INVESTING FOR PEACE AND PEACE FOR INVESTING: MOTIVATIONS BEHIND CHINA’S INVOLVEMENT IN U.N. PEACEKEEPING OPERATIONS

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INVESTING FOR PEACE AND PEACE FOR INVESTING:
MOTIVATIONS BEHIND CHINA’S INVOLVEMENT IN U.N.
PEACEKEEPING OPERATIONS

BY WEN JIE (FRED) TAN

Submitted to Brigham Young University in partial fulfilment of
graduation requirements for University Honors

Political Science Department
Brigham Young University
April 2018
Abstract

INVESTING FOR PEACE AND PEACE FOR INVESTING: MOTIVATIONS BEHIND CHINA’S INVOLVEMENT IN U.N. PEACEKEEPING OPERATIONS

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Political Science Department

Bachelor of Arts

This paper seeks to explore the motivations behind China’s increased involvement in international peacekeeping operations. Specifically, I seek to explore the motivations behind China’s increased involvement in international peacekeeping operations. This involves looking to the past to understand China’s actions, but also forecasting to the future to derive expectations for subsequent action. I also seek to determine if constructivist theories are able to explain China’s peacekeeping strategies. Using historical records, I first build a narrative of China’s peacekeeping ideology. I then examine China’s numerical contributions to peacekeeping to see how constructivist arguments might explain China’s strategy. Using regression analyses, I then highlight the possibility of economic gain as a result of peacekeeping initiatives. To conclude the paper, I present a game theoretic model where China’s peacekeeping strategy is a result of competition between itself and the USA. This model predicts the trajectory of China’s peacekeeping strategy, but also identifies possible factors influencing its strategies.
Acknowledgements

Foremost, I would like to express my sincere gratitude to my advisor Dr. Eric Hyer for the continuous support of my study and research, for his patience, motivation, enthusiasm, and immense knowledge. His guidance helped me in all the time of research and writing of this thesis. Besides my advisor, I would like to thank the rest of my thesis committee: Prof. Jay Goodliffe for his mentorship in game theoretic modelling and Prof. John Holbein the Honors coordinator for the Political Sciences department.
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Introduction

Napoleon Bonaparte famously said: “Let China sleep, for when she wakes she will shake the world.” One can safely say that China has indeed awakened. As of 2016, China has the second largest economy in the world with the highest Gross Domestic Product Purchasing Power Parity. Because of China’s economic might, the Asian nation has been recognized by many as a growing if not a major power with increased influence internationally, especially after the 2008 financial crisis (Pu 2012). While much focus has revolved around China’s economic development over the past few decades, less attention has been afforded to its military contribution to international peacekeeping operations and what that means to the world. This paper serves to address this deficiency.

Specifically, I seek to explore the motivations behind China’s increased involvement in international peacekeeping operations. This involves looking to the past to understand China’s actions, but also forecasting to the future to derive expectations for subsequent action.

Significance

Few academic papers focus on growing Chinese involvement in international military cooperation (Shambaugh 2004). Yet, China’s increased peacekeeping contributions are as impressive as its economic development and more attention must be given to the trajectory of China’s international security (Gill and Reilly 2000). This is especially pertinent for several reasons. First, the number of peacekeeping troops are at an all-time high (Gao 2016), pointing to a volatile international security situation. Second, one can no longer anticipate with certainty the role that America, the traditional champion of peace, will play in international security given the rise of populism and a
relatively unpredictable administration. Third, while China’s economic capacity has grown, so has its involvement in peacekeeping. Socialization theories would explain this shift as part of China’s integration into a Western world order where global powers contribute to international organizations and peacekeeping (Kent 2002). These same theories predict that on the flip side, international norms eventually evolve to reflect the national culture of emerging superpowers.

Studies have been conducted to show how as expected from theories of socialization, China’s integration into the global order has changed international norms and organizations like the World Bank (Chin 2012). Thus, if China’s involvement in peacekeeping operations continues to increase due to socialization, it could eventually lead to changes in current norms and practices. In this paper, I look specifically at the merits and limits of such constructivist arguments.

**Methodology**

The question of how China’s involvement in international peacekeeping operations changed over the years and what it means for the future is answered through several prongs. First, a collection of primary and secondary sources was analysed to piece together a narrative of China’s foreign policy agenda, specifically regarding UN Peacekeeping operations. The Chinese Foreign Policy Database – Wilson Center Digital Archive provides a collection of official correspondence between China and the United Nations (UN). The Permanent Mission of the People’s Republic of China to the UN also provides a record of speeches made by Chinese ambassadors in the United Nations regarding peacekeeping and peacebuilding operations. These two databases provided a
foundation from which I expanded my search for primary and secondary information on China’s foreign policy ideology that I then describe.

Second, the narrative of China’s strategy and engagement in international military operations is then mapped out against its personnel contributions to UN peacekeeping and peacebuilding missions. Data on China’s peacekeeping involvement was obtained from the UN Peacekeeping website and Providing for Peace, a research group attached to the International Peace Institute, the Elliott School at George Washington University, and the Asia Pacific Centre for the Responsibility to Protect at the University of Queensland. To provide an added level of analysis, I also compared China’s contribution against other key players in international security. Relying on theories of constructivism, China’s rhetorical and numerical involvement in international military operations will be examined to see if it has been influenced by a process of socialization and what that bodes for the future.

Third, I then explore supplementary theories that might explain the motivations behind China’s peacekeeping strategies. In particular, I perform regressions to look at the effect that increasing peacekeeping would have on economic indicators such as FDI and trade. Such analyses expound on largely unexplored theories of peacekeeping.

Fourth, I will present a game theoretic model of China’s participation in international peacekeeping operations. This model will help determine if China’s involvement in peacekeeping to date is what one would expect from a rational actor. Game theory will also provide insight as to what we might expect China’s peacekeeping strategy to be in the foreseeable future.
China and the UN

As of October 2017, China’s contribution to United Nations peacekeeping operations stands at 2,648 military and police personnel. This makes China the largest contributor of personnel to peacekeeping operations among the five permanent members of the Security Council. The next closest contributing member of the permanent five is France at 813 personnel. On the other hand, Ethiopia currently contributes the most personnel to UN peacekeeping missions, a force of about 8387 strong. Financially, China is the second largest backer of UN peacekeeping operations, bested only by the US, and accounts for more than 10% of the UN peacekeeping budget.

Yet, China has not always been heavily involved in UN peacekeeping operations. In fact, one might argue that China has not always had a warm relationship with the UN. As one of the victors in World War II (WWII), the Republic of China (ROC) was a founding members of the UN in 1945. However, the Chinese Civil War continued after WWII and culminated in the creation of the People’s Republic of China (PRC) and exile of the ROC to Taiwan. With both the PRC and ROC advocating a strict One-China policy, the PRC’s early interactions with the UN mostly revolved around lobbying for official recognition in the international arena. In 1971 and after 21 previous attempts, the matter of the “Restoration of the lawful rights of the People's Republic of China in the United Nations” was resolved and the PRC began representing China in the UN (U.N. 1971).

China’s Ideological Perspective on Peacekeeping

Beginning in 1971, China strongly opposed peacekeeping initiatives by the UN and did not contribute any personnel nor resources. Given China’s Maoist ideology, and
China’s own experience during the Korean War, the PRC saw UN operations as a tool of hegemonic influence and an interference in the domestic affairs of sovereign states (Wu and Taylor 2011). Based on this ideology, Huang Hua, China’s ambassador to the UN, opposed UN intervention in the Arab-Israeli conflict and the creation of the U.N. Emergency Force (UNEF) II during the 1970’s. Huang Hua asserted that UNEF II would cause “infinite evil consequences in its wake and pave the way for further international intervention in the Middle East with the superpowers as the behind-the-scenes bosses” (Kim 2015).

However, in 1981, at the beginning of the post-Mao era, China began to contribute financially to UN peacekeeping operations. This happened when U.N. Resolution 495, regarding the Cyprus-Turkish conflict, was passed on the 14th of December 1981 in the Security Council. Several factors explain this change in China’s policy. First, a factor seldom mentioned but highly significant is China’s refusal to contribute to UN peacekeeping would have jeopardized China’s voting rights in the UN (Gargan 1981). Within the first decade after Mao’s death, China’s involvement in International Governmental Organizations (IGO) increased from 21 to 37. This jump reflects Deng Xiaoping’s policy of “opening and reform” and China’s desire to integrate into the global system (Kim 1990). It would be illogical for China to exert effort to participate in political and financial IGO’s only to be censored from the UN because of a failure to pay its dues. However, despite its financial contributions, Beijing remained reluctant to support peacekeeping in other ways.

Even after the passing of Mao, China continued to embrace Mao’s Theory of the Three Worlds that he outlined in 1974 while meeting with visiting Zambian President
Kenneth D. Kaunda (Chen 2017). This theory categorized the two superpowers, the US and the USSR, as First World. Developing nations, which China believed it was part of, were Third World. Other European nations (and Japan) were the Second World and had to choose if they wanted to support hegemony or aid in the development of the Third World (Yee 1983). While the Three Worlds theory mainly called for a new economic model of support between developing nations, it also resulted in China’s increased involvement in UN peacekeeping given the security needs of the African region and the moral responsibility China felt that third world nations had to support each other (Muekalia 2004).

Perhaps a less ideological reason compared to the Three Worlds theory is China needs a degree of global stability if its domestic economy is to thrive. Thus, a greater Chinese involvement in international security would benefit China’s economy. In the 12th National Congress of the Communist Party of China, Deng Xiaoping stated regarding “internationalism” that "China's national interest cannot be fully realized in separation from the overall interests of mankind" (Dittmer 1983). Contributing to a stable Africa would especially provide needed resources for China’s development and diplomatic backing within the UN (Wyss and Tardy 2014).

Additionally, Chinese White Papers occasionally highlight a more realist calculation, China’s desire to expand its capabilities to carry out Military Operations Other Than War (MOOTW) (PRC 2008). Based on these policy papers, observers infer that China’s involvement in peacekeeping both past and present is driven by a desire to provide combat experience for its soldiers (Fung 2016). While a logical reason for China’s increased participation, however, I argue that gaining combat experience for its
soldiers is not a major factor in China increased involvement in peacekeeping operations. There are a multitude of ways other than peacekeeping operations through which Chinese soldiers can gain combat experience. Following other nations, China has participated in war games and military exercises with other countries. Since 2007, China has conducted over 20 joint military exercises with other nations including but not limited to Russia, the United Kingdom, France, the United States, Pakistan, India and South Africa (PRC 2008). Furthermore, China’s peacekeeping force is a pitiful fraction (.01%) of its entire military of more than 2 million active personnel (Blasko 2016). A more plausible explanation for China’s actions is that there are credible threats to China’s international security and economic interests that China tackles through rigorous UN peacekeeping efforts. (Hirono and Xu 2013).

In 1981 Ambassador Ling Qing declared regarding participating in peacekeeping operations that “his government, conscious of its responsibility towards the Organization and the cause of peace and human progress, was prepared to now adopt a flexible attitude on a case-by-case basis” (UN Doc 1981). While the ambassador cited a flexible decision-making attitude, the reality is China applied and continues to apply a relatively consistent standard of measurement when determining if it wishes to support peacekeeping operations. First, the peacekeeping force is to be impartial. Second, any operation has to be conducted with the consent of either the host country or involved parties. Third, personnel are not to use force except in self-defence. Last, the operation is to begin only after a formalized cease-fire (Mackinlay and Chopra 1992). This set of criteria is commonly known as the elements of traditional peacekeeping (Morphet 1993). China’s preoccupation with these requirements is in part due to its views on the importance of
state sovereignty (Pang 2005). However, China has in recent times been willing to relax its requirements on what constitutes legal interventions, especially when the situation involves potential terrorism (Glanville 2013).

*China’s Numerical Contributions to Peacekeeping*

China’s contribution to UN peacekeeping operations remained relatively constant for a decade after it first deployed troops in August 1992 to Cambodia. However, China’s peacekeeping troops deployments increased dramatically at the turn of the millennium. In fact, compared to the 37 troops China contributed to UN peacekeeping operations in 1999, there were 27 times more Chinese peacekeepers on active duty (1059 troops) by the end of 2005. In 2008, China’s troop contributions reached the highest it had been at around 2200 personnel, almost a 6000% increase from 1992. China’s peacekeeping contribution then plateaued for the next 3 years. Despite a slight decrease over the next few years, China’s peacekeeping contribution once again sharply increased and stands at 2,648 military and police personnel as of October 2017.
Parallel to China’s troop contribution to peacekeeping operations, Beijing’s financial contribution to peacekeeping efforts should also be examined. In 1994, China’s contribution of $33,252,000 accounted for 0.98% of the UN’s peacekeeping budget. By the beginning of 2016, China’s annual contribution stood at $655,507,543 or 7.9% of the UN’s peacekeeping budget. President Xi Jinping then announced that China will increase its annually funding of peacekeeping operations to approximately US$844 million, making China the second largest financial contributor at 10.2% of the UN’s peacekeeping budget, second only to the United States by 2019 (Kyodo 2017).
Similar historical trends can be observed between China’s troop and financial contributions to UN peacekeeping operations. For both China’s troop and financial involvement in peacekeeping operations, contributions remained low till the turn of the millennium. China’s involvement in peacekeeping then stayed stagnant for several years following the 2008 financial crisis. After 2012, we can observe a sharp increase in China’s contribution to UN peacekeeping under President Xi Jinping. In 2017, both personnel and financial contributions are the highest it has ever been with China providing 2,648 boots on the ground and increasing its financial support to US$1,022,989,044, more than 10% of the UN peacekeeping annual budget. Yet, one must ask if this pattern of increasing contribution is likely to continue. This question will be answered later in the paper.

First, it is important to understand how China’s contributions measure up against the rest of the world. Are China’s actions explained by theories of constructivism? Is China a norm follower or norm maker? To answer these questions, I first explore theories
of constructivism. I then compare China’s troop and financial contributions against a sample of nations to see if China’s participation in peacekeeping operations is a function of socialization as constructivists would argue.

**Theories on Constructivism**

Theories on constructivism state that nations adopt current international norms when moving from isolationism into the global system, and can do so based on realist ideology (Barkin 2003). Scholars often segregate constructivism and realism as opposite theories (Wendt 1987; Dessler 1989). Further notions that constructivists tend to be idealists (Wendt 1999) only reinforced the idea that constructivism and realism are incompatible.

Some scholars particularly argue that China has been socialized into international norms, especially in global economic conventions, and has a vested interest in the status quo (Johnston 2003). Evidence on this includes steps the international community took to integrate China into the global order and encourage conformity including inviting China to participate in ASEAN (Goh 2004, Tan 2012). Many other such policies were especially enacted during the Clinton administration focused on making China’s compliance to international human rights and environmental norms a prerequisite to its acceptance into global economic institutions (Johnston 2014, Yang 2005). Constructivists argue that such socialization strategies are a non-aggressive way of curtailing China’s power or, at the very least, tying China in a web of international interdependence. This works on the premise that in an interdependent world order encouraged by socialization, conflict revolving around institutional boundaries are better than military disputes (He and Feng 2012). The contrary argument states that socialization policies encourage a
rising rival (Etzioni 2011). This is especially true when China’s openness to the norm of international multilateralism stems from a pragmatic desire for self-benefit and its necessity to counter American dominance (Wang 2000). Thus, a China that grows increasingly strong with greater socialisation into international systems and poses a potential threat to the US. In the case of peacekeeping, constructivist theory would posit that international norms encourage China to become a major contributor to peacekeeping as part of its responsibility as a global power.

On the other hand, experts also explain China’s involvement in international systems as a result of realism and self-interest. While Chinese officials, especially recently, have often expressed a desire to play a larger role in the global arena (Xi 2017), these inclinations might not be purely due to a new sense of duty due to socialization into global norms. In fact, regarding China’s involvement in the World Trade Organization, often cited as an evidence of the successful socialization of China into international norms, Long Yongtu, Chief Negotiator for China's resumption of the General Agreement on Tariffs and Trade (GATT) contracting party status and its accession to the World Trade Organization (WTO) said that “when our country joins an international organization, our top priority remains our sovereignty and our national interest…We will not do anything contradictory to our national interest” (Long 1999). Despite this statement by Long, China has mostly adhered to global norms and joined international regimes as constructivist theory assumes. Extending the examination of China’s economic strategy, China did indeed initially conform to global economic norms both in rhetoric and policy. However, and especially of late, while China’s rhetoric continues to signal its intent and position as a conformer and champion of global norms, it has been
selective in its compliance to such norms and corresponding international regimes (Wang 2000). Many argue that China’s actions can be attributed to calculated pragmatism rather than socialization and willing embracing international norms.

**Peacekeeping: China and the World**

Understanding current theories on constructivism and attempts to explain China’s behaviour, we can now look more specifically at China’s peacekeeping contribution in comparison with global norms. Such an examination will show if China’s peacekeeping strategy is motivated by its socialization into international systems and global norms. This analysis will be conducted for both China’s military forces and financial contributions to UN peacekeeping efforts.

*Comparison of Troop Contributions*

With regards to troop contributions, China contributes more personnel than any permanent member of the UN Security Council. Noting the important role that Germany places in international security, I have also included data on its peacekeeping involvement despite the European nation not being a member of the permanent five. Yet, Germany also pales in comparison to China’s troop contribution to peacekeeping. This, however, was not always the case. USA, France, UK, Germany, and Russia used to supply more personnel to peacekeeping operations, especially in the early-mid 1990’s; more than they contribute to peacekeeping now and even more than China contributes now. In fact, in the mid-1990’s, the UK was supplying 10,260 troops and France 6,406 personnel respectively. This is 387% and 242% of what China currently contributes. Troop contributions from the European bloc and the U.S. sharply declined in the mid-late 1990’s. Contributing to this sudden drop in involvement were bad experiences in
peacekeeping operations. Specifically, catastrophic failures in Somalia, Bosnia, and the Rwandan genocide contributed to the U.S. and the European bloc realization that it was not worth the personnel, financial, and reputational cost to be involved in UN peacekeeping missions (Fleitz 2002). According to a consultant for the Human Rights Watch referencing an 800-page history of maps and primary sources, the change in these nations’ peacekeeping involvement occurred because "the Americans were interested in saving money, the Belgians were interested in saving face, and the French were interested in saving their ally, the genocidal [Rwandan] government" (HRW 1999). In these nations, the public were outraged at the atrocities committed in conflict-ridden nations but did not demand their governments intervene (Kinzer 1994).

**Figure 3**

*Personnel Contribution for Permanent 5 + Germany*

![Graph showing personnel contributions from China, USA, France, UK, Germany, and Russia from 1994 to 2016.]


China now provides far more personnel to peacekeeping operations than what any superpower nation does. This shows that China’s troop contributions to UN peacekeeping is not congruent with what a Superpower would do. On the contrary, China’s personnel
contribution to peacekeeping operations is more closely aligned to the strategy of middle-power nations, especially newly emerging middle-power nations. This trend can be seen when China’s troop contribution is plotted against Indonesia, Mongolia, Cambodia, Australia, and Brazil. In fact, Australia’s spike in troop contribution coincides with its rise as a middle power signalled by it joining the G20 group of nations. The same is true of Brazil. Brazil’s increase in peacekeeping troops coincides with the South American nation’s increased contribution in the G20 that likewise signalled its status as a middle-power (Stuenkel and Taylor 2015).

Figure 4

Personnel Contribution of Other Similar Nations


The argument that China’s increase in troop contribution is a mirroring of international norms set by current great-powers can be refuted on several grounds. First, China’s troop contributions greatly exceed that of great-power nations. This difference in numbers creates a discrepancy to the logic that China is mirroring great-power nations or that China is living up to the global norm that superpowers should contribute more to
peacekeeping. Second, middle power nations, and even developing nations, contribute as many troops as China and occasionally more. If China’s increase in peacekeeping contribution mirrors the international norms of what a superpower would do, then by congruency, nations like Indonesia, Nepal, and Morocco are likewise being socialized into global norms and see themselves as superpowers. It is hard to argue that such nations are truly being socialized and vying for superpower status. Looking at the trend of peacekeeping contributions also hints toward a fundamental difference in the way in which China adopts a consistent strategy of growth while other nations employ a sporadic, perhaps event motivated approach to peacekeeping.

Understanding that China’s increased peacekeeping contribution does not mirror the international norms set by current great-powers might mean several things. First, theories of constructivism that explains China’s peacekeeping contribution as a result of socialization to norms governing superpowers are invalid. It is not a global norm that a superpower has to be great contributor to peacekeeping. China has not been socialized into peacekeeping the same way it has been socialized into adopting economic norms of the liberal international system. At the very least, while China follows the rhetoric of what is expected from a superpower (Liu 2009), there is a disconnect between the rhetoric and action of superpowers. Because of this disconnect, peacekeeping cannot truly be expressed as a responsibility of hegemons since global powers do not, in reality, contribute to peacekeeping at the level it proclaims.

Second, perhaps China’s personnel contribution reflects how a middle-power typically acts. Despite China acting in a similar way to middle-powers, it is unlikely that China’s high-level of peacekeeping contribution is a result of socialization to
international expectation of middle-powers. Especially given China’s recent rhetoric; China has plans to be the leading global power by 2050 and does not consider itself a middle-powers (Xi 2017). Thus, China’s peacekeeping involvement is likely to be independent from an international expectation or socialization of middle-powers. Theories on constructivism again fail to provide a plausible explanation of China’s actions. Thus, realism might be better placed to explain China’s strategy. Realism becomes a more credible explanation given the narrative of China’s peacekeeping ideology previously examined. Statements by Chinese officials emphasize how while China recognises its role in international security, the primary driver of China’s policy remains a realist furthering of its national interest (Shambaough 2011).

China’s military involvement in peacekeeping might not be a result of socialization into the global norms of both great-powers and middle-powers. Yet, China, whether deliberately or not, is breaking away from current international expectations of how nations should act and setting a new standard on how nations should be contributing personnel to UN peacekeeping operations. Turning to China’s financial contribution to peacekeeping however, China’s involvement in peacekeeping is not as unexpected. A nation’s financial contribution to the UN, and to its activities such as peacekeeping operations, are determined by the UN’s Committee on Contributions. Using data on a nation’s Gross National Product (GNP), income per capita, and country debt, the committee ranks nations on a scale and assigns a fixed percentage of required contribution for each level on the scale (UNGA 2017). Because of this level of contribution assigned by the UN, an observation of China’s financial contribution to peacekeeping does not show a break from current
norms. China contributes around the same amount as other developed nations in the permanent five (plus Germany) with the exception of the United States. Given recent announcements by the Trump administration that Washington will reduce its UN contributions, we might soon see lower U.S. funding to match what other developed nations pay.

Comparison of Financial Contributions

Conversely, comparing China’s financial contributions against developing nations, China is responsible for a much larger percentage of the UN peacekeeping budget. This congruency with other developed nations and discrepancy with middle-power nations might be attributed to the pre-set level of contributions each nation is responsible for given their economic status. Yet, one should not hastily skip over China’s financial support. While contributing below the pre-set level will threaten China’s voting power in the UN, Beijing could have easily chosen to contribute above this requirement; but it does not.

Figure 5

Financial Contributions of P5 + Germany (US$ Millions)

Peacekeeping Beyond Simple Socialization

Based on the data, one could argue that China is a norm breaker/maker where military contribution to peacekeeping is concerned but a norm keeper when looking at its financial contributions to peacekeeping. However, a more important question to ask, perhaps, is why China broke from convention with personnel but not financial contributions. A possible explanation might be that while China is unable to dictate how the UN allocates its peacekeeping budget, it is able to decide to which missions to supply personnel. Thus, investing more into peacekeeping personnel allows China greater control in allocating the use of its resources, despite losing operational control, as opposed to financial contribution that will be managed by the UN.

Yet, what return of investment could China get from its personnel contributions to peacekeeping? To understand this, I break China’s personnel contributions into its individual parts. Specifically, I look at China’s personnel contributions to the African region, the continent where China’s peacekeeping resources are most strongly

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\text{Figure 6}
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Financial Contributions of Similar Nations (US$ Millions)

concentrated. Within Africa, China has had a peacekeeping presence in ten nations, and only nine before 2012. Out of these nine nations, the Democratic Republic of Congo, Liberia, and Sudan are three nations where China’s personnel contributions are the most significant.

**China’s Contribution to Africa**

Over the years, China has participated in two peacekeeping missions in the Democratic Republic of Congo. China first entered the Democratic Republic of Congo in 2001 as part of the United Nations Mission in the Democratic Republic of Congo (MONUC) and continued in 2010 under the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO). Since the end of the Second Liberian Civil War in 2003, China has maintained a presence in the country as part of the United Nations Mission in Liberia (UNMIL). In Sudan, China has been involved since 2005 in the United Nations Mission in Sudan (UNMIS) and the United Nations–African Union Mission in Darfur (UNAMID) beginning in 2007. The figure below highlights China’s peacekeeping personnel contributions to seven African nations where China has had the greatest peacekeeping presence between 2000 and 2011.
Observers note that China has often chosen to supply peacekeeping personnel to nations like the Democratic Republic of Congo where it has a vested economic interest (Tull 2006). Some accuse China if using a UN peacekeeping mandate to further its economic interests (van der Putten 2015). Some scholars propose that apart from a desire for peace, contributor-specific benefits, including potential trade and Foreign Direct Investment (FDI), affect the demand of peacekeeping missions (Gaibulloev et. Al 2009). Similar, though arguably less developed and written about, arguments exist on the supply side too (Stojek and Tir 2014; Bove and Elia 2011). Yet, literature exploring the link between economic gains and peacekeeping personnel contributions are scarce. This might partially be due to the fact that most developed nations who have the capacity to invest in developing African nations do not prioritize military contributions to peacekeeping, a fact previously established in this paper. Does China use peacekeeping contributions to
prepare a region for increased investment? In the following section, I test whether China’s peacekeeping contribution is tied to future FDI or trade in the region.

*Peacekeeping and FDI*

A nation’s FDI is measured in terms of flow and stock. FDI flow refers to direct investment including all liabilities and assets. FDI stock refers to the value of owned equity and loans in foreign assets. FDI stock is a cumulative indicator measured annually while FDI flow refers to the specific exchange of investment within a set period of time, usually a year. Because the relationship of interest is how annual changes in peacekeeping contributions affect FDI, a cumulative index is less helpful than a measure that records output annually. As such, China’s peacekeeping personnel contribution will be measured against its FDI outflow to Africa as reported by the United Nations Conference on Trade and Development.

**Figure 8**

*Outflow to Seven African Nations + All of Africa*

With this case study, I first assume China to be an informed and shrewd investor. The Asian nation’s economic growth, and recent policies founded on economic growth instead of political ideology (Rosen and Hanemann 2009) supports that first assumption. Second, I assume that an increase in FDI into a region indicates positive returns on investment. This assumption likewise holds as FDI stimulates the target economy thus resulting in positive economic returns, and also because it would be illogical to sink more capital into a failing venture (De Mello Jr 1997). Thus, one might deduce that increased FDI leads to increased returns on investment. Looking at a target economy in a peacekeeping context, increased peace in conflict-stricken nations, as encouraged by UN peacekeeping missions, results in increased production because institutions are stabilized (Brauer and Caruso 2013) and entrepreneurs and labourers incentivized (Arrow 1995). As an example, increasing peacekeeping forces in South Sudan by 10% allows for an additional 600 tonnes of food produced due to improvements in micro and macro-level economic development; a number significant given the intense food insecurity in the region (Caruso et. Al 2017).

Despite literature linking FDI, economic growth, return of investments, and peace, several main challenges arise when trying to identify a relationship between UN peacekeeping and China’s FDI to Africa. First, there is little to no uniform data of on-the-ground casualty and security reports across all nations where UN peacekeepers are located; most studies on peacekeeping rely on a country-specific case study approach. As such, it is not only hard to measure peace, but even harder still to link peace to economic development. Therefore, I use peacekeeping personnel contributions as a substitute measure for peace and thus examine if the number of peacekeeping personnel affects
China’s economic returns; this methodology mirrors how Caruso (2017) determined the effect of peacekeeping on food security in Sudan.

Assumptions on Peacekeeping and Return on Investments

Because of limited resources, I assume that personnel are allocated by need where an increase is peacekeeping stems out of a necessity for greater resources to restore a higher level of peace. This assumption is backed up by statistical studies showing that contrary to popular media and beliefs, both financial and personnel UN peacekeeping efforts are successful in reducing conflict, albeit under specific conditions and when missions adhere to specific guidelines (Pushkina 2006). In contrast, reduction in peacekeeping personnel has often resulted in destabilization. This is partially because historically the short-term mission of UN peacekeeping promotes security rather than peace (Napoleão et. Al 2015).

Second, there is a spill over effect of peacekeeping. As peacekeeping forces effectively, or ineffectively maintain peace in a nation, one might expect peace, or conflict, to likewise affect neighbouring countries respectively (Dunne and Tian 2014). Thus, increasing peacekeeping forces in one nation might not necessarily result in increased FDI to that same nation. Its effect might be observed instead in the form of increased FDI into neighbouring nations.

Third, potential complications arise when dealing with time-series data. With this case study, one might expect a lag from when peacekeepers enter a nation, and when a noticeable peace ensues. Consequently, a lag should be expected from when peacekeepers enter a nation and when a country deems it a less-risky venture for increased investments.
FDI-Peacekeeping Regression Model

I utilize peacekeeping personnel contributions as the independent variable in this analysis while China’s FDI outflow to Africa is the dependent variable. In order to mitigate the aforementioned challenges, I analyse collected data in the following ways. First, I analyse the effect of a nation-level changes in peacekeeping personnel contribution in the six African nations where China maintains a high peacekeeping presence on the change in Chinese FDI outflow to those same nations. I additionally examine peacekeeping to Africa as a whole and how that affected FDI outflow to all of Africa, thus accounting for spill over effects. Second, I integrate a time lag into the data. A drop in battlefield violence is observed after approximately one year after an increase in peacekeeping personnel (Hultman et. Al 2014). In other words, the effect of peacekeeping contribution in year(x) will only be experienced in year(x+1). Theories posit that capital flight occurs in wartime due to greater risk (Lensink et. Al 2000). By this same logic, capital inflows increase during peacetime. Thus, one would expect capital flight in wartime period year(x) and capital inflow should peace ensue in year(x+1). Therefore, I introduce a lag to the data where FDI outflow in year(x+1) is a result of peacekeeping contribution in year(x).

Looking at peacekeeping personnel contributions from 2000-2011, personnel deployments to African UN peacekeeping operations and FDI outflows to Africa are correlated at a .64 level. When total peacekeeping and FDI are looked at on the country level, specifically in the six nations where China concentrates most of its peacekeeping, the two variables are correlated at coefficient of .33. This shows that on a basic level, there exists a positive correlation between China’s peacekeeping contributions and its
FDI outflow into Africa. However, because the relationship between economic returns and peacekeeping contributions is highly unlikely to be linear, I manipulated the variable and utilized a log-log regression to model this relationship.

On a country-specific level, regressions demonstrate that a one percent increase in peacekeeping personnel results in more than a .35% increase in FDI in the six African nations where China maintains a high peacekeeping presence. This is a conservative estimate that accounts for yearly effects. It is important to note that as observed in Table 1, there is little statistical significance for both yearly and country fixed effects. More generally, a similar increase in peacekeeping personnel only results in an approximate .12% increase in FDI to Africa as a whole. Controlling for differences across years and countries, and testing for interactions, Africa attracts more FDI from China when peacekeeping personnel presence increases. Controlling for yearly fixed effects was especially important to show that changes in FDI were not due to isolated and unique events such as the 2008 financial crisis. Considering how FDI flows from China to African nations are in the millions, and usually tens and hundreds of millions, such a percentage increase in return is substantially significant. This relationship, however, is one of diminishing returns.
Peacekeeping and Trade

To provide a different perspective, I look to see if China’s peacekeeping contributions might have affected exports to Africa. Improving the security in conflict areas could result in two things regarding trade. First, a reduction of conflict leads to increased production in African economies, thus allowing China to import a greater quantity of African goods. On the flip side, a reduction of conflict increases the stability of local economies, allowing greater consumption of Chinese goods, noted as exports on China’s trade balance. Studies show a spike in economic activity because of resumption of fundamental security, a by-product of UN missions (Carnahan et. Al 2006). Does a change in peacekeeping contributions affect the magnitude of trade flows? Data on trade was obtained from the United Nations Commodity Trade Statistics Database and was lagged in similar manner to FDI outflows.

<table>
<thead>
<tr>
<th>Table 1</th>
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<td>(1.429)</td>
<td>(0.792)</td>
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<tr>
<td>(1.425)</td>
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<td>2007 year</td>
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<tr>
<td>(1.425)</td>
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<td>Observations</td>
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</tr>
<tr>
<td>R-squared</td>
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</table>

*** p<0.01, ** p<0.05, * p<0.1

Standard errors in parentheses

Data sources and methods are detailed in the dataset documentation.
Trade-Peacekeeping Regression Model

For this regression, I used trade data provided by the World Bank, United Nations Conference on Trade and Development (UNCTAD), International Trade Center, United Nations Statistical Division (UNSD) and the World Trade Organization (WTO) (WITS). Controlling for country-level differences, the results of log-log regressions indicate that looking only at the six nations where China maintains a strong peacekeeping presence, a one percent increase in peacekeeping deployment is linked to at least a .18% increase in exports to those same six nations. Unlike FDI-Peacekeeping on a country-specific level, changes in year has a statistically significant impact on exports.

On the continental scale, a one unit increase in total peacekeeping deployment is tied to a .41% increase in exports to sub-Saharan Africa. Covariates such as China’s FDI outflow has no influences on the value of exports to the region. Money from FDI first provides the kick-start for domestic firms. Subsequently, because these African firms have at their disposal an abundance of local raw materials, they need not reinvest capital from FDI to import Chinese materials (Jayakumar et. Al. 2014). As such, an increase in FDI outflow to Africa increases the capacity of local firms, improves the economic well-being of the region as industries thrive, but does not necessitate a direct increase of exports to the region.
Limitations of Both Models

Several limitations have to be acknowledged. First, the data only spans a period of a little more than a decade and only focusses on several target nations. As such, the statistical validity of the results must be questioned.

Second, investors have natural preferences that might potentially skew findings. China favours expansion into nations rich in natural resources (Taylor 2002; Deng 2003, 2004). It is of no fault of China that the same nations in which peacekeepers are currently based are the same resource-rich nations. For China’s investment preferences between nations, including country-level fixed effects would control for such tendencies.

Table 3

<table>
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<tr>
<th>VARIABLES</th>
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<td>2008.year</td>
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<td>2010.year</td>
<td>3.558***</td>
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<td>2011.year</td>
<td>3.573***</td>
<td>(0.400)</td>
</tr>
<tr>
<td>Constant</td>
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<td>(0.0377)</td>
</tr>
<tr>
<td>Country FE</td>
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<tr>
<td>Observations</td>
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<td></td>
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<tr>
<td>R-squared</td>
<td>0.977</td>
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</tr>
</tbody>
</table>

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1
Another characteristic fact defining China’s investment portfolio is its tendency to be attracted by politically risky nations, contrary to preferences of other developed nations (Buckley et. Al 2007). This argument corroborates the fact that China would invest in conflict-ridden nations requiring UN peacekeeping support. This same line of logic might therefore appear to contradict findings that FDI outflows and exports to Africa increase as peacekeeping contributions rise. These arguments, however, need not be mutually exclusive. China’s preference for entering risk-heavy markets need not necessarily mean Chinese firms exit that same market as risk decreases.

Third, while regression coefficients and corresponding p-values indicate a relationship between peacekeeping contributions and economic gain in the form of FDI and trade, potential covariates unaccounted for might alter the findings. For example, changes seen in investments and returns might be a result of events in the international markets not accounted for by country-level fixed effects. One might say that investment policies might be influenced by global phenomenon such as global the financial crisis that also negatively affected China (Li et. Al 2012). These could be controlled for by including an interval variable measuring each individual year in the data set and how it affected investments and returns. Such a variable was included but yielded no statistically significant result and drastically reduced the accuracy of the model.

*Key Takeaways between Peacekeeping and Economic Gain*

Sufficient theories underline the link between peace and economic returns. This section has tried to link China’s economic returns to peacekeeping contributions, a determinant of peace. Some might say causation is specifically hard to prove given that UN peacekeeping forces, like the one in South Sudan, are assigned to protect civilians but
are not under any mandate to protect oil installations (Reuters 2014). However, literature previously mentioned highlights how despite specific mission objectives of UN peacekeepers, peace has a ripple effect on the economy. One cannot expect economic institutions to flourish if the security of people is threatened; the safety of civilians is a catalyst for the stability of institutions. Thus, it is not a leap to assert that China might view UN peacekeeping as a means to protect its assets in African nations (Parello-Plesner and Duchâtel 2015). A challenge to this logic arises with evidence that China’s security and economic policymaking suffers from a degree of disconnect (Lai and Kang 2014). Although this might be true, and while supportive government policies encourage FDI and trade, Chinese firms base decisions on other factors and there is little evidence suggesting that a lack of deliberate harmony in security and economic policy making negatively affects outward investments (Lu et al. 2011).

Because of limited data, relatively new theories attempting to explain determinants of FDI and effectiveness of peacekeeping, and little work done exploring the connection between peacekeeping and economic returns, these findings should not be taken as conclusive but should serve as a springboard for further research. As previously mentioned, China acts contrary to other developed nations in its peacekeeping contributions and investments in Africa. The findings from this study points toward a relationship between peacekeeping contributions and economic returns. This positive relationship can be harnessed by other developing nations and perhaps should be a motivator for others to increase involvement in peacekeeping. On a different level however, showing economic gains from increased peacekeeping has an additional benefit. Beginning with Immanuel Kant, much work has been done showing how
increased economic interdependence promotes peace (Hegre et. Al 2010). This theory applies more to democratic states (Gelpi and Grieco 2009) and partially formed the foundation of US policy promoting democracy in opposition to Soviet sponsored authoritarianism (Gartzke 2007) but can still be said to be a benefit of Chinese peacekeeping policies and economic strategies.

While China might not be socialized by norms of how a nation should contribute to peacekeeping, it could be seen as adhering to expectations of how a strong nation should build global alliances to ensure economic and physical security. Such a move would be backed up by Xi Jinping’s declaration that China “will proactively push forward the construction of a global network of partners and will proactively push for political solutions for international hot issues and difficult problems” (Zhou 2017). China’s “Belt and Road Initiative” (BRI) also seems reminiscent of the US propagation of the “American Dream” that marketed liberalism to the world (Ferdinand 2016).

**Looking to the Future**

The paper thus far has established China’s peacekeeping ideology and how its contributions might be associated with international expectations and domestic benefits. Looking to the future of peacekeeping, this section explores an additional factor influencing China’s peacekeeping contributions: the United States. Given how, China’s foreign policy priorities convergence with the US in some instances but conflicts with it in others (Sutter 2012), there is no reason why peacekeeping should be any different. As such, it is important to examine how the policies of the US affects Chinese foreign policy decisions and vice versa.
Drawing again from theories of constructivism, China’s socialisation into international norms could be a result of two factors: first, via simple observation of the international system and modelling its policies to be congruent with global norms or second, as a result of diplomatic pressure from other nations. China’s peacekeeping motivations are unlikely a result of observing how other developed nations interact in international institutions; at least its personnel contributions, the contribution that China has greatest autonomy over, does not mirror the strategy of other developed nations. As such, there is a greater probability that if China’s peacekeeping contribution is a result of constructivist theories, it is a result of diplomatic pressure from other states and actors.

As previously highlighted, China has experienced significant pressure to conform to global economic liberal practices. US has also exerted pressure on China to conform to global norms and to play a bigger role in promoting international security (Zoellick 2005). Deputy Secretary of State Robert Zoellick, echoing Secretary Rice, was the most vocal in calling China to be “a responsible stakeholder” with a “responsibility to strengthen the international system” albeit through an appeal to China’s realist national self-interests (2005). Most of this diplomatic pressure, especially from international observers has revolved around China’s domestic human rights record (Cooper Drury and Li 2006) and the potential influence Beijing can have on North Korea (Niksch 2005). However, it is also a part of official US policy to influence China to play a larger role in peacekeeping operations (DOD 2006; Gill and Huang 2009; McGreal 2015). In all these instances, the diplomatic pressure that US historically exerted on China is not consistent, but varies both in timing and intensity.
Moving to the status quo, much has been said about President Trump embracing an isolationist ideology (Ding 2016). Yet, observers highlight conflicting messages sent by both Trump and his administration that casts doubt on whether Washington truly is isolationist under Trump (Oliver and Williams 2017). Such mixed messages are part of a supposed larger strategy (Trump 2016) and includes the current administration’s flip-flopping between harsh and favourable rhetoric and attitude toward China (Nakamura and Parker 2017). At the same time, Scholars alternatively assert that the US has a long history of sending confusing signals indicating both isolationism and hegemony (Kazin 2016); a phenomenon perhaps intensified under the current administration.

Given the relative uncertainty surrounding US foreign policy strategy, what level of peacekeeping involvement would we expect from China, especially in the future? I use game theory to tackle this question. Specifically, I model this strategic dilemma as a simplified two-player game between the USA and China.

*Two-player Signalling Game with Incomplete Information*

The game begins with *Nature* deciding with some probability if the *USA* is a hegemonic \( pr(\text{Hegemon})=p \) or isolationist nation \( pr(\text{Isolate})=1-p \). On a continuous scale, the *USA* has two options: the choice to apply pressure on China to increase its international involvement or to not apply pressure. In this game of incomplete information, *China* is ignorant of the *USA’s* type and only observes the *USA’s* actions. China then has, on a continuous scale, the choice to increase its personnel peacekeeping contributions or not.

The game theoretic model strives to answer several questions. Dependent on whether the US is a hegemonic or isolationist nation, what foreign policy strategy would
Washington adopt? Would the US pursue a strategy pressuring China to be a more responsible player on the global arena or would the US choose to not apply pressure on China to increase its international involvement. Concurrently, would China decide to increase its peacekeeping contributions or would it not? Payoffs are calculated from modified utility functions with posited effect coefficients.

**USA’s Payoff**

The US’s payoff will be determined by a modified utility function. This utility function constitutes of several elements:

\[ u(USA) = a(\text{Type}) - b(\text{Diplomatic Pressure}) + c(\text{China Compliance}) + d(\text{Pressure} \times \text{Compliance}) \]

where \( a, b, c, \text{ and } d > 0 \)

The USA’s payoff is first affected by its type. Because this game is a simplification of reality, the USA can be either one of two types. A hegemonic US begins the game with substantial benefit \((a)\) if it is hegemonic \((a(\text{type}=\text{hegemonic})=a(1))\). Alternatively, the US begins the game with 0 additional benefit if it is an isolated nation. While in reality nations can be hegemonic or isolated in varying degrees, countries often lean more to one side or the other and are eventually branded accordingly. As such, presenting the US status as a simple dichotomy does not result in any significant loss in accuracy. I then assume that the USA’s benefit from being hegemonic is greater than the cost of any level of diplomatic pressure and the cost of China’s non-compliances.

America is then faced with the choice of whether it wants to pressure China to be a more responsible player on the global arena or not. Such a strategy, if pursued, has costs and is accounted for in the utility function as “– \( b(\text{Diplomatic Pressure}) \)” where
Diplomatic pressure \geq 0. The more diplomatic pressure applied by the USA on China the higher the cost, and consequently the lower the final payoff. I further assume that this cost of diplomatic pressure is less than the benefit the US obtains if China complies to its pressure \( b(\text{Diplomatic pressure}) \leq c(\text{China's compliance } = 1) + d((\text{Pressure } = 1) \ast (\text{Compliance } = 1)) \).

China’s actions too affect the US payoff as reflected by the variables “\( c(\text{China Compliance}) + d(\text{Pressure*Compliance}) \)”. In other words, the US benefits or loses not only based on China’s compliance, but also China’s compliance interacting with the level of pressure Washington exerts. China Compliance equals 1 when the USA pressures and China responds by increasing its peacekeeping involvement. Cases of successful negotiations and compromise are also reflected by China Compliance equals 1 since China still agrees to a proposed demand. China Compliance equals -1 when the USA pressures and China ignores by not increasing its peacekeeping contributions or when the USA does not pressure but China ignores by increasing its peacekeeping involvement. Alternatively, China Compliance equals 0 when the USA does not pressure and China does not increase its peacekeeping involvement. Considering the nature of demands, China ultimately either complies, or it does not; a slight defiance is still defiance. Therefore, representing compliance on a scale of -1, 0, and 1 does not in any way limit the accuracy of the model.

China’s Payoff

China’s payoff is likewise determined by a utility function as seen below:
\[
u(\text{China}) = w(\text{USA Type}) + x(\text{Increase in Peacekeeping}) - y(\text{Increase}^2) - z(\text{Cave to Weak Country Pressure})
\]
where \( w, x, y, \) and \( z > 0; x > y \) or a gentle rate of diminishing return.

China’s payoff is first affected by the USA’s type. In this simplified game, the USA is either a hegemon, or an isolated nation. If the USA is an isolated nation, then \( USA \text{ Type} = 1 \) and China begins with a positive benefit of \( w \). However, if the USA is a hegemon, then \( USA \text{ Type} = 0 \) and China does not begin with any additional benefit.

China’s payoff is also influenced by its peacekeeping personnel contributions as reflected by the variables “\( x(\text{Increase in PK}) - y(\text{Increase}^2) \)” or a relationship of diminishing returns. This return covers more than just financial gain and as such is similar, yet different to the regression analyses conducted in previous sections. Given current data on peacekeeping, nations have previously contributed 10,000+ peacekeeping personnel. China, at 2000+ soldiers, remains far from that record and shows no sign of slowing its contributions to the UN with it pledging 8000 troops to the UN’s cause (Perlez 2015). As such, in all instances, I further assume that in China’s past and for the foreseeable future, \( x(\text{Increase in PK}) - y(\text{Increase}^2) > 0 \).

Lastly, China’s final payoff is affected by whether it caves to pressure exerted by a weak country. This is reflected in the utility function by “\( z(\text{Cave to Weak Country Pressure}) \)” . If the USA is an isolated (weak) nation, but pressures China to be a more responsible player on the global arena, and China positively responds to that pressure by complying and increases its peacekeeping force, then \( \text{Cave to Weak Country Pressure} = 1 \). In all other situations, \( \text{Cave to Weak Country Pressure} = 0 \).

Relying on the proposed utility functions for both the USA and China, I was able to calculate potential payoffs based on the actions of each player. A simplified graphical display of each player’s possible choices and payoffs is reflected below:
Strategic Preferences

Based on the proposed payoffs, the US has strategic preferences. These preferences, ranked in order of which choice delivers the greatest benefit, are as follows:

1) The USA is hegemonic; the USA pressures China; China increases its peacekeeping contribution

2) The USA is hegemonic; the USA does not pressure; China does not increase its peacekeeping contribution

3) The USA is hegemonic; the USA does not pressure; China increases its peacekeeping contribution

4) The USA is hegemonic; the USA pressures; China does not increase its peacekeeping contribution

5) The USA is isolated; the USA pressures; China increases its peacekeeping contribution
6) The USA is isolated; the USA does not pressure; China does not increase its peacekeeping contribution

7) The USA is isolated; the USA does not pressure; China increases its peacekeeping contribution

8) The USA is isolated; the USA pressures; China does not increase its peacekeeping contribution.

China likewise has strategic preferences. These preferences are again ranked in order of which choice delivers the greatest payoffs:

1) The USA does not pressure; China increases its peacekeeping contribution

2) The USA pressure; China increases its peacekeeping contribution

3&4) the USA pressure; China does not increase its peacekeeping contribution, and the USA does not pressure; China does not increase its peacekeeping contribution are equally preferred options.

*Equilibrium*

Only one plausible equilibria exist in this game; all other Nash equilibria hinge on unrealistic conditions. In the plausible equilibrium, a hegemonic USA choses to always pressure China diplomatically while an isolated USA mixes between pressuring and not pressuring. One the other hand, China always chooses to increase its peacekeeping contribution when it is not under pressure by the USA and mixes between increasing and not increasing its peacekeeping contribution when the USA exerts pressure. Mixing between strategies occur because neither the US nor China wishes to definitely reveal its type or fully commit to a set action. Doing so gives the other party a chance to retaliate with an unfavourable response.
As such, an isolated USA mixes between pressuring and not pressuring China. It pressures China with probability is $\alpha = \frac{p(x(\text{Increase in PK})-y(\text{Increase}^2))}{(1-p)(x(\text{Increase in PK})-y(\text{Increase}^2)-z(\text{Cave to Weak Country Pressure}))}$ where $p$ (the probability of the US being hegemonic) is known to the US. A China under US pressure but unsure of US type, then increases its peacekeeping contribution at a probability of $\beta = \frac{b(\text{Diplomatic pressure})+d(\text{Pressure + Compliance})}{2(c(\text{China compliance})+d(\text{Pressure + Compliance}))}$ when the probability that the USA is hegemonic is $0 \leq p \leq \frac{x(\text{Increase in PK})-y(\text{Increase}^2)-z}{2x(\text{Increase in PK})-z} \leq 1$.

This means several things. First, the more isolated the US is, the less likely it will apply diplomatic pressure on China. Second, an isolated US in choosing whether or not to apply diplomatic pressure has to make this decision understanding the cost and benefits to China when it increases its peacekeeping. As the cost of China caving to the pressure of a weak country increases, the US should pressure China with an increased probability. On the other hand, as the benefit to China from increasing its peacekeeping rises, the probability that Washington applies pressure decreases. However, a change in the cost of China caving to the pressure of a weak country has a greater impact on the probability of the US exerting pressure. Particularly, as the cost to China caving to the pressure of a weak country increases, the probability that the US applies diplomatic pressure increases.

On China’s side, its actions are influenced by the costs and benefits to the US from it applying diplomatic pressure. As the cost to the US from applying diplomatic pressure increases, the probability that China increases its peacekeeping contributions likewise rises. Conversely, as the cost to the US from China’s noncompliance or the benefit from
compliance increases, the probability that China increases its peacekeeping force decreases.

**Validity of the Model**

The validity of the proposed game theoretic model and equilibrium hinges on several assumptions. Many of these assumptions have already been previously highlighted when detailing the payoff functions for both the US and China. One such assumption is that the benefit to the US from being hegemonic is greater than the cost of any level of diplomatic pressure and the cost of China’s non-compliances. Literature highlighting how US intervention, while costly, is essential in maintaining its hegemony allows for this assumption to hold (Layne and Schwartz 1993). For the US, I further assumed that cost of diplomatic pressure is less than the benefit the US obtains if China complies to its pressure. In other words, the US applies pressure only if there exists the possibility of gain from China’s compliance ($b(Diplomatic\ pressure) \leq c(China's\ compliance = 1) + d((Pressure = 1) * (Compliance = 1))$, despite the possibility of China’s non-compliance; there is little logic to the US pursuing a strategy if it is bound to lose in every outcome.

For China, I assume that the cost of caving to the pressure of a weak nation is greater than the benefit it attains from an isolated US ($z \geq w$). This assumption stems from China seldom caving to diplomatic pressure and demands from smaller nations. In fact, China has a record of becoming aggressive and unhappy when pressured by smaller nations. Such was the case in 2011 when Singapore applied pressure on China regarding disputes in the South China Sea. The equilibrium further requires that the benefit from Chinese peacekeeping is greater than its cost from caving to pressure from a weak
country \((x(\text{Increase in PK}) - y(\text{Increase}^2)) - \)

\(z(\text{Cave to Weak Country Pressure}) > 0\) or that \(x(\text{Increase in PK}) - y(\text{Increase}^2) > z(\text{Cave to Weak Country Pressure})\) noting that China peacekeeping strategy is motivated by maximizing the benefit it receives from peacekeeping. While these assumptions are proven valid by history, any deviation from the status quo that invalidates these beliefs changes the equilibrium found.

**Significance and Conclusion**

This paper has established several things. First, there is little support for the argument that China’s contribution to peacekeeping is a result of socialization into norms of how nations are responsible for international security. A simple comparison of data between the peacekeeping contributions of global powers and middle-powers easily debunks such logic. While global powers might talk about a nation’s responsibility to UN peacekeeping, their actions lie in contradiction. While rhetoric plays a part in constructivist theories, this paper demonstrates that there is not an actual norm of global powers contributing to peacekeeping.

Second, one could argue that China is adopting a norm that a rising superpower should facilitate a more interconnected economic system. Indeed, such a strategy provides a more plausible connection between theories of constructivism and China’s peacekeeping strategy. One cannot, however, assert that China is a norm setter in creating a new world order. Unlike the USA that built economic ties with nations on the condition that each specific country promotes liberal policies, China, while holding vested interests of its own, has thus far refrained from mandating nations adopt its political or economic ideology (Woods 2008).
Third, while China might be responding to rhetoric calling for global powers to be involved in peacekeeping, a factor in constructivist theories, realism serves as a better explanation behind China’s peacekeeping strategy. Specifically, as seen from statements from Chinese officials, China’s peacekeeping strategy is strongly motivated by security and economic calculations as part of its national interests. Furthermore, China’s increased contribution in peacekeeping over the years is an investment that has yielded significant returns. While current data is still limited, the findings in this paper, along with established literature and theories, show that China benefits economically, especially in trade, as it increases its peacekeeping contribution. This could provide an added motivation for other nations to follow suit with increased peacekeeping contribution and economic investment in conflict-ridden nations. China’s realists motivations need not be a cause for pessimism (Glaser 2011). The US’s foreign policy, after all, has also been often motivated by realism (Condoleezza 2008). Should Washington adopt the appropriate non-offensive policies in response to China’s national interests, it can benefit from the rise of a peer (Kirshner 2012).

Last, with these costs and benefits in mind, the proposed game theoretic models and equilibria provides an idea to what policies we might expect, and significantly which strategies we can exclude, from both the USA and China. Particularly, the model demonstrates that the US is adopting a strategy of a non-hegemon. This is not to say that the US is obsolete in the global arena, but it has perhaps lost its position as the dominant hegemon. The model also highlights specific factors foreign policy experts on both sides need to consider as the US decides whether or not it should increase diplomatic pressure and as China decides if it should increase its peacekeeping contribution. Alternatively,
the model clarifies what specific factors foreign policy makers need to alter in order to change the strategy of the other player. As mentioned, a China that is under no pressure from the USA will always increase its peacekeeping contributions as it reaps the biggest economic benefits. On the other hand, pressure from the USA, hegemonic or isolated, reduces what potential benefit China might obtain from peacekeeping.

History, data, and the game theoretic model also indicate that China has little incentive to maliciously act contrary to Washington’s wishes. China’s previous peacekeeping strategies have predominantly revolved around maximizing its own benefits. The game theoretic model shows that while China disregarding Washington’s pressure does result in significant costs to the US, China likewise loses out on significant economic benefits. As such, there is little logic to the argument of China working to stifle the US as such a strategy would only inflict harm on itself. Thus, while one must be sceptical of China’s intentions, to prescribe malicious intent to China might be a hasty judgement. In fact, China’s actions might be catalysed more by economic motivations to maximize gain; after all, such was and is arguably the case in American policy making and that of the West as a whole (Katzenstein 1976; Milner 1998).

Further studies to build on the findings of this paper might include a comparison of how China contributes to peacekeeping in a constant growth trend as opposed to the segmented, possibly event-motivated contributions of other nations. An additional research focus might also include exploring in greater detail the strength FDI and export to peacekeeping relationship in other nations. For example, despite the US contributing few troops to peacekeeping, analysis should be conducted to see if a same relationship between contributions and economic might exist.
References:


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Appendix

Game Theory: Proofs

USA:
Nature Decides:
\[ \text{pr(Hegemon)} = p \]
\[ \text{pr(Isolate)} = 1 - p \]
Payoff:
\[ u(USA) = a(\text{Type}) - b(\text{Diplomatic Pressure}) + c(\text{China Compliance}) + d(\text{Pressure} \times \text{Compliance}) \]
Assume:
\[ a, b, c, \text{ and } d > 0 \]
\[ a > b(\text{Diplomatic Pressure}) + c(\text{China Compliance}) + d(\text{Pressure} \times \text{Compliance}) \]
\[ b(\text{Diplomatic pressure}) \leq c(\text{China's compliance}) + d(\text{Pressure} \times \text{Compliance}) \]

China:
Payoff:
\[ u(China) = w(USA \text{ Type}) + x(\text{Increase in Peacekeeping}) - y(\text{Increase}^2) - z(\text{Cave to Weak Country Pressure}) \]
Assume:
\[ w, x, y, \text{ and } z > 0; x > y \text{ or a gentle rate of diminishing return.} \]
\[ x(\text{Increase in PK}) - y(\text{Increase}^2) > 0 \]
\[ z \geq w \]

Separating Equilibrium 1:
USA:
Hegemon – Pressure
Isolated – No Pressure
China:
Beliefs:
\[ \text{Pr(Hegemon | Pressure)} = 1 \]
Pr(Isolate | Pressure) = 0

*: China’s Best Response and Payoff:

**USA Hegemon – USA Pressure**
Best response = Increase;
Payoff = x(Increase in PK) – y(Increase^2)

**USA Isolated – USA No Pressure**
Best response = Increase
Payoff = w+x(Increase in Peacekeeping)– y(Increase^2)

*: USA’s Payoff:

**USA Hegemon – USA Pressure – China Increase**
Payoff = a – b(Diplomatic pressure) + c + d(Pressure)
If switch, USA Hegemon – USA No Pressure – China Increase;
Payoff = a – c
When a – b(Diplomatic pressure) + c + d(Pressure) ≥ a – c or
b(Diplomatic pressure) ≤ 2c + d(Pressure) ∴ Do not switch.

**USA Isolated – USA No Pressure**
Payoff = –c
If switch, USA Isolated – USA Pressure – China Increase;
Payoff = – b(Diplomatic pressure) + c + d(Pressure)
Do switch if –c ≥ – b(Diplomatic pressure) + c + d(Pressure)
Or if b(Diplomatic pressure) ≥ 2c + d(Pressure)
∴ Equilibrium only holds at point where b(Diplomatic pressure) = 2c + d(Pressure)
Because of the equilibrium does not hold on an inequality but on a specific point, such a condition is highly unlikely. Therefore, separating equilibrium 1 can be rejected.

Separating Equilibrium 2:

USA:
Hegemon – No Pressure
Isolated – Pressure

China:
Beliefs:
Pr(Hegemon | Pressure) = 0
Pr(Isolate | Pressure) = 1

*: China’s Best Response and Payoff:

**USA Hegemon – USA No Pressure**
Best response = Increase;
Payoff = x(Increase in PK) – y(Increase^2)

**USA Isolated – USA Pressure**
Best response = Increase
Payoff = w+x(Increase in Peacekeeping)– y(Increase^2) - z

*: USA’s Payoff:

**USA Hegemon – USA No Pressure – China Increase**
Payoff = a – c
If switch, USA Hegemon – USA Pressure – China Increase;
Payoff = a – b(Diplomatic pressure) + c + d(Pressure)
When a-c ≥ a – b(Diplomatic pressure) + c + d(Pressure) or
b(Diplomatic pressure) ≥ 2c + d(Pressure) ∴ Do not switch.

USA Isolated – USA Pressure
Payoff = −b(Diplomatic pressure) + c + d(Pressure)
If switch, USA Isolated – USA No Pressure – China Increase;
Payoff = −c
Do switch if −b(Diplomatic pressure) + c + d(Pressure) ≥ −c
Or if b(Diplomatic pressure) ≤ 2c + d(Pressure)
∴ Equilibrium only holds at point where b(Diplomatic pressure) = 2c + d(Pressure)
Because of the equilibrium does not hold on an inequality but on a specific point, such a condition is highly unlikely. Therefore, separating equilibrium 2 can be rejected.

Pooling Equilibrium 1:
USA:
Hegemon – Pressure
Isolated – Pressure
China:
Beliefs:
Pr(Hegemon | Pressure) = p
Pr(Isolate | Pressure) = 1 – p
If USA Pressure:
Increase: p(x(Increase in PK) – y(Increase^2)) + (1–p)(w+ x(Increase in PK) – 
y(Increase^2)-z)
No Increase = p(0) + (1–p)(w) = w – pw

USA Hegemon – USA Pressure – China Increase
USA Payoff = a – b(Diplomatic pressure) + c + d(Pressure)
If switch, USA Hegemon – USA No Pressure
China’s new best response:
Increase = p(x(Increment in PK) − y(Increment^2)) + (1−p)(w+x(Increment in PK) − 
y(Increment^2))
No Increase = p(0) + (1−p)(w) = w − pw

∴ USA do not switch if a – b(Diplomatic pressure) + c + d(Pressure) ≥ a − c or
b(Diplomatic pressure) ≤ 2c + d(Pressure).

USA Isolate – USA Pressure – China Increase
USA Payoff = – b(Diplomatic pressure) + c + d(Pressure)
If switch, USA Isolate – USA No Pressure – China Increase
USA Payoff = – c
USA do not switch if – b(Diplomatic pressure) + c + d(Pressure) ≥ – c or b(Diplomatic pressure) ≤ 2c + d(Pressure)

This equilibrium only holds at the point where \( b(Diplomatic pressure) \leq 2c(Compliance) + d(Pressure*Compliance) \). The validity of this strategy set also relies on the US being hegemonic at a probability of \( \frac{w+x(\text{Increase in PK})-y(\text{Increase}^2) - z}{w-z} \leq p \leq 1 \) and \( \frac{x(\text{Increase in PK})-y(\text{Increase}^2)}{(1-p)} \geq 0 \), where \( w \) is the benefit to China from the US being an isolated nation, \( x(\text{Increase in PK})-y(\text{Increase}^2) \) is the benefit to China from increasing its peacekeeping contribution, and \( z \) is the cost to China from giving in to the pressure of a weak nation. Additionally, the cost to China from giving in to the pressure of a weak nation must be at a level where \( z \leq \frac{x(\text{Increase in PK})-y(\text{Increase}^2)}{(1-p)} \) or the direct benefit from China’s increase in peacekeeping contribution divided by the probability that USA is an isolated nation. Because of the pre-condition that \( z > w \), the probability \( \frac{w+x(\text{Increase in PK})-y(\text{Increase}^2) - z}{w-z} \leq p \leq 1 \) does not hold causing us to reject pooling equilibrium 1.

Pooling Equilibrium 2:
USA:
Hegemon – No Pressure
Isolated – No Pressure
China:
Beliefs:
Pr(Hegemon | No Pressure) = p
Pr(Isolate | No Pressure) = 1 – p
If USA No Pressure:
Increase = p(x((In the increase in PK) – y(\text{Increase}^2))) + (1-p)(w+x(\text{Increase in PK}) – y(\text{Increase}^2))
= w + x(\text{Increase in PK}) – y(\text{Increase}^2) – pw
No Increase = p(0) + (1-p)(w) = w – pw
w + x(\text{Increase in PK}) – y(\text{Increase}^2) – pw ≥ w – pw or x(\text{Increase in PK}) – y(\text{Increase}^2) ≥ 0. Therefore, China’s best response when USA does not pressure = Increase.

USA Hegemon – USA No Pressure – China Increase
USA Payoff = a – c

If USA switch to Pressure, China’s Best Response:
Increase: p(x((In the increase in PK) – y(\text{Increase}^2))) + (1-p)(w+ x(\text{Increase in PK}) – y(\text{Increase}^2) - z)
= w + x(\text{Increase in PK}) – y(\text{Increase}^2) – z +pz – pw
No Increase = p(0) + (1-p)(w) = w – pw
\[ w + x(\text{Increase in PK}) - y(\text{Increase}^2) - z + pz - pw \geq w - pw \text{ or } \\
x(\text{Increase in PK}) - y(\text{Increase}^2) - z + pz \geq 0. \] Therefore, China’s best response when USA pressure = Increase.

When USA switch, USA Hegemon – USA Pressure – China Increase
USA Payoff = \( a - b(\text{Diplomatic pressure}) + c + d(\text{Pressure}) \)

USA do not switch if \( a - c \geq a - b(\text{Diplomatic pressure}) + c + d(\text{Pressure}) \) or \( b(\text{Diplomatic pressure}) \geq 2c + d(\text{Pressure}) \).

USA Isolate – USA No Pressure – China Increase
USA Payoff = \(-c\)
If switch, USA Isolate – USA Pressure – China Increase
USA Payoff = \(-b(\text{Diplomatic pressure}) + c + d(\text{Pressure})\)
USA do not switch if \(-c \geq - b(\text{Diplomatic pressure}) + c + d(\text{Pressure}) \) or \( b(\text{Diplomatic pressure}) \geq 2c + d(\text{Pressure}) \).

This equilibrium only holds at the point where \( b(\text{Diplomatic pressure}) \geq 2c(\text{Compliance}) + d(\text{Pressure} \ast \text{Compliance}) \). The validity of this strategy set also relies on the US being hegemonic at a probability of \( \frac{w + x(\text{Increase in PK}) - y(\text{Increase}^2)}{w} \leq p \leq 1 \) and \\
\( \frac{w + x(\text{Increase in PK}) - y(\text{Increase}^2)}{w} \geq 0 \), where \( w \) is the benefit to China from the US being an isolated nation and \( x(\text{Increase in PK}) - y(\text{Increase}^2) \) is the benefit to China from increasing its peacekeeping contribution. Because of the precondition that for the USA, \( b(\text{Diplomatic pressure}) \leq c(\text{China's compliance}) + d(\text{Pressure} \ast \text{Compliance}) \), this pooling equilibrium 2 is rejected as it relies on an inequality that conflicts with such a precondition.

**Semi-Pooling Equilibrium 1:**

**USA:**
- Hegemon – Pressures
- Isolated – Pressure with probability = \( \alpha \)
- Not pressure with probability = \( 1 - \alpha \)

**China under pressure**
- Increase with probability = \( \beta \)
- Do not increase with probability = \( 1 - \beta \)

**China under no pressure** – Increase

**Beliefs:**
- \( \Pr(\text{Hegemon}) = p \)
- \( \Pr(\text{Isolated}) = 1 - p \)
- \( \Pr(\text{Hegemon} | \text{No Pressure}) = 1 \)
- \( \Pr(\text{Pressure} | \text{Isolated}) = \alpha \)
- \( \Pr(\text{No pressure} | \text{Isolated}) = 1 - \alpha \)
Assume USA is Isolated, USA’s payoff:
If Pressure = β(– b(Diplomatic pressure) + c + d(Pressure))+(1-β)((– b(Diplomatic pressure) - c - d(Pressure))
= 2β(c) + 2β(d(Pressure)) - b(Diplomatic pressure) - c - d(Pressure)
If no pressure = –c
USA indifferent at:
2β(c) + 2β(d(Pressure)) - b(Diplomatic pressure) - c - d(Pressure) = -c
2β(c) + 2β(d(Pressure)) = b(Diplomatic pressure) + d(Pressure)
β = \frac{b(Diplomatic pressure) + d(Pressure)}{2(c + d(Pressure))}

China:
Suppose China under pressure:
Increase peacekeeping = \text{pr(Hegemon | Pressure)}(x(\text{Increase in PK}) - y(\text{Increase}^2) +
\text{pr(Isolated | Pressure})(w + x(\text{Increase in PK}) - y(\text{Increase}^2) - z)
Not increase = \text{pr(Hegemon | Pressure})(0) + \text{pr(Isolated | Pressure})(w)
By Bayes Rule:
\text{Pr(Hegemon | Pressure)} = \frac{p}{p + (1-p)(\alpha)}
\text{Pr(Isolated | Pressure)} = \frac{1-p}{p + (1-p)(\alpha)}
\alpha = \frac{p(x(\text{Increase in PK}) - y(\text{Increase}^2))}{(1-p)(x(\text{Increase in PK}) - y(\text{Increase}^2) - z(\text{Cave to Weak Country Pressure}))}
0 \leq p \leq \frac{x(\text{Increase in PK}) - y(\text{Increase}^2) - z(\text{Cave to Weak Country Pressure})}{2x(\text{Increase in PK}) - z} \leq 1
Where x(\text{Increase in PK}) - y(\text{Increase}^2) - z(\text{Cave to Weak Country Pressure}) > 0.
Semi pooling equilibrium 1 holds.

Semi-Pooling Equilibrium 2:
USA:
Hegemon – Pressure with probability = δ
– Not pressure with probability = 1 - δ
Isolated – No pressure
China under pressure – Increase with probability = μ
– Do not increase with probability = 1 - μ
China under no pressure – Increase
Beliefs:
\text{Pr(Hegemon)} = p
\text{Pr(Isolated)} = 1 - p
\text{Pr(Hegemon | Pressure)} = 1
\text{Pr(Pressure | Hegemon)} = \delta
\text{Pr(No pressure | Hegemon)} = 1 - \delta
Assume USA is Hegemon, USA’s payoff:
If Pressure = $\mu(a - b(\text{Diplomatic pressure}) + c + d(\text{Pressure})) + (1 - \mu)(a - b(\text{Diplomatic pressure}) - c - d(\text{Pressure}))$
= $2\mu (c) + 2\mu (d(\text{Pressure})) - a - b(\text{Diplomatic pressure}) - c - d(\text{Pressure})$
If no pressure = $a - c$
USA indifferent at:
$2\mu (c) + 2\mu (d(\text{Pressure})) - a - b(\text{Diplomatic pressure}) - c - d(\text{Pressure})$
= $a - c$
$\mu = \frac{b(\text{Diplomatic pressure}) + d(\text{Pressure} + \text{Compliance})}{2(c + d(\text{Pressure} + \text{Compliance}))}$

China:
Suppose China under pressure:
Increase peacekeeping = $\text{pr} (\text{Hegemon} | \text{Pressure}) (x(\text{Increase in PK}) - y(\text{Increase^2}) + \text{pr} (\text{Isolated} | \text{Pressure}) (w + x(\text{Increase in PK}) - y(\text{Increase^2}) - z)$
Not increase = $\text{pr} (\text{Hegemon} | \text{Pressure}) (0) + \text{pr} (\text{Isolated} | \text{Pressure}) (w)$
By Bayes Rule:
$\text{Pr} (\text{Hegemon} | \text{Pressure}) = \frac{p\delta}{(p\delta) + (1-p)}$
$\text{Pr} (\text{Isolated} | \text{Pressure}) = \frac{(1-p)}{(p\delta) + (1-p)}$
$\delta = \frac{(1 - p)(1 - (w + x(\text{Increase in PK}) - y(\text{Increase^2}) - z(\text{Cave to Weak Country Pressure}))}{(p) \ast (x(\text{Increase in PK}) - y(\text{Increase^2}))}$
$0 \leq p \leq \frac{w + x(\text{Increase in PK}) - y(\text{Increase^2}) - z(\text{Cave to Weak Country Pressure}) - 1}{w - z(\text{Cave to Weak Country Pressure}) - 1} \leq 1$
Because of the precondition that $z \geq w$, there is no probability under which this semi pooling equilibrium 2 will hold.

.: The only plausible equilibrium is semi-pooling equilibrium 1.