

China's Rewarding Power Strategy: Case Study of China and South Korea Relations

Shijin SHIN
University of London

1. Introduction

Recently, non-coercive power, such as soft power, gained a great attention along with power of persuasion contrary to traditional views of power, which were mainly discussed as coercive power or hard power (Berenskoetter and Williams 2007, 11). This paper aims to re-emphasize the role of co-optive power by suggesting a new concept of rewarding power, an attractive power through inducements, in order to supplement an existing concept of soft power, which is originally coined by Joseph Nye. In addition, this study tries to apply rewarding power in a real word case study of China and South Korea relations for further analysis.

2. Soft power and Limitations

According to Nye, soft power is the ability to influence the behavior of others to get the outcomes one wants by attracting them to the same desires, or in other words, co-opts people rather than coerces them (Nye 2004, 2). Hard power is associated with an action of coercion while soft power, or co-optive power, is associated with an action of attraction and persuasion to achieve goals through culture, political values and foreign policies instead of military force and economic payments (Nye 2004, 8). There are three ways to affect the behavior of others, coerce them with threats, induce them with payments, and attract and co-opt them to want what you want, and soft power is the behavior associated with co-optive behavior instead of threats and inducements (Nye 2004, 5). Nye's soft power theory has limitations in clarifying the role of inducement, since investment aid, which is an inducement strategy, is already labeled as soft power strategy in many existing studies (Heng 2010, 280). Heng claims that not only investment aid, but also non-military actions, such as diplomatic, economic and commercial inducements should also be considered as soft power tools (Heng 2010, 280). This reflects that ambiguities exist in defining soft power, especially in terms of defining power which comes from incentives. In this respect, rewarding power can provide a remedy in filling a gap in defining different types of power.

3. Rewarding Power

Even though Nye claims that payments and rewards as hard power behavior, this paper argues that payments and rewards can be great sources for attraction and co-optive power. As Mattern suggests, sometimes it is difficult to draw a clear line to distinguish between hard power and soft power (Mattern 2005, 1). In this respect, rewarding power is a different type of power, which is an attractive power that comes from inducements and rewards, and it is neither hard power nor soft power. Rewarding power theory suggests that rewards can have attracting power if state A can provide benefits to state B, B can be attracted to A through rewards. Rewarding power can also be applied in three different frameworks through instant rewards, continuous rewards and potential rewards. For example, if state A provides instant rewards to state B, B can be instantly attracted to A. The second type is rewarding power through continuous rewards. For example, if state A has been continuously provided rewards to state B, B can start to recognize A as a beneficial partner instead of threatening state, and as a result B can be attracted to A. This type of rewarding power lasts longer than rewarding power through instant rewards. The third type of rewarding power is attraction through potential rewards. The fact that state A holds potential rewards to offer for state B, A can have positive impact on B, since B is aware of potential incentives. The main difference from soft power and rewarding power comes from inducements, since soft power is a co-optive power by attracting others to follow one's culture and values, while rewarding power is a co-optive power by attracting others through incentives to achieve one's desired goals. Soft power comes from lasting values and belief in political system; hence it lasts in a long-term while it takes a long time to be effective. On the contrary, rewarding power comes from instant or potential rewards, thus it can become effective in relatively shorter term than soft power, while its effects can fluctuate when there is no reward or when one is not associate with any potential reward.

4. China's Rewarding Power

Whether China is aware of or not, China seems to be actively using rewarding power strategies. Barr mentions that inducements, such as diplomatic and economic means of aid, are also considered as China's soft power, which is actually rewarding power (Barr 2011, 17). It is also apparent in studies of US Congressional Research Service report which specifically mentions that China's growing use of soft power in Southeast Asia – non military inducements including culture, diplomacy, foreign aid, trade and investment - has presented new challenges to US foreign policy (Lum, Wayne, and Vaughn 2008). Not only these broader definitions of soft power which include inducements are prevalent among Chinese and US discussions of China's soft power, but when examining what China claims as its charm offensive policies, such as win-win strategy, it is more obvious that China considers inducements as its core diplomatic strategy. According to Barr, it is noticeable that attraction is not rooted from

culture and ideology, but large benefits that other states receive from China is the main source of attraction toward China (Barr 2011, 23). Thus, while many previous studies simply label inducements as soft power, this paper argues that China's soft power should be differentiated from China's rewarding power. If one allows soft power as a broader definition including inducements, then distinctions between hard and soft power disappear, which makes Nye's original definition of hard power and soft power valueless. Thus, it is clearer to claim that China actively uses rewarding power in addition to soft power in order to promote better image and attract other nations.

5. China-South Korea relations in terms of rewarding power

As mentioned above, many studies have pointed out that China's charm offensive strategies stem from inducements. China is especially keen to develop win-win strategy, which emphasizes mutual benefits for both South Korea and PRC through deepening diplomatic and economic cooperation. China specifically uses trade, multilateral diplomacy, and Confucius Institutes as major rewarding power strategies toward South Korea. First of all, China provides huge economic rewards to South Korea since dramatic increase in trade volume leads South Korea to gain huge trade surplus. In 2000, South Korea and China's trades were USD 31.2 billion, whereas in 2014, the number has increased to USD 235.4 billion. In addition, China has been a number one trading partner to South Korea bypassing US and other major trading partners as of 2004 and China accounted for 21.4 percent of South Korea's overall trades in 2014. While South Korea's percentage of overall trades with other major nations has been decreased, it is noticeable that South Korea has shown remarkable increase in its volume and share with China. Trades with China provides South Korea USD 55.2 billion of trade surplus in 2014, which serves as China's strong rewarding power milestone for South Korea. In addition, based on huge economic benefits South Korea has gained continuously, South Korea now seems to be aware of potential economic rewards to gain through China-South Korea FTA. South Korean government insists that it is an opportunity to secure China as a secondary domestic demand market where huge market opportunities are possible (Korea FTA 2000 - 2014). In the next 10 years, the total benefits from the removal of barrier expect to add up to USD 45.8 billion. Even compared to South Korea's FTA with US, which consists of USD 0.9 billion, and its FTA with EU, which consists of USD 1.4 billion, the amount of China-South Korea FTA is 3.9 times higher than its tie with EU and 5.8 times higher than its tie with US (Korea FTA 2000 - 2014). Through trades and bilateral economic ties, South Korea has not only received huge economic profits from China but also foresees vast potential rewards in the future.

In addition to economic ties, China tries to use multilateral diplomacy to co-opt South Korea to be attracted to same desires and mutual goals. South Korea also acknowledges

benefits associated with joining multilateral institutions led by China. During the Boao Forum in 2015, Xi Jin Ping has emphasized Asian community as an alliance which shares lifetime commitments together, and highlighted the importance of win-win strategy of Beijing for unification of Asian states (Han 2015). This implies that members of institutions are able to have benefits by joining alliances and share same commitments together. In fact, South Korea shares regional institutions with China, such as ASEAN +3, six party talks and APEC. Moreover, South Korea has recently joined AIIB Bank, China-led financial infrastructure. Network externality theory suggests that as more players join institutions, it locks in the members in a structure of institutions, thus putting a key player, and China in this case, in an advantageous position to exercise power over the members (Lee 2004, 11). China is aware of the importance of regional and multilateral diplomacy, and strongly encourages key members like South Korea to be involved in regional institutions (Cho 2012, 193). South Korea also perceives potential rewards through multiple alliances since South Korea participates in China-led alliances despite its security alliance with US.

Finally, Confucius Institutes also serve as China's main rewarding power strategy. While Confucius Institutes are known for China's soft power strategy for its cultural promotion, this paper argues that there is another aspect of expansion in Confucius Institutes. According to Paradise, the main objective of China's aggressive participation in setting up Confucius Institutes is not only spreading its language but also spreading its culture and to win supports for its political purposes and to promote business activities (Paradise 2009, 649). Moreover, people learn Chinese for rewarding purposes rather than out of pure interests in language. According to Lai, mastery of Chinese language is considered as an indispensable tool to understand China in order to have good career of business and diplomacy that are related to China (Lai and Yiyi 2012, 91). In this respect, South Korea is not an exception due to South Korea's geographical proximity to China and a vast number of China related jobs. China's rewarding power strategy through Confucius Institutes is well adopted in South Korea because not only South Korea had the first overseas Confucius Institute, set up in Seoul in 2004, but there are total 17 Confucius Institutes in South Korea in (Hanban 2015). Also, colleges try to invest heavily on China Project through Confucius Institutes, since they aim to have China specialized branding and to offer students an opportunity to learn Chinese through well established system within school for career preparation. For example, the president of Incheon National University claimed that the school plans to invest heavily on China Project through Confucius Institutes and other China related centers within school, since Incheon is a harbor city where learning Chinese is essential for students' career preparation (Chung 2013). Therefore, Confucius Institutes serve as a foundation for providing opportunities to learn Chinese and to gain potential and mutual benefits by enhancing interactions with China.

6. Conclusion

While it is unclear whether China's soft power strategy has been efficient in South Korea, China's rewarding power strategies toward South Korea seem to be effective especially among foreign policy makers. It is clear that South Korean foreign policy makers put strategic importance in maintaining good ties with China and to maximize national interests despite its solid security alliance with US. South Korean government and Chinese government have upgraded its official stance since its normalization of official diplomatic ties in 1992, from cooperative partnership in 1998 to upgraded strategic cooperative partnership in 2013, which is the highest diplomatic tie that is recognized by China since 1978 (Lee 2009). Although South Korea still admires liberal values and democratic system of US, South Korean government has been showing more favorable attitudes toward China since normalization (Chung 2012, 360). The fact that South Korea is attracted to China even though South Korea established shared values and beliefs with US political system explains that attraction is not just occurring through soft power, but through rewarding power. However, South Korea's favorability score toward China is more fluctuating than its score toward US although long term trend implies that South Korean government and public are aware of importance of China's role in South Korea's political and economic benefits. (Cheong 2014). This implies that South Koreans are especially attracted to China through its materialistic rewards, fluctuations are not avoidable when there are economic and security issues in both states as opposed to US (Lee 2015).

In conclusion, this paper suggests that in looking at case studies of China and South Korea, South Korea is more likely to be attracted to China through existing and potential rewards China can provide toward South Korea than through lasting admiration in China's soft power. Thus, China's attraction comes mainly from its rewarding power which stems from its ability to offer materialistic rewards in South Korea.

References

- BarrMichael. "Who's afraid of China?" New York: Zed Books, 2011.
- BerenskoetterFelix, WilliamsM.J. "Power in world politics." Abingdon: Routledge, 2007.
- ChoNamYoung. "Dancing with Dragon." Seoul: Minumsa, 2012.
- ChungGihwan. "Choong Ang Ilbo." July 30, 2013. http://china.joins.com/portal/article.do?method=detail&total_id=12203611 (accessed: July, 30, 2013).
- ChungJae-ho. "China's rise and the future of South Korea." Seoul: Seoul National University, 2012.
- . "Considering China." Seoul: Samsung Economic Research Institute, 2012.
- CheongWon-Chil, interviewer: ShinShijin. "Interview for BBC survey" (December, 4, 2014).
- "Hanban." 2015. http://english.hanban.org/node_10971.htm (accessed: March, 20, 2015).
- HanWooduk. "Choong Ang Ilbo." "Chinajoins.com." March, 30, 2015. http://china.joins.com/portal/article.do?method=detail&total_id=17466264 (accessed: March, 30, 2015).
- HengY. "Mirror, mirror on the wall, who is the softest of them all? Evaluating Japanese and Chinese

- strategies in the 'soft' power competition era." "International Relations of the Asia-Pacific", 2010: 280.
- "Korea FTA." 2000 - 2014. www.fta.go.kr/cn (accessed: September 1, 2015).
- LaiHongyi, LuYiyi. "China's soft power and international relations." Abingdon: Routledge, 2012.
- LeeGeun. "A theory of soft power and Korea's soft power strategies." "Power of knowledge and knowledge of power." Seoul: KIEP-EU Center, 2008. 5.
- LeeGuen, interviewer: ShinShijin. "China's Soft Power" (August, 20, 2015).
- LeeGuen. "Soft Power of language and symbol." Studies of International Relations, Seoul: Seoul National University, 2004, 11.
- LeeJung-nam. "Understanding of China's Strategic Partnership Diplomacy and Korea-China Relations." "Peace Research", 2009: 2.
- LumThomas, MorrisionM.Wayne, VaughnBruce. "China's "Soft Power" in Southeast asia." CRS report for congress, Congressional Research Service, 2008.
- MatternBiallyJanice. "Why 'Soft Power' isn't so soft: Representational force and the sociolinguistic construction of attraction in world politics." "Millennium - Journal of International Studies 2005 33:583", 2005: 583.
- NyeJoseph. "Soft Power, the means to success in world politics." Cambridge: Public Affairs, 2004.
- ParadiseJ.F. "China and international harmony: the role of Confucius Institutes in bolstering Beijing's soft power." "Asian Survey", 2009: 49(4) 647-669.