Who is Afraid of the Rise of China? –Economic, Geopolitical, and Ideological Factors

Min-Hua Huang
Institute of Arts and Humanities, Shanghai Jiao Tong University

Yun-han Chu
Institute of Political Science, Academia Sinica

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Introduction

In the past two decades, the world has witnessed China's rise in hard power, such as military capability, political influence, and economic prosperity. The parallel development of telecommunication and internet technology further expedites the impression that China has been very influential in world politics. Throughout the many reports about China's military buildup, for instance, China's first aircraft carrier (Liaoning) formally entering into service, or the successful development of China's anti-ship ballistic missile (ASBM), ordinary people can easily realize China's major-power status and its role as a potential challenger to the United States. In political sphere, China has also been a powerful player in the UN Security Council[1], and it often counters the position of US and its allies, such as the sanction issues of North Korea and Iran. Economically, Chinese-made products are omnipresent in people's daily life, symbolizing China's great economic strength. Most observers agree that China will soon surpass US and become the world largest economy within two decades. China's image as a rising power, through media's report and influence, has been widely acknowledged around the world.

Chinese leaders are aware of their growing influence, and they do not want the world to perceive China as a revisionist power, or even with any negative image, because it might cause unnecessary hindrance to China's future development. They not only initiated public relations campaign to promote the idea of China's peaceful rise, but also set forth an official policy to improve China's worldwide image.[2] For scholars of international relations, they call this policy as public diplomacy, aiming to shape better image directly with foreign publics through multiple channels, such as establishing numerous Confucius Institutes, setting image advertisement in Time Square, hosting 2008 Summer Olympics and other major events, and starting a 24-hour English news channel of CCTV (China Central Television).[3] All these moves demonstrate that China intend to augment their political influence through deliberate construction of its soft power. The goal is to pacify the anxiety of security concerns of

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[1] See Barry O'neill, "Power and Satisfaction in the United Nations Security Council," *Journal of Conflict Resolution* 40, no. 2 (1996): 219-237.

[2] Jeffrey W. Legro, "What China Will Want: The Future Intentions of a Rising Power," *Perspectives on Politics* 5, no. 3 (2007): 515-534, Rosemary Foot, "Chinese Strategies in a US-hegemonic Global Order: Accommodating and Hedging," *International Affairs* 82, no. 1 (2006): 77-94, and Zheng Bijian, "China's 'Peaceful Rise' to Great-Power Status," *Foreign Affairs* 84, no. 5 (2005): 18-24.

[3] Eytan Gilboa, "Searching for a Theory of Public Diplomacy," *The ANNALS of the American Academy of Political and Social Science* 616, no. 1 (2008): 55-77, Jan Melissen, ed., *The New Public Diplomacy: Soft Power in International Relations* (New York: PALGRAVE MACMILLAN, 2005), Joseph S. Nye Jr., "Public Diplomacy and Soft Power," *The ANNALS of the American Academy of Political and Social Science* 616, no. 1 (2008): 94-109, and Yiwei Wang, "Public Diplomacy and the Rise of Chinese Soft Power," *The ANNALS of the American Academy of Political and Social Science* 616, no. 1 (2008): 257-273.

its neighboring countries as well as other major powers in the international society.

From realist point of view, it is not hard to understand why neighboring countries and other major powers might feel threatened by the rise of China. Deeper reasons, however, reside in historical and cultural factors rather than simply the conflict of security interest. A few examples can illustrate this perspective well. For instance, the Sino-Japanese relationship for a long time is troubled by mutual suspicion and distrust. The persistence of such tension is beyond what the short-term events can explain, and rather associated with the historical feud originated from a series of wars during the first-half of the twentieth century. The cross-strait relationship exhibits another complicated example. The separation of Taiwan and China was a result of the Chinese civil war during 1945 and 1949, and for more than six decades, no peace agreement was formally signed between ROC and PRC governments. However, economic and cultural integration has been continued since mid-1980s, particularly showing in the great level of economic interdependence and a large number of intermarriage.[4] As the two societies are heading toward a direction of deeper integration, the fundamental security concern has never been eased since PRC refuses to give up using military power against Taiwan. Therefore, how Taiwanese perceive the rise of China could be related to all of the contextual factors, and these factors are very likely to engender conflicting feelings, depending on individual's political position and personal interests. In other words, the public perception is simultaneously influenced by both contextual and individual factors altogether.

Similar explanations can account for the public perception of China's rise in other Asian countries, but specific reasons vary from country to country. In Mongolia, the longstanding public aversion toward potential Chinese domination has aroused great anti-Chinese feeling, despite the heavy dependence of Mongolian economy on Chinese exports. For Vietnam, the mixed feeling toward China is related to the varying roles that PRC represented in different historical periods, for instance, from the major ally during the Vietnam War to the malicious intruder in the Sino-Japanese War. Still, while the historical memory of PRC supporting communist parties in Malaysia and Indonesia might be still lingering, China has been the largest economic partner in both countries in recent years. The rapid development of the economic relationship between China and Southeast Asian countries has largely improved the public perception of China. To understand how Asians think of China's rise and whether they welcome this phenomenon, we need a multilevel analysis to tease out the individual-level as well as contextual-level factors at the same time.

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[4] Tse-Kang Leng, "Economic Globalization and it Talent Flows Across the Taiwan Strait: The Taipei/Shanghai/Silicon Valley Triangle," *Asian Survey* 42, no. 2 (2002): 233, and Robert F. Ash and Y. Y. Kueh, "Economic Integration within Greater China: Trade and Investment Flows Between China, Hong Kong and Taiwan," *The China Quarterly* 136, no. 4 (1993): 711-745.

This paper, as part of a collective effort to identify the explanatory sources of Asians' perception about China's rise, looks at the story at the receivers' side as Nye correctly pointed out that soft power depends on willing interpreters and receivers.[5] It aims to decipher the relative importance of individual-level explanatory variables such as socio-economic satisfaction, cognitive schema, and ideology and political values vis-à-vis that of the country-level structural variables such as geopolitical tension, economic interdependence, and cultural identity. The latter is to be shown as important as the former in explaining variation in popular perceptions especially across countries. These structural factors do not shape people's perception directly in a strict causal sense. However they constrain and shape the interpretive frameworks that are routinely utilized and employed by national political elite, opinion leaders and mass media, i.e., the interpreters, to socialize and mobilize the local people.

**Divergent Perceptions and Possible Contextual Explanations**

Using the latest-wave data of Asian Barometer Surveys, we derive two measurements that tap into public perceptions of whether they recognize China as the most influential country in Asia and whether they have a favorable image of China. The scale of both measurements is binary, and we compute the percentage as the contextual variables that show the public perception of China in each country. The detail of variable formation can be found in the Appendix.

Figure 1 reports the findings of perception of China across twelve Asian countries. The result shows great divergence of how people think of China's rise and whether they welcome China's influence. Instead of explaining particular numbers in specific countries, we summarize the divergent findings into three combinatorial patterns by the relative magnitude of two perception measures.

The first group includes Japan and Mongolia, which shows greater percentage of recognizing China's rise and much lower favorable perception of China. This attitudinal combinattion suggests an antagonistic orientation toward China, indicating great vigilance of China's threat and widespread dislike against China. In Japan, 62.6% acknowledged that China has the most influence in Asia but only 18.9% have a favor image of China. The Mongolian public shows a similar level of recognition of China's rise (64.9%), and a higher number of favorable image perception (33.7%).The margin of difference exceeds 30% and signifies very negative impression.

Figure 1   Divergent Perception of China, Grouped by Different Patterns

[5] Joseph Nye Jr. *Soft Power: The Means To Success In World Politic, (*PublicAffairs, 2005)*: page 120.*
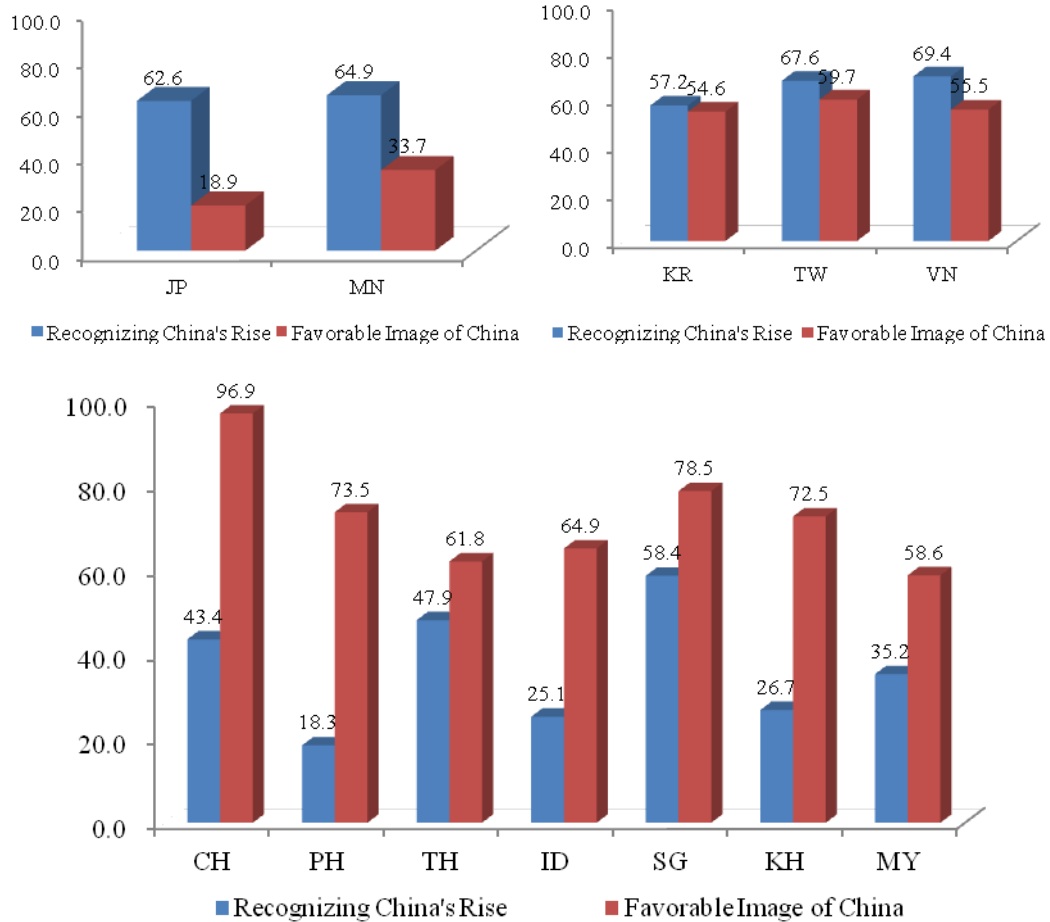
Koran, Taiwan, and Vietnam show another combinatorial pattern, which indicates fairly high percentage of both measures. In all of the three countries, the measures for recognition of China's rise and favorable perception of China are unanimously above 50%, and the former percentage is slightly higher than the latter one. This reveals a vigilant but a more ambivalent attitude toward how to interpret the consequence of China's rise. Unlike the previous combinatorial pattern, the much higher number of favorable perception suggests that people might positively think of a powerful China in related to their interests, but they do not rule out the negative consequence and thus have some reservations.

The rest seven countries exhibit the last category, in which the percentage of favorable perception is overwhelmingly greater than the percentage of recognition of China's rise. As can been seen, the margin of difference is over 50% in China and Philippines, and this reflects a much more benign and positive evaluation toward China. In Singapore and Thailand, while the number of recognizing China's rise is close or above 50%, we found a significant margin of difference for an even higher rating for favorable perception. Except China, all the six countries are geographically located in Southeast Asia and none of them are territorially adjacent to China. This

signifies a geopolitical explanation for a relatively benign and less vigilant attitude toward the potential threat of China.

What are possible sources of divergent perceptions of China as shown in Figure 1? We propose three contextual factors that might account for different combinatorial patterns: geopolitical tension, economic interdependence, and cultural identity. The first contextual factor is geopolitical tension, conceptually defined as the level of political antagonism associated with geographical position. For example, some scholars believe that countries with adjacent territory might be more likely to have military conflict than those without, because not every country has enough power projection capability to conduct oversea battles without adjacent territory.[6] Even if the country does, it is much easier to fight its neighboring countries than a non-adjacent or distant country. Another example is associated with the past political experiences, such as whether the two countries had warring experiences against each other. Political tension might be quickly elevated if the adversarial memory still lingers within both countries.[7] For instance, the regular political tension between China and Japan is closely related to the painful memory of numerous Sino-Japanese Wars in the last century.[8] The public perception could be systematically biased due to such historical factors. Still, the similarity of political regime might account for how people perceive other countries, since people living in two countries which have the same regime type might share a similar cognitive framework, and thus are more likely to have favorable perception because of the similar political identity.[9] For instance, what Chinese people think of democracy could be more alike as what Vietnamese do due to the fact that both countries have a similar communist political system. But we can expect much greater difference if we compare to what Japanese or Taiwanese think of democracy. Conceptually, we believe that the greater the geopolitical tension,

[6] Paul F. Diehl, "Contiguity and Military Escalation in Major Power Rivalries, 1816–1980," *Journal of Politics* 47, no. 4 (1985): 1203-1211, Paul F. Diehl, "What Are They Fighting for? The Importance of Issues in International Conflict Research," *Journal of Peace Research* 29, no. 3 (1992): 333-344, Douglas M. Gibler, "Bordering on Peace: Democracy, Territorial Issues, and Conflict," *International Studies Quarterly* 51, no. 3 (2007): 509-532, Paul R. Hensel, Sara McLaughlin Mitchell, Thomas E. Sowers II, and Clayton L. Thyne, "Bones of Contention: Comparing Territorial, Maritime, and River Issues," *Journal of Conflict Resolution* 52, no. 1 (2008): 117-143, and Paul D. Senese, "Territory, Contiguity, and International Conflict: Assessing a New Joint Explanation," *American Journal of Political Science* 49, no. 4 (2005): 769-779.
[7] Greg Cashman, *What Causes War? An Introduction to Theories of International Conflict* (New York: Lexington Books, 1993), Keith L Nelson, Spencer C. Olin, and Spencer C. Olin Jr., *Why War? Ideology, Theory, and History* (Berkeley: University of California Press, 1979), and Stephen Van Evera, *Causes of War: Power and the Roots of Conflict* (Ithaca, NY: Cornell University Press, 1999).
[8] Thomas J. Christensen, "China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia," *International Security* 23, no. 4 (1999): 49-80, Chalmers Johnson, "How China and Japan See Each Other," *Foreign Affairs* 50, no. 4 (1972): 711-721, and Yinan He, "History, Chinese Nationalism and the Emerging Sino–Japanese Conflict," *Journal of Contemporary China* 16, no. 50 (2007): 1-24.
[9] Bridget Welsh, "Attitudes toward Democracy in Malaysia: Challenges to the Regime?" *Asian Survey* 36, no. 9 (1996): 882-903.

the greater the recognition of China's rise but the lesser the favorable perception of China.

The second factor considers the level of economic interdependence. As the world factory, China's economic prosperity is closely related to its strong exports in the global economy. Most of the East Asian and Southeast Asian countries are in fact part of the production chains that integrated with Chinese foreign trade system. As the level of economic interdependence elevates, the mutual interest quickly develops and activities of social exchange become more intensive.[10] Throughout these interactions, people realize the actual situation of China from their personal experiences in the daily life, and they also have deeper understanding and even compassion toward China. More importantly, their interest is bounded with China's political and economic future. Therefore, such personal attachments or stake might strengthen their recognition about China's rise and engender much better image of China.

The third factor is related to cultural identity, which associates with the similarity of cultural bedrocks between China and other Asian countries.[11] If people share similar cultural identity with China, the cognitive perception would be more amicable, and thus generate greater acknowledgement of China's rise as well as more favorable evaluation toward this phenomenon. Here, the cultural identity is defined as the prevalent value system that guides people's thoughts and behaviors in their ordinary life. In East Asian context, it could be reflected as the many social characteristics ubiquitously appear, such as collectivism, avoidance of conflict, respect to authority, fatalism, filial piety, etc. We apply the above characteristics to form a cultural variable and use China as the benchmark. Then the similarity of cultural identity can be measured through computing the margin of cultural distance. The smaller the distant, the greater the cultural similarity.

There is a caveat for the above discussion that multiple contextual factors always exert their influence simultaneously on the recognition of China's rise and perception of China's image. Meanwhile, multiple individual-level factors also have different impacts at the same time. Consequently, we need to resort to multilevel modeling to tease out the effect of each variable at different levels all in once. Without this analytical tool, we are not able to partial out the effect of confounding factors that might bias our causal inference without proper statistical control.

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[10] Brantly Womack, "China and Southeast Asia: Asymmetry, Leadership and Normalcy," *Pacific Affairs* 76, no. 4 (2003/2004): 529-548.

[11] See Harumi Befu, *Cultural nationalism in East Asia* (Califonia: University of California, 1993), and Jonathan Friedman, *Cultural Identity and Global Process* (Thousand Oaks, Califonia: SAGE Publication Inc, 1994).

Bivariate Contextual Analysis

We first investigate the relationship between geopolitical tension and perception of China's rise through bivariate contextual analysis. Three indices are applied to build a composite measure of geopolitical intension with China: territorial adjacency, warring experiences (in the twentieth century), and a democratic political system. If a country scores in all three indices like Japan, Korea or Taiwan, it gets the maximal score of 3 and indicates greatest likelihood of military conflict from the geopolitical perspective. If a country does not score in any of the three indices like Singapore, Thailand, and Cambodia, it gets the minimal score of 0 and represent least chance of military conflict. As Figure 2 presents, we found that greater geopolitical tension is associated with greater recognition of China's rise in Asian countries. Except for Singapore and Vietnam, the four countries which has the majority of people who think China most influential in Asia score 2 or above in geopolitical tension. For the rest five countries, they score only 1 or below. We believe that this positive relationship is associated with the vigilance developed from the deeper geopolitical factor interwoven with historical memory and past experiences. Similarly, we found most countries in which less than 60% people perceive China positively score higher in geopolitical tension, and those show very positive impression of China have relative lower measures of geopolitical tension. This inverse relationship makes perfect sense since greater geopolitical tension between two countries would only aggravate mutual suspicion and animosity, and thus reduce the favorable perception toward each other.

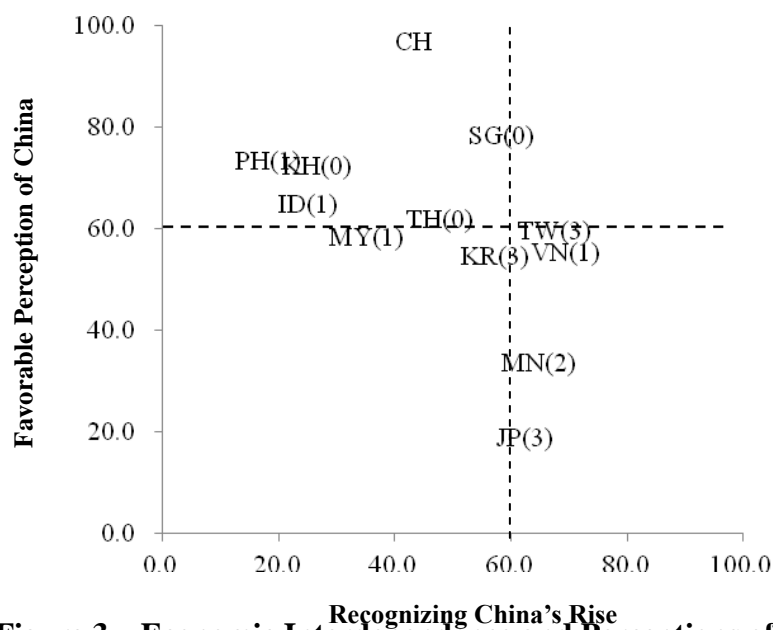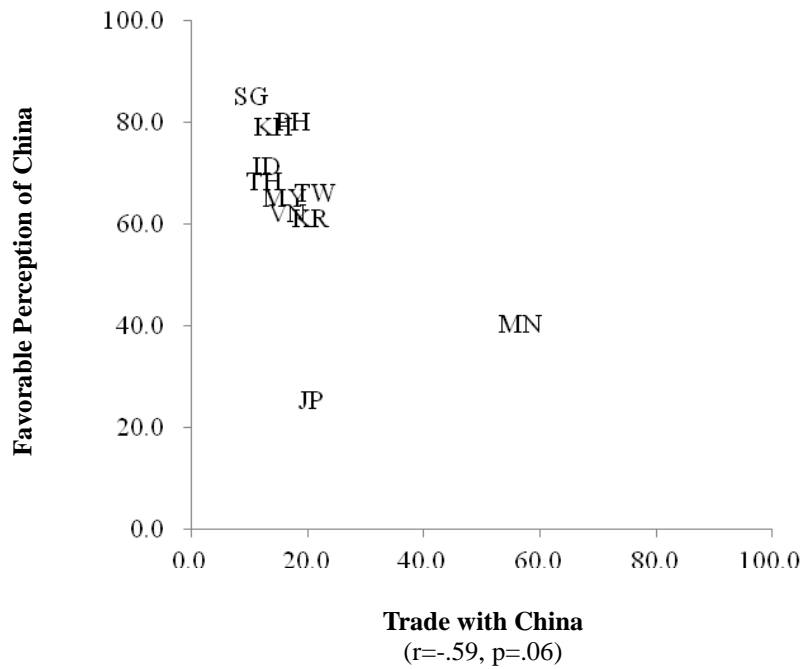**Figure 2   Geopolitical Tensions and Perceptions of China**

Figure 3   Economic Interdependence and Perceptions of China

Trade with China
(r=-.59, p=.06)

The second contextual explanation dwells on the diffuse effects of economic interdependence. To measure economic interdependence, we measure the contextual variable *Trade with China* by the values of bilateral imports and exports with China to the overall values of international trade for each country. As Figure 3 presents, *Trade with China* is inversely related to favorable perception of China. This finding remains the same even if we drop the cases of Mongolia and Japan, which are seemingly outliers. This result differs from our expectation, suggesting that greater economic interdependence might bring more resentment rather than favorable impression.

The last contextual explanation is about the distance of cultural identity. As we discuss earlier, the most distinct cultural bedrock of China is related to some traditional values associated with Confucianism, such as collectivism, avoidance of conflict, respect to authority, and so on. In the latest-wave ABS survey, there are 15 question designed to tap into the cultural traits of traditionalism. We form a composite scale by taking the mean score of all responses to the 15 questions, aggregating the individual measurement to the country level, and finally deriving a contextual score of traditionalism for each country sample. We took the absolute value of the difference between China's and each country's traditionalism score and complete the measure of cultural distance. As Table 4 shows, we found that cultural distance is inversely related to the recognition of China's rise, suggesting that the more similar the cultural identity, the greater acknowledgement of China's rise. This result matches our expectation, but no significant relationship is found regarding cultural identity and favorable perception of China.

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Figure 4　Cultural Distance and Perceptions of China

Cultural Distance Away From China
(r=-.54, p=.09)
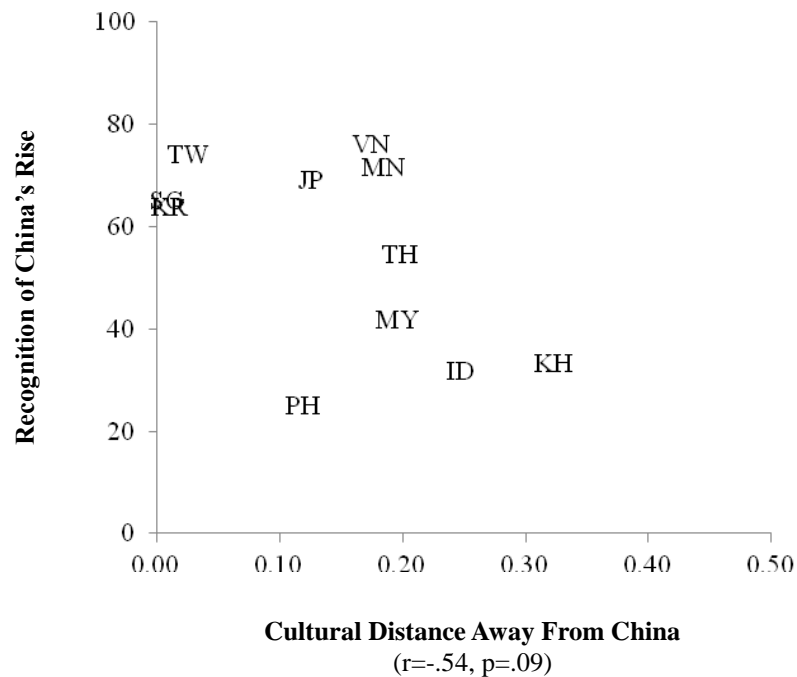
All the above results in the bivariate contextual analysis are only preliminary without statistical control. We present these findings for giving the readers a general impression about how contextual factors are related to the perception of China's rise. Given the fact that the two dependent variables are simultaneously under the influence from multilevel and multivariate effects, we will conduct multilevel modeling with specifying various contextual and individual-level covariates at the same time. Throughout this analysis, we can tease out the distinctive effects from each level.

Research Design

As previously mentioned, the dependent variable is the perception of China's rise, comprising two different aspects: whether people recognize China as the most influential country in Asia (*Recognizing China's Rise*), and how people think of China's image regardless of recognizing China as risen or not (*Favorable Perception of China*). Both dependent variables are binary choices, and we apply a pure individual-level analysis by purging country-level variations through centering the micro-level covariates to the country means and a multilevel analysis by including macro and micro covariates at the same time.

For the macro-level specification, we include three explanatory variables that correspond to the previous bivariate contextual analysis: *Geopolitical Tension*, *Trade with China*, and *Cultural Distance*, and. To simplify our analysis, we only specify the

contextual effects in explaining the varying country intercepts, but not attempt to complicate the model without assuming crossover effects between the two levels.

Regarding the individual-level independent variables, we intend to study how socio-economic satisfaction, cognitive schema, political ideology, and political values affect people's perception of China. We measure socio-economic satisfaction (*Household Economic Satisfaction*) by the question "whether the total income of your household allow you to satisfactorily cover your needs". The expectation is that Asian people are more aware of China's rise and willing to give more positive thinking if they have better economic conditions. Given the fact that China plays the central role in the prosperity of Asian economy, most people understand the importance of China and might look forward to seeing this trend continued.

Cognitive schema in this paper is defined as the conceptual framework and background knowledge people think about the issue of China's rise. We apply the question that asks people to evaluate China's democratic status to measure their cardinal point of preference when China is referred (*Evaluation of China's Democratic Status*). Since the "D" word (democracy) has been found socially desirable nearly all over the world, we assume that higher democratic evaluation of China represents favorable cognitive schema, and thus, it is related to greater recognition of China's rise and better impression of China's image.

We also include the variable of political ideology, which measures people's attitude toward economic openness (*Attitudes toward Economic Openness*). As previously mentioned, China's economic success was established on the booming of global economy since 1990s. And most of Asian countries also have experienced varying level of economic prosperity, due to their economic relationship with China and the world. Therefore, openness to international economy plays a crucial role in this wave of economic development. We expect that people who possess affirmative attitudes of this ideology would realize the indispensible role of China and thus give greater attention toward its rise with a favorable viewpoint.

The similar rationale applies to the political values in terms of liberal orientation. Since China is one of the few communist regimes and often depicted very authoritarian in the eyes of western media, we expect to see very alarming but negative views toward China's rise among those whose political values are more liberal. We measure the liberal orientation by the eleven question that taps into the rejection of authoritarian values (*Liberal Orientation*). The prediction is that *Liberal Orientation* is positively associated with *Recognizing China's Rise*, but inversely related to *Favorable Perception of China*. In addition to the four major micro-level explanatory variables, three demographic variables are included in the model for the control purpose: *Education, Male*, and *Age*. Information of variable construction can

be found in the Appendix.

We apply logistic regression and hierarchical nonlinear modeling for the individual-level and multilevel analysis. In the individual analysis, we separate the overall sample into China and others, and compare the results of two subsamples to understand the different cognitive frameworks from sender's as well as receiver's point of view. The specification of country dummies is not necessary since no country-level variance existed after centering operation was made. In order to compare the relative explanatory, we present standardized coefficients for the explanatory as well as demographic control variables.

For hierarchical nonlinear modeling, we rescale all of the macro and micro variables by the standardized normal distribution to compare the relative magnitude of influence. In model specification, we center the individual-level and country-level models by the groupmeans and grandmeans method, except for fixing gender to male respondents. All the beta coefficients are specified with random effects. We adopt the sampling weights at the individual level and create the country weights by the principle of equal probability to be selected for each respondent. We apply Mupls 6 for the logistic regression and HLM 6.08 for multilevel analysis.

Empirical Findings

Table 1 reports the result of logisitic regression on two dependent variables from the receiver's perspective regarding China's image construction. For the four major explanatory variables, we predict positive relationships except that *Liberal Orientation* is expected to be inversely related to *Favorable Perception of China*. The results show that Asians with liberal orientation and openness attitude tend to be more aware of China's rise, but whether they are economically satisfied or share similar cognitive schema seems not very relevant. Notice that all of the three demographic variables have stronger explanatory power. Higher-educated, Older, and Male respondents are found more likely to recognize the rise of China. This indicates that the demographic factors rather than political attitudes are more relevant to explain whether people would pay attention to China's rise and recognize this fact.

However, when we turn to the other dependent variable, we found that *Democratic Evaluation of China* has the greatest explanatory power on the favorable image of China, following by *Openness Attitude*, *Liberal Orientation*, and *Household Economic Satisfaction*. These major variables all show significant results with the expected signs and greater explanatory power than demographic variables. Relatively speaking, Asians share a similar cognitive schema with Chinese people shows the

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greatest positive perception of China. Political ideology on economic openness is strongly related to favorable image of China, too. Liberal orientation, however, does reduce people's positive think of China and thus the favorable perception abates. Male and those who satisfied with household economic situation tend to perceive China's influence positively. At last, we found that older generations tend to dislike China's influence, and this might be related to their possession of more past political knowledge, in which China was understood very negatively.

Table 1   Micro-Level Logistic Regression on Perception of China

	China's Rise	Favorable Image
Economic Satisfaction	.017(.012)	.042(.012)**
Democratic Evaluation of China	.011(.012)	.085(.013)**
Openness Attitude	.037(.012)**	.074(.013)**
Liberal Orientation	.051(.012)**	-.060(.012)**
Education	.102(.013)**	.012(.014)
Age	.121(.012)**	-.026(.013)*
Male	.057(.011)**	.049(.012)**
Pseudo R-Squared	.027	.022
N	11006	10169

Note: Entry is standardized beta coefficients.
Level of Significance: $*p \leq 0.05$, $**p \leq 0.01$.

A multilevel analysis is applied to decipher the relative importance of individual-level explanatory variables vis-à-vis the country-level structural variables as Table 2 reports. All the reported beta coefficients are comparable since we have already standardized all covariates before running analysis. Regarding the recognition of China's rise, we found no significant contextual effects, but rather three individual-level findings. *Liberal Orientation*, *Education*, and *Male* are found to be positively related to *Recognizing China's Rise*, indicating a similar conclusion from our earlier micro-level analysis that the explanation of whether Asian acknowledge China's rise is rather associated with demographic factors instead of economic, cognitive, ideological, or any contextual variables.

In terms of favorable perception of China, three contextual variables are all very significant and have greater explanatory power than individual-level covariates. Geopolitical tension is found inversely related to favorable image of China as we expected earlier. Economic interdependence, however, shows a negative relationship that runs counter to our hypothesis. This indicates, despite mutual interest at stake, greater economic interdependence cannot effectively improve China's image among Asian countries, but instead, it would even generate more negative sentiment toward

China's growing influence. For the factor of cultural identity, we found that the cultural distance would also significantly reduce the favorable image of China. This result matches our prediction that cultural proximity is conducive to better understanding and greater compassion toward China's rise.

Table 2   Multilevel Analysis on Perception of China

Covariates	China's Rise	Favorable Image
Individual-level effects		
Economic Satisfaction	.057(.035)	.055(.042)
Democratic Evaluation of China	.048(.058)	.222(.057)**
Openness Attitude	.057(.038)	.178(.071)*
Liberal Orientation	.100(.040)*	-.137(.059)*
Education	.157(.050)*	.093(.062)
Age	.115(.059)	.097(.073)
Male	.109(.036)*	.068(.028)*
Contextual Effects		
Intercept	-.103(.217)	.375(.186)
Geopolitical Tension	.224(.194)	-.786(.112)**
Trade with China	.237(.162)	-.387(.087)**
Cultural Distance	-.242(.167)	-.610(.097)**
N	11006	10169

Note: Entry is standardized beta coefficients.
Number of Estimate Parameters: 92
Level of Significance: *p $\leq$ 0.05, **p $\leq$ 0.01.

Relatively speaking, we found weaker explanatory power in the individual level in accounting for favorable perception of China. Still, cognitive schema, political ideology, and political values have significant explanatory. Those who gave a higher rating of China's democratic development or preferred greater openness policy in international economy tend to think of China's influence positively. Those who had greater liberal orientation, however, incline to perceive China's influence more negatively. In terms of demographic variables, the result is not significant or very weak. We do not derive the same conclusion as found in the explaining whether people recognize China's rise.

To sum up, the recognition of China's rise is better explained by individual-level demographic variables which associate with greater interest in political affairs. Neither the contextual variables have significant explanatory power, nor do economic, cognitive, and ideological factors matter at the individual level. On the other hand,

contextual factors are found strongly influencing people's perception of China's influence. Geopolitical tension and cultural distance are powerful contextual factors undermining favorable image of China. What is more, even economic interdependence seems to increase political fear for a strong China and thus reduce favorable perception of China across Asian countries.

Discussions

What can we learn from the previous analysis on different perceptions of China's rise? First, China's recent effort to increase China's visibility through worldwide national image management campaign is double-edged. On the one hand, it help strengthen the impression of China's rise and its growing influence. However, the risk of this public diplomacy strategy is also fairly high because it might bring about counteractive effects and cause negative perception.

Our finding suggests that the recognition of China is not so much political or economic related in both of the individual and contextual levels. Rather, it is the effect of varying levels of political interest that explains the acknowledgement of rising China. Next, we also found that whether Asians cognitively think of China as the most influential state is not biased upward or downward by the three prominent international factors. We could interpret this result as the lack of significant effects of China's public diplomacy, but we might also view it more optimistically as no sign of political antagonism that relates to the anxiety or fear of China's rise. This interpretation applies to the individual-level findings since economic self-interest, cognitive framework, and political ideology have no explanatory power, either. The rest significant findings simply reflect the evidence of longstanding theory of political socialization about demographic explanation of political interest. Given the fact that the rise of China can be easily understood by many objective indicators covered through news media, greater recognition of China's influence indicates greater attention to political news and information, and this nicely account for why liberal orientation, education, and male respondents tend to acknowledge the rise of China.

Furthermore, the three negative and strong contextual effects depict that greater geopolitical tension, greater economic interdependence, and greater cultural distance all can be discouraging factors for China in the process of constructing its soft power. There is no surprise that geopolitical tension and cultural distance could cause negative perception of China's influence, but the magnitude of impact for both factors is far greater than economic interdependence as well as all of individual-level variables. Since most geopolitical conditions and the cultural bedrock cannot be easily modified or altered in a short period of time, these two contextual factors will

continue exerting their influences and become the tough social barrier for China's public diplomacy to break. In this sense, Chinese policy makers have a long way to go to resolve the suspicion and dislike of the neighboring Asian countries. Furthermore, the inverse relationship between economic interdependence and image of China even conveys an alarming message: Asian countries which become more economically dependent on China might become more worry about China's growing power. Strengthening economic ties did not reduce the suspicion of China's revisionist intention despite of Beijing's seemingly benign and cooperative gesture.

Furthermore, China's political system constitutes another sour spot. As long as Asians who possess more liberal orientation have less favorable perception of China, the Chinese CCP regime will have a long way to go to persuade foreign publics to change their stereotypical negative view about China's one-party system.

Overall, our findings suggest that protracted barriers do exist for China's public diplomacy, and many of these barriers are not easy to break in a short time frame. However, Chinese policy makers could still target on specific issues and turn around stereotypical negative views, via greater domestic political accommodation or more active participation in global public issues. These policies could change not only the perception of China among the foreign publics, but also how Chinese people perceive their own country as well.

By Way of Conclusion

Most of the country fieldworks of the Asian Barometer Wave III were carried out between late 2010 and early 2012. We have strong reason to believe that some recent events have seriously poisoned the political atmosphere in China's surrounding countries and jeopardized its effort to win over understanding, respect and support for its foreign agenda. For instance, the DPJ government's decision on nationalization of Diaoyu Islands has sparked a series of retaliatory measures from China. The spiral of escalating military posturing and saber-rattling naval exercise between PLA and US-Japan joint forces has overnight dramatically heightened the danger of military tension and the underlying strategic rivalry.

In this instance, domestic politics dictates the dynamics of diplomatic showdown as both China and Japan are entering a new political stage after the recent power transition. China just went through a dramatic power reshuffling in the 18th Party Congress. The untested new leaders cannot afford being perceived as soft or indecisive over Diaoyu Islands. It is not just about the strategic value or the potential oil reserve of the islands, but everything to do with all the humiliating and bitter memory of the Japanese invasion. In Japan, under the leadership of Shinzo Abe, the

former Prime Minister, LDP won landslide victory and returned to power since 2009. Right after Shinzo Abe returned to the Prime Minister position, he soon expressed strong hardliner attitude toward Diaoyu Islands dispute and propose remilitarization policy that could further jeopardize Sino-Japanese relationship. Those signs all show the potential escalation in political and military issues for the near future.

A very similar political drama is unfolding in the United States in the past November general election. The Republican-led U.S. House Intelligence Committee played up the issue of cyberspying by issuing a report that urges U.S. government to ban two Chinese IT company, Huawei and ZTE, in the American market for the reason of national security. During the presidential campaign, President Obama and Republic presidential candidate Romney both criticized each other's China policy too dovish, and thus, neither can effectively defend American's interest against China, particularly in the fair trade and currency issues. Simply put, Obama and Romney are racing to show their toughness on China, while suggesting the other not determined to protect American interests. This suggest that a tougher policy toward China is a bipartisan consensus and most American politician all agree that China is the one to be blamed for U.S. stagnant economy and only being tough on China can save American interest.

The territorial dispute over the South China Sea also imperils the relationship between China and Southeast Asian countries, particularly the Philippines and Vietnam. Loud voices have been growing inside China in terms of using military means to resolve the sovereignty issue. The PRC government also rushes at the top speed to build the new prefecture-level city at Woody Island in South China Sea, called "Sansha City". Shasha is one of the third prefectures in Hainan Province and creating this prefecture is an official pronouncement that China owns the sovereignty of all claimed islands, including Spratly Islands, Paracel Islands, Macclesfield Bank, and Scarborough Shoal. China intends not only to establish legal claims over these islands, but also to consolidate its effective occupation by setting up administrative units and securing regular presence in the region. More and more frictions and disputes can be expected in the future, and some might be even developed into the conflicting events such as "Huangyan Island Standoff" (with Philippines) or the denial of new Chinese passport (in which there is a map showing that the Chinese sovereignty extends to the South China Sea) by the Vietnamese government. These events are likely to neutralize Chinese diplomatic efforts to build its benevolent image in Asia and around the world.

The recent developments suggest that there are serious limits to China's effort to project its soft power. Intensification of economic and cultural exchange alone can do little to win over trust and understanding of your trading partner when all other

weighty structural factors – historical memory, commercial competition, protracted economic stagnation, strategic rivalry, and most importantly divergence over values and cultural identity -- are pulling the public opinion in the opposite direction.

Appendix

The appendix section includes two tables that explain the detail of variable information for the individual-level and country-level variables.

Table A1   Information for Micro-Level Variables

Variable	Operationalization	Range
Recognition of China's Rise	Whether the respondent thinks China has the most influence. (q156)	0~1
Favorable Image of China	Whether the respondent thinks China do more good than harm, regardless their answers in q156. (q157 and q157a)	0~1
Household Economic Satisfaction	Whether the total income of your household allow you to satisfactorily cover your needs. (se13a)	1~4
Democratic Evaluation of China	Where would you place China today on this scale? (q120)	1~10
Economic Openness	The average of the answers to whether you agree with "we should protect our farmers and workers by limiting the import of foreign goods" (q152) and "foreign goods are hurting the local community". (q153)	1~4
Liberal Orientation	The average of the eleven questions of rejection of authoritarian values (q138-q148)	1~4
Education	Education level (se5)	1~10
Age	Years old (se3a)	17~94
Gender	Male (1), Female (0)	0~1

Table A2　Information for Macro Variables

	Non ASEAN plus One	Warring Experience	Democracy (Polity IV)	Geopolitical Tension	Trade[a]	Cultural Distance
Japan	1	1	1	3	20.61	0.13
Korea	1	1	1	3	20.57	0.01
Mongolia	1	0	1	2	56.66	0.18
Philippines	0	0	1	1	17.62	0.12
Taiwan	1	1	1	3	21.50	0.03
Thailand	0	0	0	0	12.64	0.20
Indonesia	0	0	1	1	12.88	0.25
Singapore	0	0	0	0	10.40	0.01
Vietnam	0	1	0	1	16.57	0.17
Cambodia	0	0	0	0	14.04	0.32
Malaysia	0	0	1	1	16.05	0.20

[a]value of bilateral/value of the overall trade, CIA World factbook (est. 2011)