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Master's Thesis

2021

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**Correlation Between U.S.-China Hegemonic
Competition and The Deployment of THAAD on The
Korean Peninsula**

Master's thesis

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Study programme: Geopolitical Studies (GPS)

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Year of the defence: 2021

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References

Kim, Byung-Ju. Correlation between U.S.-China Hegemonic Competition and The Deployment of THAAD on the Korean Peninsula. Praha. 2021. 56 pages. Master's thesis (Mgr.). Charles University, Faculty of Social Sciences, Institute of Political Studies. Department of Geopolitical Studies. Supervisor Prof. Mgr. Martin Riegl, Ph.D.

Length of the thesis: 128,513 characters

Abstract

Despite the Korean public and China's opposition, Terminal High Altitude Area Defence (THAAD) was deployed in South Korea in 2017. The U.S. government and the South Korean government claim that the THAAD installation is only for the safety of South Korea and the Korean Peninsula. However, the study questioned the claim, assuming that there may be another reason behind the deployment of THAAD regarding the U.S. pursuing its interests in the U.S.-China hegemonic race. The study uses Olganski's power transition theory to analyze the current situation and to find out the correlation between THAAD and U.S.-China hegemony. According to the analysis, China still seems to be far from catching up with the U.S., but in some areas it is quite difficult to determine any states' absolute level of competitiveness, and China even has an upper hand in trade. In this situation, China is dissatisfied with the U.S.-led international order, and the possibility of a power transition rises. Therefore, the paper attempts to verify that the deployment of THAAD missiles on the Korean Peninsula, which greatly helps the U.S. MD(Missile Defense) system, was a strategic choice for the U.S. to hinder China's growth.

Keywords

THAAD, U.S-China hegemonic competition, Republic of Korea, Korean Peninsula, China, United States, Power transition theory, Power parity

List of Acronyms and Abbreviations

ACT	=	Allied Command Transformation
ABM	=	Anti Ballistic Missile
AIIB	=	Asian Infrastructure Investment Bank
APEC	=	Asia Pacific Economic Cooperation
BRI	=	Belt and Road Initiative
CEBR	=	Centre for Economics and Business Research
CICA	=	Conference on Interaction and Confidence-Building Measures in Asia
TMD	=	Theater Missile Defense
FTAAP	=	Free Trade Agreement Asia Pacific
ICBM	=	Intercontinental ballistic missile
IS	=	Islamic States
MD	=	Missile Defense
NDSC	=	National Defense Strategy Commission
NMD	=	National Missile Defense
NATO	=	North Atlantic Treaty Organization
PRC	=	People's Republic of China
ROK	=	Republic of Korea
SCO	=	Shanghai Cooperation Organization
SDI	=	Strategic Defense Initiative
THAAD	=	Terminal High Altitude Area Defense
USFK	=	United States Forces Korea
US	=	United States
USSR	=	Union of Soviet Socialist Republics
WW I	=	World War I
WW II	=	World War II

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1. Introduction

1.1 Purpose of The Research

In April 2017, one of the US missile defense systems, Terminal High Altitude Area Defense (THAAD), was deployed in Seongju, Republic of Korea (ROK). What brought this missile system to Korea despite Korean public opinion, especially from Seongju and the Chinese government (Hincks, 2017)?¹ This research aims to find answers to this question and ultimately find out what caused the phenomenon of the deployment of THAAD on the Korean peninsula. The study aims to emphasize the importance of the system and that THAAD discourse is still an issue in Korean society and in the U.S.-China relations, causing controversies and waves in politics, diplomacy, military, economy, and culture.

“THAAD defends against short, medium, and intermediate-range ballistic missiles. It provides a unique endo-and exo-ballistic defense capability and was specifically designed to provide a robust capability against mass raid (Lockheedmartin, n.d).”²

ROK and the U.S. officials stated that the deployment of THAAD is one of the essential and natural defense policies that ensure South Korea's security against North Korea's successive nuclear/missile provocations (Korean ministry of foreign affairs, 2016).³ However, the author argues that the deployment is, in fact, not a reaction to constant provocations from North Korea but a result of overheating of the international political hegemonic competition between the U.S. and China. Therefore, the study introduces a hypothesis that the competition for supremacy between the U.S. and China brought THAAD on the Korean Peninsula and tries to confirm it. The author seeks to demonstrate this claim by examining the current state powers of the U.S and China comparison from a realistic perspective. The paper considers the current situation to have a high possibility of power transition, which Organski introduced, from the U.S to China, which the U.S does not want

¹ Joseph Hincks, 2017-04-28

² THAAD introduction from Lockheedmartin official webpage, retrieved from <https://www.lockheedmartin.com/en-us/products/thaad.html>

³ Korean ministry of foreign affairs, 2016-10-20

to accept. The paper will demonstrate that the motive behind THAAD is the U.S pursuing its national interest. The U.S., not wanting to lose its superiority, needed to exercise its military power over the globe, which led to the deployment of THAAD.

Both South Korea-U.S. relations and South Korea-China relations are complicatedly interdependence on each other. South Korea has paid tribute to China in the past. Based on this relationship, much of the Korean economy is still dependent on China. The core of South Korea-U.S. relations is a strong military alliance, especially for South Korea, which is still confronting North Korea; the U.S. is also a strategic partner in political and ideological perspectives. Therefore, the effect of the U.S.-China hegemonic competition is significant for South Korea. Especially China's rapid growth can bring about variables that may modify Korean strategic security policy in the future, based on the Korea-U.S. alliance for decades. Therefore, THAAD and the U.S.-China relations can be of great significance in determining not only the global strategic structure at the macro level but also the Asia-Pacific security structure and the future of the national security of South Korea at the micro-level.

1.2 Research Background

At present, China is the object of worldwide attention since it has emerged as an economic superpower. Due to its tremendous and rapid economic growth, China has already secured its position as the world's second-largest economy and modernized its military. China has recently expressed its intention to establish itself as a global powerhouse in East Asia firmly. This can be seen through the vision of the Asia-Pacific Dream presented by Chinese President Xi Jinping at the 2014 Beijing Asia-Pacific Economic Cooperation (APEC) summit. He emphasized that East Asia not only has historical and cultural significance for China but is also closely related to Chinese politics, security, and economic interests (Chinese ministry of foreign affairs, 2014)⁴ Consequently, Chinese leaders are dissatisfied with the security order on the Korean Peninsula, which the U.S leads (Chinese ministry of foreign affairs, 2017) (Reuters, 2017).⁵ However, current China's national position in the region does not look solid enough looking at modern history. Chinese traditional dominance over the region rapidly weakened, and Japan took over its position. Therefore, China has

⁴ Chinese ministry of foreign affairs, 2014-11-09

⁵ Chinese ministry of foreign affairs. 2017-03-17
Reuters. 2017-07-03

attempted to regain the past glory of its regional influence (Chinese ministry of foreign affairs, 2019).⁶ Examples include the cross-strait relation with Taiwan, the East China sea conflict with Japan and the dispute with neighbors in the South China sea. In line with China's recent ambitions, the U.S. is monitoring China and trying to hinder its hegemonic expansion, through fierce diplomatic warfare and active intervention as well as by strengthening its alliances to avoid losing its hegemony (Lindsey & Goldgeier, 2021).⁷ For example, by promoting the Missile Defense (MD) system with its alliances, which is entangled like a spider web across Asia, U.S. can weaken China's nuclear/missile capabilities. In addition, as a blockade strategy against China, the U.S. declared freedom of navigation in the South China Sea (Jung, 2016).⁸ The deployment of THAAD is a prime example of plans to build the MD system. The U.S. officially claims that THAAD is not aimed directly at China but was instead a defense mechanism against North Korea's missile provocations. However, China sees THAAD as a radar system to monitor China's strategic and tactical ballistic missile bases and launch status rather than a means of surveillance toward North Korea (Chinese ministry of foreign affairs, 2016).⁹

This paper analyzes the aspects of the U.S.-China hegemonic competition through international relation theory, explores rational actions necessary for the U.S. not to lose its hegemony, provides the utility of THAAD from the perspective of the U.S. and reaches the conclusion that reasoning behind THAAD in the Korean peninsula.

1.3 Literature Review

Previous studies related to U.S.-China hegemony and THAAD can be largely divided into two areas. The first focuses on the competition for hegemony between two states, and the other analyzes the THAAD missile system itself. Aaron Friedberg evaluated the present and future prospects by comprehensively analyzing the ideological background, strategic intentions, policy direction, hard and soft national power, and interrelationships between the U.S. and China (Friedberg, 2012).¹⁰ Lee Tae-Hwan presented the rise of China in the

⁶ Chinese ministry of foreign affairs, 2019-04 -26

Chinese ministry of foreign affairs, 2014-11-09

⁷ Ford Lindsey & James Goldgeier, 2021-01-25

⁸ Han-Beoum Jung, 2016

⁹ Chinese ministry of foreign affairs, 2016-02-13

¹⁰ Aaron L. Friedberg, 2012

economic and military fields, evaluated and forecasted the direction of security in East Asia and its impact on the Korean Peninsula based on mutual recognition and strategy between the U.S. and China (Lee, 2018).¹¹ Based on the power transition theory, Lee Chun-Geun presented strategic choices for South Korea along with the prospect that the U.S will keep its hegemony in the competition (Lee, 2020).¹² Zhiqun Zhu also suggested through the power transition theory that the U.S.-China power transition is more likely to be peaceful than accompanied by war (Zhu, 2005).¹³ Regarding studies on the THAAD system itself, they are either about the effectiveness of rightfulness. Andrew Futter sees that it is necessary to establish defense system against ballistic missiles through THAAD, and it is strategically helpful in securing national security. In particular, as international threats such as terrorism increase, the need to develop weapons such as THAAD has become more prominent (Futter, 2013).¹⁴ Bruce Klingner considers THAAD as effective in providing multiple layers of defense and strategically helping to secure national defenses against threats such as nuclear attacks (Klingner, 2015).¹⁵ Theodore Postol and George Lewis argued that the THAAD radar consisted of detecting and intercepting ballistic missiles, which could only be intercepted at an altitude of at least 40 km, and that it is difficult to defend below that. Likewise, they pointed out that it is difficult to block missiles flying at 200 km because THAAD can only defend up to 150 km. He also criticized the fact that it is not technically easy for THAAD to intercept ballistic missiles flying at the speed of Mach (Postol & Lewis, 2016).¹⁶ Michael Green and two others believed that deploying THAAD would help South Korea secure multi-layer defense capabilities to intercept ballistic missiles and thus help security (Green, Hicks., & Cooper, 2014).¹⁷ Hyun In-Taek analyzed that deploying THAAD while defending low altitudes with PAC-2 and PAC-3 and defending medium altitudes with L-SAM would increase defense through a multi-layered defense (Hyun, 2017).¹⁸ Park Hwi-Rak believes that THAAD is a purely defensive weapon deployed to enhance the defense capabilities of South Korea and the U.S. Forces Korea, which serves South Korea's interests and is not an issue for China and other countries to oppose. (Park, 2017)¹⁹ Studies against

¹¹ Tae-Hwan Lee, 2013

¹² Chun-Geun Lee, 2020

¹³ Zhiqun Zhu, 2005

¹⁴ Andrew Futter, 2013, pp 102-103

¹⁵ Bruce Klingner, 2015-06-12

¹⁶ Theodore Postol & George Lewis., 2016. pp 81-88

¹⁷ Michael Green., Kathleen Hicks., & Zack Cooper, 2014, pp 22-23

¹⁸ In-Taek Hyun, 2017, pp 44-47

¹⁹ Hwee-Rhak Park, 2017

the deployment of THAAD expressed opposition on the grounds that it should have not been deployed due to China's economic retaliation. In addition, they believe the weapon itself has no utility but leads to an arms race. Jung Uk-Sik argued that the interception rate indicated was exaggerated, and that it was useless to protect between two countries that border each other. (Jeong, 2017).²⁰ Ko Young-Dae also argued that THAAD does not identify real and fake warheads, and that it is impossible to accurately intercept ballistic missiles flying in about 2-5 minutes due to the short inter-Korean distance (Ko, 2017).²¹

Besides the studies presented above, there are various studies on the U.S.-China hegemony and THAAD. The reason the author presents these precedent research cases is that these studies are valuable in their way, but a new dimension of research is needed as there is insufficient comprehensive and in-depth analysis of the U.S.-China hegemonic competition and the deployment of THAAD on the Korean Peninsula together. Therefore, it is necessary to compare the power of the U.S. and China with the current comprehensive concept of national power, and to analyze the aspect of hegemonic competition and how it relates to the deployment of THAAD on the Korean Peninsula.

2. Methodology

Before approaching the main question of this paper, the paper tries to point out that there is no correlation between the two variables officially raised, deployment of THAAD and threat on the Korean Peninsula. To this end, the author will comprehensively examine research papers, white papers from defense ministries, interviews by senior officials, and press releases. After that, the U.S.-China relationship will be examined to prove that the variable that brought about the actual THAAD deployment is hegemonic competition between the U.S. and China. First of all, based on Kenneth Organski's power transition theory, the paper measures the relative power of the two countries and analyzes great power's, China's, satisfaction level with the current international order and determines how the situation regarding the possible power transition between the two countries will develop. To determine these, qualitative research and statistical data will be used. Power parity, the prerequisite of power transition, occurs when a challenger's national power reaches 80- 120%

²⁰ Wook-Sik Jeong, 2017 pp 34-45

²¹ Young-Dae Ko, 2017 pp 68-78

of the dominant power. In the case of economic power, it can be easily evaluated by figures, but in the case of other indicators, the paper attempts to look into qualitative data comprehensively. Recent indicators of economic power will use data from the IMF and the World Bank (WB), and basic military power will use both defense white papers and media sources, and soft power will use data from [Soft Power 30] created by Joseph Nye. China's satisfaction will be evaluated by a comprehensive analysis of China's core ideology and the series of events that have recently emerged worldwide between the two states. After the analysis, the paper will ask a question. Has China's national power reached the U.S national power's level and will it trigger power transition? If the results are positive, the U.S. should come up with countermeasures. There would be several ways to stop China from achieving a power parity. This method is also possible in several fields, and the author believes that it is best to increase the power gap in fields where the two countries are currently having a dispute. This author believes that East Asia is one of the strategic field. Therefore, if it gains strategic advantage in the region, the U.S will be able to block China's challenge toward it. And this paper intends to prove that the deployment of THAAD on the Korean Peninsula was a part of this plan, which increases the U.S. military capability. If the hypotheses above are comprehensively interpreted and analyzed, the correlation between the U.S.-China hegemonic competition and THAAD will be verified.

The research question and hypotheses mentioned above can be summarized as follows.

Research question: What brought the deployment of THAAD on the Korean Peninsula?

1. Hypothesis: Deployment of THAAD doesn't reduce the threat of North Korea
2. Hypothesis: Chinese achievement of power parity causes the U.S. to introduce precautionary measures to stop China
3. Hypothesis: Deployment of THAAD helps the U.S. to reinforce its military capability
4. **Main Hypothesis:** The U.S-China hegemonic competition brought the deployment of THAAD on the Korean Peninsula

The process of answering the questions in the study can be reached through the verification of several hypotheses. Verifying the first hypothesis that there is no correlation between the deployment of THAAD and the reduction of North Korean threats leads to a logical presumption that there was some other reason. And this study analyzes the power of

the two states and assumes that China has become similar in strength to the U.S. Then, the second hypothesis will be tested by introducing the possibility of power transition, and providing rational options for the U.S. After that, third hypothesis will be also tested by introducing the utility of THAAD from the perspective of the U.S. When the three hypotheses are verified, in turn, the main hypothesis, the main hypothesis stating that the U.S-China hegemonic competition brought the deployment of THAAD on the Korean Peninsula, which can then answer the research question, can be proven.

3. Theoretical Discussion

Generally speaking, a hegemony is a leading position in which political, economic, ideological, or cultural influence exerted by one ruling entity against others. However, the definition of hegemony is not very clear among scholars. Nicole Bousquet argued that a hegemonic power must dominate political leadership as well as overwhelming positions in production, commerce, and finance (Bousquet, 1980).²² Robert O. Keohane's definition of a hegemonic state is similar. He defined a hegemonic country as a country with control over resources, elements of capital, market control, and competitive advantage in the production of high value-added goods (Keohane, 1984).²³ Robert Keohane says a hegemonic state should have motivation as well as the military capacity to project power. The motivation to become a hegemonic country is largely influenced by domestic factors. He defines "A hegemonic system is one in which one state is powerful enough to maintain the essential rules governing interstate relations, and willing to do so (Keohane & Nye, 1977, p 44)." He emphasized the military aspects of hegemonic capabilities. According to Raymond Aron "Hegemony is a situation in which other states are deprived of their autonomy or their capacity to make their own decisions freely (Aron, 1968, pp 151)." As the meaning of hegemony is not clearly defined specifically in one way but has similar concepts, the study decided to define a hegemony is a leading position in which political, economic, ideological, or cultural influence exerted by one ruling entity against others. Theories to provide a further understanding of the hegemony and the topic of this paper are introduced below.

²² Nicole Bousquet, 1980, pp 49

²³ Robert Keohane, 1984, pp 32

3.1 Realism

In order to analyze the competition for hegemony in a comprehensive and systematic manner, a realistic approach seems most appropriate. Realism starts with the view of anarchy, where the main actor on the world stage is the state and, because of its sovereignty, there is no subject to compelling action in a particular way above the state (Antunes & Camisão, 2018).²⁴ A state increases its national power to achieve maximized national interests and attains these by competing among countries. Military and economic power are the most necessary factors to defeat others, which cuts off the superiority of any country by forming a balance of power (Mearsheimer, 2001).²⁵ In other words, the competition for hegemony between the U.S. and China is formed by the existence of sovereign states, the level of national power, including the economic and military power, and the instinct to attempt to maximize national interests. In this context, realism can be considered as the appropriate view to analyze the competition and the process of deploying THAAD.

3.2 Liberalism

Liberalism provides a perspective that is not considered in realism. Liberalism emphasizes the possibility of cooperation between states in interstate relations. The pursuit of national interests is far more diverse than the military aspect, emphasizing the importance of the economy, environment, and technology (Acharya, 2020).²⁶ It is argued that the order of international politics does not come from the balance of power, but rather from the interaction of various institutions, including laws, agreed norms, international regimes, and institutional rules (Meiser, 2018).²⁷ In particular, considering the phenomenon of the formation of a global society where the degree of interdependence has greatly increased, and cross-border trade, increase in people-to-people exchanges, and the role of international organizations such as the United Nations and European Union are increasing, the theory that the international order is anarchy is arguably less acceptable. Liberalism can interpret U.S.-China relations from various perspectives that have not been presented by realism. However,

²⁴ Sandrina Antunes., & Isabel Camisão, 2018-02-27

²⁵ John Mearsheimer, 2001, pp 56

²⁶ Amitav Acharya, 2020-01-14, pp 1-2

²⁷ Jeffrey Meiser, 2018-02-18, pp 1-2

the limitations of liberalism overlook the possibility of aggressive developments regarding issues of national interest, although it believes that states act reasonably in the world society. Facts displaying Chinese ambition seeking hegemony are not explained by these liberal views. Therefore, it is appropriate to use liberalism, which sees international relations in a more optimistic light, only as a reference in the comprehensive analysis.

3.3 Theoretical Framework of the study

Most U.S.-China relationship phenomena may be interpreted by two perspectives introduced above. Nevertheless, it can be said that the realistic view is the most relevant since enough evidence is showing the development of the U.S.-China relationship into a competition, such as attempts to establish an independent cooperative body in the economic and political field, efforts to maintain military superiority in East Asia, and the pursuit of soft power. From a realist point of view, the most worrying scenario can be Chinese attempts to power transition by challenging the U.S. if it is dissatisfied with the current ruling order. It won't happen in modern society, but at worst war can occur between two states. In other words, the direction of the competition depends on factors such as whether China continues to strengthen its national power, China's satisfaction with the current international order. These should be analyzed to understand the competition. A theory that can provide comprehensive perspectives is the Power Transition theory.

3.3.1 Power Balance Theory vs Power Transition Theory

While studying the determinants of the U.S.-China hegemonic competition, a theory that provides a comprehensive and practical analytical framework is the power transition theory. Since the competition for hegemony includes power struggles and rivalries between great powers from the start, a view that evaluates only one country's capabilities lacks relevance. Therefore, competition for hegemony requires a theory that can assess the relativity of two or more countries interacting with each other. Among IR theories, major theories that evaluate the power interaction are balance of power theory and power transition theory. The balance of power theory states that the most stable state can be achieved when the international system is established in an anarchic state and the balance of power between the

great powers is equalized. According to the theory, the direct element of national preservation in international relations is power, and the international system is governed by balanced power. The power between these countries is relative, and if the balance of power is achieved, peace is maintained, but if the balance is lost, the possibility of conflict or war increases (Waltz, 1979).²⁸ A balance is generally formed by the great powers. The assumption of the balance of power theory is that the state is the most important actor and the basic unit in the international system. A state is a single and rational actor who increases national power or pursues national security as per the best interests of the state. These countries assume that the means to increase their national power was to expand their territory, obtain regional influence, or form alliances with other countries. Balance of power theory believes that the more the distribution of national power is balanced, the more it brings peace. Contrary to this, the power transition theory asserts that the system has a hierarchical structure. The more equal the power of the challenger to the dominant country, the higher the possibility of war (Organski, 1980).²⁹ While the balance of power theory explains the power balance between great powers in an anarchic system, power transition theory has a dynamic characteristic that interprets the principle of power transition between dominant powers and how the hierarchical structure of the international system changes (Lemke & Reed, 1996).³⁰ In the next part, Power transition theory will be discussed in more detail.

3.3.2 Power Transition Theory

The power transition theory, first published by Kenneth Organski in 1958, developed logic while pointing out the limitations of the idea of balance of power. The assumptions of power balance theory criticized by Kenneth Organski are, firstly, that a state is a static entity that cannot change internally, Secondly, states do not have permanent reciprocal relationships and are free to reshape their relations based on their power (Organski, 1958).³¹ Organski gave an example of the change in international politics due to nationalism and industrialism regarding the first assumption. It is to point out that the theory overlooks the phenomenon of new kinds of national units with power gathered through nationalism and gaining

²⁸ Kenneth Waltz, 1979, pp 118-121

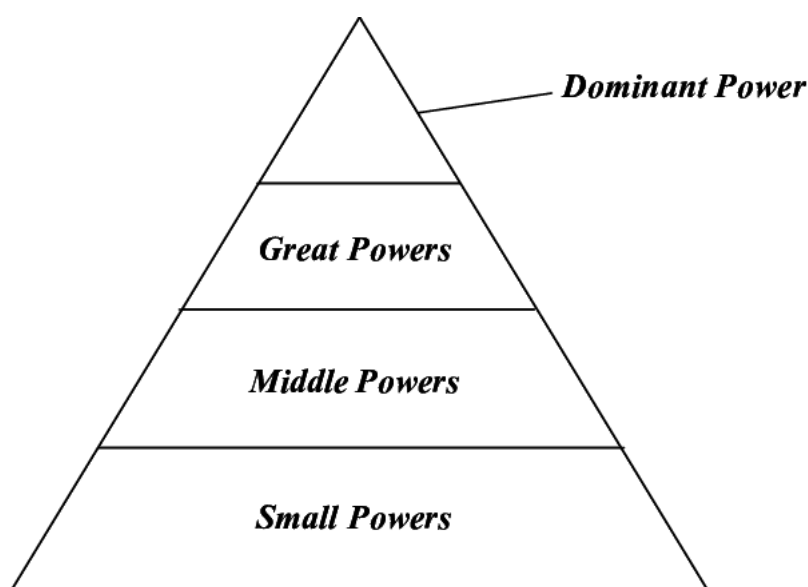
²⁹ A.F.K.Organski, 1980, pp 19

³⁰ Douglas Lemke., & William Reed., 1996, pp 143-164

³¹ A.F.K.Organski, 1958, pp 287-290

enormous national power through industrialization (Organski, 1958).³² Also, as for the second assumption, he pointed out that there are not many cases in which one country can easily switch to another in the international community after industrialization, and this can also occur under a state of extensive internal change. Kenneth Organski argued that most countries depended on the agricultural economy in the pre-industrial period, and it was not easy to change national power, so they relied on alliances. However, he argues that the balance of power has limitations in explaining such a dynamic system as the speed of national power change increases because changes can occur more easily after industrialization. He argued that power transition theory was established to explain the accelerated international political environment (Organski, 1958).³³ There are three key elements of the power transition theory.

The first key element includes two characteristics of countries that influence world peace: the degree of power they possess and their satisfaction (Organski, 1958).³⁴ Organski argued that the international system has a hierarchical structure like a pyramid and that this hierarchy is determined by the relative size of each nation's power. At the top of the international system pyramid, which determines each state's hierarchical order, is the Dominant nation with the greatest national power, the Great powers below it, and the Middle powers, and Small powers below it.



[Table 1 – Organski’s Pyramid from World Politics (1958)]

³² A.F.K.Organski 1958, pp 287-90, 306-309, 337-338

³³ A.F.K.Organski 1958, pp 314-316

³⁴ A.F.K.Organski 1958, pp 325-326

The second key element is relative satisfaction level, a goal that each country prioritizes. The countries with the highest satisfaction are the ruling countries that created the current international order, and the countries contributing to the establishment and maintenance of this order are also countries with high relative satisfaction (Organski, 1958).³⁵ These norms and rules of the international system take on a form similar to the domestic system and order of the dominant country because the dominant country greatly influences the establishment of international order. Therefore, while the ruling and contributing countries have relatively high satisfaction levels, countries that benefit less or are marginalized in the current global order are more likely to view the status quo as hostile.

The third element is that the change in each nation's power is influencing international political change. According to Organski, demographic, political structure, and economic development are the most important factors in national strength as well as the morale, resources, and geographic importance of the country (Organski, 1958).³⁶ As the national power formed by these factors changes with the passage of time, the national power of the ruling country is not always fixed at its greatest level, but it can be challenged by the great powers with increased national power, and the phenomenon of power transition may occur.

3.3.3 Power Transition

Discussing each condition of the possibility of war and the possibility of peaceful cooperation provides an essential framework for the current situation and direction of the U.S.-China hegemonic competition. Kenneth Organski believes peace is maintained when the powerful and satisfied nations and their allies are more robust than the dissatisfied challengers and their partners. War is more likely to occur when dissatisfied challengers and supporters are stronger (Organski, 1958).³⁷ The possibility of war increases as the power parity is formed and the speed of overtaking increases. Firstly, power parity refers to when the power of the challenger country is more than 80% and less than 120% of the power of the dominant country. This equalization of power is formed when the power of the challenger grows at a rapid rate to chase the dominant state. It is a structural condition that increases

³⁵ A.F.K.Organski 1958, pp 326-328

³⁶ A.F.K.Organski 1958, pp 216

³⁷ A.F.K.Organski 1958, pp 332

the likelihood of a war when the two countries are located in this zone. Secondly, overtaking means that the power of the challenger outweighs the power of the ruling country. The risk of war increases as the overtaking speed increases. And finally, when the challenger is dissatisfied with the existing system, the possibility of war that causes power transition increases and a war may eventually occur.

In the concept of power parity, Kenneth Organski presented forces as demographic, political structure, and economic development. In addition, the author believes that soft power that allows the legitimacy and authority of the exercise of national influence to be recognized by other countries is also necessary for the evaluation of national power. Therefore, the concept of national power to evaluate the U.S.-China hegemonic competition will be compared by analyzing hard power (economic & military power) and soft power. Satisfaction or dissatisfaction with the existing system and order of a challenger country is also essential variables, and they determine the state's behavior in the international system. By applying these basic concepts of power transition theory to the situation between the U.S. and China, the following four situations can be assumed.

Satisfaction level of challenger	Satisfied with current ruling system	Dissatisfied with current ruling system
Relative Power		
Huge power gap between two nations	Peace	Insignificant Influence (Peace)
Small power gap between two nations (power parity)	Peace	Possibility of conflict

[Table 2 – Potential four situations created by the author based on power transition theory from World Politics (1958)]

As the matrix shows, the more significant the power gap between the states, the more peace is achieved, the smaller the power gap can lead to discord, which may cause war. There won't be an issue if the challenger is satisfied with the current international order. However, if a challenger rises and strengthens its power and the dissatisfaction with the current international order led by dominant state increases, the possibility of war and conflict increases. Under this framework, if the U.S and China situation is analyzed comprehensively

and China's satisfaction level is estimated, it will be possible to predict the direction of the U.S.-China hegemonic competition. The authors assumes that China is not satisfied with its current status, and therefore the possibility of a dispute is increasing. In this dissatisfaction with China, this paper seeks to find out what reasonable options the U.S. has to deal with possible conflicts and the paper assumes the deployment of THAAD was one of the options to prevent the disputes. In the next chapter, the paper first briefly discusses the deployment of THAAD on the Korean Peninsula and demonstrates that the deployment of the system was a rational choice for the U.S. national interest, not for South Korea's national defense.

4. Deployment of THAAD on The Korean Peninsula

4.1 THAAD Time Line on The Korean Peninsula

In July 2016, the South Korean Ministry of National Defense and the commander of the 8th Army announced that they had decided at the ROK-U.S. alliance level to deploy the Terminal High Altitude Area Defense (THAAD) system to U.S. Forces Korea (USFK) (Choe, 2016).³⁸ The announcement is a reversal of the '3NO' position which President Park Geun-Hye emphasized in a New Year's press conference after North Korea's fourth nuclear test in January of the same year, saying that there was no request, consultation, or decision from the U.S. regarding the deployment of THAAD. It had been six months since it was announced that it would review it in accordance with South Korea's security and national interests, taking into account the nuclear and missile threats of North Korea (Park, 2016).³⁹ THAAD deployment discourse started in earnest in 2014. USFK commander Curtis Scaparrotti officially stated that he had recommended the U.S. government to deploy THAAD to South Korea (Song, 2014).⁴⁰ Even before this, right after the start of the Strategic Defense Initiative (SDI) (Wikipedia, n.d.),⁴¹ since 1985, the U.S. had offered Korea to participate in its MD system, and discussed the deployment of THAAD in Korea

³⁸ Sang-Hun Choe, 2016-07-07

³⁹ Byong-Su Park, 2016-01-14

⁴⁰ Sang-Ho Song, 2014-06-03

⁴¹ Wikipedia : The Strategic Defense Initiative (SDI), nicknamed the "*Star Wars* program", was a proposed missile defense system intended to protect the United States from attack by ballistic strategic nuclear weapons

from the development stage (Kim, 2009).⁴² U.S. deployed Patriot to USFK during the first North Korean nuclear crisis in 1994, while pushing forward the testing and development of the THAAD system despite the restrictions of the Anti-Ballistic Missile Treaty(AMB). As the development of THAAD progressed, in March 2000, General Thomas Schwartz, commander of the USFK, emphasized the need for PAC-3, Aegis, and THAAD to defend South Korea (Kim, 2001).⁴³ With the background of North Korea's first nuclear test and continuous missile development in 2006, all USFK commanders who have been appointed since then have all mentioned the need to build a multi-layered and integrated missile defense network through the introduction of THAAD. In particular, Commander James Thurman testified at a nomination hearing in 2011 that the deployment of THAAD would contribute to the multi-layered defense of the Korean Peninsula and strengthen the early warning capabilities of the regional missile defense network (Woo, n.d.)⁴⁴ After his appointment, he requested the U.S. Joint Chiefs of Staff deploy Apache helicopters and THAAD to strengthen combat posture on the Korean Peninsula (Hong, 2015).⁴⁵

At a personnel hearing in 2013, Curtis Scaparrotti explained the three-phase response between the ROK and the U.S. to the North Korean missile threat to the entire Pacific Ocean. The first phase is for the ROK and the U.S. to deploy each Patriot force, the second phase is for South Korea to improve the Patriot system and integrate it with the U.S., and the third phase is to use more powerful sensors such as AN/TPY-2 to repel medium- and long-range missiles. It is to combine upper-level systems such as THAAD and Aegis ships with ballistic missile capabilities (Lee, 2017).⁴⁶ North Korea's launch of the Nodong missile in March 2014 was a decisive moment when Scaparrotti decided that the deployment of THAAD to the Korean Peninsula would be essential and made the discussion public (Hong, 2015).⁴⁷ However, whether the effectiveness of THAAD as a defense against it was exaggerated has been a subject of debate (Kim, 2017).⁴⁸ From South Korea's point of view, in the face of total war on the Korean Peninsula, it was unlikely for North Korea to launch a medium to long range missile at an elevated angle instead of long-range artillery or short-range missile that THAAD cannot defend (Park, 2016).⁴⁹ Moreover, when considering the conflict with

⁴² Tae-Hyung Kim, 2009, pp 376

⁴³ Woo-Sang Kim, 2001, pp 6-39.

⁴⁴ Jung-Yeop Woo, (n.d)

⁴⁵ Kyo-Dok Hong, 2015, pp 110-134

⁴⁶ Soo-Hyung Lee, 2017, pp 45-52

⁴⁷ Kyo-Dok Hong, 2015, pp 125

⁴⁸ Dong-Yeop Kim, 2017

⁴⁹ Kun-Young Park, 2016

China comprehensively, there were many negative evaluations as to whether the deployment of THAAD was in the national interest of Korea (Jeong & Lee, 2016).⁵⁰

The Obama administration tried to persuade the Park Geun-Hye administration to deploy THAAD, integrate South Korea-U.S.-Japan missile defense, and normalize relations between Korea and Japan. However, the U.S. government respected South Korea's 3NO position and did not push the Korean government. For example, Assistant Secretary Frank A. Rose said at a symposium in Washington on May 19:

“There has been a lot of discussion in the press recently about the possible deployment of a Terminal High Altitude Area Defense or THAAD system in the region. I will underscore although we are considering the permanent stationing of a THAAD unit on the Peninsula, we have not made a final decision, and we have had no formal consultations with the Republic of Korea on THAAD deployment “(Frank Rose, 2015).”

On the other hand, the stance of Klingner of The Heritage Foundation, who had been in charge of Korean affairs at the CIA for a long time, was different. He blatantly complained that he could not understand South Korea's position in not accepting the U.S. deployment of THAAD and the integration of South Korea-US-Japan missile defense. He believes missile defense is most effective when systems are incorporated into a seamless and cohesive network. South Korea, Japan, and U.S. forces face a common threat from North Korean missiles. Unless military bases of all three countries are aligned along a common azimuth they all can be threatened by a single North Korean missile. He believes that this threat should be addressed with an interoperable, multilateral defense (Klingner, 2015).⁵¹

On October 30, 2015, Lockheed Martin, the munitions company developing THAAD, suddenly announced that South Korea and the U.S. were discussing the deployment of THAAD. And on the 31st of the next day they reversed their position, saying that they were not aware of the discussions between the two governments (Ok, 2015).⁵² Then, on January 6, 2016, when North Korea announced that they had developed a hydrogen bomb by conducting its fourth nuclear test, the necessity of deploying THAAD surfaced in South Korea (Sanger & Choe, 2016).⁵³ At a press conference on January 13, 2016, President Park

⁵⁰ Wook-Sik Jeong., & Yong-Seung Lee, 2016, pp 4-26

⁵¹ Bruce Klingner. 2015, pp 30-31

⁵² Hyun-Joo Ok, 2015-10-31

⁵³ David Sanger., & Sang-Hun Choe, 2016-01-05

expressed her position that the issue of USFK's deployment of THAAD would be reviewed in accordance with national security interests while taking the North Korean nuclear/missile threat into consideration (Seoul News, 2016).⁵⁴ Even the Democratic Party⁵⁵ argued that the best defense against North Korea's nuclear weapons would be the U.S. deployment of THAAD in South Korea. They demanded the deployment of THAAD because China had no justification for opposing the deployment of THAAD in the context of South Korea's right to self-defense (Ryu, 2016).⁵⁶ Then, on February 7, 2016, when North Korea even conducted a long-range missile test, the ROK and U.S. military formed a working group and officially started working-level discussions on the deployment of THAAD (Judson, 2016).⁵⁷ In response, the Chinese Foreign Ministry and President Xi Jinping expressed their dissatisfaction with the decision to deploy THAAD on the Korean Peninsula (Tiezzi, 2016).⁵⁸ However, despite such opposition from China, on June 4, 2016, Defense Minister Han Min-Koo stated that he had a clear intention to deploy THAAD at the Asian Security Conference, and on July 8, the decision to deploy THAAD was officially announced between the ROK and the U.S. (Paeng, 2016).⁵⁹ On July 13, the Ministry of National Defense officially announced Seongju Golf Course as the site for THAAD deployment, and on April 26, 2017, THAAD system equipment was finally brought to Seongju.

Eventually, THAAD was established in South Korea, and it is an issue that continues to be controversial. In the next chapter, the author aims to prove that THAAD was not deployed as a means to defend against the officially claimed North Korean nuclear threat but was actually established as a means for the U.S. to not lose its upper hand in the hegemonic competition with China.

4.2 Effectiveness of THAAD

THAAD is at the heart of the U.S. Ballistic Missile Defense System (BMDS), developed

⁵⁴ Seoul News, 2016-01-13

⁵⁵ **The Democratic Party** to which President Moon Jae-in belongs is famous for maintaining a pro-North Korea policy. Basically, their political ideology aims for a peaceful inter-Korean relationship that eases military tensions on the Korean Peninsula and promote common interests. It was quite unusual for them to approve the deployment of THAAD.

⁵⁶ Jee-Bok Ryu, 2016-01-14

⁵⁷ Jen Judson, 2016-07-07

⁵⁸ Shannon Tiezzi, 2016-02-25

⁵⁹ Jae-yong Paeng, 2016-07-08

to protect U.S. bases and allies stationed overseas from short to long range ballistic missiles. The issue of deploying THAAD in USFK should be considered first in terms of military and security effectiveness before political consideration. For South Korea, weapons are not needed unless there is a corresponding threat. In order to claim that THAAD is necessary on the Korean Peninsula, it should be taken into consideration whether the North Korean nuclear and missile threat within its defense range exists and whether THAAD can actually prevent it. It should be a priority to prove whether THAAD can actually defend North Korea's missiles. For THAAD to exist on the Korean Peninsula, both of the following conditions must be met. Firstly, a threat corresponding to THAAD must exist, and secondly, THAAD must be able to prevent that threat. Otherwise, it should at least be able to reduce the threat substantially.

North Korea has developed and possessed a variety of ballistic missiles, but the controversial missiles related to THAAD include the short-range Scud and medium-range Nodong missiles. Though there are possibilities of launching mid to long range missiles at a lofted trajectory, it sounds unconvincing that North Korea would use its missile, making it easy to be detected by THAAD. In addition, the Korean defense minister also gave a negative evaluation of the high-angle launch (Kim, 2016).⁶⁰ Lewis and Postol explained why THAAD could not block these missiles. When it comes to Scud missile, it is difficult to intercept because the time the missile stays at the THAAD intercepting altitude of 40 to 150 km is very short to destroy the warhead, and the irregular rotation of descending makes aiming difficult too (Postol & Lewis, 2016).⁶¹ In the case of Nodong missiles, they said that when North Korea is developing and operating decoys, THAAD cannot distinguish between actual warheads and decoys, so it just destroys fake warheads and makes defending areas vulnerable (Park, 2016).⁶² Kim Dong-yup also argued that the THAAD system has high effectiveness at high altitudes in the terminal stage during the descent of medium and long range missiles, but its intercepting effect is significantly limited against short range missiles with a short range such as North Korea's Scud missile (Kim, 2017).⁶³ According to the U.S. Department of Defense, THAAD has limitations that make it impossible to utilize against

⁶⁰ Won-Chul Kim, 2016-07-20

The defense minister said North Korea would not launch missiles at lofted angles without being insane. This is quite an unusual remark as the South Korean defense minister, but it is an example of how low the possibility of a high-angle launch is.

⁶¹ Theodore Postol., & George Lewis, 2016

⁶² Byung-Soo Park, 2016-07-10

⁶³ Dong-Yeop Kim, 2017, pp 290-327

North Korean ballistic missiles targeting the northern part of South Korea, and if it wants to defend Seoul and its surrounding areas, it needs a lower tier system (U.S. department of defense , 1999).⁶⁴ In fact, from Seongju, where THAAD is currently deployed, THAAD cannot destroy missiles flying to Seoul (Postol & Lewis)⁶⁵ due to the gap between distance from Seoul and Seongju and range of THAAD. The 25% of the Korean population lives in Seoul and surrounding cities, so this defense system seems pointless if it can not protect the most strategic areas in South Korea. Michael Gilmore, director of Operational Test and Evaluation of the U.S. Department of Defense, stated that firstly, the components of THAAD did not show consistent and stable reliability improvement, and secondly, THAAD is vulnerable to extreme temperatures, shocks, humidity, rain, ice, snow, sand, and dust.

In summary, North Korean missiles indeed pose a threat to the Korean Peninsula. However, THAAD does not seem to be able to prevent or reduce this threat. The reasons, as mentioned above, are as follows: Firstly, THAAD cannot block low-altitude missiles, and secondly, it is impossible to shoot down the main body if a decoy is developed. Thirdly, stability issues regarding the THAAD system continue to arise, and lastly, the people in the metropolitan area cannot be protected. There are also opinions that THAAD is an excellent defense system from the military's perspective. However, the author believes that such controversy should not even arise if there were no issues regarding THAAD and its asserted effectiveness.

5. Analysis of The U.S. and China National Power

Considering the ineffectiveness of THAAD, its deployment was not due to nuclear provocation by North Korea. However, it seems there were different reasoning intentions for the U.S. The author argues that it was due to China's expansion which may lead to a power transition that the U.S wants to stop. Therefore, it is necessary to understand the current situation of the U.S. and China objectively. Looking at the power transition theory, national power is a determinant of the competition for hegemony. The determinants of this competition can be divided into three factors: whether or not to form power parity, the

⁶⁴ U.S. department of defense, 1999-04-14, pp 3-6

⁶⁵ Theodore Postol & George Lewis., 2016

satisfaction with the ruling order, and the response of the dominant country. In order to demonstrate them, the author evaluates each nation's hard and soft power. In addition, the satisfaction level of China will be provided based on Chinese ideological background. Amid these power dynamics, the correlation between the U.S deployment of THAAD on the Korean Peninsula will be addressed.

5.1 Power Parity

The formation of parity of power between the dominant power and the great power is an essential factor for power transition. State power can be divided into economic power, military power, and political power (Schenoni 2019).⁶⁶ It is appropriate to add soft power, which has become important in the global era, to these as well. Therefore, the study will analyze all these factors by considering hard power and soft power as elements of hegemony. Hard power is further divided into economic power and military power. Regarding economic power, factors such as gross domestic product (GDP), economic growth rate, total trade volume, and future prospects are taken into consideration. Military power will be analyzed through military strategy, manpower, military budget, modernized weapon status, experience, and the current situation of the conflict region, East Asia. As soft power is considered a global preference of values, culture and policy will utilize the data from [Soft Power 30] which provides comprehensive analysis by Joseph Nye, who coined the term itself. The power parity is when the power of the challenger reaches 80-120% of the dominant power. However, it is difficult to evaluate numeral information except for economic indicators, military manpower, budget, and the latest weapons state. Therefore, the study will use both numerical and qualitative data comprehensively.

Area		Item
Hard Power	Economic Power	GDP, Trade Volume, Economy Prospect
	Military Power	Military strategy, Manpower, Military Budget, Modernized weapon status, Conflict aspect in conflict region (East Asia)
Soft Power		Value, Culture, Norm, Policy, Preference

⁶⁶ Luis Schenoni, 2019-04-26

[Table 3 - State Power evaluation matrix created by the author for the thesis]

5.2 Satisfaction level of Great Powers

According to Organski's argument, in the countries' hierarchical structure, the U.S. is the dominant state, and China is the great power. Therefore, the satisfaction level regarding the ruling order depicts how satisfied China is with the U.S.-led world order. If China is satisfied with the ruling order, it will maintain the status quo, and peace will be maintained, but if it is dissatisfied, it is more likely to challenge the U.S. Therefore, the study attempts to measure the level of Chinese satisfaction level. However, as this can not be objectively achieved with numbers, the paper will analyze China's ideological background and current affairs over the globe.

5.3 The U.S. Reaction

As shown in [Table 2], there are four main situations that the United States can face. Among them, the situation in which peace cannot be maintained is when power parity has occurred, and China is not satisfied with the current situation. In such a case, conflicts and attempts for power transition occur. In such a situation, the rational choice of the US will be dealt with in more detail later.

5.4 Analysis

5.4.1 Hard Power

Hard power is the ability to use military and economic force to influence or control opponents in international political relations. Thus, a state with strong military and economic capabilities can exert influence over a nation whose capabilities are not so powerful.

5.4.1.1 Economic Power

Economic power includes and compares important economic indicators such as gross domestic product (GDP), trade volume, and economic growth. A comparison of the current level of national power will be evaluated by comparing the current level of economic power between the two countries in the global economic setting. In addition, the comparison also helps to predict the direction of the U.S.-China hegemonic competition in the future.

- GDP

In terms of Gross Domestic Product(GDP), as of 2021, the U.S. is still the highest globally, and this does not seem to be changing soon. Chinese GDP ranks second in the world after the U.S. After its reformation and opening up for foreign business in 1978, China achieved an average growth rate of 9.5% between 1979 and 2018 (IMF & World bank, n.d.).⁶⁷ In particular, since 2009, its economic power has surpassed that of Japan. When the novel virus, COVID-19 first emerged in Wuhan in December 2019, the world was worried about China. However, in 2020, China was the only country that reported positive growth among the major countries, while the U.S. reported the slowest growth since 1946. China's pursuit of surpassing the U.S has accelerated since the outbreak. According to the International Monetary Fund(IMF), China's GDP grew from being 67% of the U.S. GDP in 2018 - 2019 to reaching 71.4% in 2020, exceeding 70% for the first time (IMF, n.d.).⁶⁸ In 2008, at the time of the financial crisis, China's GDP accounted for only 31.1% of that of the U.S, but compared to the U.S., it has doubled in size in 12 years. The difference in growth rate inevitably leads to a narrowing of the GDP gap.

Looking at the current situation objectively, China overtook Japan, the world's second economy, until 2010, through the open door policy. The global economy faltered due to the COVID-19 outbreak in 2020, and while other countries, including the U.S., showed a decline in GDP, China was the only major country to kept growing. China has shown high growth in its economy and GDP until recently. However, it is unclear whether such positive development will continue in the future, based on the present situation. The details will be covered later in a section in which the economic prospects are discussed.

⁶⁷ IMF (n.d), World Bank(n.d)

⁶⁸ IMF (n.d)

- Trade

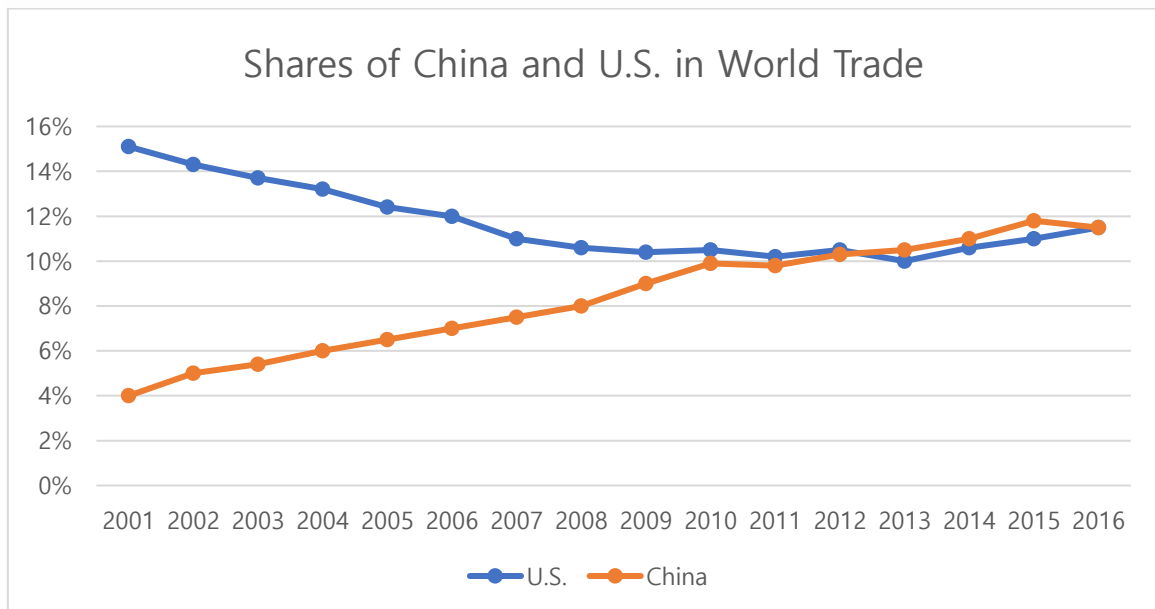
The U.S and China are the first and second-largest trading states in the world, respectively. However, the two are walking on very different paths in the 'trade' of buying and selling goods. While the U.S has not avoided a trade deficit for decades, China's trade surplus is steadily increasing. In other words, China is on an upward trend, and the U.S. is on a downward trend. Generally speaking, a trade deficit occurs when a nation imports more than it exports. A trade surplus is an opposite. A trade deficit is a phenomenon that is fundamentally caused by the difference between domestic savings and investment. Internal factors of the trade deficit include a low savings rate and fixed fiscal deficit, changes in the industrial structure, and an increase in foreign direct investment. External factors include excessive savings in emerging countries and demand for safe assets and undervalued currencies (Hufbauer & Lu, 2016).⁶⁹

In the case of the U.S, the first reason for the continued trade deficit is the weakening of international competitiveness. U.S experienced a trade surplus for several years after WW II, but as the world economy and trade fell into recession due to two oil crises in the early and late 1979, U.S lost its upper hand in international competitiveness. In the meantime, many countries, especially emerging industrial countries (South Korea, Hong Kong, Mexico, Brazil, etc.,) began to gain product competitiveness at the speed of processing in the global export market and rapidly emerged as strong producers (steel, clothing, shoes, and auto parts as well as various consumer goods). Second, as emerging industrial countries achieve economic success, multinational companies began to relocate their production bases abroad. The motivation behind this is to utilize various benefits such as labor cost reduction due to low foreign wages, low-threshold regulations, and reduction of production sites through low manufacturing costs. The third reason is the sharp rise in the value of the dollar. Between 1980 and 1985, the value of the U.S. dollar rose by 40% compared to the currencies of other major trading partners. Because of this, the price of U.S. exports becomes relatively expensive, and the price of goods imported from abroad becomes relatively cheap.

On the other hand, China is heading in a good direction for a trade surplus as opposed to the U.S.. Firstly, Chinese products with price competitiveness in the world market are

⁶⁹ Gary Hufbauer., & Zhiyao Lu, 2016-03-31

exported at low prices. Secondly, domestic saving shows a high savings rate, and thirdly, attempts to appreciate the RMB are steadily benefiting from foreign trade. This last factor often generates headlines, such as when U.S. Secretary of Treasury Timothy Geithner publicly accuses the Chinese government of currency manipulation (Cumming-Bruce, 2019).⁷⁰ As shown in [Table 4], the U.S. trade volume has ranked second in the world after being overtaken by China in 2012. Looking at the current status of both countries in terms of trade, China has surpassed the U.S, and the gap between the two countries is widening due to both countries' chronic trade deficit and surplus. In addition, given that the U.S.-China trade war, which began in 2018, is still underway, it seems that the power transition of trade part may have started already.



[Table 4 - U.S – China world trade volume comparison created by the author based on WTO data]

- **Economic development prospect**

According to the IMF forecast, in 2021, the U.S. and China are expected to grow by 6.4% and 8.4% in 2021, respectively. The British think tank, The Centre for Economics and Business Research(CEBR), reported that China would surpass the size of the U.S. economy by 2028 (CEBR, 2021).⁷¹ In the past, they had predicted that the economic setting of U.S and China would not turn around until 2033. It is five years earlier than the previous forecast.

⁷⁰ Nick Cumming-Bruce, 2019

⁷¹ CEBR, 2021-01-05

The changing prediction is because China responded immediately to control the COVID-19, and as a result, the economic damage was less severe than in other countries. The Japan Center for Economic Research(JCER) also predicted that China's GDP would surpass that of the U.S in 2028, taking into account the difference in the speed of recovery from the aftermath of COVID-19 (Uehara, 2020).⁷² Homi Kharas, at the Brookings Institute, predicted that China's GDP would overtake the U.S. by 2028 if China's current trend of coping well with the COVID-19 situation continued (Hancock & Curran, 2021).⁷³ Ka Zeng, a director of Asian studies at the University of Arkansas, said the pandemic could help China consolidate its position in the global economy if China's success in controlling the local virus continues (Hancock & Curran, 2021).⁷⁴

Considering experts' opinions, it may seem that China will surpass the U.S. only thanks to COVID-19, but in reality, it seems that China's national power growth that has been continuing for a long time met with the global phenomenon of the pandemic and is creating a synergistic effect. With an average economic growth rate of 10% for nearly 30 years, China has now risen to the status of an economic superpower. Along with its growth rate, China is challenging the U.S. in various forms. Intending to change and adjust the economic structure of the Asia-Pacific region, it promoted the establishment of the Free Trade Agreement Asia Pacific (FTAAP) and the Asian Infrastructure Investment Bank (AIIB), the revitalization of the Shanghai Cooperation Organization (SCO), and holding the Conference on Interaction and Confidence-Building Measures in Asia (CICA). It has expanded its influence and voice through the Belt and Road Initiatives (BRI) and is attempting to strengthen economic relations with regional base countries.

However, as mentioned earlier, these bright prospects cannot be guaranteed because China has already encountered obstacles regarding reform tasks. Tariffs and other global trade regulations hinder access to global markets and advanced technologies, and China's debt has reached record levels due to an economic stimulus package to deal with COVID-19 (Hsu, 2021).⁷⁵ Bloomberg points out that if China manipulates its GDP data, the actual gap with the U.S. is more significant, and the pace of catching up may be slower. In fact, China's real GDP growth between 2010 and 2016 was about 1.8 percentage points lower than the official data showed (Zhu &

⁷² Masashi Uehara, 2020-12-10

⁷³ Tom Hancock., & Enda Curran 2021-01-14

⁷⁴ Tom Hancock., & Enda Curran 2021-01-14

⁷⁵ Sara Hsu, 2021-03-18

Orlik, 2021).⁷⁶ China has already abandoned the one-child policy regarding the labor force, and it seems like China's working-age population will peak in few years (The Economist, 2021).⁷⁷ If the fertility rate continues to decrease, the population is expected to decline by more than 260 million over the next 30 years (Zhu & Orlik, 2021).⁷⁸ Moreover, there are plenty of signs that the explosive investment success in the past is now starting to lead to a drop in profits (Zhu & Orlik, 2021).⁷⁹ Japan's decline could also predict the direction of Chinese growth. In the 1980s and 1990s, Japan was right behind the U.S. regarding economic growth like China is today, but companies backed down due to the combination of aging and small numbers of the labor force and declining productivity. Today's economic situation that China is struggling with can be seen as similar to that of Japan, which would suggest that China will not be able to surpass the U.S. (Black., & Allen Morrison, 2019).⁸⁰

Currently, the U.S. is the world's largest economy, but in terms of trade, it has already given up its position as the strongest one to China, and China's GDP is catching up with the U.S. at a rapid pace. In addition, in the beginning of COVID-19 outbreak, most countries, including China, predicted negative growth, but China continued to grow despite the global recession. However, it is not enough to be optimistic about the future. Considering the history of the Japanese economic decline, aging and lowering population, and low productivity, the opinion that China will overtake the U.S. does not seem quite convincing. Therefore, the debate regarding the economic prospects of China and the U.S. and who will be more dominant are controversial questions that are difficult to answer.

5.4.1.2 Military Power

Military power is the capability and capacity to carry out military operations as a direct and practical part of national power to ensure national security. Simply put, it is the ability to subdue an opponent physically. To measure this, the paper compares the military strategy, defense expenditure, number of soldiers, and the state of modern weapons, experience as well as states of conflict of both countries in the East Asian region.

⁷⁶ Eric Zhu., & Tom Orlik, 2021-07-05

⁷⁷ The Economist, 2021-05-15

⁷⁸ Eric Zhu., & Tom Orlik, 2021-07-05

⁷⁹ Eric Zhu., & Tom Orlik. 2021-07-05

⁸⁰ Stewart Black., & Allen Morrison, 2019

- **Military strategy**

The military power of the U.S. has been its greatest strength, and it has been supported by a vast and dynamic economic power as well as the country's superiority in the development of new technologies. A characteristic of the U.S. military power is that it is the only nation in the world that has the ability to carry out a global-level national military strategy. The U.S. has established and changed its [National Defense Strategy] in consideration of globalization, technological proliferation, and demographic changes. The main content of the national military strategy announced by the U.S. Joint Chiefs of Staff is the deterring attacks on U.S. territories, protection of the global economic system, the pursuit of national security, trust with allies, protection of Americans abroad, and preservation and expansion of universal common values. To achieve this, the U.S. aims to deter, reject, and repel hostile forces, dismantle, reduce, and defeat violent extremist organizations, and seek to strengthen networks with allies and partners worldwide (U.S. Department of Defense, 2018).⁸¹ The point to be emphasized is that China is being kept under robust surveillance of the U.S., which describes China in the following manner:

“China is a strategic competitor using predatory economics to intimidate its neighbors while militarizing features in the South China Sea ... China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage ... China and Russia are now undermining the international order from within the system by exploiting its benefits while simultaneously „“undercutting ““““ its principles and “rules of the road.” (U.S Department of Defense, 2018, pp 1-2).”

It seems the U.S. believes that China is disrupting the order in East Asia. Just a year later, China also published [China's National Defense in the New Era] in 2019. The main goal of the Chinese military strategy is to comprehensively advance the modernization of organizational structure, military personnel, weapons, and equipment and complete the modernization by 2035 (SCIO, 2019).⁸² China believes the U.S. has adopted a unilateral

⁸¹ U.S department of defense, 2018

⁸² SCIO, 2019

strategy for its national security strategy, significantly increasing its defense spending. It is analyzed that it has strengthened additional capabilities and undermined global strategic stability. Therefore, China has accused the U.S. of harming regional security by strengthening its Asia-Pacific alliance and increasing military deployment and intervention. It also criticizes South Korea's deployment of THAAD, claiming it seriously damaged the regional strategic balance:

“The deployment of the Terminal High Altitude Area Defense (THAAD) system in the Republic of Korea (ROK) by the US has severely undermined the regional strategic balance and the strategic security interests of regional countries. (SCIO, 2019).”

The White Paper defines China's military strategy as active defense. However, a closer examination shows that anyone will retaliate if they cause China any disadvantage:

“The military strategic guideline for a new era adheres to the principles of defense, self-defense and post-strike response, and adopts active defense. It keeps to the stance that “we will not attack unless we are attacked, but we will surely counterattack if attacked”, places emphasis on both containing and winning wars, and underscores the unity of strategic defense and offense at operational and tactical levels. (SCIO, 2019).”

In addition, China's military forces defend important waters, islands, and coral reefs in the East China Sea, the South China Sea, and the West Sea of Korea carry out joint rights protection and law enforcement duties in adjacent waters and protect them against security threats (SCIO, 2019).⁸³ According to the Chinese defense strategy, it can be understood that China considers the situation of U.S intervention and interrupting Asian region such as operational freedom of navigation as attacking China which means China is ready for the counterattack.

As mentioned in the military strategies of the two countries, U.S. and China are monitoring and criticizing each other in their white papers. In particular, it seems that the two defense strategies are hostile towards each other, and both believe their opponent harms the global security balance, especially in East Asia, which is the concerned area in this paper. However, according to the following, China does not yet have world-class military power,

⁸³ SCIO, 2019

and it is proposing the modernization of the Chinese a military strategy.

“The strategic goals for the development of China's national defense and military in the new era are:

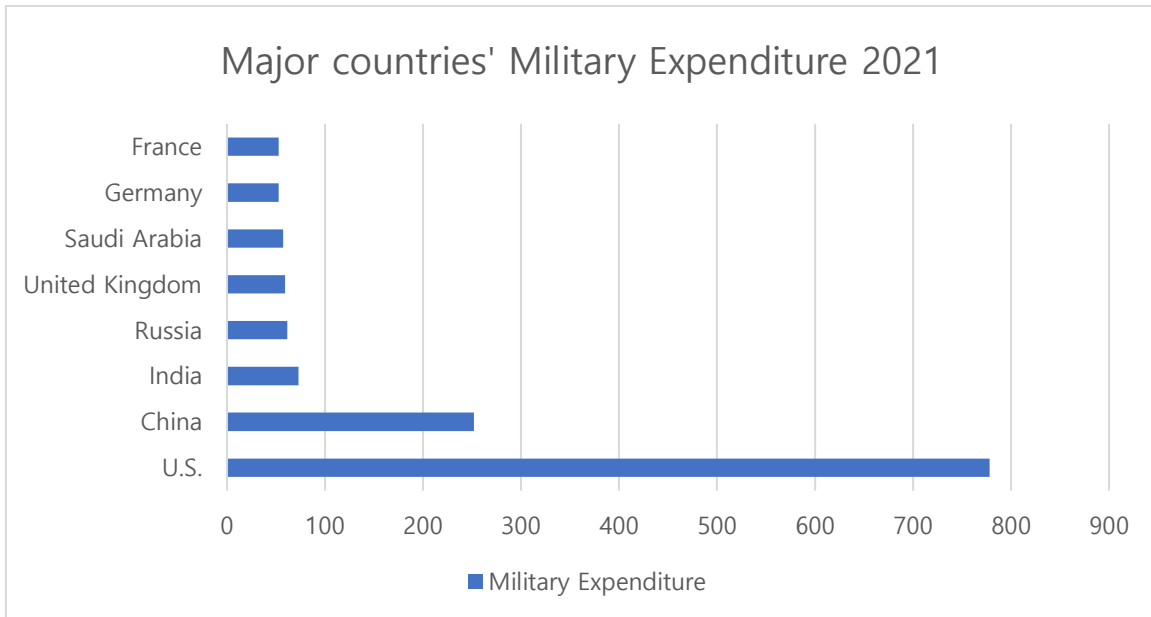
- to generally achieve mechanization by the year 2020 with significantly enhanced informationization and greatly improved strategic capabilities;*
- to comprehensively advance the modernization of military theory, organizational structure, military personnel, and weaponry and equipment in step with the modernization of the country and basically complete the modernization of national defense and the military by 2035; and*
- to fully transform the people's armed forces into world-class forces by the mid-21st century. (SCIO, 2019).”*

As can be seen above, although China is keeping the U.S. in check, the Chinese national strategy recognize China is far behind to world class military which is the U.S. Therefore, it can be said that U.S has an upper hand in military strategy.

- Military expenditure

As shown in [Table 5], in terms of military expenditure, U.S. spends about 778 billion while China consumes about 252 billion (SIPRI, 2021)⁸⁴ which is three times smaller than the level of the U.S.. China has continuously increased its defense spending. Even if China substantially increases the proportion of defense spending to compete with the U.S., the burden on the economy may be much greater than that of the U.S.. Even adding up all the defense spending of the countries between 2nd and 8th places, including China, it is still less than that of the U.S.

⁸⁴ SIPRI, 2021-04-26



[Table 5 - Military expenditure of major countries created by the author based on the SIPRI data]

Returning back to China's defense white paper, China has announced that the increase in defense spending since 2012 has been mainly for the following purposes:

“1. Adapting to national economic and social development, improving the wellbeing of service personnel, ensuring regular increases in military salaries, and bettering the working, training and living conditions of the troops;

2. Increasing input in weaponry and equipment development, phasing out the outdated, upgrading the old, and developing and procuring the new, such as aircraft carriers, fighters, missiles and main battle tanks, to steadily modernize weaponry and equipment;

3. Deepening national defense and military reform, supporting major reforms in military leadership and command systems, force structure and composition, and policies and institutions;

4. Supporting training in real combat conditions, enhancing strategic-level training, joint training at TCs' level and training of services and arms, and improving the conditions for simulated, networked and force-on-force training; and

5. Supporting diverse military tasks including the UNPKOs, vessel protection operations, humanitarian assistance operations and disaster relief efforts. (SCIO, 2019).”

Given the clauses of the China's white paper above, China continues to modernize the Chinese military and strives for an improved military that can project its power to the world like the U.S., but there still seems to be a long way to go as there is a considerable gap in defense spending with the U.S. Even if China successfully modernizes its military, 778 billion worth U.S. defense budget would support far more upgrades than Chinese military modernization. Therefore, in terms of defense expenditure, the United States has an absolute advantage over China.

- **Manpower**

In terms of the number of troops, the size of Chinese troops is nearly twice that of the U.S. (Global Fire Power, 2021).⁸⁵ However, if crises occur around the world simultaneously, the Chinese Army would not be able to cope effectively as it lacks mobility (Yoshihara & Bianchi, 2021).⁸⁶ If a large number of troops cannot operate systemically, the number of troops is literally just a number. Due to China's large population, it has recently made efforts to increase the proportion of naval and air forces to combat forces. However, it still has an army-oriented structure compared to the U.S. while the U.S. military has a large-scale marine force that plays a decisive role in the deployment of forces and has a balanced composition of forces between the army, sea, and air forces. China has the world's largest army with 2 million active-duty soldiers as of 2021, and U.S. has 1.4 million active U.S. soldiers (Global Fire Power, 2021).⁸⁷ In terms of manpower, China is undoubtedly ahead of U.S, but it is not a significant difference considering technology and modernized equipment gap, and the Chinese military's lack of maneuverability. More important thing in modern warfare is how well equipped a state's advanced weaponry is, as introduced below

- **Modernized Weaponry**

Weapons that support modern warfare, such as tanks, fighter jets, and battleships, can not be counted 100 percent accurately due to national security. However, the paper tries to regard the numbers as comprehensively as possible through reliable sources. The U.S has 6,333 tanks, making it the world's second-largest armored country after Russia, and China the third

⁸⁵ Global Fire Power, 2021

⁸⁶ Toshi Yoshihara., & Jack Bianchi, 2021, pp 57-58

⁸⁷ Global Fire Power. 2021

largest with 5,800 tanks Chinese army units consist of a wide range of legacy tanks and modernized third-generation battle tanks but continue to struggle to deploy new equipment to replace the chronic problem of the Chinese Army's old weapons system (Schogol, 2020).⁸⁸ The U.S. maintains its dominance with more than 13,000 military aircraft, of which the U.S. Air Force operates 5,163. In addition, the U.S. military has the most advanced fighter jets in the world, including the F-35 Lightning and F-22 Raptors (Extra, 2020).⁸⁹ China's air power is limited in that it has few advanced fighter jets and has yet to develop essential fighters to defeat the U.S. (Liao, 2021).⁹⁰ In terms of Navy, China currently is the world's largest navy with about 360 ships compared to 297 U.S. fleets. However, China's numerical advantage lies in smaller vessels such as coast guard ships. For large battleships, the U.S. has an advantage in numbers, technology, and experience. For example, the U.S has 11 nuclear-powered aircraft carriers, which can cruise longer distances than conventional aircraft carriers. Each aircraft carrier can hold more than 60 aircraft. On the other hand, China has only two, Liaoning and Shandong, which are based on Soviet-made Kuznetsov-class aircraft carriers in the 1980s. In terms of the numbers of weapons alone, one may consider that China is competitive, but considering the difference in the outstanding performance of each weapon United States has the upper hand in modernized weapons.

- **Experience**

The U.S. military has been involved in most of the major wars in world history, including the Korean War, the Vietnam War, the Gulf War, Yugoslav wars., etc. Moreover, After 9/11, the U.S accumulated experience in various battles such as War or Terror, the Libyan Civil War, and counter insurgency operations with Islamic States (IS). In order to utilize practical lessons from those warfares and improve joint operational capability, United States Atlantic Command was renamed the U.S. Joint Force Command (USJFCOM) in 1999. It improved the U.S force's competence and battlefield management significantly. In addition, NATO's Allied Command Transformation (ACT), which is the biggest military and political alignment projecting its power worldwide, is accumulating its combat ability.

On the other hand, the Chinese army has been involved in the invasion of Tibet in 1950,

⁸⁸ Jeff Schogol, 2020-09-01

⁸⁹ Aerotime Extra, 2020-11-19

⁹⁰ George Liao, 2021-02-18

the Korean War, the bombardment of Taiwan's Golden Gate and Matsu Islands in 1954 and 1958, the border dispute with India in 1962, the border dispute with the former Soviet Union in 1969, and the collision between the U.S. Navy EP-3 and Chinese Navy J-8 in 2001 which were relatively small-sized warfare. Since 2008, there have been achievements such as participation in Somali anti-piracy operations in the Gulf of Aden in the Indian Ocean, protection of its own citizens during the Libyan civil war in 2011, and the deployment of an infantry battalion in South Sudan for the first time in peacekeeping operations in 2015, but these can also hardly be considered modern warfare. In other words, there is a significant difference in experience between the U.S. military and China, and it seems difficult for the Chinese military to catch up with the U.S. military's know-how in a short time.

However, the enemies and terrorist groups of the past that the U.S. military faced are fundamentally different from those that the Chinese military dealt with. Since 2017, the U.S. military has had confrontations with China and the U.S. Navy in the South China Sea and the Taiwan Strait almost every year. Therefore, it seems necessary to examine the situation in Asia as well in the next chapter.

- **Conflict in East Asia**

In Asia, the two states are having considerable conflicts. So-called 21st-century new silk road, BRI, exist on one side, which can be used to build economic belts in its neighboring countries and also project military influence. On the other side, Free and Open Indo-Pacific, aiming to strengthen the connectivity of countries in the Pacific and Indian oceans, are odd. In addition, Freedom of Navigation Operations shows the U.S. willingness to sail freely like international waters cause more conflicts. China, which wants to project power around the world including the East-Asian region, and the U.S., which wants to keep China in check, are in conflict now. The disharmony between the two countries is severe in the South China Sea. China has had several military clashes in the South China Sea. In particular, over the Spratly Islands and Paracel Islands, China and Southeast Asian countries are fighting for sovereignty. The U.S. is supporting Southeast Asian countries under the pretext of freedom of navigation in the region, putting the brakes on China's dominance. It is sending ships and fighters belonging to the U.S. Navy's 7th Fleet to the South and East China Seas and the Taiwan Strait, including conducting military operations around the Spratly Islands. In response, the Chinese navy is holding an armed demonstration in the waters west of the Rajiu

Peninsula in the South China Sea. There is also growing concern that the region is likely to become an Asian Balkan peninsula in continuous military clashes.

As aforementioned, simply comparing the total military power of two states, the U.S. overwhelms China. However, the U.S. National Defense Strategy Commission (NDSC) is concerned that the U.S. military superiority in Asia has deteriorated to a dangerous level and may lose in the next national-to-national war.

“The U.S. military could suffer unacceptably high casualties and loss of major capital assets in its next conflict. It might struggle to win, or perhaps lose, a war against China or Russia (Edelman, Roughead, 2018, pp vi,) ... The challenge China presents is particularly daunting ... China is using military, paramilitary, and diplomatic measures to coerce U.S. allies and partners from Japan to India; contest international law and freedom of navigation in crucial waterways such as the South China Sea; undermine the U.S. position in East and Southeast Asia; and otherwise seek a position of geopolitical dominance ... China already presents a severe test of U.S. interests in the Indo-Pacific and beyond and is on a path to become, by mid-century, a military challenger the likes of which America has not encountered since the Cold War-era Soviet Union (Edelman, Roughead, 2018, pp 7).”

Currently, conflicts continue in the region, and the U.S, which has the world's most mighty military, is not able to project the region as desired, and the official national papers are concerned about their situation. Under these circumstances, it can be seen that no one can declare the dominance of power in the Asian region.

5.4.2 Soft Power

Soft power is a concept defined by Joseph Nye. In contrast to hard power, which refers to physical power such as military or economic power. Nye states soft power allows you to produce the results you want without forcing others to do so. Later, Nye classified soft power into three practical types of resources rather than abstract concepts.

“Its culture (in places where it is attractive to others), its political values (when it lives up to them at home and abroad), and its foreign policies (when others see them as legitimate and having moral authority) (Soft Power 30, n.d.).”

Despite this definition, soft power is not easy to conceptualize and divide into categories because it defines intangible activities and aid related to institutions, cultures, and values. Therefore, this study aims to utilize the scale created by Nye that demonstrates a comprehensive outlook on soft power. The soft power 30 measured countries' soft power and ranked them every year from 2015 to 2019. The ranking is based on the

“Quality of a country’s political institutions, the extent of their cultural appeal, the strength of their diplomatic network, the global reputation of their higher education system, the attractiveness of their economic model, and a country’s digital engagement with the world (Joseph Nye, 2011, pp 84).”

The U.S. and China have made efforts to promote soft power in order to expand and maintain their influence in general. The U.S. has been a leading country in Western culture, developing values, cultures, and institutions based on liberal democracy to create a good image of the U.S. Recently, China seems to have been making efforts to create a favorable image in the international community with great interest in the soft national power sector.

State	Overall Average Ranking.	Digital	Enterprise	Education	Culture	Engagement	Government	Polling
U.S.	5	1	5	1	1	4	21	13
China	27	30	21	17	8	10	29	29

[Table 6 – U.S -China soft power comparison created by the author based on Soft Power 30 data]

The above [Table 6] has been extracted from the 2019 data from [The soft power 30], which shows that the U.S. ranks fifth overall, China ranks twenty seventh. The U.S. is leading most of the countries overall. The U.S. is a country where the creators of the concept of hard power/soft power come from and is a strong competitor of existing soft power. People worldwide listen, watch, and enjoy American pop songs and movies, and its culture dominates the cultural market worldwide. It has had an undeniable influence on all cultures since World War II to this day. In terms of cultural impact, there seems to be no other country

that can match the U.S. with its strong market, economic power, and infrastructure. In addition, there are considerable numbers of multinational corporations in the United States that people know only by name such as Google, Amazon, YouTube, Twitter, Facebook, Instagram, Bethesda Softworks, EA, Apple, and Microsoft. have grown into world-class supermarkets. These companies naturally blend into people's lives every day and influence them. Any other country in the world has not achieved the impact of the U.S.

In the case of China, it is developing its culture with outstanding economic growth and has made significant progress in the field of culture and arts-based due to its capital strength and continues developing rapidly. Chinese games, in particular, outperformed the U.S. in the marketplace and ranked no. 1 in the world. In addition, it is the home of the Chinese language, one of the official languages of the United Nations, and together with the neighboring countries, China forms a cultural area where Chinese characters themselves or a language that has been influenced by it are used. In addition, Confucianism, the ideology of Confucius in China, continues to influence Asian countries where aspects of Confucianism are deeply rooted in the culture. However, the government's cultural repression and censorship are hindering the influence of Chinese soft power. The biggest problem is censoring celebrities, sports players, and companies that make statements on China's political problems, which negatively affect the image of China worldwide, especially as suppressing the freedom of expression extends to other countries under the influence of China as well.

The author believes that the reason for the difference in soft power between the two countries is as follows. First, in terms of cultural capabilities that other countries find attractive, the potential of the U.S. possesses an advantageous position over China. Since the foundation of the U.S., freedom, human rights, equality, individual voluntary participation in society, and the inclusion of multiple races through immigration policy have created a culture that pursues universal human values. Although this American culture has both bright and dark sides, it has become a commonly preferred one. On the other hand, Chinese culture has been formed as per the Chinese ideology Sinocentrism, which is based on the hierarchical order and relationships rooted in Confucianism. This Confucian view emphasizes hierarchy, loyalty, and bureaucracy rather than accepting the universal human values pursued by the U.S., such as equality, freedom, and rights. China's culture has created many valuable heritages, but the reality is that it lacks universal values that other countries around the world would like to pursue.

Second, the political value that can be supported domestically and abroad. The U.S. has

pursued liberal democracy as the nation's fundamental political ideology and life philosophy. U.S. was a democracy that pursued the principle of sovereignty and prospered much more peacefully and stably than European powers that bled and suffered sacrifices on the way to democracy. The political values of the U.S. have been established as a universal political principle that all countries can accept and pursue, and global democracy is a political system adopted by far more countries than immediately after the end of World War II. However, China still remains a communist dictatorship. Furthermore, today's world does not see communism as an ideal value. The image of domestic politics engulfed in fear and darkness during the Soviet Empire and the oppressive policy toward Eastern Europe can be examples of aspects that affected the general view of communism negatively.

The third aspect is a foreign policy with authority based on legitimacy and morality. Such diplomacy can be defined as public diplomacy. Some criticize U.S. public diplomacy and consider it as a unilateral and morally pragmatic policy that declares a unilateral policy when other countries do not match their own interests and try to match the moral standards of other countries to their own. However, U.S. diplomacy has been based on the principle of supporting and cooperating with other countries based on liberal democracy. Success stories about U.S. having supported and developed cooperative relations after World War II can be found in Europe and Asia. China's foreign policy is based on Confucianism and Sinocentrism. These ideologies believe that international peace and order can be maintained when China becomes the highest country in the international community (Lee, 2020).⁹¹ China has made efforts to create soft power, but other countries remain doubtful about China's basic ideology and tradition of putting themselves as a son of god (天子) (Ebrey, 1996),⁹² which makes them conceited as the center of the world and look down to other people. At present, various countries have fully adapted to the western values of peaceful and stable mutual relations, therefore, they can be treated as equal entities in their relations in international society. In this reality, it may be difficult for other countries to recognize China's ideological value as preferable.

⁹¹ Chun-Geun Lee, 2020, pp 104-108

⁹² Patricia Ebrey, 1996

天子 is known that the son of celestial ruler, the supreme deity among the many gods. Chinese people think of his father as originally the creator of all things. Likewise, the Son of Heaven, 天子, had to be the ruler of all the peoples of the world. That is why the Chinese believe that there is only one noble people(Themselves) in the world, and they believe that they are carrying out the noble mission entrusted by heaven.

In conclusion, it can be seen that the soft national power of the U.S. is superior to that of China in all fields and has much greater potential. Even if China is making efforts to expand its soft power, it seems difficult to reach the level of the U.S. as the intangible values are not easy to control with a sole nation's will.

6. Current Power Parity Situation

6.1 Analysis Content

The comparison of hard power and soft power of the two countries, which have been compared and analyzed earlier, is depicted in the [Table 7] below.

Division			Assessment		Note Superior: ● Inferior(relative): ▲ Inferior: × Hard to define: ?
			U.S.	China	
Hard Power	Economic Power	GDP	●	▲	
		Trade Volume	▲	●	
		Economy Prospect	?	?	Controversial
	Military Power	Military Strategy	●	▲	
		Military Budget	●	×	
		Manpower	▲	●	
		Modernized weapon	●	▲	
		South East Asia	?	?	Controversial
Soft Power			●	▲	

[Table 7 - Power assessment & comparison created by the author for the thesis]

The table above is divided into three symbols to demonstrate the difference between the two countries visually. For each part, a circle was used if one side was superior, a triangle if it was slightly inferior, an X if it was significantly inferior and a question mark is used if the area was hard to say for sure. First, in terms of economic power, China has already surpassed the U.S. in terms of trade, and GDP has followed almost equally. However, the future prospect is difficult to say any country has a better position because some experts foresee Chinese superiority within its rapid growth while others believe China will follow the same path a Japan. In terms of military power, the U.S is primarily superior in most areas, and in terms of defense expenditure, in particular, it seems difficult for China to keep up with the U.S. unless it increases its defense expenditure enormously, which in turn causes a financial issue. However, it seems that both nations are competing in the field of power struggles in East Asia, which is the main focus of this study. This is because China is geographically located in the region and has a significant influence on other countries in the area. Thus, it seems complicated to determine the superiority of the U.S. in this area particularly, even with its generally influential military power. In soft power, it is unlikely that China could surpass the U.S., where dominates the cultural market and has commonly favorable political and ideological value, even if China puts effort to boost their values.

Under these circumstances, a high degree of multivariate analysis will be necessary to confirm the extent to which China has approached power equality with the U.S, which is currently impossible to provide on such a specific level in this study. Therefore, the author analyzed the data of the countries as shown in [Table 7]. This helps to see the situation in both countries at a glance. Taken the information together, it can be said the China has largely followed the U.S. except for categories with huge differences such as defense spending and soft power. In this situation, it seems necessary to evaluate the satisfaction of China, as the challenging country, to prospect the possibility of a power transition. If China is satisfied with the current U.S.-led national order, peace will continue, and if it is dissatisfied, China will try to overthrow U.S. hegemony, and in the worst case, war could break out. In the next chapter, the author will examine the degree of China's satisfaction with the current order.

6.2 Chinese Satisfaction Level

China's satisfaction with the current international order will answer whether China will become a country that will challenge hegemony or a country that wants to maintain the status quo.

6.2.1 Ideological Background and Policy Direction

China's level of satisfaction or dissatisfaction with the current international order led by the U.S. is expressed in China's policies, starting from the ideological background of China. First point is the Chinese idea of international peace. As can be seen from the history of the Warring States period, the Chinese believe that the conditions for international peace are met when a hierarchical order is established and followed, instead of a scenario in which countries are all equal (Lee, 2020).⁹³ The Chinese believe that international peace is only possible when a country at the top of international politics takes care of small countries, and small countries respect and obey the large ones (Lee, 2017).⁹⁴ Based on this Sinocentrism, China has formed a philosophical ideology by defining the relationship between China and other countries as a master-subordinate relationship. China's worldview defines the world as a hierarchical structure and believes that international peace can be maintained when China becomes the strongest hegemony. Therefore, rather than being satisfied with the international order led by the U.S., China desires to emerge as a superpower someday and lead the world order.⁹⁵ Second, China shows its ideological feelings ambition through foreign policy. In the 1990s, when the Soviet Union and communist regimes in Eastern Europe collapsed, Deng Xiaoping has introduced a new national policy. 'Tao Guang Yang Hui' refers to China's diplomatic policy during Deng's regime in the 1990s. When he adopted the open door policy, he used 'Tao Guang Yang Hui' as the backbone of foreign policy. The literal translation from Chinese means hiding the light and nurturing strength in the dark. This refers to a foreign policy kept under the radar of other states until it has economic or

⁹³ Chun-Geun Lee, 2020, pp.104-110

⁹⁴ Dong-Hoon Lee, 2017-01-16

During a meeting with South Korean businessmen, China's Asian department deputy director, who visited Seoul in 2016, actually said: "Can a small country stand up against a large country?" "If your government deploys THAAD, you will suffer tremendously " Although there is no official statement left, it shows a good examples of how China's view of international world order.

national power that can exert international influence. Until then, China will cooperate tactically. In 2012, Xi Jinping emphasized that the Chinese dream is to realize the great revival of the Chinese people and build a prosperous and democratic socialist modernized nation on the 100th anniversary in 2049. It seems that China is ultimately trying to realize the Chinese dream by forming a new international order. In other words, it is decisive evidence for the fact that China will stop waiting in the darkness and is showing its ambition toward international order. Therefore, Chinese ideologies as Sinocentrism and 'Tao Guang Yang Hui,' which are the core of national policy, can be considered as indications that China is not satisfied with the international order led by the United States. Eventually, China considers that their power is strong enough, and they are revealing their true ambitions.

6.2.2 Economic Conflict

Economic interdependency between countries is maintained and expanded when they need each other for their development, but the possibility of confrontation increases when their interests differ. The high dependence between the U.S. and China does not necessarily mean that there is no conflict. The most obvious and relevant example is the current U.S.-China trade war. The trade war, which began with tariffs issues, has since expanded to technology-related issues due to U.S. sanctions against Huawei and China's suggestion of restrictions on rare earth exports, and countries have chosen conflict over cooperation for each other's benefit. In addition, historical evidence, including WW 1, supports this and shows that wars also occurred between countries with high economic dependence. Now China is making efforts to reduce its economic dependence on the U.S. to integrate a China-centered economy and security. Examples of such attempts by China include BRI, Regional Comprehensive Economic Partnership (RCEP) as a countermeasure against the Trans-Pacific Strategic Economic Partnership (TPP), as well as establishing FTAAP and AIIB. While China is taking measures to build a new economic system that contrasts with the U.S.-led international economic system, it seems that China intends to continue pursuing various measures regarding an economic reform even if it causes more conflict with the U.S. Therefore, satisfaction with the current international order in China's economic field can be said to be dissatisfaction and may develop into a more dissatisfying situation.

6.2.3 Satisfaction Assessment

In conclusion, China's satisfaction with the current international order is somewhat negative. As can be seen from its Chinese ideology, there seems to be a possibility that the international order dominated by the U.S. will not be recognized by China when its national power further increases. China has attempted to expand its influence on the international stage as its economic and national power increases, and recently President Xi introduced Chinese dream showing the ambition of the future leader of a socialist society.

As aforementioned, considering that China has been catching up with the power of the U.S. considerably and the aspect that China's dissatisfaction with the current world order, it can be said that the conditions of power transition were met. Under these circumstances, what are the reasonable options the U.S. has to keep its hegemonic position?

7. Reasonable Choice for The U.S.

U.S. decision	Options	Consequences
1	Boosting national power	Losing power transition condition (China not even willing to try challenge)
2	Helping Chinese satisfaction higher	Losing Hegemony

[Table 8 - U.S. reasonable options to choose created by the author based on power transition theory World Politics (1958)]

To summarize once again, the current conditions under which a power transfer between the U.S. and China is likely to occur are met. It can be said that the U.S. and China have achieved an equalization of power, and, in some areas, China is approaching a point in which it could overtake the U.S.. In addition, China is attempting to expand its influence in the current international order, and this is because there are aspects that leave China dissatisfied with the current international order led by the U.S.. In such a situation, what reasonable options does the U.S have to retain its hegemonic power? To provide an overview of these options, they are listed in [Table 8].

The first possible course of action would be to increase their national power exponentially to prevent power parity, a necessary condition for power transition, and the second option

would be to change the U.S.-led international order to satisfy China's international order. However, the second option is not one that the U.S. is willing to choose, as China could become the world's sole dominance and a country capable of projecting power. In other words, the U.S. loses its hegemonic position. Then, in which ways could the U.S. retain its dominant power? The first option would be widening the power gap not to reach power parity. As described above, the factors that determine the power of the state are hard power and soft power.

The U.S. is currently outperforming China in most areas, but the economic prospect and military competitiveness in East Asia are somehow questionable. In other words, if the U.S. doesn't take proper action, China can overtake them. Under this circumstance, removing the condition of power parity reduces the possibility of losing global hegemony, and there will be no waste of resources preventing power transition if it goes into hostile way. Therefore, strengthening the military power in East Asia, one of the gray areas, is a way to leave China behind the U.S.. Although it is true that China is no match for the U.S. in terms of general military power, the dominance of the U.S. in the region will be a good stepping stone to eliminate the condition and will of China's power transition, given that state of competition in East Asia remains controversial and the region is geopolitically important to both nations. One of the measures for the U.S. to achieve the upper hand in the region is the MD policy, which helps keep China in check, and One of MD system is THAAD.

8. U.S Missile Defence(MD) and THAAD

As early as the collapse of the USSR in the 1990s, the U.S. lost justification to keep the Strategic Defense Initiative (SDI) policy promoted by President Reagan in 1984 and discontinued it. However, later, the Gulf War led to promoting the National Missile Defense (NMD) and the Theater Missile Defense (TMD). In May 2001, the U.S. declared that it would build a new core strategic framework to defend U.S. bases and allies as well as the U.S. mainland from threats of rogue states and later expressed its willingness to build and expand a national missile defense system in 2002. It declared its withdrawal from the existing Anti-Ballistic Missile (ABM) treaty and began building customized MD in Europe, the Middle East, and the Asia-Pacific region. The background of the U.S. MD expansion can be divided into political, economic, and military aspects. Political aspects include maintaining the U.S. hegemony and defending against missile threats from rogue states

against the U.S. In economic terms, the expansion of the military industry and its relationship with the military complex could be cited, and in military terms, the change of the U.S. nuclear strategy idea could be pointed out.

Regarding the expansion of the MD promotion, China and Russia strongly opposed it, saying that the strategic goal was not only to defend the mainland and overseas U.S. bases and allies, and that it is more likely that U.S. was trying to expand its international hegemony (Shepherd, 2017).⁹⁶ In August 2001, former Chinese President Jiang Zemin expressed opposition to the U.S. MD system and its deployment at a press conference with the New York Times, warning the U.S. to act carefully. The specific reasons why China opposed the U.S. MD at that time are as follows.

First, China believes that the goal of U.S. military strategy in the 21st century is to contain and challenge China's military power, which brings consequences. Even if the U.S. insists that the MD is not directly aimed at China, China believes that once deployed in Asia and Northeast Asia, it is self-evident that it will pose a maximum threat to China's limited military deterrence (Chinese ministry of foreign affairs, 2001).⁹⁷ Second, China believes that the MD plan is not just a plan to strengthen military power but a concrete plan to gain an absolute advantage in military power in the long run. China believed that the U.S. would further expand arms competition among countries based on its military technology revolution to maintain global hegemony, greatly undermining Chinese status and influence in Asia and Northeast Asia. Third, China predicted that the MD would further create regional unrest by expanding relations with the U.S. and its allies and exercising hegemonic power against the trend of multipolarization of international politics.

Whether the U.S. officially recognizes it or not, the points introduced above that China is worried about are actually being executed by MD. Thus, the MD objective of the U.S. could be regarded as an intention to keep any external forces that hinder its national interest in check in the reality of new international politics and maintain continuous military hegemony.

THAAD, the main focus of the study, also seems to have been deployed as an extension of MD. This brings up back to the first question regarding THAAD that was discussed at the beginning of this study. Why was THAAD, which cannot even protect Korean citizens from North Korean nuclear provocation, deployed on the Korean Peninsula? The answer to this question is behind the utility of THAAD's AN/TPY-2 radar, which can penetrate deep into

⁹⁶ Christian Shepherd, 2017-07-04

⁹⁷ Chinese ministry of foreign affairs, 2001-08-13

China. Experts say that the THAAD radar could easily monitor mainland China (Torode & Martina, 2017).⁹⁸ China stated that THAAD radar was originally designed to provide information to the U.S. NMD and that deploying THAAD on the Korean Peninsula made it very easy to detect Chinese ICBMs technically (Beal, 2016).⁹⁹

In other words, for the U.S., THAAD plays a vital role in keeping external forces in check. In addition, due to the easy identification of mainland China, it can detect missile launches in their early phases, which can help operate the main radars installed in the U.S mainland immensely. Due to these advantages, the U.S. tried to deploy THAAD despite criticism and claims that it has no real benefits to South Korea. This is because it helps monopolize military dominance in East Asia and in the rest of the world. Therefore, THAAD is a way to hinder growing China and help make the U.S. stronger, consolidating its hegemony. In the context of the power transition framework, the installation of THAAD enables the U.S. to gain an advantage in the military power of the region, thereby preventing the power parity itself, which is a prerequisite for power transition. If the conditions for power transition are removed, China's influence will be negligible despite of China's level of satisfaction with the current world order, so the U.S. can guarantee its hegemony.

In other words, the underlying motive behind the deployment of THAAD on the Korean Peninsula was not the intention to protect it from North Korea's nuclear provocation, which is what has been officially claimed. Instead, the motivation for establishing the system was fueled by the U.S. wanting to keep its hegemonic position.

9. Conclusion

Despite China's strong criticism and its economic retaliation as a response to the deployment of THAAD, the system was established on the Korean Peninsula in 2017. The study asked whether the deployment of THAAD is an appropriate and practical method to protect peace on the Korean Peninsula and defend South Koreans from North Korea's potential nuclear missiles due to its continued military provocations. To answer this question, the author attempted to find the correlation between the threat of North Korea's provocation and the deployment of THAAD. However, after looking through the history of the

⁹⁸ Greg Torode., & Michael Martina, 2017-04-04

⁹⁹ Tim Beal, 2016-11-15

deployment and the lack of the system's defense utility, the paper arrived at the first conclusion that the officially claimed reason for the deployment of THAAD was not logical. After that, the author raised the next question: What is the reasoning behind the THAAD then? The author believes that it must be part of the U.S. national interest regarding the U.S.-China hegemonic competition. To depict the situation systemically, the author used Olganski's power transition theory. Olganski believes that if a dominant power and the challenging powers are closed to becoming equal, there is a possibility of a hostile power transition attempt, depending on the challenger's satisfaction level. To prevent this, the dominant power will also take preventive action. Under this framework, the study analyzed both nation's power and China's satisfaction level.

The analysis suggests that it is somewhat true that China is catching up with the U.S. In particular, in terms of trade, China has already surpassed the U.S.. In military power, China is far behind the U.S. in most areas, but East Asia's situation seems very hard to conclude. When it comes to soft power, the cultural power and ideological establishment of the U.S. boasts an incomparable advantage compared to China. Under this circumstance, considering China's national ideologies and the current economic disharmony with the U.S., China can be seen as dissatisfied with the current international order. Then, the author explored the most rational actions for U.S. to choose to prevent China from overtaking the U.S. It seemed that boosting military power, especially in the East Asian region, where nobody can claim a clear upper hand, is a good option for the U.S.. This is because by enhancing the military power in the region, the U.S can get rid of the possibility of Chinese power parity, the precondition of power transition, and improve its military power that prevents China from even dreaming of challenging the U.S. hegemony. THAAD, which has a long-range radar that can monitor China and detect Chinese missile activity way earlier than its home land's MD system, definitely gives an upper hand to the U.S.

To summarize, the author tried to illustrate that THAAD was not actually for the benefit of Korea, unlike the existing official statements that THAAD reduces the threat of North Korea's constant provocation. Given that Chinese national power is getting to similar level as that of the U.S. and China keeps showing its dissatisfaction, the author suggested precautionary measures that can keep the hegemonic position of the U.S.. As a result of the analysis, the East Asian region is considered an important region where the U.S. can outrun China's pursuit. Then, the author provided the advantages of THAAD to the U.S. in the region, and this is due to THAAD radar bringing considerable military utility to the U.S

Therefore, it can be said that the answer to the question of what brought the deployment of THAAD to the Korean Peninsula is the intensifying competition for hegemony between the U.S. and China due to China's growth. And it is appropriate to conclude that the main hypothesis that overheating of the U.S.-China hegemonic competition, which is the independent variable, and the deployment of THAAD, the dependent variable, are significantly related and the hypothesis is verified.

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