South China Sea," *Contemporary Southeast Asia* 33, no. 3 (2011): 292–319, 294.

37 Useful summaries of the South China Sea dispute are provided by: Toshi Yoshihara and James R. Holmes, "Can China Defend a 'Core Interest' in the South China Sea?," *The Washington Quarterly* 34, no. 2 (April 2011): 45–59; Ronald O'Rourke, "U.S.-China Strategic Competition in South and East China Seas: Background And Issues for Congress" (Washington, DC: Congressional Research Service, November 26, 2019).

38 Examples of studies that identify resources or shipping lanes as driver of the dispute: International Crisis Group, "Stirring up the South China Sea (I)," Asia Report (Beijing, Brussels, April 2012). Clive Schofield, "Fish, Not Oil, at the Heart of the South China Sea Conflict," *Fridtjof Nansens Institutt*, October 24, 2017, <https://www.fni.no/news/fish-not-oil-at-the-heart-of-the-south-china-sea-conflict-article1556-330.html>.

39 Sarah Kirchberger, *Assessing China's Naval Power* (Berlin: Springer, 2015), 47–49.

40 Kirchberger and O'Keefe, "Chinas Schleichende Annexion Im Südchinesischen Meer."

an attempt to compel Manila to revert its territorial claims over the Spratly Islands and dissuade it from cooperating with Washington.⁴¹ Beijing hence accepted the costs of coercion—the damaged diplomatic relationship with Manila which would result in even closer U.S.-Philippine security cooperation—calculating that the strategic costs of losing the South China Sea as safe bastion for its strategic submarine fleet would be even higher.

When Seoul decided to let United States Forces Korea (USFK) deploy the Terminal High Altitude Area Defense (THAAD) Missile Defense System to South Korea in 2016, the decision was primarily informed by considerations relating to the threat posed by North Korea's ballistic missiles and nuclear warheads.⁴² However, Chinese strategists believe that THAAD's radars, even when directed at North Korea, also improve U.S. capacity to early-detect Chinese ICBMs and thus enhance U.S. national missile defense.⁴³ There was real concern in Beijing that China's limited nuclear deterrent was undermined by THAAD, and Chinese leaders and diplomats had warned against THAAD's damage to global strategic stability well in advance.⁴⁴ China launched 1.5 years of heavy economic coercion in an attempt to compel Seoul not to let USFK deploy THAAD.⁴⁵ Beijing hence accepted the costs of coercion—the damaged diplomatic relationship with Seoul that would result in even closer U.S.-South Korea security cooperation—calculating that the costs of an undermined nuclear deterrent were even higher.

It becomes clear that Beijing's decisions to apply strong coercive measures against Asia-Pacific states have been made in appreciation of the strategic costs this involves. In the Asia-Pacific regional context, coercion almost certainly undermines the Peaceful Rise narrative and pushes regional states to assume balancing strategies, plausibly in coalition with the United States. This allows to infer that the underlying issue of contention—in above examples the South China Sea as secure SSBN bastion and the absence of U.S. national missile defense enhancing sensors on the Korean Peninsula—weighed heavy enough to risk the Peaceful Rise narrative. In contradiction to existing studies that identify

41 Harrell, Rosenberg, and Saravalle, “China's Use of Coercive Economic Measures,” 9.

42 Kyung-young Chung, “Debate on THAAD Deployment and ROK National Security” (Seoul, South Korea: East Asia Institute, October 2015); Bonnie Glaser, Daniel G. Sofio, and David A. Parker, “The Good, the THAAD, and the Ugly,” *Foreign Affairs*, February 15, 2017.

43 Riqiang Wu, “China's Anxiety About US Missile Defence: A Solution,” *Survival* 55, no. 5 (October 2013): 29–52.

44 PRC Permanent Mission to the UN, “Statement by Mr. Sha Zukang, at the Seventh Annual Carnegie International Non-Proliferation Conference(12/01/1999)” (Permanent Mission of the People's Republic of China to the United Nations Office at Geneva and other International Organizations in Switzerland, April 16, 2004), <http://www.china-un.ch/eng/cjkk/cjjblc/jhhwx/t85313.htm>; 박병용 Park Byong-yong, “주한 중국대사 ‘사드 배치, 한중 관계 순식간에 파괴할 수도’ [Chinese Ambassador to South Korea ‘The Deployment of THAAD Has the Potential to Destroy South Korea-China Relations in an Instant’],” *Voice of America Korea*, February 23, 2016, <https://www.voakorea.com/korea/korea-politics/3202958>; 陈尚文 Chen Shangwen et al., “中俄签‘重量级’联合声明 携手维护全球战略稳定 [China and Russia Sign ‘heavyweight’ Agreement to Cooperate to Maintain Global Strategic Stability],” 环球时报 [*Global Times*], June 27, 2016, <https://world.huanqiu.com/article/9CaKrnJW7vH>.

45 Darren J. Lim and Victor A. Ferguson, “Chinese Economic Coercion during the THAAD Dispute,” Open Forum (Asan Institute, December 28, 2019).

Chinese coercion as a sign of Chinese power and function of Chinese leaders' trust in their country's economic and military superiority, **the decision to coerce is best explained as one made between a rock and a hard place.** Whenever we observe Chinese coercion in the Asia-Pacific region, it can be inferred that Beijing chose the least-bad of bad options.

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