

Xi Jinping and China's Assertive Foreign Policy in the South China Sea: Bringing leadership personality back in

Abstract

The subfield of foreign-policy decision-making takes as its starting point the dependent variable—a specific foreign-policy choice by an international actor—and then seeks to explain how this choice was arrived at by the agents (individuals, groups, organisations) involved in the decisional process.¹ In this paper, I focus on two case studies concerning Chinese foreign policy in the South China Sea - the first relates to the 2014 China-Vietnam oil rig crisis, the second to the establishment of Xisha and Nansha Districts in April 2020.

The dependent variable is China's assertive foreign policy choices in the South China Sea. The independent variable under examination is the psychological variable of Xi Jinping as an individual decision-maker. The intervening variable is time and the process of foreign policy making. The question this paper is concerned with is why has China pursued a more assertive and militaristic foreign policy posture in the South China Sea. Is the determining variable Xi Jinping's personality or domestic or systemic variables? Furthermore, in what way do these levels interact?

I. Introduction

The study of the psychological variable in foreign policy making emerged in the United States during the Cold War as scholars and policy-makers imagined increasingly complex nuclear scenarios and developed new methodologies for the systematic study of political leaders. In 1954, Snyder, Bruck and Sapin argued that to understand state behaviour required focusing on political elites and their conceptions of the national interest, "definition of the situation", the domestic political con-

¹ STUART, D. in REUS-SMIT, C and SNIDAL, D. 2008. "Foreign Policy Decision Making" in Oxford Handbook of International Relations. Oxford University Press, New York.

texts in which they operated, and the nature of information and communication.² Sprout and Sprout (1965) would explore the concept of a psychological milieu interacting with an operational milieu.³

Following the U.S.-Soviet nuclear crises over Berlin and Cuba, a renewed focus on crisis decision-making emerged. Hermann (1972) would produce a typology of decisional situations ranging from crises to administrative situations based on high or low threat to national values, short or long decision time, and the degree to which the decision-makers were surprised by the event.⁴ Robert Jervis (1976) would also discern limitations in earlier psychodynamic approaches to foreign policy behaviour that ‘in neglecting the strategic context of foreign policy decisions, often lead to an overestimation of the impact of actors’ flawed judgements and choices and underestimation of the role of genuine conflicts of interests and domestic constraints.’⁵

George (1980) would note how decision-makers frequently confront “tradeoff dilemmas” between the quest for high-quality decisions, the prudent management of time, energy, and staff, and the need for consensus.⁶ In this capacity the significance of the dynamic and iterative nature of decision-making and of the intervening variable of time and process emerged. Kuperman (2006) notes how ‘the first step in the analysis of foreign-policy decisions should be to identify a series of decision episodes around specific problems and then determine whether or not each episode is an isolated event or whether there is some dependency of one episode on the others.’⁷ Poliheuristic theory applies an evolutionary framework to the psychological variable in time.

² SNYDER, R. BRUCK, H. W. and SAPIN, B. (eds.) 1954. *Decision-Making as an Approach to the Study of International Politics*. Princeton, NJ: Princeton University, Foreign Policy Analysis Project, Foreign Policy Analysis Series No. 3.

³ SPROUT, H. and SPROUT, M. 1965. *The Ecological Perspective on Human Affairs, with Special Reference to International Politics*. Princeton, NJ: Princeton University Press.

⁴ HERMANN, C. (ed.) 1972. *International Crises; Insights from Behavioral Research*. New York: Free Press

⁵ JERVIS, R. 1976. *Perception and Misperception in International Politics*. Princeton, NJ: Princeton University Press.

⁶ GEORGE, A. 1980. *Presidential Decisionmaking in Foreign-Policy: The Effective Use of Information and Advice*. Boulder, Colo.: Westview.

⁷ KUPERMAN, R. 2006. Making research on foreign policy decision making more dynamic: a dynamic framework for analyzing foreign policy decision making. *International Studies Review*, 8: 537–44.

The cognitive turn in foreign policy analysis spearheaded by Jervis in 1976 would add further complexity to the decision-making literature exploring how individual's cognitive predispositions shaped perceptions, leading to a general tendency toward selective attention to information, premature cognitive closure, motivated biases and perseverance of beliefs.⁸ The study of emotion and motivation later emerged as a pivotal dimension in foreign policy decision-making. May (1973) would further explore how political leaders learn from history, observing how the 'Munich analogy' of appeasement affected American foreign policy decision-making in the Korean and Vietnam Wars.⁹

To what extent a 'Soviet analogy' affects Chinese foreign policy decision making is an open question, Shirk notes how under Xi's National Supervision Commission, all CCP members are required to watch a documentary about the fall of the Communist Party of the Soviet Union where, 'even as the Soviet public continued overwhelmingly to support the CPSU, corrupt and ideologically confused leaders such as Mikhail Gorbachev and Boris Yeltsin destroyed it from the top down' suggesting Xi fears the political elite more than the masses.¹⁰

The extent to which Xi considers the South China Sea as a system for Asian powers with China at its helm is also notable in his spearheading of the Regional Comprehensive Economic Partnership.¹¹ It is notable how U.S. foreign policy scholars developed new theoretical insights on the basis of new evidence. For one, the release of the Pentagon Papers on the Vietnam War drove new research into concepts like bureaucratic politics, organisational culture, and role socialisation as determinants of foreign-policy decision-making.¹² Nan raises an important point comparative point on the lack of

⁸ JERVIS, R. 1976. *Perception and Misperception in International Politics*. Princeton, NJ: Princeton University Press.

⁹ MAY, E. 1973. "Lessons" of the Past: The Use and Misuse of History in American Foreign Policy. New York, 1973.

¹⁰ SHIRK, S. China in Xi's "New Era": The Return to Personalistic Rule in *The Journal of Democracy*, Volume 29 Issue 2, pp. 22-36, April 2018

¹¹ At the 36th Singapore Lecture at the Institute of Southeast Asian Affairs-Yusuf Ishak Institute on November 7, 2015, Xi Jinping remarked: 'In modern times, China and Southeast Asian countries encouraged and supported each other in the cause of independence and liberation, and we have inspired and worked with each other in economic and social development. We assisted each other in overcoming the Asian financial crisis, the international financial crisis, the Indian Ocean tsunami and the devastating earthquake in Wenchuan, China. Today, China and Southeast Asian countries are making new progress in our respective development endeavours' LIM, A and CIBULKA, F. (ed), 2019. *China and Southeast Asia in the Xi Jinping Era*. Rowman & Littlefield Publishing Group, Incorporated

¹² HALPERIN, M. 1974. *Bureaucratic Politics and Foreign Policy*. Washington, DC: Brookings Institution.

empirical evidence available into Chinese decision-making on national security or crisis management decisions with implications for the study of Xi's personality on South China Sea foreign policies.¹³ The evolution of the RCEP arrangement might however open up a broader empirical space for comparative foreign policy analysis drawing in the personalities of Xi, Duterte, Widodo, Yassin, Phú Trọng as well as interior civil and military personalities of the CCP. Such research is forthcoming from a number of scholars.¹⁴¹⁵¹⁶¹⁷

Xi's Centralisation of Chinese Foreign Policy Decision Making

Several scholars noted Xi Jinping's move in 2018 to upgrade four leading small groups, including the Leading Small Group (LSG) on Foreign Affairs, to Commissions. Legarda notes that, 'in the past China's Ministry of Foreign Affairs (MFA) was often undercut by "higher authorities." The streamlining now sends a clear message that the Party alone controls China's foreign affairs – and that it will not tolerate policies or actions that could jeopardise China's efforts to become a global power by 2049.'¹⁸ Lampton notes how, Xi's 'acquisition of all major cross-system integrator roles [chairmanships of leading groups, particularly the Central Leading Group for Comprehensively Deepening Reform and the Central Military Commission (CMC)] suggests Xi is trying to impose a degree of personal control over a pluralised society and ever-more complex bureaucracy.'¹⁹

¹³ NAN, L. 2015 "Top Leaders and the PLA: The Different Styles of Jiang, Hu, and Xi," in *PLA Influence on China's National Security Decision-making*, pp. 120- 140.

¹⁴ LEVY, J. in SEARS, D., HUDDY, L. and LEVY, J., 2013. *The Oxford Handbook Of Political Psychology*. New York: Oxford University Press. Levy notes, 'it is hard to look at governmental and nongovernmental responses to the financial crises of 2008–2009 and the European debt crisis a couple years later without concluding that individual belief systems, judgments, and decision-making played a key role in shaping those responses, and that other individuals in the same positions might have made different decisions with different consequences. A similar program of research might in this capacity be examined in relation to the personalities engaged in RCEP/South China Sea

¹⁵ HEYDARIAN, R. 2020. *The Ascent of Asian Strongmen: Emerging Market Populism and the Revolt Against Liberal Globalization*, Springer Link

¹⁶ BLAND, B. 2020. *Man of Contradictions: Joko Widodo and the Struggle to Remake Indonesia*. A Lowy Institute Paper, Penguin Random House Australia

¹⁷ NEACK, L. 2019. *Studying Foreign Policy Comparatively: Cases and Analysis*. Rowman & Littlefield

¹⁸ LEGARDA, H. 2018. "In Xi's China, the center takes control of foreign affairs", MERICS, August 01 2018

¹⁹ LAMPTON, D. 2015 Xi Jinping and the National Security Commission: policy coordination and political power, *Journal of Contemporary China* strong litmus to Xi's sense of personal control might be found in the sentences given to his critics in Xu Zhangrun and Ren Zhiqiang, illuminating frictions between centralisation, entrenched wealth outside the party frame and federalising impulses in China's central-local policy transmission and coordination space.

Wang explores the role of the ‘filter’ in Chinese foreign policy-making whereby ‘in the previous system, the power to filter was in the hands of the Ministry of Foreign Affairs. Think tanks, regardless of whether they were state-run or independent, and universities, submitted their policy suggestions to the ministry. The ministry acted as the filter and submitted only the “good proposals” to the CLG-FA. In contrast, Xi has moved the filter to the Central Leading Group for Foreign Affairs and National Security Commission suggesting a larger policy pool to decide on the best policy.²⁰ The effects of groupthink in Xi’s new foreign policy structure and the role of think tanks in constructing China’s South China Sea position might be explored further utilising an integrated theory of Chinese foreign policy as proposed by Zhang.²¹

II. Explaining China’s new assertiveness in the South China Sea

a) Individual-level explanations

The question of whether Xi Jinping’s personality or domestic or systemic variables are the determining variable in the increasing assertiveness of Chinese foreign policy in the South China Sea is complex. Li Nan notes how under Xi Jinping, China has been using more aggressive “defensive” strategies in the South China Sea (SCS) which includes the building of several artificial islands and the consolidation of administrative control of Chinese possessions and claims. Nan suggests that ‘unlike Hu Jintao, who was known for his caution-driven, hands-off and conflict-avoidance personality in handling policy issues, Xi is more hands-on and not afraid of conflict.’ As the new top leader, Xi was also incentivised to consolidate power by currying favour with the PLA on its ambitions in the South China Sea.²²

²⁰ WANG, S. 2017. “Xi Jinping’s Centralisation of Chinese Foreign Policy Decision-Making Power”, *East Asian Policy*, 9(2):34-42

²¹ ZHANG, Q. 2014. “Towards an Integrated Theory of Chinese Foreign Policy: bringing leadership personality back in”, *Journal of Contemporary China*

²² NAN, L. 2020 “What has changed in China’s South China Sea policy under Xi Jinping?”, *ThinkChina*, November 24 2020

Nan further suggests that in contrast to Jiang Zemin who made major concessions in settling China's territorial disputes with its neighbours, Xi is more uncompromising in handling China's territorial disputes likely because of his strong personal belief in the sanctity of sovereignty.²³ In an earlier work, Nan suggests notes how 'unlike Hu and Jiang, Xi served in the PLA for three years. Xi's father was founder of a major red army base in Northern China, Xi also worked as party secretary in Fujian Province from 1985 to 2002 and as governor of Zhejiang province from 2002-2007, both large dynamic coastal provinces, before becoming party secretary of Shanghai which have likely shaped his ideas and views of China's position in the South China Sea.²⁴

Heritage and Lee suggest that 'under President Xi's leadership, the autobiographic 'Chinese Dream' narrative, invoking past national humiliations and stressing China's imminent return to its former glory, has been clearly linked to the reassertion of China's sovereignty over the islands in the South China Sea.'²⁵ Economy notes how 'less than one month after assuming the position of general secretary, Xi gave a speech on board the *Haikou*, a guided missile destroyer, which had previously patrolled the South China Sea, calling for unity between a prosperous country and strong military.'²⁶

Iida argues that Xi has been at the heart of China's expansion of its 'core interests' into the East and South China Seas, documenting how early in Xi's first term, the China Coast Guard was created integrating four existing maritime law enforcement agencies.²⁷ The 2015 restructuring of the PLA under Xi also led to the establishment of the PLA Southern Theatre, commanded by a naval officer who exercises operational command and control of the naval, air, conventional missile and army

²³ Ibid

²⁴ NAN, L., 2015 "Top Leaders and the PLA: The Different Styles of Jiang, Hu, and Xi," in *PLA Influence on China's National Security Decision-making*, pp. 120- 140.

²⁵ HERITAGE, A and LEE, P. 2020. *Order, Contestation and Ontological Security-Seeking in the South China Sea*. Switzerland: Palgrave Macmillan

²⁶ ECONOMY, E. 2018. *The Third Revolution: Xi Jinping and the New Chinese State*, Oxford University Press

²⁷ IIDA, M., 2020. Xi Jinping's diplomacy and the rise of his political authority, *Journal of Contemporary East Asia Studies*

forces deployed to the region.²⁸ Regilme notes how official Chinese government documents have lauded President Xi personally for steering China's interests in the South China Sea. Regilme also however observes contradictory statements made by military officials and diplomats in the Chinese Foreign Ministry's Department of Boundary and Ocean Affairs, suggesting that there may be greater bureaucratic jostling and civil-military disjuncture than cohesion at play.^{29,30}

b) Domestic-level explanations

In contrast to the argument that Xi's personality is the driving variable in the South China Sea, Andrew Chubb, an analyst at the Brookings Institution, argues that 'Chinese maritime policy has been following a largely path-dependent logic' and that 'Xi's role has probably been more akin to a gatekeeper than an architect of China's expansion of control over maritime East Asia.'³¹ Chubb argues that while vast land reclamation and island-building in the South China Sea - 1300 hectares of new land with an array of new infrastructure (3,000-meter military-grade runways, aircraft hangars, anti-ship missile posts) - may suggest Xi's personal stamp on policy change, the driving variable might in fact be the PRC's increasing financial and technological means—particularly the dozens of large dredgers that performed the task.' The formative effect of the global financial crisis of 2008 on the self-confidence of Chinese foreign policy making is a broader system-level variable that has been 'perceived and acted upon by Chinese decision makers through their own decision-making system.'³²

²⁸ NAN, L. 2020 "What has changed in China's South China Sea policy under Xi Jinping?", ThinkChina, November 24 2020

²⁹ Pomeroy explores the U.S. intercontinental ballistic missile program under Kennedy in relation to inter-service and civil-military personnel rivalries with a possible comparative dimension to Xi in the South China Sea, the PLA Rocket Force and new Strategic Support Force. POMEROY, S. 2016. *An Untaken Road: Strategy, Technology, and the Hidden History of America's Mobile ICBMs*, *Naval Institute Press*
A more experimental interpretation might also explore how Xi is being used by elements of the military

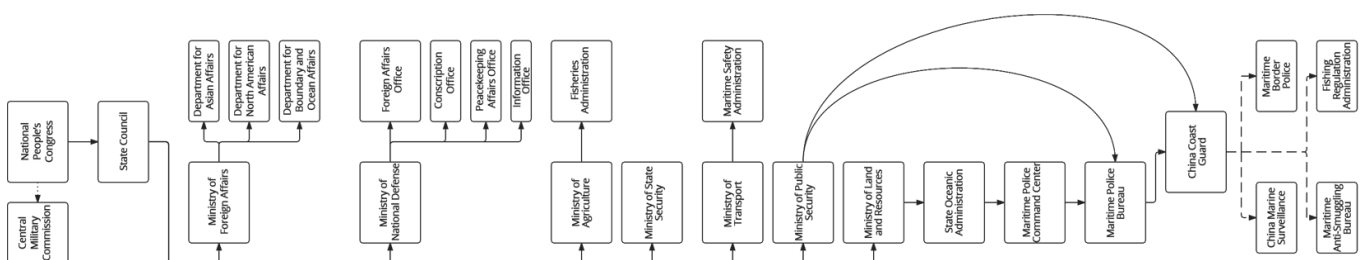
³⁰ BROWN, K. 2016. "Foreign Policy Making Under Xi Jinping: The Case of the South China Sea", *Journal of Political Risk*, Vol. 4, No. 2 Feb 2016

³¹ CHUBB, A. 2019. "Xi Jinping and China's Maritime Policy", Brookings Institution, January 22, 2019

³² ZHANG, Q. 2014. "Towards an Integrated Theory of Chinese Foreign Policy: bringing leadership personality back in", *Journal of Contemporary China*

Chubb also documents continuities from Hu-era patterns of coercive maritime behaviour, a point supported by Rush Doshi who argues that ‘Xi’s power consolidation and cult of personality is overshadowing important ways in which his foreign policy exhibits continuity with past trends.’ Doshi suggests that ‘Xi’s departure from “hiding and biding” had roots in a Party consensus that emerged roughly a decade ago, with Hu’s administration in many ways inaugurat[ing] the shift.’³³ As Li Nan alludes, bureaucratic dynamics with the PLA and new Southern Theatre Command may also be a more determining variable than Xi’s personality in the increasing assertiveness in the South China Sea whereby elite technical capture drives policy-making.³⁴

On the other hand, Xi’s ‘domestic accumulation of power might have created a situation in which the functional parts of the party-state that implement front-line policy are especially keen to avoid displeasing the leader’ suggesting that Xi’s closeness and not distance to the military may be driving a feedback loop of increasing assertiveness and the muffling of dissenting internal political voices in the CCP.³⁵ The parallel emergence during the pandemic of Xi’s Regional Comprehensive Economic Partnership with ASEAN members amid new sovereignty claims in the South China Sea, might suggest stronger consensus than dissensus in employing a strategy of constructive ambiguity and crisis (weiji) as threat/danger as well as opportunity in the region. Several scholars also note how nationalist rhetoric and public diplomacy in the South China Sea may be being used to divert the public’s attention from the regime’s recent failure to effectively sustain a high level of equitable economic growth.



³³ DOSHI, R. 2019. “Hu’s to blame for China’s foreign assertiveness?”, Brookings Institution, January 22, 2019

³⁴ NAN, L. 2020 “What has changed in China’s South China Sea policy under Xi Jinping?”, ThinkChina, November 24 2020

³⁵ CHUBB, A. 2019. “Xi Jinping and China’s Maritime Policy”, Brookings Institution, January 22, 2019

You Ji documents how ‘Xi has been strategic in building a structured following of his own in the CCP, on the one hand, and maintaining proportional factional representation in the top civil-military leadership on the other. The former is a strategic necessity for Xi to dominate the Party and the PLA; and the latter is Xi’s political choice to effect a level of balanced personnel representation in the leadership so as to ensure maximised elite acceptance. In pursuing such a balancing act, Xi has skillfully handled Party factional politics, resembling what Mao Zedong achieved in the Seventh Party Congress in 1945.’³⁶

c) System-level explanations

Several scholars locate the driving variable of Chinese assertiveness in the South China Sea in a competition for resources. Kun Chin-Lin argues that the South China Sea is a strategic priority for China both in terms of oil and supply lanes but also rare earth minerals that China is exploring the prospect of mining via deep sea mining technologies.³⁷ Indeed a recent paper from the Institute of Oceanography in Hangzhou, entitled *Rare Earth Element Distributions in Continental Shelf Sediment, Northern South China Sea* locates the South China Sea in a broader technological resource competition with the U.S.³⁸ The South China Sea is furthermore a strategic priority for the PLA to conduct telemetry activities on missile launches and for the Chinese Space Programme to launch space missions and satellites from Wenchang Satellite Centre on Hainan Island on a cost-effective equatorial, eastward trajectory with the earth’s spin. Bathymetry and telemetry would corroborate with Chubb’s argument in suggesting that the driving variable of Chinese assertiveness in the South

³⁶ YOU, J 2020. “How Xi Jinping Dominates Elite Party Politics: A Case Study of Civil-Military Leadership Formation”, *The China Journal*, Volume 84, page 1-28, July 2020 You Ji describes Xi’s balancing of different constituencies in Zhongnanhai, underpinned by ‘the five-lakes-and-four-seas (五湖四海) principle in the Party’s and PLA’s personnel work’ with a particular sensibility to gravity. You Ji’s article might be supplemented by a reading of how Xi draws on analogy from ancient Chinese literature from Sun Tzu to Confucius, ‘a ruler who governs his state by virtue is like the north polar star, which remains in its place while all the other stars revolve around it.’ *Confucian Analects* (Chapter 2, discourse 1) ‘All things bear the shade on their backs and the sun in their arms; By the blending of breath from the sun and the shade equilibrium comes to the world’ (*Daodejing*, Lao Tzu) alongside more recent authors such as Liu Cixin, whose Three Body Problem, explores Waltzian images of international politics. DYSON, S. 2019. “Images of International Politics in Chinese Science Fiction: Liu Cixin’s Three Body Problem”, *New Political Science*, Volume 41, 2019, Issue 3

³⁷ CHIN-LIN, K., 2020. “China’s Maritime Strategy”, *Young China Watchers Talk*, November 6 2020

³⁸ GE, Q, XUE, G, CHU, F. 2020. “Rare Earth Element Distributions in Continental Shelf Sediment, Northern South China Sea”, *MDPI*, December 11 2020

China Sea is not Xi's personality but the elision of a technological horizon of deep sea and deep space capabilities with a perceived resource frontier in the ocean and outer space.

Power transition theorists and scholars in China might locate the determining variable at the system-level as driven by a reaction to increasingly aggressive U.S. containment and freedom of operation activities. Pham argues that 'Chinese assertiveness in the South China Sea is a natural consequence of an unfortunate intersection between growing Chinese naval capacity and other states' misunderstanding of China's strategic outlook. Eager to confirm the reality of an "aggressor China," media reports and other commentary have neglected to provide critical insights into China's strategic behavior and the rationale behind its "assertiveness." Instead, the tendency has been to ascribe China's actions to the "maritime threat theory," which claims that China's naval forces are developing with the sole aim of "threaten[ing] U.S. security and interests" and must therefore be deterred.' Pham's paper, written in 2011, furthermore suggests that the actions and perceptions of 'Chinese assertiveness' preceded Xi.³⁹

Employing a political psychology approach to Xi in this capacity requires further exploration of how he perceives the security dilemma and heightens the importance of engaging Chinese and Southeast Asian scholars whose sensibilities to the dilemma differ to those of western scholars. A study of 'emotion', history and image in the South China Sea for one might illuminate how misperceptions of intention are driven by historical analogy and experience or as Jervis puts it by beliefs rather than data. An important element in a study of Xi in this sense might further lie in demystifying the cult of personality to examine how his cognition is structured by generalisable logics, codes and rules of Chinese foreign policy behaviour. The recent *Oxford Handbook of Chinese Psychology* points toward new applications of political psychology to foreign policy decision making in a Chinese context.⁴⁰

³⁹ PHAM, D. 2011. "Gone Rogue? China's Assertiveness in the South China Sea", *Journal of Politics & Society*, Vol. 22, No. 1, pp. 139 - 164

⁴⁰ BOND, M (ed), 2010. *The Oxford Handbook of Chinese Psychology*, Oxford University Press

II. Case Studies

Case Study I - 2014 China-Vietnam oil rig crisis

On 2 May 2014, the Chinese state-owned China National Offshore Oil Corporation moved its oil platform - Hai Yang Shi You 981 - to waters near the disputed Parcel Islands. The \$1 billion platform was built and launched by CNOOC in 2012 with its company chairman Wang Yilin stating such a rig was China's 'mobile national territory' and 'a strategic weapon for promoting the development of the country's offshore oil industry.'⁴¹ The Hainan Maritime Safety Administration of China subsequently announced that drilling work would last from May 2 to August 15, 2014. The deep water submersible drilling rig was accompanied by ships from the China Coast Guard, Maritime Militia, engineering experts, and PLA Navy ships. In response, Vietnam dispatched naval and coast guard vessels to the area, and Chinese and Vietnamese vessels repeatedly collided in the disputed waters.⁴² Vietnam sought support at the 24th ASEAN Summit held in Naypyidaw, Myanmar on May 10-11 to a lukewarm response.

Tensions led to anti-Chinese protests and riots in Vietnam targeting Chinese workers and foreign businesses. The crisis was defused on July 15, when CNOOC announced that the platform had completed its work and withdrew it one month earlier than originally announced. China's Foreign Ministry publicly announced the operation was concluded "in accordance with relevant company's plan" and had "nothing to do with any external factor".⁴³ Following the incident, analysts questioned the political will of ASEAN to respond to China's increasing aggressiveness in the South China Sea.

⁴¹ SPEGELE, B and MA, W, 2012. "For China Boss, Deep-Water Rigs are a 'Strategic Weapon'", *The Wall Street Journal*, August 29 2012.

⁴² YAMAGUCHI, S "Strategies of China's Maritime Actors in the South China Sea: A Coordinated Plan Under Xi Jinping?", *China Perspectives*, 2016/3 | 2016

⁴³ https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/t1175131.shtml

Shinji Yamaguchi explores the incident in relation to two contrasting views, the first expressed by Jakobson argues that China's actions in the maritime domain take place unsystematically and organically rather than as part of a grand strategy. Various actors cooperate when it serves both parties' interests, and "there is no evidence of a central government approved grand plan that mandates different actors coercing claimants in a tailored way.' On the other hand, Glaser argues that China's various maritime actors are increasingly coordinated and directed by senior policymakers as part of a larger strategy aimed at protecting China's sovereignty and maritime rights.⁴⁴

Yamaguchi suggests three particular variables coincided to explain the assertive manoeuvre: i) the CNOOC's aspiration to exploit deep waters in the SCS, ii) law enforcement agencies' push for protecting and strengthening sovereignty claims, and iii) Xi Jinping's call for establishing China as a "major maritime power" (haiyang qiangguo 海洋强国). Yamaguchi notes the strong endorsement Xi has given to deep water maritime oil-exploration in the South China Sea. The involvement of the China Coast Guard and PLA Navy ships furthermore suggests that 'Xi must have known about the decision to deploy the HYSY981. Given his leadership style and role as the head of the Central Maritime Rights Protection Leading Small Group, Xi likely made the decision to approve deployment of the rig. Indeed following the incident, *Asahi Shimbun*, a Japanese national newspaper, reported that the CNOOC obtained permission from the Party leadership to deploy the oil rig in Vietnamese waters in January 2014.⁴⁵

Interestingly, Yamaguchi does not look at the decision of the CNOOC to withdraw the rig a month early and the subsequent statement from Beijing that the decision was 'in accordance with relevant company's plan' and had 'nothing to do with any external factor.' Green et. al suggest that the standoff was a major coercive failure for Beijing: 'first, Vietnam's response may have been a surprise, but Chinese leaders still accepted substantial risk in deploying a large fleet of coast guard, civilian,

⁴⁴ Ibid

⁴⁵ Ibid

and naval vessels for several weeks. Yet, Hanoi continued to demonstrate substantial resolve by pushing back so forcefully and accepting a high level of risk for a sustained period. Second, despite Chinese forces escalating repeatedly, outnumbering and outgunning those from Vietnam—and facing little threat of U.S. military intervention—Beijing ultimately appeared to back down and moderate its subsequent behaviour.⁴⁶

In contrast to Green et. al's view, Thayer argues that U.S. political and diplomatic pressure, as well as fears that Vietnam would escape China's orbit, drove Chinese decision-making, in particular a phone call on May 21 between Vietnam's Foreign Minister Pham Binh Minh and U.S. Secretary of State John Kerry may have spooked China's foreign policy making apparatus.⁴⁷

Applying Hermann's personality model, Xi's response to the crisis might be examined against seven personality traits: (1) belief in one's own ability to control events, (2) need for power and influence, (3) conceptual complexity, (4) self-confidence, (5) task/affect orientation (problem focus or relationship focus), (6) distrust of others, and (7) in-group bias to suggest that while Xi is opportunistic, he is also pragmatic and responsive to domestic audience costs and systemic restraints. Hermann's model might also be drawn into a psycho-biographic model such as Joseph Torigian's which explores Xi's formative life experiences in relation to his father, the Cultural Revolution and the Party.^{48,49} Such an analysis might be extended to explore aspects of Xi's later life and experience, his time working as Governor in Fujian in particular corresponded with high cross-strait tensions and

⁴⁶ GREEN, M, et. Al, 2017. "Counter-Coercion Series: China-Vietnam Oil Rig Standoff", Asia Maritime Transparency Initiative, June 12 2017

⁴⁷ THAYER, C. 2014. "Vietnam, China and the Oil Rig Crisis: Who Blinked? Did Vietnam buckle under Chinese pressure or did China blink?", *The Diplomat*, August 04 2014. The diplomatic pressure included: China-U.S. exchanges at the Strategic and Economic Dialogue held in Beijing from July 9-10, a Senate resolution (S. RES.412) adopted on July 10 called on China to withdraw the oil drilling rig and accompanying ships, a call for a "freeze" in China's provocative actions by Deputy Assistant Secretary of State Michael Fuchs at the fourth CSIS conference on the South China Sea on July 11, and a telephone conversation between President Barack Obama and Xi Jinping (July 14) in which Obama called for the constructive management of differences.

⁴⁸ TORIGIAN, J, 2018. "Historical Legacies and Leaders' Worldviews: Communist Party History and Xi's Learned (and Unlearned) Lessons" *China Perspectives*, 2018/1-2 | 2018, 7-15.

⁴⁹ While Torigian explores Xi's early life, Xi's time in Iowa in 1985 as leader of a five-man agricultural delegation as with his invitation of the Dvorchak family who hosted him to Beijing in 2015 and his daughter's attendance of Harvard are perhaps neglected episodes in his biography because they do not fit the strongman or adversary image.

large scale military drills following the Third Taiwan Strait crisis in 1995-1996. Xi has described Fujian as his second home.⁵⁰

Hu argues that a focus on personality in the Chinese context should ‘go beyond examining the effect of personal traits and cognition on specific decisions’ to more on ‘how national leaders reshape the political and institutional environment to transform foreign policy objectives and their implementation.’⁵¹ In this capacity, the decision to place and then withdraw the rig must also be examined in relation to Xi’s institutional reform program - creating the Central Maritime Rights Protection Leading Small Group (lingdao xiaozu 领导小组), establishing the National Security Commission (Zhongyang guojia anquan weiyuanhui 中央国家安全委员会) endorsing defence and military reform, consolidating maritime law enforcement agencies - and the question of whether such reforms have generated new frictions and passive resistance among institutions such as the CCG and PLA. In particular, the withdrawal decision might illuminate the extent to which Xi is driving the operation of coercive diplomacy in the South China Sea or bureaucratic, domestic or systemic variables are.

Erica Downs notes how the HYSY981 rig was unveiled at the CNOOC Headquarters in May 2012 with guest representatives from the China Shipbuilding Corporation, Shanghai Waiqiao Shipbuild-



⁵⁰ http://www.chinadaily.com.cn/china/2014-11/04/content_27651018.htm <https://www.scmp.com/news/china/policies-politics/article/1876869/did-chinese-president-xi-jinpings-experience-fujian> The image is of Xi and his wife Peng Liyuan in Dongshan Island in Fujian province in 1987. Photo: Xinhua

⁵¹ HU, W. 2019. “Xi Jinping’s ‘Major Country Diplomacy’: The Role of Leadership in Foreign Policy Transformation”, *Journal of Contemporary China*, Volume 28, 2019, Issue 115

ing Corporation, multiple government ministries and the armed forces.’⁵² The presence of so many government officials and the fact that Xi was not yet leader at the time might support Chubb’s argument that the driving variable in the incident was not Xi’s personality but the increasing financial and technological means of the PRC. Chubb notes how the HYSY-981 oil rig operation followed an established pattern of unilateral offshore explorations in disputed waters, enforced by coercive on-water escorts. The PRC conducted this type of operation in similar areas in 2006 and 2007, leading to intense on-water clashes with Vietnam, and again in 2010. The difference in 2014 was that the PRC now possessed a gargantuan drilling rig and dozens more law enforcement ships to police the area.⁵³

Yamaguchi argues that Xi has been pivotal in the increasing coordination of decision-making in the South China Sea. The withdrawal of the rig ‘in spite of facing little threat of U.S. military intervention’ further suggests that an individual-level explanation may be more salient than a system-level explanation. Lampton notes that some ‘leaders, at the start of their terms, use external conflicts to shore up their positions with both the military and the populace, exerting more control over the PLA and external relations once they have consolidated power.’⁵⁴ In this capacity, the oil rig incident might be located within a broader timeline of Xi’s personal consolidation of power.

Applying Poliheuristic Theory

The incident might also be analysed using poliheuristic theory. Poliheuristic theory approaches foreign-policy decision-making as a two stage process, whereby ‘decision makers first screen alternatives using cognitive heuristics in a dimension-based process, and then, as the number of ‘acceptable’

⁵² DOWNS, E. 2014. “Business and Politics in the South China Sea: Explaining HYSY 981’s Foray into Disputed Waters”, Brookings Institution, June 24 2014

⁵³ CHUBB, A. 2019. “Xi Jinping and China’s Maritime Policy”, Brookings Institution, January 22, 2019

⁵⁴ LAMPTON, D. 2014. *Following the Leader: Ruling China, from Deng Xiaoping to Xi Jinping*, University of California Press

alternatives is reduced, employ a more analytic/alternative based process.’⁵⁵ As James and Zhang note, key variables such as beliefs, values, psychological processes, personalities, domestic interests, and system structures, are incorporated. Individual characteristics and cognitive processes initially operate to identify alternatives that are deemed viable for further consideration. Options with low or negative values on one dimension (political, economic, diplomatic, military, legal) that cannot be compensated for, or replaced by, positive values on one or more of the other dimensions, are eliminated.⁵⁶

Afterward, decision makers analyse domestic interests, system structures (as a possible constraint on action due to the distribution of capabilities), and other things according to a rational calculus. A key parameter of poliheuristic theory is an order sensitive search in which the order of presentation of alternatives and dimensions affects the outcome. In this sense, a poliheuristic theory might be applied to the HYSY981 decision series, examining how Xi’s inner circle adapted to a changing strategic context. In their paper *Chinese Choices: A Poliheuristic Analysis of Foreign Policy Crises, 1950-1996*, James and Zhang add further complexity to the equation by suggesting that western rationality with its emphasis on cost-benefit analysis is understood differently in Chinese political culture, in particular:

‘the notion of “crisis” (weiji) embeds two levels of meanings: threat/danger as well as opportunity. Chinese leaders also view the relative capability of actors and China’s domestic economic and political crises in a more nuanced fashion. Chinese doctrine stresses dialectical reasoning, which is seen as part of orthodox worldviews in Marxism and Mao Zedong thought (Bobrow, Chan, and Kringen, 1979). In dealing with international crises, four bimodal attitude pairs provide mental readiness and useful heuristics for management of

⁵⁵ MINTZ, A. 2004. “How Do Leaders Make Decisions?: A Poliheuristic Perspective” , *The Journal of Conflict Resolution*, Volume 48, No. 1

⁵⁶ JAMES, P and ZHANG, E, 2005. “Chinese Choices: A Poliheuristic Analysis of Foreign Policy Crises, 1950–1996”, *Foreign Policy Analysis* (2005) 1, 31-54

long-term Chinese foreign policy “strategies” as well as short-term decision “tactics” regarding immediate actions (Bobrow, 1979). These are (1) optimism–pessimism; (2) boldness–caution; (3) rigidity–flexibility; and (4) emotional arousal (subjectivity)–analytic distance (objectivity).⁵⁷

How Chinese foreign-policy decision making under Xi incorporates dialectical reasoning and contradiction in this sense would add complexity to an analysis of Xi Jinping’s personality as an independent variable.⁵⁸

Case Study II - Establishment of Xisha and Nansha Districts (2020)

In April 2020, the PRC’s Ministry of Civil Affairs approved the establishment of the Xisha and Nansha districts, two county-level administrative districts of the city of Sansha, Hainan Island. Xisha will govern the Paracels and surrounding waters, while Nansha will cover the Spratly Islands and adjacent waters. At the same time, China’s Ministry of Civil Affairs and Ministry of Natural Resources gave “standard names” to the features in the South China Sea, including 25 shoals and reefs and 55 undersea oceanic mountains and ridges.⁵⁹ Following the announcement, the permanent Mission of Vietnam to the United Nations issued a diplomatic note protesting China’s new sovereignty claims. The Philippine Government also released a statement stating that it ‘does not recognise Sansha, nor its constituent units, nor any subsequent acts emanating from them.’⁶⁰

⁵⁷ Ibid

⁵⁸ Keller and Yang add how ‘poliheuristic theory contends that leaders screen out politically unacceptable options, but it provides no guidance on (1) the crucial threshold at which leaders reject options as politically unacceptable, (2) whether this threshold varies across leaders and situations, and, (3) if so, which factors shape variation in this threshold.’ Keller and Yang’s argument finds evidence that four characteristics of leadership style-task vs. interpersonal emphasis, need for power, belief in one’s ability to control events, and self monitoring interact with situational pressures to ‘determine the threshold at which participants would no longer accept greater political opposition in exchange for enhanced policy effectiveness.’ The concept of thresholds might be further explored in relation to Xi’s imprint on foreign policy in the SCS. KELLER, J and YANG, Y. 2008. Leadership Style, Decision Context, and the Poliheuristic Theory of Decision Making: An Experimental Analysis, *The Journal of Conflict Resolution*, Vol. 52, No. 5 (Oct., 2008), pp. 687-712

⁵⁹ HAVER, Z 2020. “Sansha and the expansion of China’s South China Sea administration”, Asia Maritime Transparency Initiative, May 12 2020.

⁶⁰ <https://dfa.gov.ph/dfa-news/statements-and-advisoriestupdate/26755-statement-on-china-s-self-declared-nansha-and-xisha-districts-in-the-south-china-sea-and-naming-of-features-in-the-kig>



The Chinese Foreign Ministry responded to Vietnamese claims by sending a diplomatic note of its own to UN Secretary-General Antonio Guterres. Chinese Foreign Ministry spokesperson, Geng Shuang stated that ‘in accordance with domestic laws and regulations, China's action is a normal and rational measure taken by China to strengthen maritime management, which is in line with international law and common practice.’⁶¹ Thi Huyen argues that the current global health crisis has provided a window of opportunity for Chinese policy-makers to employ new legal theory in the ‘Four Sha’ claim to sovereignty in the South China Sea.

Huyen notes how the “Four-Sha” argument ‘was discreetly and unofficially introduced by Ma Xinmin, Deputy Director General of Chinese Foreign Ministry's Department of Treaty and Law, in a meeting in Boston in 2017, as a basis for China’s sovereignty and maritime claims in the South China Sea. It was considered an evolution from the nine dash line argument that was legally nullified at the Permanent Court of Arbitration ruling on the Philippines v. China in July 2016.’⁶²

In order to examine whether the determining variable in the establishment of Xisha and Nansha Districts is Xi Jinping or domestic or systemic variables, Xi’s public speeches and statements on the districts and Sansha might be analysed for frequency and context. In April 2013, Xi made an inspection tour of Hainan Province and demanded that Hainan Province fulfil four aims in the SCS

⁶¹ <https://news.cgtn.com/news/2020-04-20/China-New-districts-in-Sansha-normal-administrative-move--PQy6w3Texi/index.html> Zhao Lijian, another foreign ministry spokesperson stated at a press briefing in Beijing that "the Xisha and Nansha Islands are Chinese territory. Vietnam's claim violates international law, including the UN Charter and the United Nations Convention on the Law of the Sea, and is illegal and invalid. https://www.fmprc.gov.cn/nanhai/eng/fyrbt_1/t1777953.htm

⁶² HUYEN, Q. 2020. “The “Four-Sha” Claim: Signalling a Post Covid-19 Global Order”, *Maritime Issues*, November 26, 2020

entrusted to it by the Party Centre: protecting rights, protecting stability, preserving the maritime environment, and development (weiquan, weiwen, baohu, kaifa 维权, 维稳, 保护, 开发).⁶³ Xi also met with the maritime militia of Tanmen Township and demanded that maritime militias actively collect information in the far seas and support the construction of reefs. On the other hand, Sansha City itself was officially established in July 2012 before Xi became General Secretary of the Chinese Communist Party in November 2012. As with the unveiling of the HYSY981 rig in May 2012, Chubb's argument that Xi has been more of a gatekeeper than an architect of China's expansion of control over maritime East Asia finds corroboration.

A significant line of inquiry in this capacity might be to what extent was the CCP leadership contest of 2012 fought internally over the issue of the South China Sea and the respective merits of each candidate assessed in relation to bringing Hu's patterns of coercive maritime diplomacy into a new era of major country diplomacy. Empirical support to the argument that Xi is a driving variable might also explore how Xi draws on his own personal experience with his father who as second secretary of the Guangdong Party Committee, developed and promoted an avant-garde "Report on a Tentative Plan for Building Foreign Trade Bases and Urban Development in Bao'an and Zhuhai Counties."⁶⁴

Audrye Wong notes how under Xi, Beijing's move away from restraint has given Hainan leeway to push its own policies.⁶⁵ Wong points to considerable manoeuvring space for subnational actors to bargain, lobby and alter the centre's foreign policy, even within the institutional bounds of the top-down political system. Cumulative provincial policies also create sunk costs that are not easily re-

⁶³ YAMAGUCHI, S "Strategies of China's Maritime Actors in the South China Sea: A Coordinated Plan Under Xi Jinping?", *China Perspectives*, 2016/3 | 2016

⁶⁴ LAMPTON, D. 2014. *Following the Leader: Ruling China, from Deng Xiaoping to Xi Jinping*, University of California Press

⁶⁵ In April 2018, at a gathering celebrating the 30th anniversary of the founding of Hainan Province and the Hainan Special Economic Zone in south China's Hainan Province, Xi stated that 'Hainan will become an example of the nation's image' as a pilot zone for deepening overall reform and opening-up, a pilot national ecological zone, an international tourism and consumption center, and a major national strategic logistics zone. In June 2020, Xinhua reported on Xi re-emphasising the development of Hainan and urging the local government to act boldly and proactively to accomplish the port, while central authorities should support Hainan's daring reforms and innovation, pushing for new achievements in the construction of the port.

versed.⁶⁶ In this capacity, further research might assess Xi's relations with key provincial and commercial figures in the Nansha and Xisha administrations, exploring the question of whether the centre drives the province, or vice versa.

The case study of Xisha and Nansha further illuminates how 'assertiveness' should be examined not solely as a political and military phenomenon but an economic phenomenon of shaping the political and institutional environment to transform foreign policy objectives and their implementation in the South China Sea. Satellite image analysis might form a new evidence set into the political psychology and operational code of Xi that combined with a poliheuristic theory might enable a more time-oriented study of Chinese foreign policy making and transformation in the South China Sea.

III. Conclusion

Systemic, domestic and individual variables interact synergistically. While Xi may be a driving variable in China's increasing assertiveness in the South China Sea, the effects of system-level and domestic variables are significant. As Doshi notes, 'Xi's power consolidation and cult of personality is overshadowing important ways in which his foreign policy exhibits continuity with past trends.'⁶⁷ The same might apply to how his cult of personality overshadows important ways in which system-level and domestic variables drive Chinese foreign policy decision-making in the South China Sea.

The coronavirus pandemic, alongside the tapering back of Belt and Road Initiative lending has further generated a new dimension for Xi to contend with - how to coordinate diplomacy during and in the fiscal aftermath of a global health crisis. Murmurs of disquiet have emerged recently from inside the party typified by Xu Zhangrun's essay⁶⁸ and Cai Xia's article in Foreign Affairs *The Party That*

⁶⁶ WONG, A. 2018. "More than Peripheral: How Provinces Influence China's Foreign Policy", *The China Quarterly*, Volume 235, 13 September 2018

⁶⁷ DOSHI, R. 2019. "Hu's to blame for China's foreign assertiveness?", *Brookings Institution*, January 22, 2019

⁶⁸ ZHANGRUN, X 2020. "Viral Alarm: When Fury Overcomes Fear", *Chinafile*, February 10, 2020

Failed: An Insider Breaks With Beijing suggesting that Xi is at a moment of relative elite fragility.⁶⁹ How Xi handles Party factional politics, military oversight and steers diplomacy in the South China Sea while also upkeeping commercial inducements to China's ASEAN neighbours is key. The weight of history also appears to be a far larger variable than in U.S. analyses of foreign policy decision making suggesting the need for greater interdisciplinary research and collaboration between Chinese and southeast Asian scholars. A broader obstacle to developing a more holistic theory of Chinese foreign policy making in the South China Sea is the effect of the intervening variable of time. As Day and Hudson remark, 'in a period of great uncertainty and flux, lack of empirically grounded inputs to rational choice equations is deadly in terms of the usefulness of such analysis.'⁷⁰ Robert Merton adds the difficulty is in grounding theory in 'manageable slices of empirical reality' that avoid both excessive abstraction and narrow empiricism, and that also build bridges between clusters of systematically observed phenomena.'⁷¹

The two case studies here might be drawn into a more systematic analysis of foreign policy making in the South China Sea via poliheuristic theory. The question however remains as to whether Chinese foreign policy analysis suffers by secrecy and the lack of material with which scholars might analyse and develop theories of foreign policy from earlier episodes of crisis decision-making. Whether the scope of system-level challenges may drive Xi and his inner circle toward greater groupthink and cognitive heuristics might be tempered by a study of historical analogy and dialectical reasoning as a Chinese model of constructive ambiguity. The parameters of how Xi and his inner circle undertake a dimension-based search under cognitive laden situations might further call for a Chinese theory of poliheuristic crisis decision-making.

⁶⁹ XIA, C. 2020. "The Party That Failed: An Insider Breaks With Beijing", *Foreign Affairs*, January/February 2021

⁷⁰ HUDSON, V and DAY, B. 2020. *Foreign policy analysis : classic and contemporary theory*, Lanham, Maryland : Rowman & Littlefield Publishing

⁷¹ MERTON, R. 1968. *Social Theory and Social Structure*. New York: The Free Press.

Diagram page 8: <https://amti.csis.org/decoding-chinas-maritime-decision-making/>; Images, page 14: <https://www.scmp.com/news/china/policies-politics/article/1876869/did-chinese-president-xi-jinpings-experience-fujian> https://www.bbc.co.uk/news/resources/idt-sh/Thoughts_Chairman_Xi; Images, page 21: https://www.chinadaily.com.cn/china/2013-04/11/content_16391563.htm; <https://www.scmp.com/comment/insight-opinion/article/2142721/balancing-act-ahead-hainan-after-xi-jinping-hands-it-crucial>. **Word Count: 5462**