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Why Balancing Towards China is not Effective: Understanding BRI's Strategic Role

By T.V. Paul

SYNOPSIS

The Belt and Road Initiative (BRI) has usually been analysed for its economic and geopolitical importance. There is a third crucial function of BRI – the prevention of military as well as soft balancing coalitions against Beijing by smaller Asian states along with countries such as the US and India. BRI thus is a major instrument in the hands of China in its wedge strategy in the Indo-Pacific.

COMMENTARY

THE RISE of China and the expansion of its naval presence in the Indian Ocean and South China Sea have not produced an intense balance of power coalition directed against Beijing. Even the military buildup by the United States in the Pacific before and after the Pivot to Asia strategy of 2012 has not been as strong as one would expect if balancing was the intent.

It is a puzzle that if balancing against power was automatic why we see only limited activism in the military arena as well as coalition building in the face of Chinese transgressions. Instead of active military balancing many states are resorting to soft balancing based on institutional mechanisms, limited coalitions and partial arms buildup. They are arming tepidly and not to the extent of creating a proper balance of power equation in the military sense. Even the institutional soft balancing efforts are hampered by China's counter soft balancing as well wedge policies which are encouraging some states to bandwagon with it or remain neutral.

Puzzle of Non-Balancing

The puzzle of non-balancing cannot be explained without reference to China's grand strategy of expansion. It appears that China has indeed developed asymmetric

strategies under the cover of economic globalisation and by providing collective and individual economic goods to smaller states in Asia-Pacific, managed to prevent a hard-balancing coalition emerging in the current order.

China's active effort to frustrate a coalition, even a soft balancing variety, is evident in its interactions with potential candidates. In my recent book: [*Restraining Great Powers: Soft Balancing from Empires to the Global Era*](#) (Yale University Press, 2018) I outline the various efforts by states and players such as Japan, India, and ASEAN to use institutions and limited coalitions to balance China's threatening policies.

However, these have received Chinese attention and Beijing has made intense diplomatic efforts to frustrate such soft balancing coalitions from emerging.

China is strongly opposed to India's joining of the quadrilateral soft balancing coalition (or Quad) involving the US, Japan and Australia. At their Wuhan summit in May 2018, Chinese leader Xi Jinping seemed to have successfully convinced India's Prime Minister Narendra Modi not to include Australia in the now annual trilateral Malabar naval exercises between India, Japan and the US.

Beijing is concerned that the Quad may be for soft balancing now, but it has the potential to becoming a hard-balancing coalition. India's subsequent decision not to actively participate in the US-led infrastructure investment projects involving the three countries suggests that the Chinese wedge strategy has at least worked in the short run.

China's Wedge in ASEAN?

Similarly, China has managed to create a wedge among ASEAN states when it comes to the South China Sea. ASEAN's efforts at soft balancing via the code of conduct negotiations, ASEAN Regional Forum (ARF), ASEAN Plus 3 all are premised on the expectation of restraining China's aggressive foray into the South China Sea through soft balancing institutional mechanisms.

However, since 2010, ASEAN has been able only to come up with whittled down resolutions at its annual meetings and during some years even failed to do so due to lack of consensus among members. The Chinese economic strategy helps Beijing in this regard. In recent months, even Japan, reeling under the Trump tariff threats has mellowed down its rhetoric and soft balancing efforts against China.

BRI: China's Mechanism to Prevent Balancing Coalitions

Analysts have discussed the economic and political pros and cons of the Belt and Road Initiative (BRI). But they neglect a key function it serves in the strategic arena. Beijing uses economic instruments to prevent a balancing coalition, both soft and hard, from emerging in the Indo-Pacific region. The BRI has come as a major source of investment and infrastructure development for many states in the region.

These states are unlikely to join in a military balancing coalition against Beijing. Stronger regional powers such as India and Japan are hampered by their lack of resources available or committed to regional states nowhere near what China has

offered. This places them in the estimation and strategic calculations of these states in a lower position when it comes to coalition building.

The smaller states of South Asia – Bangladesh, Sri Lanka, Nepal and Maldives (until recently) – have been effectively wedged from India through BRI and other economic and infrastructure aid that China offers. India is thus forced to offer them economic support, albeit unequal in quantity, in order to prevent them from falling completely into Beijing's orbit.

BRI has helped China to solidify its hard balancing coalition with countries like Pakistan. But not too many others have fallen for a military alignment with China which shows that money can buy some loyalty, but forming a bandwagoning coalition in the 21st century is going to be cumbersome.

Making smaller states disinterested and thereby preventing them from forming balancing coalitions with the US, India or Japan against its expansionist pursuit may be the most China can achieve for now.

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