ROUTLEDGE INTERNATIONAL HANDBOOKS

Handbook of China's International Relations

Editor: Shaun Breslin

Handbook of China's International Relations

Handbook of China's International Relations

Editor: Shaun Breslin

Routledge
Taylor & Francis Group
LONDON AND NEW YORK

First edition 2010
Routledge
Albert House, 1–4 Singer Street, London EC2A 4BQ, United Kingdom
(Routledge is an imprint of the Taylor & Francis Group, an *informa* business)

This edition published in the Taylor & Francis e-Library, 2010.

To purchase your own copy of this or any of Taylor & Francis or Routledge's collection of thousands of eBooks please go to www.eBookstore.tandf.co.uk.

ISBN 0-203-84703-2 Master e-book ISBN

ISBN 978-1-85743-508-5 (hbk)
ISBN 978-0-203-84703-9 (ebk)

Editor Europa New Projects: Cathy Hartley

Contents

List of contributors

Shaun Breslin is Professor of Politics and International Studies at the University of Warwick, United Kingdom. He is co-editor of the *Pacific Review*, and Associate Fellow of the Asia Research Centre, Murdoch University, Western Australia. Professor Breslin's publications include *International Relations of the Asia-Pacific* (with Richard Higgott, four vols, Sage, forthcoming), *China and the Global Political Economy* (Palgrave-Macmillan, 2007, paperback edn 2009), and *Mao* (Longman, 2000).

Giovanni B. Andornino is Lecturer in International Relations of East Asia at the University of Turin, Italy and the Catholic University of Milan, Italy. He is Vice-President of T.wai, the Torino World Affairs Institute. He gained his doctorate in International Relations at the Catholic University of Milan. Dr Andornino is the author of *Dopo la muraglia. La Cina nella politica internazionale del XXI secolo* (Vita e Pensiero, 2008) and General Editor of TheChinaCompanion (www.thechinacompanion.eu), a comprehensive web portal specializing in Chinese politics, international relations and political economy. Dr Andornino is a Fellow of the Transatlantic Academy of the German Marshall Fund of the United States (2010) and Visiting Professor at Zhejiang University, Hangzhou, People's Republic of China.

John Armstrong is a European Union (EU)-China relations specialist and negotiations analyst. A graduate of the University of Limerick, Ireland, he worked in 2006–08 as a visiting scholar at the China Foreign Affairs University, Beijing, People's Republic of China and, from September 2008, at Fudan University's School of International Relations, Shanghai, People's Republic of China. His research priorities include rule of law and policy transfer promotion, and Asian regional governance initiatives. He teaches primarily on EU foreign policy and regional governance.

Kerry Brown is a writer, lecturer and consultant on China and Asia, and Senior Fellow, Asia Programme, Chatham House (Royal Institute of International Affairs). He worked at the Foreign and Commonwealth Office (FCO), London, United Kingdom in the China Section. There, in 2000–03 he was First Secretary, Beijing and in 2003–05 he was Head of the Indonesia East Timor Section. He is a Research Associate of the Centre for International Studies and Diplomacy at the School of Oriental and African Studies, London and currently sits on the board of the Great Britain China Centre. He is also Executive Director of the Liverpool Shanghai Partnership and an Associate of the China Policy Institute at Nottingham University, United Kingdom. He is an advisory editor to the *Berkshire Encyclopedia of China*, published in 2009, and editor of the *Berkshire Encyclopedia of Chinese Biography* (forthcoming, 2010). He has authored a number of books and briefing

papers on China, including *Struggling Giant: China in the 21st Century* (2007), *The Rise of the Dragon – Chinese Investment Flows in the Reform Period* (2008) and *Friends and Enemies: The Past, Present and Future of the Communist Party of China* (2009).

Jean-Pierre Cabestan is Professor and Head, Department of Government and International Studies at Hong Kong Baptist University. He is also Associate Researcher at the Asia Centre at Sciences Po, Paris, France. In 2003–07 he was Senior Researcher at the French National Centre for Scientific Research (Centre national de la recherche scientifique), attached to the Institute of Comparative Law of the University of Paris 1. In 1998–2003 he was Director of the French Centre for Research on Contemporary China (Centre d'études français sur la Chine contemporaine—CEFC) in Hong Kong and chief editor of *Perspectives chinoises* and *China Perspectives*. In 1994–98, he was Director of the Taipei Office of the CEFC. His most recent publications include (with Benoît Vermander) *La Chine en quête de ses frontières – La confrontation Chine–Taiwan* (Paris, Presses des Sciences Po, 2005), translated and published in Chinese as a special issue of the journal *Renlai* (Taipei, January 2007), *La Chine et la Russie: entre convergences et méfiance* (Paris, Unicomm, 2008, co-author), and *La politique internationale de la Chine. Entre intégration et volonté de puissance* (China's international policy. Between integration and will of power), Paris, Presses de Sciences Po, 2010. He has also published numerous articles and contributions in English on China's political system and reform, Chinese law, the relations across the Taiwan Strait and Taiwanese politics. He received his PhD from the University of Paris 1 (Panthéon-Sorbonne).

Allen Carlson is Associate Professor in the government Department at Cornell University, Ithaca, New York, USA. His publications include *Rethinking Security in East Asia* (co-ed., with J.J. Suh and Peter Katzenstein, Stanford University Press, Asian Security Series, 2004) and *Unifying China, Integrating with the World: The Chinese Approach to Sovereignty During the Reform Era* (Stanford University Press, 2005).

Chen Zhimin is a Jean Monnet Chair Professor in the Department of International Politics, School of International Relations and Public Affairs, Fudan University, Shanghai, People's Republic of China. He is a member of the editorial committee for *The Pacific Review*. He has published extensively on European foreign policy, Chinese foreign policy and diplomacy studies.

Tai Ming Cheung is Associate Research Scientist, Institute on Global Conflict and Cooperation and Associate Adjunct Professor in the School of International Relations and Pacific Studies, both of University of California, San Diego, USA. He is a long-time analyst of Chinese and East Asian defence and security affairs. His publications include *Fortifying China: The Struggle to Build a Modern Defense Economy* (Cornell University Press, 2009). His current research interests focus on Chinese and East Asian security, technology, innovation and political economy issues.

Reinhard Drifte is Emeritus Professor, Newcastle University, United Kingdom, Associate Fellow, Royal United Services Institute, London, United Kingdom and Chercheur Associé au Centre de recherche et d'études en gestion (CREG) of Pau University, France. He was Chair of Japanese Studies at Newcastle University in 1989–2002. His main research interests are Japan's foreign and security policy, security issues in Northeast Asia, and EU–Northeast Asian relations. His publications include *Japan's security relationship with China since 1989 – From balancing to bandwagoning?* (Nissan Institute/Routledge Japanese Studies Series, Oxford/London 2003).

Rosemary Foot is Professor of International Relations and the John Swire Senior Research Fellow in the International Relations of East Asia, St Antony's College, University of Oxford, United Kingdom, where she teaches predominantly on the International Relations postgraduate programme. Professor Foot is also an elected Fellow of the British Academy. She is the author of several books, including two on US policy during the Korean War published as part of the series, Cornell Studies in Security Affairs: *The Practice of Power,* on US-China relations published in 1995 with Oxford University Press (OUP), and *Rights Beyond Borders: the global community and the struggle over human rights in China* (OUP, 2000). She has also co-edited five books, including *Does China Matter? A Reassessment* (with Barry Buzan, Routledge, 2004). Other monographs have covered *Human Rights and Counter-Terrorism in America's Asia Policy* (2004) as well as *Framing Security Agendas: US Counter-terrorist Policies and Southeast Asian Responses* (2008). Professor Foot's research interests cover the international relations of the Asia-Pacific, aspects of US-China relations, and the relationship between human rights and human security policies in Asia and beyond. Currently she is working with a co-author (Andrew Walter from the London School of Economics) on a book entitled *China, the United States, and the Evolution of Global Order* (forthcoming, with Cambridge University Press).

Christian A. Hess is RCUK Fellow/Assistant Professor of History at the University of Warwick, United Kingdom. His research interests include Chinese urban history, Japanese imperialism in China, Sino-Soviet relations and the history of north-east China. He is currently working on a book manuscript on the development of the port city of Dalian under Japanese, Soviet and Chinese rule. His publications include 'Big Brother is Watching: Local Sino-Soviet Relations and the Building of New Dalian, 1945–55' in Jeremy Brown and Paul G. Pickowicz (eds), *Dilemmas of Victory: The Early Years of the People's Republic of China* (Harvard University Press, 2007).

Marc Lanteigne is a Lecturer in Chinese Politics at the School of International Relations, University of St Andrews, United Kingdom and was a guest researcher at the Norwegian Institute of International Affairs, Oslo. His research interests include China's engagement and co-operation with regional and international organizations, Sino–Central Asian relations, and trade politics and China's commercial diplomacy. He is the author of *China and International Institutions: Alternate Paths to Global Power* (2005) and *Chinese Foreign Policy: An Introduction* (2009), and co-editor of *The Chinese Party-State in the 21st Century: Adaptation and the Reinvention of Legitimacy* (2008). He has also written chapters and articles on subjects which include China's Central Asian diplomacy, interactions with the Shanghai Cooperation Organisation (SCO), and China's evolving strategic policies, including petro-politics, maritime security and responses to the international 'war on terrorism'. He has conducted research also in Kuala Lumpur, Malaysia, London, United Kingdom, New Delhi, India, New York, USA, Reykjavik, Iceland, Santiago, Chile, Vancouver, Canada and Washington, DC, USA. Dr Lanteigne is a Senior Member of the Scottish Centre for Chinese Social Science Research, based at the University of Glasgow, United Kingdom and a Senior Fellow at the Inter-University Consortium for Arab and Middle East Studies in Montréal, Canada.

Gregory J. Moore is an Associate Professor of Political Science and International Relations at Zhejiang University in Hangzhou, China. His research and teaching responsibilities include political science and international relations, and Chinese and East Asian politics and international relations. He has also served as Assistant Director of the Center for China–United States Relations at the University of Denver, CO, USA and

taught at several Chinese universities, living and working in China for four and a half years. He received his doctorate from the University of Denver's Graduate School of International Studies (now the Josef Korbel School of International Studies). His work has appeared as articles or essays in *Foreign Policy Analysis*, *International Relations of the Asia-Pacific*, *Asian Perspective*, the *Journal of Asian Studies*, the *Journal of Contemporary China*, *Human Rights Working Papers*, and *Issues and Studies*, and as book chapters in volumes published by Lexington, Palgrave-Macmillan, Taylor & Francis/CRC and Renmin University Press. He is currently editing a book on the North Korean nuclear crisis under contract with Stanford University Press, and is working on another book on Sino-American relations.

Muhamad Olimat is formerly of Eckerd College, Florida, USA. Dr Olimat's field of expertise is Middle East politics and he is Lecturer of Middle East Politics at the University of South Florida, St Petersburg, USA. He is the author of several articles on political development and democratization in the Middle East as well as on China and the Middle East.

Riordan Roett is the Sarita and Don Johnston Professor of Political Science and Director of Western Hemisphere Studies at The Johns Hopkins School of Advanced International Studies (SAIS), Washington, DC, USA. Dr Roett is a board member on a number of closed-end mutual funds at Legg Mason, LLC. He is a member of the Council on Foreign Relations and a former national president of the Latin American Studies Association (LASA). Brazil named Dr Roett to the Order of Rio Branco, with the rank of Commander, in 2000. Chile awarded him the Order of Bernardo O'Higgins with the rank of *Gran Oficial* in 2009. In 2004 SAIS announced the establishment of the Riordan Roett Chair in Latin American Studies, made possible by a generous donation from Mr Robert Hildreth, a member of Professor Roett's first SAIS graduating class.

David Scott is Lecturer and Taught Masters Convenor in the Department of Politics and History at Brunel University, London, United Kingdom. His interests cover Asia-Pacific international relations with particular regard to the rise of China, and of India, in the international system. Dr Scott's publications include *China and the International System, 1840–1949 – Power, Presence and Perceptions in a 'Century of Humiliation'* (State University of New York Press, 2008), *China Stands Up – The People's Republic of China and the Modern International System* (Routledge, 2007), *'The Chinese Century'? The Challenge to Global Order* (Palgrave, 2008), and *Handbook of India's International Relations* (ed., Routledge, forthcoming 2010), as well as varied articles on China, India, and the Asia-Pacific. He is also managing editor of the journal *Asian Security*.

Simon Shen is an Associate Professor in the Department of Social Sciences, Hong Kong Institute of Education (HKIEd) and an Adjunct Associate Professor and Chief Co-ordinator of the Master of Global Political Economy Programme, the Chinese University of Hong Kong (CUHK). He works as a Visiting Fellow of Brookings Institution's Center of Northeast Asian Policy Studies in 2010, and is also the Founding Chairman of the Global Studies Institute in Hong Kong, a private think tank studying international relations. Before joining HKIEd, he was the Founding Director of Intenrational Relations Research Programme at the CUHK's Institute of Asia-Pacific Studies. He is an expert on Chinese nationalism and its implications for Chinese foreign policy, and his research interests include Chinese diplomacy, terrorism and regional security and Hong Kong's external relations. He holds DPhil degree from University of Oxford and MA/BA degrees from Yale University. He is widely published, and is the author of *Redefining Nationalism in Modern China* (Palgrave Macmillan, 2007) and the co-editor of *Online Chinese Nationalism and China's Bilateral Relations* (Lexington, 2010).

Robert G. Sutter has been Visiting Professor of Asian Studies at the School of Foreign Service, Georgetown University, Washington, DC, USA since 2001. Prior to taking this full-time position, Professor Sutter specialized in Asian and Pacific Affairs and US foreign policy in a US government career of 33 years involving the Congressional Research Service of the Library of Congress, the Central Intelligence Agency, the Department of State and the Senate Foreign Relations Committee. He was for many years the Senior Specialist and Director of the Foreign Affairs and National Defense Division of the Congressional Research Service. He was also the National Intelligence Officer for East Asia and the Pacific at the US government's National Intelligence Council, and the China Division Director at the Department of State's Bureau of Intelligence and Research. A PhD graduate in History and East Asian Languages from Harvard University, Cambridge, MA, USA, Professor Sutter has taught part-time at establishments including Georgetown, George Washington and Johns Hopkins Universities, all in Washington, DC, and the University of Virginia, Charlottesville, VA, USA. He has published 17 books, more than 100 articles and several hundred government reports dealing with contemporary East Asian and Pacific countries and their relations with the USA. His most recent book is *The United States in Asia* (Rowman and Littlefield, 2008).

Shogo Suzuki is Lecturer at the University of Manchester, United Kingdom. His research interests include international relations theory with reference to East Asia, Chinese and Japanese foreign policy and Sino-Japanese relations. He is the author of *Civilization and Empire: China and Japan's Encounter with European International Society* (Routledge, 2009), and has published articles in *European Journal of International Relations*, *International Relations*, *The Pacific Review* and *Third World Quarterly*. He received his PhD from the Australian National University, Canberra and has held teaching and postdoctoral positions at the University of Auckland, New Zealand and the University of Cambridge, United Kingdom.

Ian Taylor is Professor in the School of International Relations, University of St Andrews, United Kingdom. His research interests lie in the political economy of Africa and the continent's international relations. Professor Taylor's publications include *China's New Role in Africa* (Lynne Rienner, 2009) and *China and Africa: Engagement and Compromise* (Routledge, 2006). He is co-editor of the journal *African Security* (Taylor & Francis/Routledge).

Nicholas Thomas is an Associate Professor and Associate Head of the Department of Asian and International Studies, City University of Hong Kong. His book publications include: *Regionalism and Governance in Asia* (2009), *Advancing East Asian Regionalism* (2007, with Melissa Curley), *Southeast Asia and China: Continuity and Change* (2006, with Nie Dening), *China-ASEAN: Political and Strategic Ties* (2005, with James Chin), *Re-Orienting Australia-China Relations: 1972 to the Present* (2004), and *Democracy Denied: Identity, Civil Society and Illiberal Democracy in Hong Kong* (1999). He has published articles on East Asian regionalism, non-traditional security challenges and Chinese foreign policy in such journals as *Asian Survey, Contemporary Southeast Asia, Australian Journal of International Affairs, Asian Perspective, Asian Journal of Social Science, Journal of International and Area Studies* and *Security Dialogue*. He is the Secretary of the Hong Kong Political Science Association and a member of the Australia committee of the Council for Security Co-operation in the Asian Pacific (CSCAP).

Wang Zhengyi is Professor and Chair of the Department of International Political Economy (IPE) at the School of International Studies, Peking University, People's Republic of China. As one of the founders of IPE in China, Professor Wang Zhengyi has promoted the development and institutionalization of IPE in the country. His research interests are

in the broad area of international political economy, with a special focus on China's political economy with reference to globalization and East Asian regionalism. Among his numerous publications in English and Chinese, two of the most influential in establishing the discipline of IPE in China are *World System and China* (2000) and *International Political Economy: Paradigms and Realities* (2003).

Zha Daojiong is Professor in the Department of International Political Economy, School of International Studies, Peking University, People's Republic of China. He holds a PhD in Political Science from the University of Hawaii, USA and the East-West Center, Honolulu, HI, USA and has experience teaching and researching in the USA, Macao and Japan. His research interests are non-traditional security issues facing China (including water, food, energy and public health). He is a frequent adviser to the Chinese government and international agencies. Among his numerous publications in English and Chinese, he was recently co-author of *Building a neighbourly community: Post-cold war China, Japan, and Southeast Asia* (2007) and *The Political Economy of China's Oil Security* (2005). He is also the editor of *Chinese Scholars View the World: Non-traditional Security*.

Quansheng Zhao is Professor of international relations and Director of the Center for Asian Studies at American University, Washington, DC, USA. A specialist in international relations and comparative politics focusing on East Asia, Dr Zhao is the author of *Interpreting Chinese Foreign Policy* (Oxford University Press, winner of the Best Academic Book Award, Ministry of Culture, Republic of Korea), and *Japanese Policymaking* (Oxford University Press/Praeger, selected as 'Outstanding Academic Book' by Choice). His most recent edited book is *Managing the China Challenge: Perspectives from the Globe* (2009). His books have been translated into Chinese, Japanese and Korean. He received his BA from Beijing University, People's Republic of China and his MA and PhD from the University of California at Berkeley, USA. In 1993–2009 he was Research Associate at the Fairbank Center for East Asian Research, Harvard University, Cambridge, MA, USA. He has also testified on China's economic-related issues at the US Congress, and served as a consultant for the United Nations.

Foreword

The contributors to this *Handbook of China's International Relations* were asked to do only one thing—write what they thought the reader needed to know about their specific topic. And this is what they have done. Thus, this volume does not propose a specific way of looking at China (or at international relations) and does not start from a specific theoretical position. Nor does it have any unified and coherent position on the nature of China's rise and the long-term implications of this with regard to the global order.

Instead, this Handbook's intention is to present a range of scholarship, and this volume simply provides a collection of works from experts in specific elements of China's international relations, each with an individual point of view on a topic, and his or her own individual view of China. Rather than being edited into conformity, contributors' own styles have been allowed to remain.

Following an introductory overview of the changes and continuities of Chinese international objectives and relations, the collection is divided into three sections. The first focuses on ideas and interests—where they come from and how they are transmitted into the policy process. The second section considers the main issues that drive China's international relations (to varying degrees), with the final section focusing on case studies of China's relations with other states and regions.

While there is no overarching or imposed (by the editor) theoretical position or approach, it is fair to say that, in general, the contributors do not take extreme realist positions that focus solely on the structure of the international system. Quite simply, domestic politics and conceptions of regime security and stability within China seem to matter. Moreover, some common features tend to appear in many of the individual chapters: the continuing but perhaps declining importance of Taiwan and the growing significance of economics as a driver of international relations, with a particular focus on China's resource requirements, being two examples. There also seems to be a majority view that, while China might not be wholly satisfied with the existing global order, there has been a tendency to accept dominant forms and integrate with the international community (perhaps to reform from within), rather than rail against it and challenge it from the outside.

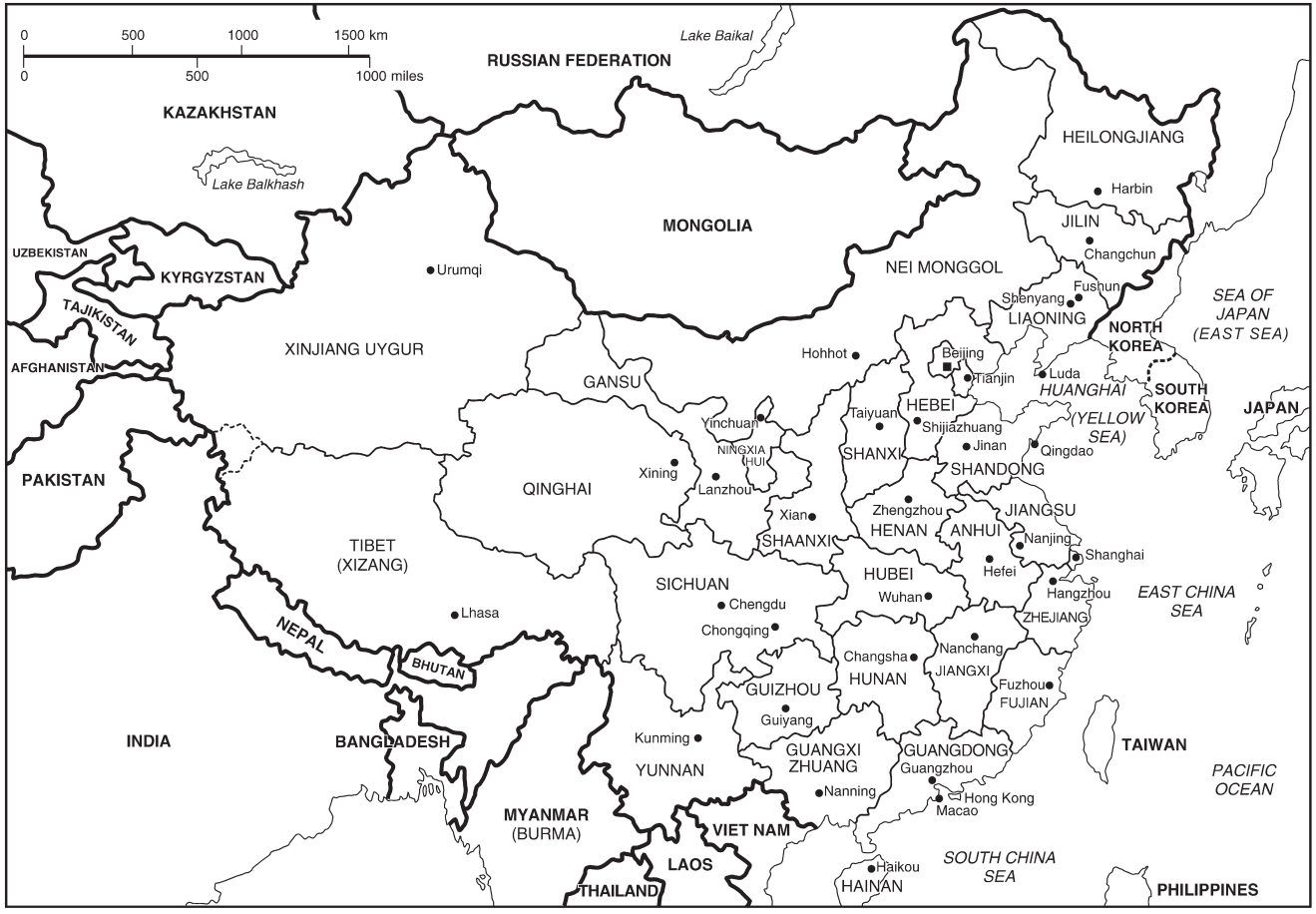
Collectively, the chapters also reveal the increasing scope of China's global interests. Relations with the USA and China's neighbours might still be the most important considerations, but China's interests in the rest of the world are increasingly large and important; and China also has interests in an ever broadening range of issues and areas. We might not know what the future will look like—and indeed, the authors in this collection might not agree on what lies in store—but all of us share the belief that Chinese interests, actors and actions will be important determinants of the evolution of the global order in the decades to come.

Shaun Breslin
February 2010

Abbreviations

APEC	Asia-Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASAT	Anti-satellite weapons
ASEAN	Association of Southeast Asian Nations
CAMS	Chinese Academy of Military Sciences
BRIC	Brazil, Russia, India, China
C4ISR	Command, control, communications, computers, intelligence, surveillance and reconnaissance
CASS	Chinese Academy of Social Sciences
CFSP	Common foreign and security policy (of the European Union)
CIC	Chinese Investment Corporation
CICIR	China Institutes of Contemporary International Relations
CCP	Chinese Communist Party
CCTV	China Central Television
CIIS	China Institute of International Studies
CIISS	China Institute for International Strategic Studies
CMC	Central Military Commission
CNOOC	Chinese National Overseas Oil Corporation
CNPC	China National Petroleum Corporation
CRF	China Reform Forum
EC	European Community
EU	European Union
FDI	Foreign direct investment
FOCAC	Forum on China-Africa Cooperation
FTA	Free trade agreement
G-77	Group of Seventy-Seven
GATT	General Agreement on Tariffs and Trade
GDP	Gross domestic product
IADB	Inter-American Development Bank
IMF	International Monetary Fund
IPE	International political economy
IR	International relations
KMT	Kuomintang (Guomindang)
LAC	Latin America and the Caribbean
m. b/d	Million barrels per day (of oil)
NATO	North Atlantic Treaty Organization

NGO	Non-governmental organization
NIEs	Newly-industrialized economies
ODA	Official development assistance
PDP	Politics of diverse publics
PLA	People's Liberation Army
PLAAF	People's Liberation Army Air Force
PNG	Papua New Guinea
PKO	Peace-keeping operations
PRC	People's Republic of China
R2P	Responsibility to protect
R&D	Research and development
RATS	Regional anti-terrorism structure
RMB	Renminbi
ROC	Republic of China
RSC	Regional security complex
SIIS	Shanghai Institute for International Studies
S&T	Science and technology
SCO	Shanghai Cooperation Organisation
UK	United Kingdom
UN	United Nations
UNSC	United Nations Security Council
US(A)	United States (of America)
WB	World Bank
WTO	World Trade Organization



Map of the People's Republic of China

1 Introduction

China's new diplomacy: old wine in a new bottle?

Jean-Pierre Cabestan

China is now a global power. It has not always been one. Arguably, until the early 2000s, it was first of all a fast-growing regional power, and before the beginning of the reforms in 1979 a huge but isolated country, incapable of imposing its views upon most of its neighbours. At the same time, the People's Republic of China (PRC) is still an authoritarian polity, dominated by a communist party which, while keeping some of its original precepts, has turned into an essentially nationalist, 'statist' and entrepreneurial ruling organization glued together by an ideological cocktail which is strongly reminiscent of the Kuomintang (KMT) of the 1930s.

After Mao Zedong's death and Deng Xiaoping's return to power, China's foreign policy has been designed, above any other objectives, to serve the country's mammoth economic development and reform plan. But simultaneously, the Chinese Communist Party (CCP) leadership's international action has been aimed also at both elevating China to the recognized status of a great power and protecting the regime against any destabilizing enterprise. Deng Xiaoping laid the economic foundations of China's global influence and stabilized its relations with most of its major partners—the USA, Japan and, later, the Soviet Union in particular.

After the Tiananmen Square protests (Tiananmen, 1989), Deng asked his successor, Jiang Zemin, to keep a 'low profile' and not to seek a leadership position in international affairs—*tao guang yang hui*. This is part of a 28-character strategy that Deng formulated in the aftermath of Tiananmen and that many take to be the basis of China's global position even today: '*leng jing guan cha* (watch and analyze developments calmly), *wen zhu zhen jiao* (secure our own positions), *chen zhe ying fu* (deal with changes with confidence), *tao guang yang hui* (conceal our capacities), *shan yu shou zhuo* (be good at keeping a low profile), *jue bu dang tou* (never become the leader), *you suo zuo wei* (make some contributions)' (Zhao, Q. 1996, 53–54). China's diplomatic isolation, the end of the Cold War and the demise of the Union of Soviet Socialist Republics (USSR) largely explained Deng's prudence. When the Chinese patriarch relaunched the reforms in 1992, he did not question this approach.

However, in the 1990s, owing to the country's unprecedented economic growth, Jiang Zemin partly neglected that advice. He conceived and carried out a great power diplomacy (*daguo waijiao*) that gave preference to China's relations, as well as the establishment of partnership agreements, with other large countries (USA, Japan, Russia, India, Brazil) or groups of countries like the European Union (EU) and the Association of Southeast Asian Nations (ASEAN), intensified pressure on Taiwan to reunify, and stirred up nationalism. The rapid modernization of the People's Liberation Army (PLA) as well as Hong Kong's and Macau's return to the 'motherland', in 1997 and 1999, respectively, created an auspicious environment for these ambitious goals. Because of the priority given by the Chinese government to

rapidly acceding to the World Trade Organization (WTO), which it joined in late 2001, Jiang had to set some limits to this new international stance and demonstrate that China was embracing a long-expected 'socialization' process (Johnston 2008). But, until the early 2000s, China's relations with the West remained marred with difficulties and nationalist tensions.

In late 1999 in the aftermath of the Kosovo crisis, the NATO (North Atlantic Treaty Organization) bombing of the PRC embassy in Belgrade, and fierce anti-USA demonstrations in China, an important diplomatic-strategic debate took place in Beijing. This debate concluded that not only *tao guang yang hui* should remain a key principle, but also that China should, while continuing to push its interests and seek great power status, avoid as much as possible open political confrontation with its major partners and, on the contrary, alleviate existing or potential disputes in making more contribution to the world community (*you suo zuo wei*) (Goldstein, A. 2005; Finkelstein 2006). This new approach would later favour the promotion of concepts such as 'peaceful development', 'win-win solutions', and 'harmony and diversity'. All these new ideas boiled down to the key objective of turning China into a 'responsible great power' (*fuzeren de daguo*) (Johnston and Ross 2006).

Although China's new diplomacy would be more fully articulated after Hu Jintao succeeded Jiang Zemin as CCP General Secretary in November 2002 and Wen Jiaobao replaced Zhu Rongji as Prime Minister in March 2003, its origins can be traced back to the 1999 debate (Medeiros and Fravel 2003).

What are the main features of China's current diplomacy? Is this diplomacy really that new? Will it contribute to better integrating China in the world community, in other words to 'socialize' China (Johnston 2008)? Or conversely, will China's growing influence in world affairs not alter the rules of the game and the *modus operandi* of the major inter-state and multilateral international organizations?

A new diplomatic discourse and style

Although, since the beginning of the reforms, China has claimed to be developing a 'peaceful and independent foreign policy' (Anshan 2008), the concept of 'peaceful development' (*heping fazhan*) was endorsed by the 16th Party Congress in November 2002 after Hu took the helm of the Party-state, but not yet the chairmanship of the CCP Central Military Commission, which remained for another two years controlled by Jiang. This historical hiccup is important because, when Hu and Wen attempted in the winter of 2003–04, with the help of Zheng Bijian, then Deputy Director of the Central Party School, to launch the concept of 'peaceful rise' (*heping jueqi*) in order to thwart what they perceived as the 'China threat' syndrome (*Zhongguo weixielun*), they got into trouble (Yee and Storey 2002). This short but meaningful episode both underscored Jiang's lingering influence, but also the multi-faceted opposition within the Party élite to a new notion that presented more inconveniences than advantages. While, for the moderates (and the outside world), the idea of China's 'rise' was far from reassuring, for the hardliners, any commitment to always stick to 'peaceful' solutions to international issues involving China was an unacceptable self-inflicted constraint and limitation. As early as April 2004 the concept of 'peaceful rise' disappeared from official publications, and Zheng Bijian remained the only official allowed to use it (Cabestan 2010; Glaser and Medeiros 2007).

In spite of this early defeat, Hu and Wen managed to push further than initially intended the concept of 'peaceful development' and gradually associate it with the notions of 'harmony and diversity', 'win-win solutions', 'democratization of international relations' and China's soft power.

As we can see, the key objective of this new discourse has been to change the outside perception of China for the better and build a positive image of China's contribution to the world. To that end, several policy changes were recommended and gradually introduced: political conflicts and open confrontations with the West should be avoided; multilateralism should prevail over multipolarity (Cabestan 2004); the world's multipolarization (*duojihua*) could continue to be promoted, but should not any more (or only) be a weapon directly aimed at weakening the USA; and nationalism must be reined in, or at least utilized more parsimoniously (Cabestan 2007).

In order to reassure its neighbours, including Japan, since 2003 China has simultaneously decided to give more emphasis to its 'good neighbour diplomacy' (*zhoubian waijiao*). It has revived traditional benevolent formulae and slogans such as 'friendship among neighbours' (*mulin youhao*) and 'be good towards one's neighbours, turn one's neighbours into partners' (*yu lin wei shan, yi lin wei ban*). With the same aim, but also to calm the West's fears, the Chinese government has continued to accelerate its military modernization—and enhance its hard power—but in a quieter, discreeter, and even more secret manner, insisting on the modesty of this effort and the growing costs, for instance in terms of personnel, attached to it. It has refrained from making public demonstrations of military might, drawing the outside world's attention to the PLA's more active participation in UN peace-keeping operations (UNPKO) (Cliff *et al.* 2007; Office of the Secretary of Defense 2008).

China has also given priority to promoting economic influence and soft power. Though the former is often understood in PRC as an important constitutive feature of the latter, soft power cannot be reduced to trade: since 2004, through the Ministry of Education, the Chinese government has been actively establishing abroad a network of Confucius Institutes (256 institutes and 58 classes in 81 countries by 2009, and around 1,000 institutes by 2020) on the model of the British Councils or the French Alliances. Aimed at teaching the Chinese language, these institutes also constitute a new channel to communicate and 'sell' China's 'success story' and political discourse to the outside world (Ding and Saunders 2006; Gill and Huang 2006; Wuthnow, 2008).

To that end also, PRC's diplomats have been instructed to reach out to the world, not to shy away any more from the limelight or public interviews, to refrain from banging on the table and launching into vocal hyperboles, but instead to spell out with a soft voice more moderate and apparently consensual foreign policy language and views. In other words, since the early 2000s, China has adopted a more civilized, gentle and professional diplomatic style aimed at supporting more efficiently its new diplomatic discourse.

New diplomatic and strategic priorities

In a nutshell, it can be argued that since 2003 China's foreign policy has been more comprehensive, more diversified and more sophisticated. Relations with other big powers have remained crucial. Nevertheless, simultaneously, the Chinese government has invested more time and soft power in enhancing its influence in its own environment. Aware of the internationalization of its economy and the globalization of a growing number of international issues (Ash 2002), it has intensified its participation in multilateral organizations, in particular the UN system; and, more dependent upon the outside world especially for its needs in energy, raw material and agricultural products, China has also revived its relations with many developing countries. However, China's new 'third world' diplomacy cannot be reduced to this economic dimension. It is also aimed at better reaching out to larger non-Western segments of the world community and more efficiently competing with the West's liberal ideology (Eisenman *et al.* 2007; Paltiel 2007).

China's relations with the other big powers

To be sure, for Beijing, as for most governments, in particular in the Asia-Pacific region, relations with Washington (DC, USA) have continued to occupy the pinnacle of its diplomacy. But China's belated normalization with the USA in 1979 because of the still-unresolved Taiwan issue, its fascination with a nation that is both at the heart of capitalism and the world's only military superpower, and also its ambition to compete with and overtake it before the middle of this century, at least in terms of economic output and gross domestic product (GDP)—all these well-known factors have made and will continue to make the Sino-US relationship a very special one (Shirk 2007, Lampton 2008).

On the one hand, the USA is the only power that remains able effectively to put pressure on China on a number of sensitive issues: Taiwan, the Korean Peninsula, non-proliferation and human rights, to name the most important ones. But, on the other hand, owing to China's rise in importance, Sino-US relations have become the world's most important bilateral relationship. On a growing number of international issues (Taiwan, North Korea, and, perhaps, global warming) neither side has any choice other than to co-operate, or at least avoid disagreeing too much. Furthermore, the deepening interdependence between the first and the third economies of the planet has narrowed both sides' room for manoeuvre and allowed China to rebalance the relationship in its favour. Bilateral trade reached US $407,000m. in 2008, with an American deficit amounting to $268,000m., partly fed by the Chinese government's close management of its own currency, the renminbi (RMB), which is undervalued. As a result, PRC has accumulated $2,400,000m. in hard currency reserves, 70% of which are in US dollar-denominated bonds, elevating China into being a key stakeholder in the US economy and recovery in the aftermath of the 2008 financial crisis.

The temptation has been growing in Beijing to be charmed by the US sirens that call for the promotion of a G2 (China-USA) condominium that would, if not rule the world, at least play a decisive role in addressing and solving global issues. However, the Chinese authorities have so far resisted such an idea, for two main reasons: a G2 would force China to shoulder, in its view, a too-active international role and responsibilities, on problems that it cannot (yet) help in solving, and this would be an unbearable burden, if not a trap; and China has wished to keep its options opened and play other big powers (such as Russia or the EU) off against the USA, if need be. In other words, China does not want to become a prisoner of the G2.

All in all, since the early 2000s, in spite of the EP3 (Hainan Island) incident, the Chinese government has adopted a more co-operative attitude towards the single superpower. The 'war against terrorism' helped the Chinese leadership to get along with US President George W. Bush (Johnston and Ross 2006). Moreover, Barack Obama's election as US President in 2008 has contributed to expanding the areas of co-operation. However, China continues to see in the USA the main external threat to its security and is increasingly less hesitant in asserting its own rapidly modernizing military power, in particular vis-à-vis the US Navy in the vicinity of its territory (Cliff *et al.* 2007; Gill 2007; Kamphausen and Scobell 2007).

Japan is still China's second most important partner. After Hu Jintao succeeded Jiang Zemin, there has been a willingness by PRC to go out of its (usual) way to improve the political dimension of a relationship that has continued to deepen on the economic, trade and educational fronts (Gries 2005). Japan has remained China's second trade partner (third trade partner, if we consider the EU as one entity), just behind the USA (with US $266,000m. trade in 2008, including $142,000m. Japanese imports from China). However, until Prime Minister Koizumi's retirement in 2006, several obstacles, both in Japan and at home,

forbad official relations to mend. Since the late 1990s these relations had deteriorated, not only because of Koizumi's repeated visits to Yasukuni, a private and 'revisionist' shrine that contains the tablets of 14 convicted class A World War II war criminals, but also because more and more Japanese saw China as an economic and strategic threat. Triggered by several factors, among them Japan's ambition to join the UN Security Council (UNSC) and closer USA-Japan strategic links, the 2005 anti-Japanese demonstrations in Beijing and Shanghai underscored the magnitude of Chinese society's suspicion towards its most important neighbour (Zha and Hu 2007).

Since 2006, in spite of the rapid succession of Japanese prime ministers (Abe, Fukuda, Aso, Hatoyama), PRC and Japan have managed to restore a better political relationship. Visits to Yasukuni have stopped. Exchanges of high-level visits have resumed and multiplied. In 2008 both governments even agreed to freeze their territorial dispute over their respective exclusive economic zones in order jointly to exploit the petroleum and gas in the East China Sea, although at the time of writing no accord had yet been signed. Later that year, China and Japan initiated an unprecedented trilateral consultation with South Korea on regional financial and economic issues, underlining the growing interdependence among these three economies and societies. Nevertheless, progress has been modest and fragile, and nationalism and strategic rivalry will continue to feed the Sino-Japanese relationship in the future in spite of the positive reception that China has given to Yukio Hatoyama's idea of building an East Asian Community.

In many ways, Russia is China's second big neighbour and third key diplomatic partner. While bilateral trade has remained comparatively modest, spurred by Russian weapons and oil sales, it has rapidly increased since the 1990s (amounting to US $57,000m. in 2008, against $8,000m. in 2000) in order to accompany a very close 'strategic partnership' established at the time of Boris Yeltsin and Jiang Zemin (Wishnick 2001b). Hu Jintao and Vladimir Putin and Dmitry Medvedev have pushed both countries towards further convergence on the international stage, where they have often voted similarly in the UNSC (on Iran, Sudan and Kosovo), as well as domestically, with Putin having moved the Russian regime closer to the 'illiberal democracy' model. China's and Russia's active participation in the Shanghai Cooperation Organisation (SCO)—a grouping that has also included since it was established in 2001 four of the five Central Asian nations, except Turkmenistan—has also contributed to keeping both governments in close contact on a number of security issues, e. g. the fight against terrorism and drugs-trafficking originating in Afghanistan (Antonenko 2008). In 2004 PRC and Russia put a final end to their border disputes, exchanging the last pieces of land four years later (Ferdinand 2007; Lo 2008). In June 2009 both governments endorsed the BRIC initiative (Brazil, Russia, India and China), holding their first BRIC summit in Yekaterinburg.

Nevertheless, since the early 2000s Sino-Russian relations have also become more complex and difficult. The PLA is less interested in acquiring large quantities of sophisticated weapons from Russia because they are not always reliable, and China can produce more of them. Moreover, both countries do not agree on every issue: in 2008, the Georgian crisis put Russia, which recognized the independence of two small Georgian enclaves, at odds with PRC, which considers as sacrosanct the territorial integrity of any state. In Central Asia, both countries also compete for privileged access to the region's petroleum and gas, putting under stress their own energy co-operation and pipeline projects in Eastern Siberia. More generally, Putin's ambition to enhance Russia's international role and reintegrate it among the world's five largest economies can but feed the competition for power between the two countries (Cabestan *et al.* 2008).

That said, China's relations with Russia have on the whole remained better than with India or the EU. In the case of India, a similar willingness to improve and stabilize the relationship has been perceptible since the 1990s. After Hu's accession to power, Beijing has wished to move further, stimulated by its new 'good neighbourhood' diplomacy and, more recently, the launching of BRIC summits. Trade has boomed (US $52,000m. in 2008) and co-operation agreements have multiplied. Since 2003 border negotiation, one of the most complex bilateral issues still pending, has progressed, and the situation on the ground has been much quieter than before. But, owing to PRC's close relations with Pakistan, the PLA's activism in the Indian Ocean, India's fresh strategic rapprochement with the USA, and growing commercial competition, Sino-Indian relations will probably remain a mixture of co-operation and rivalry (Saint-Mézard and Chin 2005; Sidhu and Yuan 2003).

The EU is a special case since it is not a military power, but a confederation of 27 independent member states, including several mid-level powers (such as France, Germany and the United Kingdom). Yet, until the mid-2000s, the Chinese government invested a great deal of hope in the EU, as a potential counterweight to the USA in international affairs, and a major factor in multipolarity. It is true that the EU negotiated as a block with China in respect of its accession to the WTO. Since 1998 the two have held an annual summit. In 2003 they concluded a 'global strategic partnership' agreement and, since 2004, the EU has become China's first trade partner and PRC has been the EU's second trade partner (Grant with Barysch 2008).

However, in 2005 the failure of the lifting of the EU arms embargo imposed upon China after Tiananmen, partly on account of US pressure, but also because of the PLA's ongoing military build-up vis-à-vis Taiwan, underscored the ambiguities of this new partnership. The EU's unabated pressure over human rights and Tibet, especially around the time of the Beijing Olympics in 2008, put to the test China's new foreign policy and revealed the limits of the country's claimed soft power. Since 2006 the EU has imported more goods from China than from the USA and has accumulated a fast-increasing deficit (US $236,000m. in 2008), feeding bilateral disputes about the renminbi's artificial undervaluation, EU anti-dumping measures and China's non-trade barriers to European companies' access to its markets, some of these disputes being brought before the WTO (Cabestan 2006; Kerr and Liu 2007, Shambaugh, Sandschneider and Zhou 2008).

China still considers the EU as important both for its diplomacy and its economy (in terms of investment and generous technology transfers), but continues to prioritize its co-operation with individual member states because it can better take advantage of their relative weakness as well as the differences among them to further its own interests. But, since the mid-2000s, the relationship has sailed in rougher seas (Fox and Godement 2009).

China's growing influence and soft power in East Asia

Although China has built with its three major neighbours—Japan, Russia and India—what could be qualified as a closer, but at the same time suspicious, partnership, its economic and diplomatic influence in East Asia has been clearly and globally on the rise (Sutter 2005). This is probably the part of the world where Beijing's soft power has become the most visible and effective. Understood, as we have seen, as the result of growing commercial, tourist and cultural dynamisms, this soft power has first of all allowed China to build a priority partnership with ASEAN (US $231,000m. in trade in 2008), as well as bilaterally with most of its member states (in particular Burma, Cambodia, Laos, Singapore and Thailand). This dynamism has been accompanied by a more cautious approach to the South China Sea

issue: in 2002 Beijing decided with the ASEAN governments provisionally to freeze the territorial dispute. As a consequence, relations with more lukewarm partners, such as Indonesia, Malaysia and the Philippines, or former enemies, such as Vietnam, (most of these also being South China Sea claimants) have noticeably improved (Percival 2007).

Another rather unexpected target of China's soft power has been South Korea: lured by very profitable trade relations (US $186,000m. in 2008), South Korean society is strongly attracted by its big neighbour, in spite of occasional nationalist controversies triggered by a long and often overlapping history—such as the dispute in 2004 over the territory of the old Koguryo kingdom (37BC–AD667) (Chung, J. 2009).

In view of its already intense commercial relations with China (US $129,000m. in trade in 2008; and over $100,000m. in Taiwanese investment into PRC), Taiwan could not stay immune from this evolution (Cabestan and Vermander 2005). To some extent, Ma Ying-jeou and the KMT's landslide electoral victory in early 2008 confirmed China's growing influence on the island-state and especially among its business and political élite. Although the sovereignty and ideological differences between the governments in Beijing and Taipei will remain strong obstacles to any reunification, the growing economic and human integration across the Taiwan Strait has narrowed the latter's options for the future, and forced it to improve its relations (extension of direct flights, opening up to mainland tourists and investment) and find a longer-term *modus vivendi* with a regime that nevertheless does not legally recognize and still militarily threatens its existence (Romberg 2009). More accommodating than Jiang Zemin's 'peaceful reunification' policy, Hu Jintao's 'peaceful development' strategy (because it is conducive to maintaining the status quo and modestly improving Taiwan's international profile) has been helping the Chinese government to gain ground on the island to the detriment of the US Administration, Taipei's traditional and unique protector (Sutter 2009; Zhao, Q. 2006).

China's more active multilateralism

China's relations with international organizations go back to the early 1970s, when PRC replaced Taiwan in the UN and as a permanent member of the UNSC, equipped with veto power. In the 1990s, as a way of deisolating itself after Tiananmen, the Chinese government increased its participation in global or regional groupings (Asia Pacific Economic Cooperation—APEC, Asia-Europe Meeting—ASEM, WTO) and signed more international agreements (Non-Proliferation Treaty, UN human rights covenants) (Johnston 2008). But, since the early 2000s a clearer emphasis has been put on multilateralism. For example, today China participates more actively in the UN system, abstains less often than in the previous decade when the UNSC needs to decide upon difficult issues (including on sanctions against North Korea, and to a lesser extent in respect of Iran and Darfur) and has become one of the major suppliers of UNPKO troops (Lanteigne 2005; Medeiros 2007).

At a regional level, the SCO has become a kind of model for a multilateral security organization for the Chinese government, partly because it excludes the USA and partly because all members are formally on an equal footing and enthusiastically endorse the principle of non-interference in other countries' internal affairs. But China's active participation in the ASEAN Regional Forum (ARF), the six-party talks on North Korea's nuclear programme or, since November 2008, the G20 summits aimed at tackling the financial crisis are other examples of its better disposition towards multilateral mechanisms.

This latest group has been warmly supported by the Chinese government because, contrary to the G8 annual meetings in which it has reluctantly participated as one of the

outreach countries (with Brazil, India, Mexico and South Africa) since 2003 (in Evian, France), it includes an almost equal number of large developed and developing economies. Moreover, since the size of a country's economy, not the democracy of its political system is the entry criterion, China feels at ease in this new forum where, in addition, it can symbolically take advantage of its perceived might to test new ideas and diminish the USA's (and the dollar's) dominant role.

In the area of security, the Chinese government has also demonstrated a willingness to reach out to other organizations—such as NATO, the expansion of which to the East it does not fear anymore, at least publicly,—and co-operate. For example, after much hesitation, in December 2008 it decided to dispatch two PLA destroyers to the Gulf of Aden in order to participate in the anti-piracy operations conducted by major trading nations in that part of the Indian Ocean. This evolution underlines a growing awareness that the world's major problems can only be addressed collectively. However, the meagre results of the Copenhagen conference on climate change in December 2009 have also demonstrated that, in the post-Kyoto context, the Chinese government is not ready to commit itself on global warming to objectives and limitations that could slow down its development and quest for global power status.

China reaches out to the world

Since 1993 China has been an oil importer. However, it is only in the 2000s that energy, raw material and food security have started to be intensely debated and factored into China's diplomatic calculus (Ong 2002). Forced currently to import more than half (4.2m. barrels out of the 8m. barrels that it consumed every day in 2008) and, by 2020, two-thirds of its oil, China has clearly given priority since the early 2000s to developing close relations and partnerships with oil exporting nations: Saudi Arabia, Iran and Oman in the Middle East, from where it still buys half its imports; Angola, Nigeria and Sudan in Africa (over 30% of its imports); and Venezuela and, to a lesser extent, Brazil in South America.

These three continents are far from being China's only energy suppliers. In addition, the Chinese economy needs more and more raw materials that cannot be found in large quantities domestically (such as copper, bauxite, uranium and nickel), as well as agricultural products, partly owing to the continuous diminution of arable land as a result of both urbanization and desertification. For instance, Russia and Central Asia today cover around 15% of China's needs in oil and gas, and this will probably increase (to as much as one-third) when all the pipelines under construction are completed (Marketos 2008). In addition, Russia sells steel, timber and other raw materials to China. Australia has also become a major supplier of China in iron ore, wool and food. However, it is in the Middle East and more particularly in Africa and Latin America that China's growing presence has been mostly felt. Between 2003 and 2008 China's exports to these regions increased from US $38,000m. to $192,000m. New, specialized trading partners, such as Argentina (wheat) or Chile (copper), or diversified partners, such as Brazil, the Democratic Republic of the Congo, Nigeria or South Africa, have increased their weight in China's diplomacy. Conversely, in these countries, China has brought a rather unexpected economic benefit and, as a result, become a more influential foreign policy factor (Meidan 2006; Paz 2006; Shichor 2006; Simpfendorfer 2009). China's trade with Africa increased from US $6.5,000m. in 1999 to 107,000m. in 2008 and that with Latin America from $30,000m. in 2003 to $118,000m. in 2008.

China's growing economic influence in these parts of the world has had a number of consequences for its Government. First of all, it has contributed even more to marginalizing

Taiwan, the diplomatic partners of which shrank from 31 to 23 between 1996 and 2008. More importantly, thanks to a new diplomatic 'activism', it has allowed China to relink politically with the 'third world' and a large number of developing countries that had been neglected by Jiang Zemin in the 1990s (Saunders 2006). The best known initiative was the launching in 2000 in Beijing of the China-Africa summit, the gathering that takes place every three years (in Addis Ababa in 2003; in Beijing, again, in 2006; and in Sharm-el-Sheik in Egypt in 2009) and now includes 49 of the 53 African nations. Africa and least developed nations of other continents have also benefited from China's rapidly increasing aid and cheap loans.

This well-publicized generosity has helped the Chinese government in countering the increasing perception that China is acting as a predator and even a neo-colonial power, investing wherever it can to acquire privileged access to the raw materials it needs, mainly using its own workforce and technicians in the construction projects that it develops, granting cheap loans in order to boost its own exports, and contributing to the devastation of Africa and of Latin America's rain forests. Beijing's growing influence on local governments has also made less and less sustainable its policy of non-interference in internal affairs in countries facing civil wars or political crisis (such as Sudan and Zimbabwe).

Today, the Chinese government is more aware of these contradictions and is partly reviewing its diplomacy. For example, in 2007 it intensified its pressure on the Sudanese government and accepted the deployment in Darfur of a mixed UN–African Union stabilizing force. However, its close energy and military partnership with the Sudanese regime has imposed clear limits to a new approach that was probably partly motivated by the preparation of the Beijing Olympics.

Similarly, the Chinese government and its embassies in these regions have tried hard to adjust to this changing environment and the new tasks deriving from it: by better informing Chinese companies about investment opportunities and co-ordinating their activities; by managing the flow of technicians involved in projects and the security problems that may affect them; by being more sensitive to the possible tensions created by new waves of Chinese migrants and protecting them in cases of conflict (such as in Senegal or South Africa); and finally, by discreetly supporting those local politicians favouring good relations with China and weakening their opponents, as in Zambia in 2006 (Alden, Large and de Oliver 2008; Rotberg 2008).

In any case, in the developing world, China is in a favourable position: claiming to be a member of the family, it is powerful and rich enough to impose its views in most cases. In addition, it has become an unavoidable and less demanding partner, for instance in terms of good governance, which can balance and weaken the USA (in particular in Latin America) or the European nations' influence (as in Africa). Although China does not claim to export its own development strategy, it is an alternative political model for a number of developing nations that are fed up with the West's preaching of human rights and democracy. In other words, China has managed, on the basis of its commercial dynamism, but also with the support of more sophisticated diplomacy and active cultural co-operation (Confucius Institutes), to reach out to larger segments of the developing world. As a result, PRC can better compete with the West's ideological domination and guarantee the longevity of its own polity.

Conclusions

To a large extent, the Chinese government's new diplomacy seems to have been successful. It has accompanied the unprecedented internationalization of the Chinese economy and society. It has enhanced China's influence and soft power. It has led the government to take

more initiatives and responsibility on a number of regional or global issues, as well as helping China to be better accepted as a key political stakeholder in the world community. In other words, it has contributed to integrating and 'socializing' China (Johnston 2008). But is China today a 'responsible stakeholder' in international affairs, as the then US Deputy State Secretary Robert Zoellick ventured to ask and expect in 2005? Or is it still on many issues and in many areas a 'free rider' that disregards the expected and unexpected consequences of its actions? Has Beijing's diplomacy fundamentally changed?

These questions are not easy to answer, since no country, let alone George W. Bush's USA, can claim to be a totally 'responsible stakeholder'. As other nations, China has continued to boost and protect its national interests as well as convince the other nations that these objectives do not contradict their own interests. In that respect, Hu Jintao and Wen Jiabao have done a better job than their predecessors. Beijing communicates better and is more ready to take into account outside criticisms and mainstream opinions. Being more aware of the global dimension of a growing number of international issues, it is more prone to co-operate and put forward constructive initiatives.

However, there are obvious limits to this more 'harmonious', conflict-avoiding and sophisticated approach. For one thing, China has become a more complex actor that is far from co-ordinating well all its international actions: abroad, diplomats must compete and coexist with arms suppliers, oil companies and other national businesses (Cabestan 2009). Besides, the Party-state does not represent any more the society that has single-handedly participated in China's internationalization, through private trade, investments and migrations.

More importantly, the two key foreign policy objectives of the PRC leadership have remained, on the one hand, the country's elevation to a status of great power comparable to the USA and, on the other hand, the stability and survival of the current CCP-dominated regime. As a consequence, beyond the multipolar and multilateral game that it is playing, China aspires to a new kind of bipolarity with the unique superpower, neglecting or looking down upon the other poles, let alone its smaller partners in the developing world (Cabestan 2004). Under a 'lacquer' of equality, China capitalizes on its increasing power to impose unequal relations. Moreover, as soon as an international issue touches upon China's sovereignty, territorial integrity (Tibet, Xinjiang, Taiwan), domestic polity (human rights, democracy) or economic organization (state conglomerates' privileges), the Beijing leadership still becomes highly nervous and uncompromising. The nationalist sentiments of Chinese society and in particular the élite (Leonard 2008) are occasionally used as a lever if they can serve a specific diplomatic goal—as against Japan in 2005 or France in 2008. In addition, the Beijing authorities continue to be tempted to promote what they present as the specificity of China's culture or its 'political exceptionality' as a shield against their co-operation with and their integration into the international community (Paltiel 2007). These many differences will continue to make the China actor distinct from, say, Japan or India and render its relations with the West a difficult task for the future, unless it one day democratizes.

In other words, China's diplomatic bottle looks new, to some extent nicer and obviously much bigger, but it contains a largely identical flavour.

Part I

Ideas and interests

2 Researching international relations in China

From security to international political economy

Wang Zhengyi

> In general, the Chinese understanding of Western IR theories is still very limited, despite the growing number of Chinese translations of Western works and increasing number of educational exchanges in recent years. There is as yet little scholarly work done comparing China's international studies with that of the West. When Chinese IR scholars say that they should learn from the west, they do not have a clear idea as to what to learn from or how to proceed. What they have in mind is largely the realist or neo-realist model. Rarely do they refer to structuralist thinking. Little mention is made of the pluralist school … The pluralist school, which grew out of dissatisfaction among scholars with the realist, power, state-centric approach, stresses the importance of the individual as the basic unit of analysis.
>
> (Chan 1999, 165)

As in most countries, the study of international relations (IR) as an academic discipline in China has been related to the country's perception of the international system and its reaction to this perceived international system. Actually, the Chinese have had their own views of the international order since ancient times. Depending on one's definition of the international system, one can trace a prototype of the inter-state system in China as early as the Spring and Autumn and the Warring States Periods (722–221 BC). However, most scholars suggest that China began formulating the conception of the modern world only after the intrusion of Western imperialists into Chinese sovereignty through gunboat diplomacy in approximately the mid-19th century (Chan 1999, 5).

With the collapse of China as an old empire and the establishment of the Republic of China as a nation state in the Western sense in 1912, the perception of the international system in China changed significantly—from the Sino-centric tribute system in East Asia to the international system that originated with the Treaty of Westphalia. From then on, 'international system', 'authority' and 'security' become priorities in Chinese social science, although IR (politics) as an independent discipline did not emerge in China until the mid-1960s, when departments of international politics were established at Peking University, Renmin University (in Beijing) and Fudan University (in Shanghai). Unfortunately, academic studies in these departments were interrupted by the subsequent 'cultural revolution' and did not restart until the onset of the 'open-door' policy in 1978 and the resumption of the study of political science in 1983.

The period since 1978 could be divided into two stages: the first stage, from 1978 to the mid-1990s, during which China's IR studies mainly focused on the above-mentioned three issues—the international system, authority and security—and were dominated by an older generation of scholars who interpreted IR based on their own understandings of Marxism (although some Western works were translated into Chinese during this period, they were only served as a complement to the mainstream Chinese IR studies); and the second stage,

from the mid-1990s onwards, during which a more pluralistic tendency appeared, including Marxism, liberalism and realism, in line with China's successive robust economic growth and admission into the World Trade Organization (WTO). From then on, 'globalization', 'economic growth' and 'security' become three new focuses of China's IR studies.

Ideology, authority and the international system in the 1980s

The year 1978 was a turning point for Chinese social science, just as the late-19th century was when 'social science' came into China as a new idea (Wang, Y.Z. 1998, 327–382). After 30 years of insularity and resistance to the West, the Chinese Communist Party put forward the 'reform and open-door' policy in 1978. From then on, China has gradually entered into a transition period—indeed entered into a number of transitions, from a command economy to a market-oriented one, from a rural agricultural society to an urban and industrial one; and from a non-trading nation to a member of the WTO. Accordingly, all kinds of restrictions on academic debate have been removed step by step, and Chinese social science has once again taken a lead (just as it did in the 1920s and 1930s) in reconceptualizing Chinese social reality and foreign policies, with nation-wide discussions about the 'criterion for truth' and a complete denial of the Cultural Revolution.

As a result of these processes and discussions, three key topics came to dominate research agendas of IR students in China: the relationship between state authority and the international system, the relationship between domestic development and the international system, and the relationship between Marxism and Western social science.

The state as a single unit of analysis

Most Chinese scholars of IR accepted Western realism during the 1980s and treated the state as a single unit of analysis. Sovereignty was perceived as a basic attribute of the state—any state—and the Five Principles of Peaceful Coexistence were taken as the basic principles governing the international system. One of these Five Principles is the importance of 'equality and mutual benefit', but the other four are essentially commitments to recognize state sovereignty whatever might be happening within a sovereign state: respect for territorial integrity and sovereignty, non-aggression, non-interference in the internal affairs of others, and peaceful coexistence.

This academic tendency towards realist principles is mainly a consequence of three key factors. First, in the perception of Chinese scholars, China suffered from Western imperialists' invasions after the 1840s, and thus the Chinese people have struggled for years to establish their sovereignty and an independent sovereign state. Second, realism dominated Western IR studies and also influenced Chinese scholars' studies. There were four popular textbooks on IR by Chinese scholars at that time, all based on realism, focusing on the state as actor, and on political and military relations to the exclusion of economics, that influenced a generation of young scholars (Feng 1988; Zhang, L.L. 1989; Zhang, J. 1989, and Liang 1994). Third, with economic growth, Chinese scholars hoped that China could play a more important role in world affairs. But they realized that the rise of China in world affairs faced severe challenges from the 'given' international system dominated by the USA, especially with the fluctuating relations between China and the USA relating to the Taiwan issue, human rights disputes, non-proliferation issues and trade frictions. Not only did officials believe that state sovereignty had a huge impact on the life, property and rights of the Chinese people (Chan 1999), but scholars did as well.

As Chen Le-min, one of the leading scholars of the 'older generation' put it:

> International politics are still very much the politics of great powers. The United States is such a great power, and its national strength allows it to play down the importance of sovereignty. China, however, is still a relatively weak country and therefore cannot afford to relax its vigilance over the protection of its sovereignty.
>
> (Chen, L. 1992, 151–152)

Development or modernization as a top priority

He ping yu fa zhan or 'peace and development' was the second main topic in IR studies in China during the 1980s. Both officials and scholars focused their attention on China's development and modernization, especially economic development and economic modernization. But rather than focus on economics itself, researchers instead looked to the international system within which economic modernization would take place. The logic for both Chinese officials and scholars was that national development or modernization depended on a peaceful and stable international environment, especially the international order. Accordingly, the *guo ji ge ju* (international pattern), *guo ji ti xi* (international system) and *guo ji zhi xu* (international order) were prominent in IR studies in China during this period. However, the existing international order was dominated by US hegemony, and China's development needed a fair international order, which required China to strive to establish a new international order.

Marxism as a guide for IR with Chinese characteristics

From the mid 1980s to early 1990s, Marxism was called on to guide the creation of 'IR theory with Chinese characteristics'—a concept that was applied to all domains of social science: political science with Chinese characteristics, economics with Chinese characteristics, sociology with Chinese characteristics, international politics with Chinese characteristics, etc. (Chan 1999, 142–143).

Of course, there were different voices in IR studies during this period. Some scholars argued that IR theory should serve to promote forward-looking awareness and accumulation of knowledge (Feng *et al.* 1994, 1). Other scholars sought an explanation of the Chinese theory and practice of IR in China's traditional culture in a gradual process of 'de-Marxisation' in Chinese society (Wang, J.S. 1994, 481–505). However, Marxism, as both political ideology and academic theory still dominated China's social sciences, including IR studies. Notably, what was meant by Marxism began to change as individual leaders tried to put their own imprint on the Party's guiding principles: from Mao Zedong's Thought to Deng Xiaoping's later Theory, then Jiang Zemin's 'Three Represents', and, most recently, Scientific Outlook on Development associated with Hu Jintao.

Social realities and the study of international relations

In explaining the dominance of these positions, we need to focus on three factors: China's social realities, the education system, and the dominance of the USA in the international system. After the introduction of the 'open-door' policy in 1978, the foremost problem facing Chinese society was development and modernization. Most Chinese scholars, who found it

impossible to abandon the traditional thinking that theory came from practice, paid more attention to Western development and modernization theories, especially economic modernization and development. Most Western books about modernization and development were translated into Chinese during this period.

As already noted, the study of international politics as a political task was distributed among three universities, the Department of International Politics of Peking University (with a focus on Asian, African and Latin American studies and studies of the history of Communist movements), the Department of International Politics of Renmin University of China (with a focus on the history of Communist movements and studies of scientific socialism), and the Department of International Politics of Fudan University (with a focus on European studies). Although the academic study of political science resumed in 1983, the historical legacy remained dominant in IR studies throughout the 1980s for three reasons. First, as the enforced division of labour had dominated China's IR studies, it was not easy to go beyond paradigms of Chinese IR studies that had been established in the preceding 30 years. Second, the relationship between regional studies and IR had been blurred. Most Chinese scholars treated regional studies as IR, even though most mainstream regional studies in China were more descriptive than analytical. Third, the knowledge of scholars, especially older generation scholars, was confined to their own understanding of Soviet Marxism which, consciously or unconsciously, they received in the 1950s and 1960s.

The international system centred on the USA has influenced not only the world political map, but also scholars' perception of the world, namely 'Cold War thinking'. As a reaction to US hegemony in the international system (and also academically within social sciences), as well as through adherence to traditional understanding of Marxism, three major political movements against Western thought were introduced. These were the 'anti-spiritual-pollution' campaign in 1982, the 'anti-bourgeois-freedom' campaign in 1986 and the 'anti-peaceful-penetration' campaign in 1989. Under these conditions it was impossible for USA-centred IR to be completely introduced into China. With economic growth, China hoped to play a more important role in international affairs, and thus it is understandable that IR theory with Chinese characteristics emerged in China.

Globalization, economic growth and security since the mid-1990s

Changes in international relations studies

With the collapse of the former Union of Soviet Socialist Republics in 1990, China's successful economic growth since 1978, the return to China of Hong Kong in 1997 and Macau in 1999 and the entrance of China into the WTO in 2001, it is common to assert that China has become the most dynamic country in the world and is playing an important role in the international system. Globalization, economic growth and security have become priorities in China's international relation studies since the mid-1990s. Since then, there have been four academic orientations in China's IR studies.

First, a recognition of the role of non-state actors began to emerge in China's international studies in the mid-1990s. With China's robust and continuing economic growth domestically, emerging challenges to the USA-centred international system from other great powers such as France, Germany and Japan, and the revival of regional integration in the form of the European Union (EU) and APEC (Asia Pacific Economic Integration), international organizations as non-state actors began to enter into Chinese scholars' research agendas. As such, the scenery of China's international studies in the 1990s was very different from that

of the 1980s. As noted by Wang Yizhou, recent developments, such as the proliferation of non-state actors, including international organizations and multi-national corporations, the spread of globalization led by economic interaction, the disintegration of some nation states, and the inability of traditional international law to deal with conflicts arising out of competition over sovereignty, have negated, eroded, or limited the exercise of sovereignty (Wang, Y.Z. 1993).

Second, in addition to traditional political and military factors, economic and cultural factors began to coexist in international studies. In contrast to scholars from the older generation, who had been trained in the era of the Cold War and focused primarily on political and military factors in international studies, increasing numbers of younger scholars began to pay attention to economic and cultural factors in international studies, especially in the university system, which finally led to the creation of important sub-disciplines, most notably international political economy (IPE) and the spread of social constructivism. A number of key international conferences and training programmes began to have an extensive influence on China's international studies: Yuan Ming's conference on the development of Western IR sponsored at Peking University; collaboration with the US Program for International Studies in the mid-1990s; a series of IR training programmes sponsored by Song Xinning at Renmin University; a series of IPE and Asia Pacific Regionalism workshops and conferences led by Wang Zhengyi (who later joined Peking University as Chair of IPE) at Nankai University; and a series of workshops on non-proliferation and security in the Asia Pacific led by Ni Shixiong and Shen Dingli at Fudan University.

The combined result of these activities was that the search for politic-economic linkages become a key new direction in China's international studies. At the same time, the cultural aspect of international studies received deeper attention. The publication of *Civilization and International Politics*, edited by Wang Jisi (1995), and subsequently two classic works on social constructivism, *Social Theory of International Politics* (Wendt 2000) and *Constructing a Security Community* (Acharya 2004), translated by IR specialists Qin Yaqing and Wang Zhengyi respectively, resulted in social constructivism becoming part of the mainstream of international studies in China alongside realism and liberalism.

Third, a new education programme and lectures at different levels (BA, MA and PhD) were introduced into the university system. In contrast with the previous programme and lectures that centred around international politics (mainly focusing on the unitary state and military conflict) and the history of the communist movement (especially at Peking University and Renmin University of China), this new education programme and lectures were based on realism, liberalism, Marxism and social constructivism. Topics such as Western IR theory, international political economy, international organizations, regionalism and foreign policy, became gradually dominant, first at the top universities, and then at other universities and colleges.

Finally, China's rise and its implications for the general orientation of IR theory, Sino-American relations, Asian regional integration and world politics began to receive specific attention. Compared with the older generation, who paid more attention to the history of IR, war and peace, and foreign policy, the younger generation accepts, more or less, Western IR theories, and tries to seek linkages between Western theory and the rise of China.

IPE studies in China

In accordance with the general academic orientation of IR studies in China mentioned above, IPE as an important part of IR was introduced into China from the early 1990s and

has gradually been institutionalized. First, in the early 1990s, two books on IPE by Western scholars, *The Political Economy of International Relations* by Robert Gilpin (1989) and *State and Market: An Introduction to the International Political Economy* by Susan Strange (1990), were translated into Chinese, and Robert Gilpin was invited to Peking University to participate in a conference. Then, in the mid-1990s, IPE was listed as a compulsory course for students majoring in international politics and foreign policy, and two programmes on IPE were administered by Song Xinning from Renmin University of China and Wang Zhengyi from Nankai University. In the late 1990s and early 2000s, Chinese scholars published a number of textbooks in Chinese on IPE (for example, Song, X.N. 1999a, 1999b; Fan 2000; Wang, Z. 2000, 2003; Zhu, W. 2004), and three English textbooks on IPE were published by Peking University Press. Finally, IPE was institutionalized, with the creation of an undergraduate major and master's degree programme on IPE and a Department of International Political Economy established at Peking University in 2003.

In retrospect, IPE studies in China have made great progress in the following respects since the mid-1990s. First, in terms of the general theoretical orientations of IPE in China. After ten years of IPE in China, Western IPE theories have been systematically absorbed into most Chinese universities: not just classical mercantilism, liberalism and Marxism, but contemporary interdependence theory, hegemony stability theory, statist theory, dependency theory and world system theory as well. Importantly, while Chinese scholars accepted the general theoretical orientation of American-based IPE, they have also begun to challenge mainstream schools of American-based IPE and to enquire into its relevance for East Asian regionalism and the rise of China. As a result, ideas such as 'socialist market economy as a functional institution design' and 'process-focused constructivism' have arisen from Chinese studies of the rise of China and East Asian regional co-operation, respectively (Wang, Z. 2005; Qin, Y. 2007). At the same time, seeking domestic-international linkages is applied extensively to China's political economy (Wang, Z. 2004).

The second main area of progress is in the study of the political economy of trade, monetary policy and foreign direct investment (FDI). Compared to other issues, these three have dominated IPE studies as a result of China's progress in promoting foreign trade, receipt of FDI inflows in the past two decades and entry into the WTO in 2001. While a great deal of research has focused on the introduction of international economics and on China's foreign trade and FDI inflows from an economic perspective, comparatively little work has been done on seeking to understand the relations between domestic politics and international trade from a political economy perspective. The literature on international political economy of trade, monetary policy and FDI is concerned mainly with the following questions: relations between market-preserved authoritarianism/state activism and national interests; interaction between political democratization and economic growth; and interaction between domestic policy-making and international collective actions (Dzever and Wang 1999; Sheng, B. 2002; Wang, Y. 2008; Wang and Qu 2007).

Third, with the expansion and deepening of globalization, as well as China's entry into the WTO, the nexus between economic growth and national security has gained prominence in China since the mid-1990s. How to ensure socio-economic security while maintaining robust economic growth is now the most serious concern of the CCP and the Chinese government. Three questions of great concern center on economic security: first, why and how did the transformation of economic growth and national security as two separate logics to a single domain evolve conceptually over the past two decades in China?; second, what kinds of insecurities are generated by China's robust economic growth coupled

with the expansion and deepening of globalization, and in which way and to what extent do they challenge China's government?; and third, what kinds of mechanisms or policy instruments have been adopted by China's government to address emerging economic insecurities while maintaining robust economic growth? (Wang, Z. 2004).

The fourth area is the political economy of transition in China. Transition had been regarded as a field of economics in the mid-1990s because of the emergence of transition economics and the publication of enormous literature on China's transition, such as that on industrial policy, monetary policy, the socialist market economy, and comparisons of China's transition with that of Russia. From 2003 onwards, transition entered into the IPE domain, when lectures on the political economy of transition in China were given at Peking University. Now, more and more scholars realize that there appear to be two kinds of developing countries in the contemporary international political economy: one type is those countries that undertook development strategies in the 1960s, some of which have become well-known newly industrialized economies (NIEs); the other type is those countries that are undergoing a transition from a centrally planned to a market-oriented economy. Transition and development have become the key issues of international political economy. For example, based on examining the macroeconomic policy of China in the past two decades, this author tries to answer three related questions from an IPE perspective: what kinds of domestic constraints is China's national strategy conditioned on, and how can China undertake institutional adjustments?; how, and to what extent, do international forces influence China's domestic institutional adjustment?; and how does the socialist market economy, as a functional design, shape the targets, sequencing and pace of China's economic reform, and maintain social stability while pursuing robust economic growth? (Wang, Z. 2004, 2005)

The fifth development is in the study of the political economy of energy and the environment. Recently, a great deal of literature has emerged regarding energy and the environment, as China's economic growth has been accompanied by an increased demand for energy and a deterioration in the environment. However, the literature is primarily descriptive instead of analytical and more policy-oriented than academic, and, therefore, the conclusions are always confused. The main reason for this is the lack of an analysis framework, except for a few papers, which make use of interdependence theory to analyze China's energy market and environment (Zha 2005a, 2005b; Zhang, H. 2008).

The final area is the study of the political economy of regionalism or regional integration. Compared to regionalism studies in the 1980s and the early 1990s, which concentrated mainly on the EU and APEC and their comparison, the research agenda and focus began to transfer to East Asian regionalism from the mid-1990s. This was partly due to the evolution of processes of East Asian regionalism, such as the successful expansion of 'ASEAN 10', 'ASEAN+3' and the ASEAN-China Free Trade Area. It was also partly because social constructivism was introduced into China's academic circle, and some Chinese scholars, influenced by a few leading social constructivists such as Peter Kazenstein and Amitav Acharya, expected to go beyond realism-dominated paradigms in the 1980s to analyze ongoing East Asian regionalism from a new perspective.

In brief, four approaches are used to analyze Asian regionalism: the international institutions approach derived from liberalism, which focuses on regional institutions; the great powers approach and the domestic politics approach, both from realism; and the socialization of identity approach from social constructivism, of which the 'process-focused paradigm' based on social constructivism, as a new concept from Chinese scholars, is of prominence in recent research of East Asian regional co-operation.

Four puzzles for China's international relations scholarship

Although IR scholarship in China has made great progress after 20 years of development, the following four dilemmas still puzzle Chinese scholars when they try to reconstruct IR and IPE in China.

Puzzle I: the puzzle of approaches

Today the approaches originated from Western IR, namely realism/neo-realism, liberalism/neo-liberalism and social constructivism, are popularly applied in IR and IPE studies in China. However, for most of the younger generation of Chinese scholars, who were trained in Western countries, especially in the USA, there is a dilemma. On the one hand, they know Western IR approaches very well and appreciate these approaches, as well as subjects and theories related to them, and hope to reconstruct IR studies in China and make them more 'international'. On the other hand, they hesitate when they analyze the Chinese reality or relations of China with the international system. This is why there is a transfer from 'international relations with Chinese characteristics' by the older generation in the 1980s to a possible 'Chinese school of international relations' by the new generation from the late 1990s onwards.

Puzzle II: the ideological puzzle

Although the CCP continuously calls for 'thought liberation' in response to the 'reform and open-door' policy, political ideology is rooted in academic studies of China's IR. Some scholars, especially those from the older generation, interpret IR based on their own understanding of Marxism, especially Stalin-style Marxism. At the same time they know relatively little regarding the development of Marxism in IR, such as critical approaches.

Puzzle III: the theoretical puzzle

Most Chinese scholars hope to study IR 'academically' and thus 'scientifically', as a social scientist; however, scholars always treat themselves as policy-makers and hope to make their opinions 'valuable'. In China the development of IR theory falls behind its diplomatic practice, partly because of the under-development of IR studies and partly because of the restrictive meaning and purpose of the theory. One consequence is that Chinese analyses of international affairs tend to be descriptive in nature. Most are policy-oriented rather than theoretically based. Some have observed that, apparently, academics in Shanghai are more liberal than those in Beijing, they have translated a relatively larger amount of Western IR literature, and quote more from Western sources than their counterparts in the capital (Chan 1999, 168).

Puzzle IV: the cultural puzzle

The puzzle about universal values versus particular ones in China's IR and IPE is of particular prominence. On the one hand, the younger generation of scholar accepts that international relations theories mainly centre on the USA and treat them as universal. On the other, influenced by the 'British school of international relations', they doubt the universal value and try to reconstruct a 'Chinese school of international relations', or 'China's model',

either by digging into Chinese traditional culture, such as Tian Xia Ti Xi (system under heaven), or through adding so-called 'China's elements' and 'China's perspectives'.

Conclusions

When we come to conclude after re-evaluating recent advances and the future direction of Chinese IR and IPE studies, we find that they face the same fate as Chinese social science as a whole did in the 1930s: either being incorporated into IR studies centred on the USA, or separating from Euro-American centrism (Wang, Z. 1998, 376–379). The key is whether the puzzles mentioned above are resolved or not. If there is a coherent Chinese approach, Chinese IR and IPE do not pose any significant challenges to existing (Western) theories of IR and IPE. In the foreseeable future it is likely that Chinese scholars will add only marginally to, and complement, current theories, making IR and IPE theory more pluralistic, more representative, and more interesting—as indeed will the theories or perspectives of other major countries (Chan 1999, 3). If the puzzles are not addressed, Chinese IR and IPE studies will continue to suffer from mental agony, 'zig-zagging' between traditional culture and learning from the West, as social science as a whole has done since the 1930s (Wang, Z. 1998, 327–383). Whether Chinese IR and IPE are incorporated into a Western-centric IR theory or go beyond Euro-American centric IR partly depends on China's political choices and social development domestically, and its political and economic roles bilaterally and multilaterally in the existing and likely emerging international system, with its continuous 'reform and open-door' policy. It is also partly dependent on the mental efforts of Chinese scholars in the future.

3 Policy-making processes of Chinese foreign policy

The role of policy communities and think tanks

Quansheng Zhao

The policy-making process of Chinese foreign policy has primarily involved three governing actors: the Party, the government and the military. Instead of examining these institutional actors, this chapter will focus on the role of policy communities and their impact on the making of Chinese foreign policy. Peter Haas and his associates published a group of articles in 1992 in *International Organization* on 'knowledge, power, and international policy co-ordination'. Haas specifically raised the concept of an 'epistemic community', referring to a 'network of professionals with recognized expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge within that domain or issue-area' (Haas 1992). These professional networks, also known as policy communities, become influential because of the nature and complexity of the issues involved. Think tanks are an important part of these policy communities. As in Western societies, policy communities and think tanks in China have exerted increasing influences on the direction of foreign policy, although there are noticeable limitations (Brookings Panel 2008).

In July 2009 a three-day think tank summit was held in Beijing, primarily focusing on solutions to tackle the financial crisis. In attendance were Li Keqiang, China's Vice Premier; Romano Prodi, former President of the European Commission and former Prime Minister of Italy; and Henry Kissinger, former Secretary of State of the USA, among others. China's newly established 'super think tank'—the Center for International Economic Exchanges, headed by retired Vice Premier Zeng Peiyan, sponsored this summit (People's Daily 2009a). Against this background, the following studies will examine the impact of policy communities and think tanks on Chinese foreign policy.

Institutions

It is only natural that, in recent times, attention has moved to the link between Chinese foreign policy and China's domestic environment as the country continues to undertake profound reform, and the rise of China becomes a focus of world attention. A few studies have examined general influences of Chinese think tanks in the Chinese policy process (Zhu and Teng 2006; Zhu, X. 2009). However, this paper focuses primarily on foreign policy dimensions.

In China, the most well-known think tanks working on foreign policy issues are research institutes under various government agencies. In 2006 the Chinese government revealed the top 10 think tanks in China (Zhang, Y.X. 2006). From a survey conducted in the West in 2008, there are six China-based institutions among the top 25 think tanks in Asia (McGann 2009a; 2009b). Building on this, we can list some of the think tanks in China that are most influential in foreign policy issues. Here are some of the most well-known examples:

- Chinese Academy of Social Sciences (CASS)
- China Institute of International Studies (CIIS)
- China Institutes of Contemporary International Relations (CICIR)
- Shanghai Institute for International Studies (SIIS)
- Chinese Academy of Military Sciences of the People's Liberation Army (CAMS)
- China Institute for International Strategic Studies (CIISS)

CASS, directly under China's State Council, is the largest and most comprehensive government think tank in China. A number of research institutes under CASS deal specifically with international affairs and foreign policy issues, as clearly indicated by their institutional names, such as American Studies, European Studies, Japanese Studies, Asia-Pacific Studies, Russian, East European and Central Asian Studies, West Asian and African Studies World Politics and Economic Studies, Latin American Studies, China's Borderland History and Geography Research, etc. CIIS falls under the Ministry of Foreign Affairs and contributes directly to policy analyses on current affairs. CICIR, a Ministry of National Security-affiliated think tank, is known for its size of research staff, broad topics of research, and internal channels of policy recommendation.

The Shanghai-based SIIS has served as an alternative and flexible window for Beijing's foreign policy establishment. In addition, two military think tanks, CAMS and CIISS, are under the People's Liberation Army (PLA), specializing in strategic and security issues. All these institutions have had a relatively long history, playing an important role in various policy areas. There are also new think tanks, such as the above-mentioned Center for International Economic Exchanges, but many of them tend to concentrate on economic policies.

The study of Chinese think tanks

Let us now conduct a brief review of previous studies in this regard. An early example is He Li's (2002) 'The Role of Think Tanks in Chinese Foreign Policy', where detailed analyses were conducted on the historical development and structures of Chinese think tanks. Another example comes from the September 2002 issue of *China Quarterly*, which was dedicated in large part to the study of China's think tanks. Much discussion involved foreign policy issues. In this issue, Murray Scot Tanner (2002) examined the evolving think tank system in China by first using the case of China's growing commercialization, which spawned a new generation of think tanks. He argued that generational change was evident in China's previously unstudied network of public security think tanks. These institutes, according to Tanner, were at the forefront of importing and incorporating more sophisticated crime-fighting tactics and less class-based theories of social unrest.

David Shambaugh (2002) argues that, over the past two decades, China's foreign policy think tanks have come to play increasingly important roles in Chinese foreign policy-making and intelligence analysis. He provides a detailed analysis on the think tanks' structure and processes by offering historical perspectives on the evolution of this community. Shambaugh further argues that these think tanks often offer important indications of broader policy debates and competition between institutions and their staff. Bonnie Glaser and Philip Saunders (2002) focus their research on civilian foreign policy research institutes and their increasing influence. They argue that a more pluralistic and competitive policy environment has given analysts at think tanks more influence, but has also created new competition from analysts and authors working outside the traditional research institutions.

Bates Gill and James Mulvenon bring their research focus onto the national research community in Beijing by arguing that this community is dominated by think tanks and other research organizations affiliated with specific governmental institutions (Gill and Mulvenon 2002). Furthermore, they point out that the PLA maintains its own set of internal and affiliated research bodies, performing a variety of intelligence, exchange and research functions. Barry Naughton (2002) examines economic think tanks in China. He states that, although these think tanks are all government sponsored, they offer important alternatives to the policies and advice available within the formal governmental bureaucracy. However, he notes that some independent think tanks have emerged, together with the increasing network of policy advisers to China's leaders. Sometimes these policy advisers play a more important role than think tanks.

Alastair Iain Johnston (2004) conducted a careful study of Chinese middle-class attitudes towards international affairs. Although not directly related to think tanks, the general argument of this article and the development of civil society in China is relevant to the subject matter of this paper. There are also increasing numbers of PhD dissertations and Master's theses focusing on this subject, some of which have recently been turned into books or journal articles. For example, a dissertation-turned-book entitled, *Chinese Foreign Policy Think Tanks and China's Policy Towards Japan*, has provided a detailed study updating the evolution of China's think tanks and their relations with Chinese foreign policy. The author has also attempted to bring the study into a broader theoretical framework that will integrate recent developments in the conceptualization of Chinese foreign policy (see Liao 2006).

The importance of think tanks in Chinese foreign policy and other decision-making processes has also drawn attention from scholars in China. The internet journal, *China's Strategy*, co-published by the CSIS and the Chinese Media Net, Inc., is an example of the attention given to Chinese think tanks. In the first issue published in January 2004 (an issue that was originally available on www1.chinesenewsnet.com/gb/index.html, but which no longer seems to be accessible), the journal contributed a special section entitled, 'Decision-making mechanisms under the fourth generation of Chinese leadership'. In this issue, all articles were written by Chinese scholars in China, making it a good complement to the above-mentioned *China Quarterly* collection. Zhong Nanyuan published his analysis of the current status of Chinese think tanks and their relations with the new Hu Jintao-Wen Jiabao leadership. Ding Dajun examined the participation of intellectuals in the decision-making process. Zou Lan studied the influence of think tanks on finance, the environment and public crisis management. Zhang Wei focused his research on economic policies. Hong Xiaohu researched new mechanisms of defence policy-making. As for foreign policy decision-making systems, Sun Zhe analysed their evolution characteristics under the new leadership.

Changes and continuities

Major changes in Chinese politics and foreign policy occurred between the eras of Mao Zedong and Deng Xiaoping. Deng's reform and openness policy fundamentally redirected China's development both domestically and internationally. The era of Jiang Zemin and the current leadership of Hu Jintao can be seen as a continuation of the Deng era in terms of general direction, yet these new leaders do have their own characteristics. It is, therefore, necessary for us to examine changes and continuities between these different eras.

In a 1992 article entitled 'Domestic Factors of Chinese Foreign Policy: From Vertical to Horizontal Authoritarianism' (see Zhao, Q. 1992), this author characterized the changing process of foreign policy in China as that from Mao's era of vertical authoritarianism

(i.e. one-person domination) to Deng's era of horizontal authoritarianism (i.e. collective decision-making). This article also pointed out that, although they demonstrated increasing importance, intellectuals had not yet become an independent entity in China's political life; they had gained more freedom to discuss policy issues internally, but externally, or publicly, they were required to support official party lines. Think tanks had a fairly high degree of freedom to conduct internal discussions on a variety of issues, but it was difficult, if not impossible, for research institutes to voice dissenting points of view openly. A scholar who was allowed to discuss foreign policy issues in public was expected to explain and validate only the official party lines.

As time passes, the scope and degree of participation by think tanks and policy communities have enlarged in the post-Deng era, as leaders have vowed to continue Deng's reform and openness policies. Jiang Zemin and Hu Jintao encouraged think tanks and policy communities to participate in the policy-making process in a variety of ways. The most salient participation was in economic policy-making. In analysing the development from the era of Deng to the post-Deng era under the leadership of Jiang and Hu, one will see increasing interactions between the leadership and policy communities.

Channels between the centre and the periphery

The following analysis will focus on the relationship between the leaders, known as the centre, and the think tanks, forming a part of the periphery of the policy community. In Sun Zhe's paper on decision-making in Chinese foreign policy mentioned earlier, he divided the process into internal and external circles. In this article, I would like to define internal circles, or the centre, as that which includes key policy-making individuals and organizations in the Party and the government. The external circles, to which I will refer as the periphery, include the news media, universities, think tanks, etc. The key development under Jiang and Hu is the increasingly active and multi-layered channels between the centre and the periphery. I have developed a notion of seven channels between these two bodies, as discussed below.

Channel 1: consultations with policy-makers

In recent years, the Chinese Communist Party (CCP) and government organizations have begun to make systemic consultations with think tanks and policy communities on specific policy issues, including foreign policy. The Ministry of Foreign Affairs, for example, has its own mini-circles for consultation over policy issues, the most interesting and noticeable of these being a system of invited lectures by think tank and policy community scholars for the CCP politburo. Recent examples are the lectures on international relations and foreign policy issues given by invited scholars Qin Yaqing (of the Foreign Affairs College) and Zhang Yuyan (from the Academy of Social Sciences) to the leaders of the politburo. These kinds of interactions provide opportunities for scholars to exercise direct influence on the opinions of leaders. It is, nevertheless, a fairly rare occasion for intellectuals to do so and one cannot expect too much in terms of policy impact.

In addition to the above-mentioned lectures, there are also issue-oriented debates and discussions among policy communities and between intellectuals and policy-makers. In order to ensure this kind of policy debate, a proper political and intellectual atmosphere is necessary. It is impossible, for example, for such policy debate to occur during a totally closed period, such as the Cultural Revolution. Deng Xiaoping's reform and openness initiatives, beginning in 1978, opened the door to the possibility for such policy debate. The changing atmosphere

was first evident in respect of internal economic policies, particularly in the debate over command versus market economies. It gradually extended to the foreign policy field. Gilbert Rozman (1987), for example, has made a detailed record of such debates on the nature of the Union of Soviet Socialist Republics (USSR) and the relationship between China and the USSR during the 1978–85 period (Rozman 1987). This kind of debate has flourished more and more since the 1990s.

One case in point is the debate on China's entry into the World Trade Organization (WTO) and the issue of globalization. In the late 1990s and early 2000s, prior to China's accession in December 2001 to the WTO, there were heated discussions and debates on the pros and cons of the issue (Misra 2003). In his field research in Beijing, Banning Garrett (2001) investigated these internal deliberations within Chinese think tanks and Chinese leaders' dialogues with them, which provided some useful input into China's policy toward the WTO.

Channel 2: internal reports via government channels

As mentioned earlier, under some government agencies, there are a number of official think tanks that may also deal with foreign policy issues. Another type of official think tank is *zhengfu canshi-shi*, meaning governmental consulting division. This kind of *canshi-shi* exists at both the central and provincial levels. At the national level, there is a State Council–supervised *canshi-shi*, with 35 consultants. At the provincial or city levels, there are 41 governmental consulting divisions with more than 1,000 consultants (Ji 2004).

A traditional way for think tanks to exert their influence has been through internal reports to leaders. Leading foreign policy organizations and agencies such as the Ministry of Foreign Affairs, the Ministry of State Security and military organizations all have their own research institutes. There are long-established channels through which scholars may submit research papers, policy analyses and recommendations to various levels of policy-makers, including, from time to time, the leaders. These policy recommendations can sometimes be bold, without ideological constraints. One such example is a suggestion in 2008 from researchers in the Party Central School that the CCP should speed up political reform in order to cope with the rapid development of Chinese society (Buckley 2008).

Bonnie Glaser and Phillip Saunders (2002, 608–614) describe four different types of influence exerted by think tank scholars. First, some scholars may have 'positional influence', whereby they utilize their key positions in the government, such as within CICIR and CIIS. Second, those who possess expert knowledge in regional or technical matters are able to exert what is referred to as 'expertise influence'. The third type, 'personal influence', is enjoyed by those individuals who are closely related to high-level government officials. For example, Yang Jiemian, Deputy Director of SIIS, has considerable access to policy-makers through his elder brother, Yang Jiechi, the Chinese Ambassador to the USA and a former Vice Minister of Foreign Affairs. The fourth source of influence is called 'experiential influence', which is held by those people who have accumulated valuable knowledge through extensive experience living and studying abroad.

I would like to add a fifth source of influence: retired veteran diplomats. These retired government officials not only accumulated enormous first-hand knowledge abroad, but, perhaps more importantly, they also have extensive personal networks within the foreign policy apparatus. This is true not only because human networks have always been important in Chinese society, but also because China's foreign policy apparatus is relatively exclusive and segregated. These retired officials in many cases still serve as advisers to the foreign ministry or work in some semi-official governmental institutions, such as the Chinese People's Association

for Foreign Affairs. Qian Qichen, China's former Minister of Foreign Affairs and Vice Premier, was believed to continue to have enormous influence on foreign policy issues several years after his total retirement from the government and the Party. Therefore, the degree of influence of think tanks may depend on the sources of influence that individuals possess.

Channel 3: conferences and public policy debates

Another important channel for policy communities and scholars to convey their opinions is conferences and public policy debates. Although these conferences and debates may not necessarily have a direct impact on policy-makers, they do carry weight in influencing public opinion. The relatively recent practice of discussion and debate of current international affairs in the Chinese news media, including that on the China Central Television (CCTV) network and in major newspapers, is a good example of such public dialogue. In general, the degree of freedom for this kind of debate depends on the degree of sensitivity. For example, there are few public discussions of the North Korean nuclear crisis (and even though some exist, the debaters may get into trouble—see below). But there are quite a few lively debates regarding US military actions in Iraq—one can hear both pros and cons in a true crossfire of opinions.

Research institutes affiliated with universities and various governmental agencies are the likely host for policy-oriented conferences. CASS has a number of policy experts who frequently participate in internal conferences for policy deliberation. Researchers from the Institute of American Studies and the Institute of Asia-Pacific Studies are also good examples in this regard. These activities present excellent opportunities for researchers to voice differing opinions. There are also public policy debates arranged by news media.

Professors and research fellows from leading universities, such as Beijing, Qinghua, Renmin and Fudan, are the main participants in these internationally oriented conferences and debates. Increasingly, these scholars are invited to present their analyses on foreign policy at international conferences, on television programmes, in radio discussions and in newspapers and popular magazines. For example, Qinghua University's Yan Xuetong and Chu Shulong are frequent commentators on CCTV programmes. Beijing University's Jia Qingguo and Renmin University's Jin Canrong are often quoted in various media. Although many of them are quite visible in the public eye, these academic scholars in general do not necessarily have direct access to policy-makers and therefore have little influence on policy-makers in Beijing. However, individually a few of them may have various influences, depending on their personal networks and connections, as discussed earlier.

An influential, policy-oriented journal entitled *Zhanlue yu Guangli* (*Strategy and Management*), established in 1993, is affiliated with the Strategy and Management Research Society, a think tank headed by former Vice Premier Gu Mu. This journal often makes bold policy suggestions as a test balloon for taking new directions (Rutwich 2004). For example, in 2002 and 2003, the journal published two articles regarding China's Japan policy—one by Ma Licheng of the *People's Daily* and the other by Shi Yinhong of Renmin University. Ma and Shi strongly advocated a 'foreign policy revolution' that would reprioritize the direction of Chinese foreign policy in terms of China-Japan relations. Both articles emphasized the necessity of placing strategic interests above considerations of historical legacies in the Chinese government's deliberations concerning Japan. Although these articles received strong criticism from some circles of Chinese society and became quite controversial, they nevertheless did produce some 'new thinking' in China's Japan policy, as the authors had advocated.

However, disaster struck the outspoken journal in September 2004 after it published an even more controversial article on North Korea. The article, written by the Chinese economist Wang Zhongwen, was entitled 'A New Viewpoint to Examine the North Korea Issue and the Northeast Asian Situation' and appeared in the journal's July/August 2004 issue. Wang criticized North Korea's nuclear policy and the country's leader, Kim Jong Il, for 'practicing ultra-leftist politics and political persecution in order to maintain dynastic rule'. The author further suggested that Chinese foreign policy should be readjusted according to new developments in North Korea and in the Asia-Pacific region. The issue was immediately recalled and banned, and the journal itself was ordered closed (Tkacik 2004). This episode highlights how sensitive foreign policy-related discussions in open forums can be in Beijing's political circle. It is nevertheless remarkable that such an article was even published, especially when viewed in the light of China's censorship practices one or two decades ago, not to mention during the Cultural Revolution. Generally speaking, policy communities now have greater freedom in voicing differing opinions and analyses on foreign policy issues (albeit not without risk), and today's scholars appear much more active than those in previous decades (Leonard 2008, 144).

Channel 4: policy NGOs

Although non-governmental organizations (NGOs) are still a new concept in China, they are quickly being utilized by the Chinese government to conduct foreign policy activities. At the same time, there are some attempts to set up non-governmental think tanks. A few government organizations have managed to transform into semi-official or NGO status (Zhu and Xue 2007). To be sure, many NGOs are not truly independent of governmental control. However, they sometimes appear to have much greater freedom and flexibility to conduct policy research and foreign policy related activities.

A clear example is the common practice of so-called 'channel II diplomacy'. This refers to the activities of retired government officials, scholars and think tank members who actively participate in all kinds of forums, meetings and other activities with their foreign counterparts. These activities are designed to facilitate exchange on sensitive issues, such as arms control and the issue of Taiwan, that may not be easily conducted by official diplomats. Channel II diplomacy is also utilized for public relations. To encourage and co-ordinate these kinds of activities, the Chinese Ministry of Foreign Affairs established a new public diplomacy division in early 2004. Assistant Minister of Foreign Affairs Shen Guofang announced in March 2004 that the new Division of Public Diplomacy was established to co-ordinate the dissemination of information and to influence public opinion.

A few foreign policy-oriented organizations have also been established. One well-known organization is the China Reform Forum (CRF). Founded in 1994, the forum was registered as an NGO at the Beijing Municipal Government Associations Office. Its founding chairman, Mr. Zheng Bijian, is the former Executive Vice President of the Central Party School, and the organization includes a large number of scholars, policy community members and current and retired government officials as its advisers and executive members. CRF has organized many academic conferences and has set up exchange relations with more than 20 countries including the USA, France, the United Kingdom, Germany, the Netherlands, Russia, Japan, South Korea and Singapore. Its influence is on the rise, both domestically and internationally. CRF has also actively participated in discussions on the direction of Chinese foreign policy, such as the creation of the much-debated and eye-catching concept of China's 'peaceful rise' (see Glaser and Medeiros 2007). This development has further

demonstrated the strong desire for policy-makers in China to integrate into the world's scholarly and policy-making community.

*Channel 5: outside-system (**tizhiwai**) discussions*

Most of the channels mentioned above can be regarded more or less as government-sponsored activities. One must, however, also play close attention to *tizhiwai* channels, meaning outside-system discussions that may from time to time be beyond government control. This has been particularly true during the first decade of the 2000s in the new information age. As the control over public information has loosened, there have been a variety of ways for scholars to voice their opinions, which are not always aligned with the opinions of the Party. Many of these opinions meet with the popular mood, reflecting a strong nationalistic tendency. One example is a best-selling book published in Beijing in 1996 entitled, *A China That Can Say No*, which reflected strong anti-American sentiment (Song, Zhang and Qiao 1996). Thirteen years later, in 2009, the same group of authors published another best-seller, *Unhappy China*, advocating China's leadership role in the post-financial crisis era with strong nationalistic sentiment (Song, X. *et al.* 2009). These ideas are in sharp contrast to *tao guang yang hui* (to hide your capacity and to keep a low profile), the mainstream thinking of Chinese foreign policy, discussed in Cabestan's chapter in this collection.

In the age of the internet, it is difficult, if not impossible, for any government to control its citizens' access to information. In the era of Mao, and even at the beginning of the Deng era, the Chinese government had tight control over the news media. The gatekeeper for this control was the Propaganda Department of the CCP. In the internet age, however, this control has been greatly challenged and largely broken. In early 2004, a Beijing University Associate Professor, Jiao Guobiao, posted an article on the internet entitled, '*Taofa Zhongxuanbu* (Denounce the Propaganda Department)'. This article advocated a need for greater freedom for the news media from control by the Party and the government. It drew broad attention and provoked heated discussion on the internet about information control in China. It is, therefore, a recent practice for scholars and policy community members to look at internet discussion debates to ascertain the popular mood.

Internet discussion has drawn close attention from the central leadership. The Chinese Ministry of Foreign Affairs, for example, has set up a pop-up within its Chinese-language website asking for opinions of intellectuals and other ordinary citizens. Internet users can e-mail their opinions to the ministry and can conduct discussions in the chat-room and can even 'chat' with senior foreign affairs officials regularly (Gries 2004, 134).

It has almost become a pattern that, whenever there is a dramatic and sometimes controversial international incident that involves China, there will be heated discussion about the event on the internet. This happened in 1999 with the war in Kosovo and the subsequent embassy-bombing incidents in which NATO-led bombers attacked the Chinese embassy in Belgrade. In a detailed survey on the attitudes of Beijing students after the embassy bombing, Dingxin Zhao demonstrated that there was an apparent 'rise of popular anti-USA nationalism in China' (Zhao, D. 2002). Discussions can become more heated when the issue involves nationalism, as demonstrated by internet discussions regarding the territory dispute between China and Japan over the *Diaoyu* Islands.

Although the number of Chinese citizens with access to the internet is still a tiny portion of the entire Chinese population, and it is difficult to represent fully the popular mood, internet discussion nevertheless plays an influential role in two ways. First, the government may have to take publicly-expressed opinions into consideration when making critical decisions,

such as which country to work with on the high-speed railway project between Beijing and Shanghai. The issue of with whom to partner (Japan or Europe) not only provoked heated debates among related government agencies and policy communities, but also became a controversial topic in public opinion. Second, internet discussion plays a deterrent role, in that it prevents scholars and policy community members in public appearances from making conciliatory gestures on controversial issues. Some scholars even feel deterred from making rational analyses when they are interviewed publicly, fearing a negative response later on the internet. Since there is another paper in this present volume concentrating on the function of the internet and the news media, I will not give a more detailed analysis in this regard.

Channel 6: overseas scholars

Another important source for policy communities' influence on Chinese foreign policy is from overseas scholars. Previously, this kind of influence was exercised by a few prominent individuals. Several Chinese-American Nobel Prize winners were invited to return to China to provide advice to leaders on a variety of issues, including foreign policy issues, but this kind of practice remains limited and lacks a systematic arrangement.

Since the 1980s large numbers of scholars and students have studied abroad. Many of them have now become professors and scholars in advanced industrialized countries, particularly in the USA and Japan. A large portion of these scholars are focused on science and technology, but there are a small portion of them concentrating on the social sciences and humanities, including foreign policy and international relations. These scholars have organized themselves into academic exchange and professional networking organizations. A few have even begun to play a consultative role on foreign policy issues.

One such example is the Global Forum of Chinese Political Scientists (http://globalforum.homestead.com). It was established in 1999 by Chinese scholars in the USA, China, Hong Kong, Taiwan and Japan. In addition to regular academic activities, such as sponsoring panels for annual meetings of the American Political Science Association, it has a practice of carrying out annual and semi-annual conferences, workshops and mini-roundtables not only to discuss academic issues, but also to hold policy-oriented dialogues and debates. This group has had activities in Washington, DC, Hong Kong, Beijing, Shanghai and Tokyo. It has also established a number of partnerships with leading Chinese institutions, such as the China Reform Forum and the Shanghai Institute of International Studies.

From 2002 to 2005 the Global Forum and the China Reform Forum co-sponsored annual meetings in Beijing on a variety of crucial issues in relation to Chinese foreign policy, including US-China relations, US foreign policy, the issue of Taiwan, Sino-Japanese relations, the North Korean nuclear crisis and community-building in East Asia. Since 2006, the forum has co-sponsored annual conferences in Beijing with the Taiwan Affairs Office under the State Council. Through these kinds of activities, overseas scholars have had the opportunity to conduct extensive discussions in both Beijing and Shanghai with their academic counterparts from such institutions as Beijing University, Qinghua University, Fudan University, Renmin University, CASS, CICIR, CIIS, the Shanghai Academy of Social Sciences, and National Defence University, among others.

In addition, Global Forum delegations have also had opportunities to engage in dialogue with policy-makers in Beijing's foreign policy apparatus. Over the years, they have visited the Ministry of Foreign Affairs and met with Vice Ministers of Foreign Affairs, Li Zhaoxing (who later became Minister of Foreign Affairs), Zhou Wenzhong, Zhang Yesui and He Yafei. At the State Council's Taiwan Affairs office, they had extensive discussions with Deputy

Ministers, Zhou Mingwei, Wang Zaixi, Wang Fuqing, Sun Yafu and Ye Kedong, over the years. They also visited the Central Party School and the National Defence University. In 2003, at the National Defence University, they had the chance to hold discussions with more than a dozen officers of the Institute of Strategic Studies. In 2008 the group had a lengthy roundtable meeting with General Xiong Guangkai, PLA's Former Deputy Chief of Staff. In all these meetings, they had detailed exchanges of ideas, analysis and discussions over policies related to foreign affairs, national defence and political development. This new pattern of dialogue and systematic visits may produce a considerable effect on Chinese decision makers' understanding of external affairs and improve policy-making processes. However, at this early stage of this sort of engagement, the influence from overseas scholars remains limited and relatively unnoticed.

Channel 7: Highly specialized professional community

As think tanks and policy communities in the field of international relations and foreign policy studies have further developed, three types of policy-oriented epistemic communities have also emerged. The first type is the policy-oriented community that concentrates on issues in a specific policy area, such as arms control, missile defence, human rights, the WTO, etc. In their study on Chinese military-related think tanks and research institutions, for example, Bates Gill and James Mulvenon argued that there are considerable developments as well as an expansion of exchange programmes with foreign countries and research on military issues. Those think tanks and institutions include the National Defence University, CIISS, the Centre for Peace and Development, China Defence, Science and Technology Information Centre, the Foundation for International Strategic Studies, and the academy of military sciences (Gill and Mulvenon 2002). These issue-oriented think tanks and organizations have developed extensive internal and external networking and have become a policy community.

The second type of epistemic community is made up of regional or country-oriented research institutes and/or scholars. In China, there are a large number of research institutes with scholars concentrating on a specific region or country, such as the USA, Europe, Japan, the Middle East, Southeast Asia, Africa and Latin America. Internal networking within each area study is also well developed.

The third type of epistemic community is connected to foreign research institutes and scholars. A few internationally-oriented think tanks, both governmental and non-governmental, have well-developed connections with their counterparts abroad. The best examples in this regard are the CIIS, CICIR, CRF and SIIS.

The Chinese foreign policy apparatus has varying degrees of contact with each of these epistemic communities and, through these channels, is able to obtain expert opinions from different angles, perspectives and backgrounds, which will in turn improve policy-making deliberations. These widely established networks have also allowed policy-makers to reach out for policy consultation and input, but, at the same time, the development of these policy communities is uneven and therefore their function and impact is also varied.

Reasons for change

The above analysis has demonstrated enormous changes and development in terms of the greater role played by think tanks and policy communities in the foreign policy-making process in China. The fundamental changes took place between the era of Mao and the era of Deng, as illuminated in my 1992 *Annals* article mentioned earlier. Chinese society in

more recent eras—specifically the eras of Jiang and Hu—has continued to undergo significant changes. The seven channels between the centre and the periphery in terms of policy input have demonstrated this change. There are three reasons for these changes in the role of think tanks and policy communities.

The first is the development of civil society in China. Frank Schwartz and Susan Pharr (2003) in their edited volume conduct excellent analyses on the state of civil society in Japan. In his definition of the term 'civil society', Schwartz (2003) emphasized the following important elements: a nation state, cultural dispositions, a market economy, associations and a public sphere (among others). In borrowing this analysis of Japan, we can see clearly how the recent developments in China have created a foundation for the growth of civil society. As mentioned earlier, Alastair Iain Johnston recently argued that the attitude of China's growing middle class toward international affairs has moved to 'a greater level of nascent liberalism' (Johnston 2004), which has in turn had an impact on Chinese foreign policy. The blossoming of a market economy and increasing room for private citizens in both the economic and even the political environment in the past two or three decades has created a new atmosphere.

Think tanks and policy communities can in turn utilize this public sphere (including such mechanisms as the news media and the internet) to advance their opinions. After a detailed study on the relationship between popular nationalism and Chinese foreign policy, Peter Gries argues that 'popular nationalists are not just influencing domestic politics; they are also beginning to influence the making of Chinese foreign policy' (Gries 2004, 116–134). The difference therefore between the Jiang-Hu era and the Deng era is that policy communities now have greater freedom in voicing their dissenting opinions on foreign policy issues in terms of scope and degree (although noticeable limitations remain).

The second factor behind these changes is greater demand for policy input. China's external relations have expanded rapidly as China has further integrated into the world community. Foreign policy issues are no longer limited to political, security and strategic issues, but also include other dimensions such as culture, economics, human rights, international organizations, and so on. These issues require broader participation, and the bureaucrats' capacity alone will not be enough. In this spirit, the ministry responsible for foreign affairs and other government agencies have gradually established formal and informal consultation systems with think tanks and policy communities.

According to Peter Haas, there are four functions for epistemic communities to play. First, they will be able to elucidate the cause-and-effect relationships and provide advice about the likely results of various courses of action. Second, they can shed light on the nature of complex inter-linkages between issues. Third, they can help define the self-interest of a state or factions within it. Last, they can help formulate policies, and, in some cases, 'decision makers will seek advice to gain information which will justify or legitimize a policy that they may wish to pursue for political ends' (Haas 1992, 15). Indeed, epistemic communities in China, including think tanks, have performed these kinds of functions in the policy formulation process.

The third reason for the increasing role of think tanks and policy communities in the foreign policy-making process is the growing professionalism in the foreign policy apparatus. As a former Chinese diplomat told American researchers, 'it used to be easy to be a Chinese diplomat. You just memorized the two phrases that defined the current policy and repeated them over and over. It's much harder now. You have to know about everything' (Glaser and Saunders 2002, 597). Diplomats and researchers alike have all increased their level of education. Many of them have experience studying abroad. Some of them even

have MA and PhD degrees from the USA, Japan and Europe. Furthermore, through intensive interactions with counterparts in the West, Chinese diplomats have greatly shortened their learning curve and have become increasingly professional. Think tanks and policy communities are even more professional in their research activities and policy input. With this enhanced quality and quantity, it is natural that their voices are more frequently heard by leaders of the foreign policy apparatus.

Future directions

I would like to use the metaphor of a half-glass of water to describe the impact of think tanks and policy communities on foreign policy. The glass is half full in that there has been a noticeably increasing influence of think tanks in foreign policy communities, but at the same time we have to notice the half-empty part. There are still limitations in terms of policy inputs. This is particularly true when comparing China with Western countries, or comparing China with other East Asian societies that have been deeply influenced by the West, such as Japan, South Korea and Taiwan. One major difference is the degree to which official lines of foreign policy can be openly criticized or challenged. We understand that, for example, President George W. Bush faced enormous domestic criticism regarding the wars in Iraq and Afghanistan. Japanese and South Korean leaders have also been openly challenged regarding their decisions to send troops to Iraq. These kinds of true policy debates over key foreign policy decisions are still not imaginable in current Chinese society, despite the significant progress that has been made.

One other limitation is in terms of personnel exchanges between think tanks and governmental agencies. It is a common practice in the West and in Japan for scholars and policy community members to have opportunities to serve in the government and, when regimes change, for these government officials to be transferred to think tanks to do policy research. This kind of practice is still rare in Chinese society, if not completely absent.

When dealing with the increasing influence of think tanks and policy communities on Chinese foreign policy, the Chinese government clearly has to calculate the advantages and disadvantages. On the one hand, more policy input from think tanks and policy communities will increase the quality of decision-making. It may also provide bargaining chips when acting in the international community. On the other hand, as an authoritarian society, the CCP has been careful to protect its monopoly of power when making major decisions, including foreign policy decisions. With this kind of cost-benefit analysis, there will be inevitable ups and downs in terms of the government's control over intellectual life. The degree of policy communities' participation in foreign policy formation will correspond to the degree of party-state control over society.

In examining the impact of think tanks and policy communities on Chinese foreign policy, I analysed seven policy input channels. These policy mechanisms include consultations with policy-makers, internal reports, conferences and public policy debates, policy NGOs, outside-system discussions, overseas scholars, and the epistemic community. One may develop even more models and channels to characterize policy input for China's think tanks and policy communities, but the above-mentioned seven channels represent the main bodies for policy input. The recent developments in the participation of think tanks and policy communities in the foreign policy-making process in Beijing represent great progress, but at the same time there are also severe limitations. I call this phenomenon 'limited interaction between the centre and the periphery'. The limitation comes largely from two sources.

First, the nature of Chinese society is not completely open, and society remains authoritarian in nature, meaning it lacks a proper environment for true policy debate, particularly on sensitive issues. Second, think tanks and policy communities by and large have peripheral status and rarely have the chance to function in the inner circle on account of the lack of personnel exchanges between policy-making organs and intellectual institutions. One may anticipate that, as civil society continues to develop in China, there will be further demand for policy input and increasing professionalism in both governmental agencies and think tanks. It is likely that this will push scholars and policy communities to assume even greater functions in the years to come.

4 Popular participation

Civil society, diverse publics and internet in response to Chinese diplomacy

Simon Shen[1]

The dogmatic interpretation of Chinese politics before the reform era often assumes the existence of a unitary top-down Leninist state machine run by the Chinese Communist Party (CCP), leaving little room for civil society and public opinions to emerge. Yet, the application of Western-developed theories to China, most unitary oriented, is sometimes ungrounded, especially when the subject of discussion is post-Deng contemporary China. Focusing on the arena of international relations, this chapter introduces what the author named the non-unitary 'diverse publics', including civil society and the internet community in China, and their divergent responses to contemporary Chinese nationalism and Chinese diplomacy. Although nationalism and diplomacy might not be the core focus of all pluralistic groups in China, it is one of the domains in which the agendas of different groups can be addressed in a relatively free manner. Thus, this chapter selects this domain to illustrate the concept of the diverse publics.

Theoretical background of the diverse publics in China

Before going into the details of the diverse publics today, it is important to note that non-unitary social stratification and pluralism in China are quite old concepts. As early as 1926, in an article entitled 'An Analysis on Various Social Classes in China', Mao Zedong defined five classes in Republican China: landlord, middle class, petty bourgeoisie, half-proletariat and proletariat (Mao 1966). At the turn of the 21st century, official scholars also published books with titles similar to Mao's in which new classes were defined on the basis of economic, organizational and cultural resources (Lu, Y. 2002). However, the existence of classes and groups in China did not automatically mean that they had freedom of expression until the relaxation of party-state control. We can briefly identify a list of reasons leading to such a relaxation in the 1990s, such as the changing international environment, the information revolution featuring the growth of the internet and tabloids, the limited democratic reform introduced in the base-level villages, growing income polarity, and so forth. But a more instrumental legitimization of group ideology in China was achieved by the recent evolution of official ideology. In September 1999, the party-state launched the Three Stresses (*sanjiang*) campaign, in which the official *People's Daily* argued that there should be an emphasis on political awareness (*zhengzhi*), self-cultivation (*xuexi*) and healthy ethics (*zhengqi*) among the Chinese (*People's Daily* 1999). Five months later, as an extension of the Stresses, Jiang Zemin launched his benchmark Three Represents Theory, which was developed into a comprehensive framework in August 2001 (*People's Daily* 2001). At least two of the CCP's 'represents' indirectly endorsed pluralism in the Chinese community: the 'advanced social productive forces' referred to the business sector, whereas the 'fundamental interests of the majority' subtly hinted at populism or, at least, grass roots interests. When Jiang tried to institutionalize

the representation of the CCP beyond proletariats to being a broad-based party, he was also acknowledging the broadness of vested interests in China.

Is there a civil society in China? The missing US-style interest groups

As a result of the development of group identities, the concept of a Chinese civil society came to the fore. In the definitional sense, as summarized from various scholars' descriptions in *The Civil Society Reader*, civil society—the seedbed of interest groups—has two prerequisites: a pluralistic democracy and a capitalist economy (Hodgkinson and Foley 2003). In studying Chinese pluralism for similarities to US interest groups, a number of scholars, such as the late sociologist Gordon White, tie the nation's market reform to its nascent civil society (White, Howell and Shang 1996, 98–127). But does the existence of groups necessarily mean the replica of civil society in China, as White suggests? The apparent similarities between Chinese and US group politics are superficial, because the way in which groups in China function seems to be unique, and they have a long list of 'Chinese characteristics'. US interest groups focusing on US foreign policy would engage in a number of lobbying strategies. They have complicated the power structure of the federal nation and civil society by introducing the concept of what Theodore Lowi calls an 'issue network'—the ability of certain groups to control particular issue-areas to compensate for the relative ignorance of the governmental body (Lowi 1964). We can study their manoeuvring through open quantitative accounts, such as congressional voting or campaign finance figures. But the supplementary value of interest groups to US democracy cannot be applied to Chinese groups owing to the differences in the way in which they are formed.

The Chinese party-state has a strict policy on the formation of new organizations, so as to pre-empt the rise of rivals to the CCP's exclusive rule. Although the right of assembly was guaranteed under Article 35 of the 1982 Constitution, all groups in China must obey the Social Groups Registration and Management Ordinance issued by the State Council after the Tiananmen Incident in 1989 (People's Republic of China—PRC State Council 1989). This requires all groups to register through an official ministry and to be supervised by another official body related to its area of concern (Jia and Wang 2001). Politically vocal groups—even nationalist associations—have difficulty being officially formed and endorsed under the 'people's democratic dictatorship'. Unlike the heavily organized interest groups in the USA, as pointed out in Dorothy Solinger's study, the groups in China were simply unable, or unwilling, to get organized (Solinger 1991). In order to influence the government, groups in China have few alternatives but to express their ideas in opinion bases such as journals, newspapers or internet forums. Organizing social movements involves a high cost, including risking the very right to exist. Because of their apparently unorganized nature, groups can only be described by their loose personal attributes and connections, which are likely to be at odds with the concept of an issue-network.

Many scholars, therefore, do not believe that Western-style civil society is needed in China. Even the definition of civil society was not agreed upon. For instance, Thomas Metzger offered a historical treatise on the subject by pointing out the inconsistencies in the Western 'bottom-up' and Chinese 'top-down' interpretation of civil society (Metzger 1998). Reluctant as ever to apply Western theories in China, Wang Shaoguang disagreed with the definition of civil society and pointed out that 'Chinese civil society carries a variety of different political outcomes, of which democracy is but one' (Wang, S. 1991). In terms of the other prerequisite for a civil society, a market economy, China's is a hybrid product with remnants of statist features, such as the ineffective state-owned enterprises. As He Baogang and Jonathan

Unger established in various studies, Chinese society should at most be regarded as a 'semi-civil society' or 'a hybrid of socialist corporatism and clientelism' (He, B. 1997; Unger 1996). Civil society in China, if it exists at all, is imperfect.

'Politics of diverse publics' in under-democratic or undemocratic China

To sum up, the American definition of interest group politics combines interest groups and lobby groups into one. It does not include the unorganized voice of a group of people not aimed at lobbying the government. Yet, such a voice exactly describes the situation in China. The attempt by various players to express their opinions in China's imperfect civil society should be termed something else. Most scholars, as discussed previously, identify classes or groups in China by economic, organizational or cultural attributes. We can identify different players as different 'publics' (and their sub-groups), based on their functional position in shaping modern Chinese nationalism and the Chinese perception of the world. We can coin a term for this phenomenon: 'politics of diverse publics' (hereafter 'PDP'), and this constitutes the second framework for the research. Diverse publics in China have the following features:

1. They acknowledge the power of the general will. Their existence compensates for the structural deficiency of the one-party dictatorship without directly challenging its legitimacy.
2. They speak out to confirm their position and to advance their significance, rather than aggressively pushing forward the agendas that they speak for. They do not aim at direct lobbying of the government; instead most express opinions via indirect, written formats.
3. They are not formally organized and do not try to establish issue networks, nor are they unitary blocs with disciplined policy lines. They have difficulty in influencing public opinion or the party-state, and are instead relatively easily influenced by the latter.
4. The advancement of their interests does not necessarily rely on the infringement of others' interests in a zero-sum manner.
5. The most important prerequisite of PDP in China is that, if their undemocratic nature is altered, they will no longer exist—or they will evolve into US-style political interest groups, if that day should ever come.

The way the 'publics' are defined, especially in terms of their response to Chinese diplomacy, deserves elaboration. As previously explained, the decision-making process in Chinese foreign policy is seen by scholars as an internal mechanism of the party-state. However, when the Stalinist features of the PRC started to relax, the involvement of ordinary citizens (by either expressing opinion or taking physical action, such as demonstrations) and intellectuals (by either strategic consultancy or professional petitioning via think tanks)—i.e. the different members of the diverse publics—began to take place in a subtle manner. Those outside the establishment cannot directly participate in the decision-making process: their participation is confined to their roles in defining Chinese nationalism and the Chinese perception of the outside world. Apart from discussions like Xu Xun's on the ordinary citizens who 'provide the nuance and soil for nationalist sentiments'; the creators of nationalist culture (mostly intellectuals) who 'explore utopian cultural dreams from historic accounts'; and the politicians who 'manoeuvre nationalist sentiments and ideology into a political movement', this division of labour has not been well investigated (Xu, X. 2004, 245–246). Other scholarly articles sharing the same vision include the analysis by historians Ray Huang, Jin Guantao and Liu Qingfeng of the 'supra-stable structure' of the feudal system (Huang, R. 1993; Jin and Liu 1984). The concepts involved are far more complex than these simplifications might

suggest, yet the functional terminologies of the 'top', 'bottom' and 'intermediary', as used by these scholars, will be another useful reference for the analysis here. Crediting these arguments, we define three macro Chinese groups from their functions in Chinese society in general, and from their role in Chinese diplomacy and the revival of Chinese nationalism in particular. Within each 'public', sub-groups exist as follows:

- The 'top' (the party-state) includes the leaders and the Ministry of Foreign Affairs, the military sector and the economic sector.
- The 'bottom' (ordinary citizens) includes the mass opinions as reflected in polls and reports in the mass media, the virtual community members and campus community members. Various opinions coexist among these groups.
- The 'intermediary', which provides a two-way link between the 'top' and the 'bottom', includes intellectuals in general, the international relations scholars and journalists. To the 'top', they provide policy advice or reflect and conceptualize popular thinking; to the 'bottom', they channel official policy featuring their own opinions and help transmit raw information, in a biased or unbiased manner.

Therefore, in the arena of Chinese diplomacy, no group in China should be labelled as *the* nationalists. The nationalist rhetoric of the party-state was balanced by subsequent diversionary measures designed to cover up their real agenda. Nationalism on the part of intellectuals was often primarily intended to target fellow intellectuals. When popular nationalism was much in evidence, polls suggested the existence of a rational version of 'public opinion'. In order to elaborate the idea, the following sections will analyze how participating in the nationalist discourse in Chinese diplomacy helped intellectuals (the 'intermediary') to seize the momentum in society and to create a platform for liberals and non-liberals to claim the high moral ground, and become a symbol for the new generation and an alternative channel for the expression of public opinion among the 'bottom'. The party-state also gained from participating in the discourse in terms of re-entrenching the state machine in Chinese society, yet it is not the focus of this chapter.

Intellectuals: rivalry under the same roof

Owing to their comparative advantage, the arena in which intellectuals exerted the most influence on the nationalist discourse in Chinese diplomacy was in their strategic proposals. There is little reason for us to agree with Rosalie Chen, who stated that 'there seems to be a lessened diversity of opinions and an emerging consensus on the hegemonic nature of US foreign policy, particularly its intention of containing a rising China' among America watchers in the PRC (Chen, R. 2003, 286). Intellectuals were, in fact, very diversified in their opinions, as the cases of 9/11 and illustrated, and their interpretation of the 'hegemonic nature of US foreign policy', for example, was only part of the division of labour. But the debate in China between the liberals and non-liberals, as the most notable performance of the intellectuals in the nationalist discourse, was concluded by the following cases in a less expected manner.

From liberal vs. non-Liberal nationalism to 'liberal nationalism'

When the intellectual debate commenced in the 1990s, as summarized by Xu Youyu (2003, 7–11) there were seven issues between liberals and non-liberals:

1. Market economy and social injustice.
2. Analysis of the internal condition of China.
3. Evaluation of the Great Leap Forward, the People's Commune, and the Cultural Revolution.
4. Evaluation of the Mind Liberation Movement of the 1980s and the May Fourth Movement.
5. Modernization of China.
6. Globalization and China's entry into WTO.
7. International relations and radical nationalism.

Only the last two of these had significant direct relevance to Chinese diplomacy. After 9/11 (11 September 2001 suicide attacks on the USA), even these two—including the view on radical nationalism—were of less importance, if not missing. As Yang Xiao correctly puts it, 'the real issue for both Chinese liberals and new leftists is where to find the complex power to counter the corrupt power that has come to dominate all spheres of justice in China' (Yang 2003, 25). Both liberals and non-liberals began to understand the impossibility of eradicating either nationalism or liberalism. As liberals came to understand the need to augment nationalist rhetoric for their own benefit, and non-liberals realized the need to address themselves as 'liberal leftists', there were ways the two schools could potentially be merged under the title 'liberal nationalism'.

Liberal nationalism is not a new concept. Its roots in modern China can at least be traced to Hu Shi (1891–1962), who wished to promote the twin ideas of individual liberalism and national liberalism while China was suffering overseas aggression (Zhao, S. 2004, 124–127). Contemporarily, when our cases of 9/11 and the Iraqi War were unfolding, liberals sometimes found it possible to mix their ideology with nationalism because, according to Qin Hui, 'liberalism acknowledges reasonable nationalism and comprehends it as a reasonable competition between interest groups' (Le 2004, 313, 315–316). Qin's notion of 'aesthetic symbols' does not prevent him from endorsing universal values or 'reasonable competition' among nations. It is also that which various scholars define as 'rational nationalism', which offers a compromise between individual and nation, personal rights and national rights, human rights and sovereignty, and so forth (Jiang, Y. 2000, 127–129).

After all, most liberals—except for a few dissidents in exile—did not welcome the USA intervening in domestic politics. The publication of *Hidden Current – Critique and Rethink towards Parochial Nationalism* one year after the war in Iraq, which aimed at promoting what it called 'liberal nationalism' instead of anti-nationalism by editing dozens of circulated articles, can be seen as a compromise by the liberals (Le 2004). Such a compromise is best seen from the personal experience of the liberal Yu Jie. On the one hand, after five years of a so-so relationship with the party-state (during which he was at least not arrested), Yu suffered from a humiliating defeat in the 'war of declarations' during the war in Iraq and became more radical in challenging the party-state afterwards, resulting in his temporary custody by the party-state in December 2004. On the other hand, he published two best-selling books on Sino-Japanese relations: *Contemplating a Century of Sino-Japanese Relations* and *Japan: an Obscure Country* in 2004 and 2005, the nationalist rhetoric of which was as strong as the target of his declaration's criticism (Yu, J. 2004; 2005).

The birth of public intellectuals in contemporary China

Another achievement of intellectuals in the nationalist discourse was their increasing importance in communicating between the 'top' and the 'bottom' when analyzing international

issues. When official policies started to focus on academic input, the party-state found it rewarding to ally itself with intellectuals. In return, intellectuals were clearer about their influence on the party-state. For instance, there were Qinghua professors who advised the party-state to consider the US experience 'to strengthen co-operation between the government and academia and to give a great boost to research in crisis management' after 9/11, so that Chinese intellectuals could play a greater role than their US counterparts (Zhong 2007)

Chinese journalists also found their detailed reports on world issues sought after by the party-state. What they offered was the existence of an alternative—but credible—angle, like an al-Jazeera eye from China. When journalists merged patriotism and professionalism, overseas critics once made the following observation: 'they made best use of the opportunity to extend their own *lebensraum*, that is why the Chinese media – within CCP opinion control – could report the American–Iraqi war in a much more vigorous and energetic manner than they could have done at any other times' (Zhang, W. 2003)

Intellectuals were conscious of making ordinary citizens dependent on them, too. When Xiao Gongqin commented on the intellectual battle before 1999, he noticed that the debate—confined to a few academic journals with a limited readership—gained little attention from ordinary citizens (Xiao 2003, 422). After 1999, by catching more public attention on international issues, intellectuals of all camps enhanced their prominence through their ever-present commentary or appearances as special guests on television, on radio and in internet chatrooms. As explained by Xu Xun, the nationalist discourse successfully granted intellectuals 'cultural rhetoric hegemony' as their means of competing for further social resources (Xu, X. 2004, 245–246). Like Zou Taofen and Du Zhongyuan, who achieved bestseller status in the 1930s with their attacks on Japanese expansionism in the journals *Life* and *New Life*, participants in the nationalist discourse in the 21st century claimed similar success (Mitter 2004, 304). All relatively unknown to the public before 1999, international relations intellectuals like Yan Xuetong and Chu Shulong and war-time reporters like the 'Iron Rose', Luqiu Luwei of Satellite Television, now became household celebrities. Even the new leftists could earn big money by popularizing the drama *Che Guevara* and selling all kinds of capitalist souvenirs, like T-shirts, CDs and photo albums. But there was an opportunity cost. Like their counterparts in the West, these intellectuals were sometimes jeered at cynically as 'omnipotent authorities'—the public intellectuals who appeared to know everything, but in fact knew nothing in depth (Qu 2004).

In the end, neither liberals nor non-liberals were the zero-sum winners or losers when the difference in their views of nationalism is narrowed down. When nationalism continued to serve as the platform of both 'liberal nationalists' and 'non-liberal nationalists', opportunities for both to convey their ideology to the widest possible public were guaranteed. Their participation in the debate on nationalism had already helped spread their ideas, be they liberal or non-liberal. The liberal–non-liberal debate would be equally fierce in the future, and, in order to draw wider attention, intellectuals would perhaps stay in the nationalist discourse for good. But the difference between 'liberal nationalism' and 'non-liberal nationalism' rests on the adjective, not the subject. In comparison with their experience in the last century, Chinese intellectuals, as a group, are likely to experience a golden time in the 21st century—in terms of wielding influence and gaining affluence.

Ordinary citizens: making a new generation via a nationalist crusade

The expression of fanatical nationalism—rather than the ability to advance such expressions on the diplomatic front—was the concern of ordinary citizens. Whether organized or

not, the nationalist response of ordinary citizens in the last decade can be viewed as one of the most consistent social movements in China since Tiananmen. It has a common language (nationalism), a common platform (mainly the internet), a common weapon (also the internet, as proven in the cyber war) and some common idols (like Wang Shaoguang, Yan Xuetong and the martyr Wang Wei of the Spy Plane Collision Incident in 2001). Together these constitute a common identity in the new generation.

Social campaign, and social stigma, of the new generation

By speaking of 'generation', we not only refer to it in its conventional meaning, but also as an academic term derived from the discipline of political psychology. Generational politics is a hidden theme of Chinese nationalism, yet to be fully exposed. For instance, a publication of the authors of *China Can Say No* (Song, Zhang and Qiao 1996), entitled *The Spirit of the Fourth Generation*, repeatedly uses phrases like, 'Are we an unimportant generation?' or, 'We in our thirties are without a shadow of a sound' (Song, Q. *et al.* 1997, 202 and 206). According to Gries' classification, these people in their 30s should be the 'fourth-generation of Chinese nationalists' (Gries 2004, 4). *Say No* did not raise generational consciousness in China to the fullest extent, but the popular response to the Belgrade Embassy Bombing did.

As proposed by the political psychologist Robert Jervis in *Perception and Misperception in International Politics*, there are four variables by which an event can most influence an individual in later life, including whether or not:

1. The person experienced the event first-hand.
2. The event occurred early in the person's adult life or career.
3. The event had important consequences for the person or the person's nation.
4. The person is familiar with a range of international events that facilitate alternative perceptions (Jervis 1976, 239).

The anti-American demonstrations in 1999, after the Belgrade Embassy Bombing, fit in with all these variables. When discussing the characteristics of this generation, Xu Zhiyuan, editorial writer of *Economic Observers* and a leading young commentator in China, confessed that: 'when I took part in the demonstrations in 1999, it was the first experience of demonstrating in my life. However, my participation had more to do with the need to gain a life experience' (Xu, Z. 2005, 116–117). This experience belongs to the whole generation, which is significantly different from the young people of Tiananmen a decade earlier. Many studies on Chinese politics use 1989 as a touchstone. The year 1999 is likely to represent another milestone for future China studies.

The educational level and exposure of this generation should not be underestimated. It has been considerably upgraded by its participation in the nationalist discourse. Since 1999, and particularly after the war in Iraq, many internet forums and chatrooms invited intellectuals to be guest participants. When the distinctions between intellectuals and the internet élite began to blur, as noted from the cases of the Belgrade Embassy bombing and the war in Iraq, the theoretical and analytical capability of internet activists had improved. This upgrade in skill was noticed by Zhou Yongming while studying the lay nationalist response online: 'much of the new interpretative framework has been borrowed from Western concepts and ideas, including comprehensive national power, national interests, and rules of the game' (Zhou, Y.M. 2005, 543). With ordinary citizens equipped with more knowledge of international relations, their learning curve shows promise. As an increasing number of

activists have been able to differentiate between various diplomatic theories, there has been an obvious increase in the quality of public commentary since 1999.

From virtual reality to reality: internet-mobilized campaigns

Ordinary citizens never lost their opinions completely to the statist machine, even though such opinions might be reconstructed by the party-state. Public participation in the nationalist discourse, indeed, had developed an asymmetrical balance between rights and responsibility. In the past, political participation or social movements in China imposed serious responsibilities on participants. That is partly why university students in the 1990s issued their 'farewell to idealism' (Luo 2004). But nationalists now added new means of participation—such as expressing offensive realist rhetoric on the internet—that did not carry with them many duties to fulfill.

An issue in this asymmetrical game is the trend for activists to claim hegemony on the internet. In the way that intellectuals expanded their sphere of influence by sharing professional knowledge, internet activists were conscious of using their technical advantage—such as their ability to launch cyber wars—to make it difficult to replace them. Their ability to gather external information gave them further authority in disseminating facts to fellow web-users. The relationship between the formation of such new élite online groups and the nationalist discourse was explained by Zhou: 'equipped with this new paradigm to interpret the received information and look at the world, the more informed Chinese are the more nationalist they may be' (Zhou, Y.M. 2005, 543).

Online platforms can easily be used to mount populist pressure in real life: 'a significantly large critical mass of upset chat-room postings makes something an issue for everybody to take seriously' (Lagerkvist 2005, 123). The poor methodological setting for studying public opinion, as criticized by Johnson, benefited internet users in particular, because the problem of the lack of a random survey—surveys ask for voluntary responses from readers—is more severe and unregulated in the virtual world. The undemocratic nature of China gave potential to ordinary citizens: the fact that real-life opinion groups are lacking granted online fanatics greater ability to intervene in everyday politics by exaggerating their capability online.

Apart from their direct assaults on official Western websites, Chinese netizens had demonstrated their ability to consolidate nationalist emotions on Chinese soil. For instance, in December 2001, popular singer Zhao Wei was demonized for wearing an outfit bearing a print of the imperial flag of Japan, and, as a result of online mobilization, was splattered with human urine during a performance in Changsha. In June 2004, a concert to be held in Hangzhou by Taiwanese singer Amei Chang—whose alleged ties with the pro-independence Democratic Progressive Party angered many Chinese nationalists—was called off as a result of the reported would-be-nationalist protests circulating on the internet. Anti-Japanese demonstrations in May 2005 were mobilized by 'patriotic' virtual organizations instead of real-life societies. With their participation upgraded in quality, ordinary citizens might take their nationalist crusade into other real-life arenas. In Johan Lagerkvist's *Rise of Online Public Opinion in the PRC*, he found that issues of 'a political nature which draw most attention are of three kinds: structural, personal-oriented or those that focus on foreign policy' (Lagerkvist 2005, 123). 'Structural issues'—referring to 'the emerging class tensions in Chinese society, corruption within the civil service' suggested by Lagerkvist—might be the next domains in which internet activists could wield their influence. As it represents a seizure of functions from the party-state, the potential agenda-setting capability of ordinary citizens is a significant advance and inverts the traditional agenda-setting process in China.

From reality to virtual reality: public discursive rights online

Whereas Western observers often worry that 'hyperventilating in cyberspace has now spread to the street', the new generation of Chinese are prepared to retreat to the virtual world when split identities need to be stressed (Mooney 2005). As seen from the above cases, Chinese people frequently present contradictory opinions in real-life surveys and virtual polls. While many Chinese people tended to express fervent nationalist rhetoric, particularly when their real-life identities were hidden, concurrent polls usually suggested that the same people realized the importance of being rational in real life. China watchers in the future should be prepared to study two sets of public opinion, as addressed by Shen Min, manager of the polling company Horizon, in a telephone interview with the author:

> Internet polls are randomly visited and clicked on, and concentrate on the relatively young and relatively information-focused activists. The information-possessing and analytical ability of the common masses is very different from that of those who use the internet. In general, internet opinions are more aggressive and radical.

To a certain extent, online participation in the nationalist movement is like a real-life role-playing game (RPG): activists assume the role of 'Chinese nationalists', but there is nothing to stop them adopting a different role by day. Zhou once researched the nationalist rhetoric used online in China when those expressing such rhetoric were playing online war games on a virtual war ('v-war') website. The website supported RPGs and discussion forums together. He found that 'what distinguishes the v-war site from other military sites is that it is constructed as an imagined military community, and every member is viewed as a soldier' (Zhou, Y.M. 2005, 543). The key factor in shaping the nationalist thinking of the 'soldiers', according to Zhou, was the formation of a 'new interest-driven game-playing paradigm' in the 'military community'.

In the current political structure of China, the nationalist discourse was one of the only platforms for ordinary citizens to use in order to apply the strategy of 'kicking the ball from the side (*chabianqiu*)' if they wished to promote their freedom, interests and identity. They had no intention of pressing the party-state to act on their expressions. The subtlety of this did not go entirely unnoticed. When Hughes analyzed the discourse of various identified Chinese nationalists, he found that most of these participants were 'either not particularly interested in nationalism or [were] highly sceptical concerning its possibilities for solving the problems faced by the Chinese state' (Hughes 2005, 265). We find it logical to endorse Liu Shih-Diing's observation on the internet-mobilized anti-Japanese protest in 2005, from which he noted that the lower-level groups were developing their own form of nationalism ('*renmin minzuzhuyi*')—'an autonomous political domain that is independent of the state nationalism' (Liu, S. 2006). Once the Chinese people of the new generation were equipped with the art of using split identities in the nationalist discourse, as Liu suggested, it became their platform for exercising 'public discursive rights'. Considering the fact that such rights had generally been lacking in the People's Republic since its establishment, ordinary people have achieved at least as much as the party-state and intellectuals have from taking part in the nationalist discourse.

Conclusions

French philosopher Jean-Jacques Rousseau was among the first to propose the concept of a 'social contract' to define the constraints on the respective power of the state and the

people, so that there would be checks and balances to prevent the encroachment of either party—absolute dictatorship or 'tyranny of the majority'—on the rights of the other (Rousseau and Cole 1988). Chinese nationalism, as Duara argued, is also a contract for citizenship—'an implicit understanding that you affirm loyalty to the nation-state because you recognize that you develop some rights as a citizen' (Duara 2005, 48–49).

The existence of PDP in China—instead of US-style interest group politics—is the product of a lack of democracy. As long as China remains undemocratic, a de facto 'social contract' is likely to continue governing the interrelation of the diverse publics: in the nationalist discourse studied, the party-state is guiding the national ideology; intellectuals are defining a better international relations strategy; ordinary citizens are subtly fighting for more expressive autonomy. Each of them—while trying to expand their *lebensraum*—understands that the spheres of interest of the others should not be totally undermined. When the party-state is responsible for maximizing the liberty of others, its subjects take it as in their interest to accept the authoritarian regime in principle. The rule defining boundaries in the 'contract' is the peaceful rise strategy and civic nationalist values. The only difference between this contract and that of Rousseau's time is that the mutual understanding is not based on a democratic infrastructure, but instead on a pragmatic agreement developed out of a *fait accompli*. Today, Chinese nationalists from the 'top' to the 'bottom' are both differentiated and interdependent; both radical and rational; but most are inward-looking before being outward-looking. As long as China remains undemocratic, PDP—via different acceptable discourses, such as nationalism—will have the potential to serve as a stabilizer of domestic politics.

Many US hawks, particularly the anti-Beijing 'Blue Team' on Capitol Hill led by Bill Gertz, suggest that an undemocratic China is dangerous to America (Gertz 2000). Many of them believe that institutional reform is their key task in advancing US interests. But what if China were a democratic nation? In 1992, in the first open democratic election in Algeria, the Islamic fundamentalists surprised the incumbents and the West by winning the first-round contest. The West considered an Algeria with no ruling fundamentalists—even if it meant an undemocratic Algeria—more beneficial. A military coup followed, overturning the election result, and was tacitly approved by the USA and its allies. If PDP is replaced by interest group lobbying politics in a future China, whether Chinese nationalism could still be the same as today might be doubtful. At least, some nationalist rhetoric might be consolidated into action-driven lobbies like those of the Blue Team.

Note

1 The article primarily references Shen (2007).

Part II

Issues

5 Keeping the past alive

The use of history in China's foreign relations

Christian A. Hess

All states mobilize and manipulate history in service of their national and international needs and agendas. With thousands of years of recorded history, it is thus no surprise that China, too, draws on its diverse past to shape and justify domestic and international goals. The opening ceremony at the 2008 Beijing Olympic Games, for example, presented China's notable historical achievements to the world in a dramatic fashion. The global audience watching the opening ceremony saw much about China's ancient glory and its spectacular growth since the 1980s, but no reference to the themes of revolution and resistance that were so important to the founding of the modern Chinese state in the first half of the 20th century.

This selective use of the past to highlight the prioritized paths of the present, including the use of history for foreign relations purposes, is certainly not unique to China. However, few nations have undergone such a rapid transformation as China over the past 100 years, let alone the past few decades. Since the late 1970s, China has emerged from decades of international isolation and is becoming a prominent player on the global stage. The recent global economic crisis has underlined China's world-wide economic importance. China has also started to take a more active role in regional diplomacy, including, for example, the North Korean nuclear issue, and has begun to extend its influence in Africa. This is a far cry from China's position of international isolation during the Mao years, and even further, it would seem, from the period of weakness and suffering in the 19th and early 20th centuries.

Given the rapidly shifting position of China in the world today, the major narratives of Chinese history, many of which had been honed by the revolutionary state both before and during Mao's rule, have been altered and used to justify and garner domestic and international support for China's increasingly complex foreign relations. This chapter will first identify three key historical themes and narratives and examine to what degree they are currently used to support China's foreign relations agenda. It will conclude by asking whether or not these are successful and sustainable storylines for China's contemporary foreign relations, and whether or not domestic forces beyond the Chinese Communist Party (CCP) might have any say in the process of building new historical narratives to explain China's place in the world today.

China as victim

In early 2009 Christie's, the international fine arts auction house, attempted to sell at auction two bronze fountainheads. The figures, a rat and a pig, had once adorned the fountains at the summer palace of the ruling Qing dynasty in Beijing. To a casual observer, these somewhat mundane objects are difficult to differentiate from countless items sold on the international

art market. However, the Chinese government was furious at the sale, stating that the items belonged to China and had been stolen by imperialist powers. The drama over the sale of the items reached its denouement when it was revealed that the winning bidder for the figures was an employee of China's National Treasures Fund, who refused to pay for them, stating, 'I think any Chinese person would have stood up at that moment, I was merely fulfilling my responsibilities'. This seemingly trivial episode was framed in the Chinese media as another example of its past humiliation at the hands of foreign powers, adding yet another chapter to a deeply engrained narrative of China as victim at the hands of other nations (Florcruz 2009; Seelbach 2009).

China's historical experience over the past century and a half certainly provides ample evidence to back up the image of China as victim. During the formative years of the modern Chinese state in the late 19th and early 20th centuries, a driving force of the Chinese revolution and emergent revolutionary nationalism was a social Darwinian fear that China was a weak nation, continually victimized by more powerful imperialist countries. Today, this period is referred to in history texts, the media, and in official CCP proclamations as China's 'century of humiliation' (*bainian guochi*), and continues to structure how history is periodized and taught in both China and the West (Hevia 2007, 192–200). It begins with the Opium Wars of the mid-19th century, continues through a string of unequal treaties forced on the ruling Qing dynasty by various foreign powers, and stretches through the brutal invasion of China by Japan in the 1930s and 1940s and the bloody fighting against the USA during the Korean War in the early 1950s. Like the Christie's saga, the narrative of victimization is quickly seized upon to contextualize other recent events, such as the disruption of the Olympics torch relay by Tibetan independence supporters in France and the USA, anti-Japanese demonstrations in major Chinese cities in 2005, and the US bombing of the Chinese embassy in Belgrade in 1999, within the framework of a militant nationalism (Shirk 2007, 63). Beyond this, to what extent has this historically based victim image been used in terms of China's foreign relations?

During the Mao years, the narrative of humiliation and victimization had several important uses for the state. It served as the backdrop to highlight the CCP-led War of Resistance against Japan and subsequent revolutionary efforts to free China from foreign meddling and put it on the path toward great power status. In a speech delivered just before the founding of the People's Republic of China (PRC), Mao famously declared 'Ours will no longer be a nation subject to insult and humiliation. We have stood up'. While not downplaying victimization and suffering at the hands of imperialists, and the Japanese military in particular, the narrative during the Mao years emphasized resistance and victory. Yes, China was a victim in the past, but with the revolutionary guidance of Mao and the CCP it would never happen again. This component of the victim narrative was so strong that it overpowered the history of key elements of collective trauma during Japan's invasion, which were downplayed in favour of the Mao-centred story of revolutionary triumph (Eykholt 2000; Mitter 2003, 118–119).

However, Mao did find the victim card to be effective in terms of directing the foreign affairs objectives of the PRC in the 1950s and 1960s (Scott 2007, 11–14). Chen Jian has gone so far as to argue that the victim mentality drove the Chinese Communists to suspect the behavior of *any* foreign country as being driven by ulterior, or even evil, intentions. As Mao began to move away from the Union of Soviet Socialist Republics (USSR) with increasing rapidity in the late 1950s, the image of Soviet bullying framed the PRC's move away from the Soviet chauvinists', leading to the Sino-Soviet split (Chen, J. 2001, 75–76). Mao also used the victim mentality to mobilize support for his shelling of Jinmen and Mazu (Taiwan territory ripped from the motherland by imperialists), an event which triggered strong reactions from both the

USSR and the USA (Chen, J. 2001, 203). Thus, under the Maoist state, the image of China as victim contextualized international relations to the masses in ways that made mass mobilization necessary while moving forward with the international objectives of the state.

Today, of course, the revolutionary goals and methods of the Mao years have been stripped away, but the use of history to construct an image of China as victim remains. It has in fact grown in importance as many of the cornerstones of the state's legitimacy have crumbled. It continues to serve the PRC state in several key ways. It remains a valuable tool used by the state to shape popular conceptions of China's place in the world, and frames key events (both contingent and planned) within the context of Chinese nationalism, of which the victim narrative is a major component (Gries 2004).

The eruption of seemingly spontaneous outrage against international rivals relies heavily on the narrative of China's past victimization. It played a key role in the protests following the NATO-led bombing of the Chinese embassy in Belgrade in 1999, and more recently in the anti-Japanese demonstrations of 2005 (Barmé 2005), and in the response to pro-Tibetan demonstrators along the Olympic torch relay route in 2008 (Barmé 2009; Shirk 2007). In the latter case, the victim narrative was presented to a global audience, as disruptions and attempts to seize the Olympic flame in protest against Chinese policy toward Tibet were characterized by the Chinese government and media as attacks on the Chinese people. Beyond the potent and symbolic images of a paraplegic Chinese athlete being attacked by pro-Tibetan Westerners, a media counter-mobilization campaign was established, which aimed to reveal the strong anti-China bias of foreign media. It would seem then that the distrust of the international community, prevalent in the Mao years, is kept alive in part through the use of history to perpetuate an image of China as victim.

By far the best example of this is the relationship between China and Japan. The Japanese military's aggressive war of expansion in China from 1931 through 1945 brought untold misery, suffering, and death to millions of Chinese. Major traumatic events of massacres and communal suffering, such as the Nanjing Massacre, are now the subject of many books in China and are increasingly well known in western countries (Wei 2008). When it was less suited to China's foreign policy needs in the 1950s and 1960s, this potent example of victimization was downplayed (Reilly 2006). Yet, as China rose to prominence throughout the 1990s, its relationship with Japan grew increasingly complex. On the one hand, China's economic ties with Japan have never been stronger. Japan is China's largest trading partner, and China is second only to the USA as a trading partner with Japan (Mochizuki 2005, 143). On the other hand, China's rise as a regional power challenges Japan's position in East Asia, and we have seen deep fissures emerge in their political relationship over the past decade. All the while, popular resentment runs high against Japan for its war effort and perceived post-war failure to atone for its actions in China.

History remains at the centre of the tension between the two powers. This tension exists at both the level of élite politics and popular conceptions of Japan and Sino-Japanese relations. At the élite level, China continues to play the victim card in its political relations with Japan. In an official report written for China's UN mission in 2005 commemorating the 60th anniversary of Japan's defeat, the author bluntly states that 'the conflict of historical perception has become the primary factor plunging the Sino-Japanese political relationship to the lowest point since the normalization of bilateral relations' (Liu, J. 2005). The report goes on to describe the inestimable suffering of Chinese civilians at the hands of the Japanese military, and sharply criticizes the Japanese government for failing to apologize officially in writing to the Chinese people. Visits to the Yasukuni shrine by Japanese leaders, the ongoing official endorsement of textbooks in Japan that downplay its actions in China during the

war, and statements and reports by the Japanese right that deny things like the Nanjing massacre are all usefully dealt with through use of the victim narrative.

Importantly, this is not simply something occurring at the level of the political élite. Rather, its potency lies in the ways in which it involves the Chinese people. The narrative is in large part perpetuated at the popular level. This can either involve active violence against Japan through seemingly spontaneous protests, or in the growth of a 'popular history activism' in China (Reilly 2006). In the spring of 2005 a series of semi-spontaneous protests against Japan spread throughout major cities in China in response to news that the Japanese Government had approved textbooks that downplayed Japan's actions in China during World War Two. The protests, largely orchestrated by students at major university campuses, enjoyed state sanctioning for a brief time before being quietly suppressed. Some events turned violent, with protestors attempting to attack Japanese embassies and consulates. Japanese properties and businesses were damaged in Shanghai (Shirk 2007, 140–144). The Sino-Japanese political relationship was severely strained by these events, based in large part on historical interpretations that frame China as victim. The ability to mobilize and contain acts of protest and violence against Japan on key anniversaries and over issues like high profile visits to the Yasukuni War shrine by Japanese leaders thus remains a powerful tool at the Chinese state's disposal.

The final area over which the script of China as victim has use for foreign relations is its close link to China's territorial claims. The clearest examples here are Hong Kong, Taiwan and Tibet. Hong Kong's colonial status was a direct result of the very imperialist aggression and humiliation that lies at the core of the victim narrative. China's past victimization thus played a key role in the speeches marking the territory's return to the People's Republic of China (PRC) in 1997, with leaders declaring that the recovery was 'redemption' for past humiliation (Scott 2007, 14). The 'recovery' of Taiwan, long a Japanese colony and protected by the USA throughout the Cold War, remains a key political goal for the CCP. Like Hong Kong, the historical lesson of Taiwan as presented in PRC is that of Chinese territory ripped away by imperialist powers. In the case of Taiwan, territorial recovery is less important than national honour, and backing up the long-standing pledge of the CCP to reincorporate the island with the mainland (Shirk 2007, 186).

Tibet is the most recent example of how the victim narrative is used to frame China's actions there for consumption by a global audience. Major unrest erupted in Tibet early in 2008 involving violent riots, which claimed the lives of both Tibetan and Han Chinese. The military response was harsh, and pro-Tibetan groups seized the events to launch fresh protests against the Chinese government for its actions. The Olympic torch relay provided an opportunity for pro-Tibetan independence groups to reach a global audience, with protestors attempting to seize the Olympic flame in various countries. The victim narrative was used to cast these disruptions as yet another humiliation for China on the eve of its hosting the Olympic Games. As one cultural critic notes, 'the torch became a quasi-sacerdotal symbol of super-national Chinese identity'. A new generation of patriotic youth took to the internet, creating a web presence aimed at revealing a Western bias in global media coverage of China that portrays the country in a negative light (Barmé 2009, 68–69). Thus, despite China's rise, on the eve of a major global moment for the new power, it was still unable to abandon the historically driven image of China as a victim nation.

China's 'peaceful rise' back to 'Middle Kingdom' status

A second major historical narrative used by the Chinese state and by foreign experts studying China's rise is that of China as 'Middle Kingdom'. This refers to China's past greatness as

both a military and economic power, as well as a cultural centre for much of East and Southeast Asia. For centuries, China was the centre of an intricate regional order in which bordering states and regimes paid routine 'tribute', usually in the forms of gifts, to the Chinese court, thereby recognizing its supreme role in the region. In return, these states might also receive gifts, and most would be largely left alone to manage their affairs. China's recent return to economic, political, and, increasingly, military prominence in the region is characterized by both those within the CCP and by outside observers as a return to this position of regional centrality (Scott 2007). Like the victim narrative, this image is both driven by history and involves a powerful popular appeal that seizes on China's rise throughout the 1990s, equating it with past glories and power. The huge popular interest in dynastic histories, and in the 18th century in particular, a time when China was at the peak of its power, is thus not coincidental, but ties into the construction of the image of China as a major player on the world stage (Barmé 2009, 67). Thus, the notion of Middle Kingdom may be of some use in terms of understanding China's foreign relations in general, and its relations with its Asian neighbours in particular.

There are several components of what is referred to as 'the Middle Kingdom mentality'. It is linked to the victim narrative as China's past humiliations have led to the development of an acute Chinese desire for international respect as a great power, which is a major feature of contemporary Chinese national identity (Rozman 2004, 120–121; Scott 2007, 14). Yet this is not a new phenomenon. A cornerstone of the CCP's revolutionary project was a promise to return China to a position of power in the world (Chen, J. 2001, 12).

Now that the revolutionary goals of the state are gone, including its attempts to become the vanguard of a global revolution attained through exporting revolutionary Maoism to the Third World, Chinese scholars and officials have reworked the history of China's past prominence as the Middle Kingdom for use in fostering a new image of its regional and global rise. The goal of becoming a great power remains, but the methods used to achieve it have changed a great deal over the past several decades. A new concept and image of China's 'peaceful rise' has been deployed by the CCP as the public and international face of China's new foreign policy actions and goals. It downplays, but does not deny, a powerful regional and global position for China in the near future by emphasizing new sets of positive relationships with its neighbours and with the international community as a whole.

History, specifically the history of China's tributary relationship with its neighbours via the narrative of the Middle Kingdom, is used here to provide a precedent and an underlying logic for China's current course of foreign relations with neighbouring states. Hu Jintao first used the term peaceful rise in 2002 and continues to refer to China's ancient attitudes and policies toward its neighbours as marked by kindness, benevolence and trust (Shirk 2007, 108–109). Leading state experts in Chinese international relations likewise reference a historical image of Confucian China's harmonious relations with neighbouring states via the tribute system as an example of its current regional agenda (Lynch 2009, 96). It has also been argued that China's neighbours are increasingly accommodating to China's rise, in part because of the long history of interaction with China that recognized its centrality (Kang 2007, 4). Taken to the extreme, recent publications in China intended for a foreign audience attempt to reveal China's peaceful rise and co-operative interaction with its neighbours and other states through various historical epochs, including trade on the Silk Road during the T'ang dynasty, and the Ming dynasty voyages of Zheng He to the African coast (Wu, G. 2007).

China's foreign relations with its neighbouring states have in fact been relatively peaceful and accommodating. China gave up disputed territory in order to solidify its long land border with Russia and has embraced a multilateral strategy resulting in it playing a key

role in numerous regional organizations (Shambaugh 2005a, 29–33; Shirk 2007, 118). This is in line with an emphasis on 'strategic partnerships', rather than more confrontational stances with its neighbours. China has also worked to strengthen bilateral ties with South Korea, Vietnam, and India (Shambaugh 2005a, 25–34).

In part, this approach is also used for China's growing activity in Africa. China has largely abandoned attempts overly to influence political regimes in Africa. Rather, China appeals to African countries through concrete development projects, and through history, by presenting itself as one of the few great powers not to have had colonial intensions for Africa. China's investment in Africa continues to grow quite rapidly, and its trade with sub-Saharan countries has been growing by 50% per year (Rotberg 2008, 3). China aims to show African nations that it has revived its own historic greatness, and that this is something that they can do as well. China's efforts in Africa are included as examples of its projection of 'soft power', and to show that China's brand of poverty alleviation and development are viewed favourably throughout the Third World, particularly given the failures of neoliberalism (Kurlantzick 2007, 57). This soft side to Chinese activity is backed by the historically based rhetoric of the peaceful rise through a retelling of events like Zheng He's Ming dynasty voyages to Africa as peaceful trading missions (Strauss 2009, 794; Wu, G. 2007).

There are of course some serious limitations to the use of the Middle Kingdom historical narrative in terms of China's foreign relations. There is an ongoing tension between the two components, which are encapsulated in the notion of universal centrality that the Middle Kingdom image presents. Chinese leaders have attempted to link the two components by asserting that the image of peaceful rise is in fact useful for China to increase its 'discourse power' within the realm of its foreign relations (Lynch 2009, 88). The great power component, which taps into a more aggressive Chinese nationalism, which is itself linked to the victim narrative, seems out of place with notions of the peaceful rise of a new Middle Kingdom, respected by regional and international communities. Unlike the kind of tributary relations of past dynasties, which contained and downplayed the flow of goods into China as tolerated but not necessary, China today needs essential resources if it hopes to continue its spectacular rise. Agreements with neighbouring states, Africa and Latin America might also be viewed as assertive steps to obtain food security, energy, and raw material resources. This duality, of a rising China desiring global power and yet preaching peace and harmony, is likely to continue to be a source of tension as various nations attempt to get an accurate read on China's international relations agenda in the new century.

The resurrection of Confucius: crafting China's new Confucian image

Closely linked to China's regional rise, as reflected in the Middle Kingdom narrative, is the resurrection of Confucius and a revival of Confucianism in general in China. Like the massive shifts occurring in other sectors of the PRC, the resurgence of Confucianism marks a rapid image-reversal of the philosopher and his teachings. The birth of radical nationalism and of the CCP itself occurred during a period of intellectual ferment in the first decades of the 20th century, a time when the Confucian values of the past were thoroughly discredited and abandoned. As late as the early 1970s, the state launched a major anti-Confucius campaign, which lasted for several years. Yet, by 2008, Confucius welcomed the world to China with a heavy presence in the opening ceremony of the Olympics. The rise of Confucius and his philosophical teachings, from villainous and feudal to a celebrated example of China's return to greatness, is quite remarkable.

What, if any, use does the resurrection of this key historical figure have for China's foreign relations? Confucius' return has, as we have seen, heavily affected China's strategy of engagement with its neighbours, and has even reached the domestic political sphere, with some scholars in China coining the term 'Confucian socialism' as a possible new direction for Chinese political ideology (Bell 2008, 178). It provides a certain philosophical, even ideological, basis for the concept of China's peaceful rise and is used to empower a domestic correlative, the 'harmonious society'. Daniel Bell, a political philosopher at Qinghua University, argues that Confucian ideals may also be useful for Chinese critics 'to evaluate the way their government actually deals with other countries'. He notes that the universal, utopian principles inherent in Confucianism are in sharp contrast to the narrow nationalism fostered in China (Bell 2008, 23). There may exist then, within a resurgent Confucianism, the potential for potent critiques of the brand of Chinese nationalism favoured by the CCP.

At the moment, the main use of Confucius in terms of foreign relations is closely linked to China's projection of soft power. As we have seen, Confucian notions of harmonious relations between states are used to propagate China's new strategy for seeking alliances with its neighbours. There are links here as well with China's great power aspirations. The Marxist-Leninist and Maoist universalism of the 1950s and 1960s, in which China hoped to export the Maoist model throughout the developing world, seems to have been replaced with a vague Confucian universalism. According to some scholars in China, the country's peaceful rise, described with Confucian-flavoured rhetoric, can point the way to China taking a leading position of responsibility in the world (Bell 2008, 24–25).

Confucius also plays a role in the exportation of certain aspects of Chinese culture, part of a repertoire of soft power tools described by some as China's 'charm offensive' (Kurlantzick 2007). The establishment of Confucius Institutes throughout the world is a key example of this strategy. The Confucius Institutes, backed by the Ministry of Education of the PRC, aim to promote Chinese language and culture throughout the world. As of April 2009, there were over 300 such institutes world-wide in over 81 countries, most associated with universities and colleges. Increasing Chinese language instruction across the globe has been directly linked by the Chinese government as a means of building national strength via soft power. Efforts to push for Chinese language instruction abroad via, for example, the Confucius Institutes do seem to be having an impact among China's neighbouring countries and in Africa, where the Chinese Ministry of Education is sending teachers for one- to two-year terms (Kurlantzick 2007, 67–68). It will take time to see whether or not this strategy pays off, and whether it can counter the formidable soft power flowing to the developing world from Western countries.

Conclusions

We can see that the Chinese state has at its disposal a number of powerful historical narratives available for use in framing its position in the world. The victim narrative is best suited as a strategy to contextualize certain long-standing relations between powerful states and China, like the Sino-Japanese political relationship, in a manner that puts those states on the defensive. However, as China's power rises, the historically grounded image of China as victim may become less effective in a broader international context. The international condemnation of events in Tibet, for example, exposed a state-sanctioned militant nationalism/racial chauvinism that, while effective in shoring up a certain image of unity on the domestic front, is less effective in front of a global audience. Moreover, it works against the image of China's peaceful rise and harmonious society by revealing the harsh control of ethnic populations in places like Tibet and Xinjiang.

China has certainly used its Confucian past to push for a new international image and for new ways to describe its foreign relations agenda. The soft power dimensions of the use of Confucius to spread goodwill and cultural understanding are growing, but it will take time to determine whether or not they are effective in transforming the world's image of what China is and what it wants to become. The Middle Kingdom narrative, with its two component parts, is certainly an effective, useful tool to present China's foreign relations goals. However, this narrative's duality is also a drawback. Some states may be willing to look beyond China's great power aspirations to see it charting a wholly new path of development, while others may be more wary of what truly lies behind its peaceful rise.

6 On being sovereign during a time of increased interdependence[1]

China's evolving approach to sovereignty and its implications for Chinese foreign relations

Allen Carlson

For years the Chinese government has repeatedly emphasized that sovereignty forms the cornerstone of China's relationship with the rest of the world (Carlson 2005, ch. 1). The Chinese stance on sovereignty is thus most commonly understood as being particularly strident and inflexible in comparison with the stance taken by other states. Such a description was once accurate. However, this chapter argues that, over the past 30 years, China's approach to sovereignty has changed in unexpected ways.

In brief, the Chinese position on sovereignty is not what it used to be. Through the mid-1970s, China's stance was absolutist and unyielding. Since then both subtle and substantive changes have occurred. Initially, during the 1980s, Chinese policies remained relatively constant, but placed a greater emphasis on co-operation and compromise than had been the case during the first three decades of the People's Republic of China (PRC). In contrast, from the early 1990s the Chinese position shifted, became more varied and flexible in some regards, and in the process also became the subject of divergent views within foreign policy and national security circles in China (Liu, W. 1999; Wang, Y.Z. 1998). During this latter period, the Chinese preserved a static interpretation of territorial sovereignty (with reference to China's borders), promoted an increasingly unyielding stance on jurisdictional sovereignty (in regard to Taiwan, Tibet, Xinjiang and Hong Kong), and permitted the transgression of the lines created by the authority and economic components of sovereignty (through involvement in the international human rights system and multilateral economic organizations). In sum, the Chinese approach to sovereignty since the late 1970s has been defined more by a divergence in positioning than the consolidation of a single unified stance. Moreover, during this period sovereignty has become an increasingly controversial issue in China's relationship with the rest of the world.

This chapter lends substance to these observations by first briefly discussing the historical manner in which the Chinese government defined its stance on sovereignty in relationship to four specific issue areas (border policy, control over outlying regions, involvement in the international human rights system, and membership of international economic organizations). The second section of the chapter details how such positions evolved over the course of the last 30 years. The third section considers the durability of such policies. The conclusion briefly outlines the implications of the evolution of the Chinese approach to sovereignty for China's emerging role on the global stage.

China's earlier stance on sovereignty (1949–78)

Through the late 1970s, China's approach to sovereignty was relatively consistent. The government insisted that sovereignty was an absolute right that cemented its territorial boundaries,

delegitimized any attempt to divide the people residing under its jurisdiction, and granted China immunity from external interference in its internal affairs. Such a stance led to the enactment of policies that were unified in their intention of shoring up all aspects of China's sovereign boundaries.

To begin with China actively defended its territorial borders with other states. This position was then characterized by recurring tensions, armed skirmishes, and threats of even more extensive confrontation. The earliest of these flare-ups occurred in 1962, when China and India engaged in a short but violent war over the location of each of the three sections of their shared border. Seven years after the Sino–Indian border war, the Sino–Soviet boundary was the site of conflict, when Zhenbao Island, in the Wusuli (Ussuri) River segment of the border, became the focal point of military clashes between the two powers. In addition to these conflicts, China and Vietnam fought an intense military engagement along their shared land border in 1979, while differences between the two governments over the location of their ocean boundary also repeatedly surfaced. More broadly, China articulated expansive maritime claims that conflicted with those of its neighbours to both the East and South.

China's approach to jurisdictional sovereignty, the relationship between the state and the 'peoples' residing within its territorial boundaries, was also defined by a militant stance. China's leaders insisted that all regions identified as lying within the PRC's territorial reach were inalienable parts of China. There was no question that Taiwan, Tibet, Xinjiang, and Hong Kong all belonged to the PRC, and the people in each area were subjects of the Chinese state. While the Chinese government then employed distinct policies to secure these regions, in each case the anchor for Chinese positioning was the use of force—or at least the threat of force—paired with bellicose rhetoric (augmented by very limited attempts to negotiate with the government's perceived opponents).

The lines between states' internal affairs and those of the international system constitute the main aspects of the authority component of sovereignty. The international human rights system poses more of a challenge to this division than any other trend in international politics. Moreover, the PRC's approach to this regime remained consistent throughout its first 30 years. The Chinese government sharply challenged the legitimacy of international human rights standards and rejected the manner in which such norms appeared to be used to justify interfering in sovereign states' internal affairs. In other words, through the end of the 1970s, there was little question in China about the permeability of the boundary between China and the international community: the Chinese state had absolute sovereign authority; and there was no room for international oversight of any aspect of its internal affairs. Although the human rights system at this time did not have the broad acceptance that it now enjoys, the virulence with which the Chinese attacked the system, and studiously avoided making any commitments to the extant multilateral human rights treaties, did set China apart from most other states.

Economic sovereignty is the state's right to regulate economic activity within the boundaries specified by the territorial component of sovereignty. Although the lines created by such a principle have always been less distinct than those drawn by each of the other components of sovereignty, over the past 50 years, but especially since the early 1970s, these borders have become increasingly blurred by the strengthening of multilateral economic organizations and the increasing prominence of globalization norms. On the institutional side, the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) played the leading role in this development, of which ideas about the necessity of economic integration and opening markets have been the most prominent normative features. In contrast, historically, the central tenet of the government's handling of foreign economic relations was ensuring China's economic independence.

Despite important shifts in the direction and level of foreign trade and investment during the first three decades of the PRC, this approach to dealing with China's foreign economic relations remained relatively unchanged. Throughout this period, but especially after the break with the Union of Soviet Socialist Republics (USSR) in the early 1960s, Mao Zedong consistently emphasized the need for economic self-reliance, and attempted to limit China's dependence on external sources of capital and technology. Although his policies never fully cut the Chinese economy off from the outside world, by the late 1960s they had created a high degree of insularity and had firmly established central government control and authority over all China's foreign economic relations.

Such a review demonstrates that through the late 1970s the Chinese government was clearly attached to a consistently boundary-reinforcing stance on sovereignty. This position then generates a fascinating puzzle: how would China's integration in, and interdependence with, the increasingly densely layered international political and economic system during the subsequent 30 years affect such a stance?

China's approach to sovereignty since the late 1970s

Since the late 1970s China has continued to be a staunch supporter of reinforcing sovereignty's foundational role in the international system. However, the Chinese stance on sovereignty has also changed during this period. In regard to some specific issues it is now quite malleable, while it has become more intransigent in regard to other policy questions. In short, China's approach to sovereignty is now rather diverse.

During this period the general role of territorial sovereignty within the international system was relatively consistent. States continued to be delimited by clearly defined boundaries, and differences between many neighbouring states over the location of their shared boundaries remained a persistent source of tension within international politics. However, alongside such continuities, there was a systemic move away from the use of military force to secure contested territory and a rise in the use of international legal and political forums to mediate disputes.

In the 1980s and 1990s the Chinese approach to territorial sovereignty clearly paralleled this general shift in the broader international arena. The Chinese government's stance remained steadfastly boundary-reinforcing, but the way in which China's leaders went about attempting to achieve this goal changed considerably. During the 1980s the Chinese relinquished the majority of the expansive territorial claims that they had previously made against their main continental neighbours and, as a result, during the 1990s they were able successfully to conclude talks on the location of virtually all China's contested land borders. The PRC and Russia signed momentous agreements on the location of their boundaries in 1991 and again in 1994. In addition, China has now largely accepted the status quo along its borders with the Central Asian Republics that emerged after the break-up of the USSR in 1991. Moreover, in the one significant case where agreement proved to be elusive, Chinese diplomats worked with their Indian counterparts to greatly reduce tensions in the border region through the development of a series of confidence-building measures.

At sea, the Chinese stance was less flexible, as the government retained its claim to the South China Sea and the Diaoyu Island chain and escalated its political and military efforts to secure Chinese rights over both areas. Such a stance was punctuated by the 1995 Mischief Reef episode in the South China Sea. Yet, since the mid-1990s, China's behaviour has somewhat softened. Of particular note was the government's signing of a 2002 code of conduct for handling disputes in the South China Sea. In sum, although the Chinese

approach to border relations through the late 1970s was rather aggressive, subsequent behaviour quickly converged with the more moderate stance on territory that was taking root within the rest of the international system.

The scope for change in system-wide interpretations of jurisdictional sovereignty during this period was quite limited, as the right of sovereign states to rule over the 'people' who resided within their territorial boundaries remained one of the core organizing tenets of international politics. However, the increasingly close pairing of this facet of sovereignty with the principle of self-determination during the post-World War II era subtly modified its meaning. Moreover, when this coupling extended beyond the colonial context, and self-determination gained new prominence through the breakup of several sovereign states—most notably, the USSR and Yugoslavia—following the end of the Cold War, even more fundamental questions were raised regarding the sanctity of existing jurisdictional boundaries between states.

Throughout the 1980s and 1990s China's leaders and foreign policy analysts were acutely aware of these developments in international politics, and unrelentingly worked to ensure the pre-eminence of jurisdictional sovereignty within the system by forcefully arguing that self-determination was a right that should only be applied to the unified peoples within already-sovereign states. During the earlier decade, the Chinese government championed the extension of the right of self-determination *only* for colonized peoples around the world, and domestically experimented with relatively moderate policies. At the end of the 1980s, and through the 1990s, the Chinese played a leading role in vocally opposing a liberal application of self-determination norms within international politics. At the same time, China's leaders took decisive steps to clamp down on dissent in Tibet (beginning in the mid-1980s) and Xinjiang (in the 1990s), orchestrated the 1997 handover of sovereignty over Hong Kong (from the British), and took a more combative stance against Taiwan (until the early 1990s).

Such a resolutely boundary-reinforcing interpretation of jurisdictional sovereignty is relatively commonplace in international politics. The collective weight of such commitments has ensured that the jurisdictional facet of sovereignty retains a relatively sacrosanct place within the system. Indeed, while the virulence with which the Chinese have maintained their right to rule over Tibet, Taiwan, Xinjiang and Hong Kong has been at times characterized as 'antiquarian' and 'Victorian', one is hard pressed to find more than a handful of states that have relinquished their jurisdictional rights when faced with challenges to their national unity. Nonetheless, the depth of resistance to Chinese rule in peripheral regions, and the extensive resources at the disposal of opposition groups in all these areas (but especially in Taiwan), coupled with the crucial importance of all four areas to the central government's basic national security and economic development goals, do set China apart from most other international actors. They make China's jurisdictional struggles, particularly the conflict over Taiwan, among the most prominent and potentially destabilizing in the international system.

While jurisdictional sovereignty was the subject of intense contestation, but ultimately limited change, in both China and the international system during the 1980s and 1990s, during this period sovereign authority underwent a substantial shift. In international politics, this development began in the late 1960s, with the strengthening of the UN's Charter and treaty-based human rights instruments, and the establishment of a growing number of international non-governmental organizations dedicated to monitoring human rights conditions around the globe. It gathered momentum over the course of the 1980s and 1990s via a wave of participation in the system (Bayefsky 2001). The rise of such a system has then arguably led to a system-wide weakening of the principle of non-interference, the central tenet of the authority component of sovereignty.

At the end of the 1970s, China, perhaps more than any other state, had expressed firm opposition to the early stages of this development. During the subsequent period, China's leaders continued to express scepticism about human rights, but also became deeply involved in the international human rights system. The first steps in this direction took place when China began to participate in the UN Human Rights Commission and acceded to a number of the main international human rights treaties. The official Chinese rejection of the international condemnation of the government's handling of the 1989 protest movement temporarily derailed this trend. However, it then expanded over the course of the 1990s with the government's signing of the main human rights covenants, a series of official acknowledgements of the legitimacy of the system, and the emergence of increasingly direct endorsements of human rights norms within unofficial Chinese analysis (Cheng 2000; Wang, S. 1996; Zhou, Y. 2002). Although this record of participation has not resulted to date in a marked improvement in human rights conditions within China, it still amounts to a remarkable (if incomplete) opening of China's political system to international review, and, as such, it has modified the Chinese position on the inviolability of China's sovereign authority.

This record again falls well short of placing China on the margins of the international system. Indeed, the story of China's reluctant compromises on human rights and carefully orchestrated rearticulating of its position on sovereign authority could easily be retold with reference to the behaviour of many other states. What sets China apart is the degree to which its behaviour has been the subject of prolonged international criticism (both from other states and from human rights groups), and the ability that Chinese officials have shown to counter (both domestically and internationally) the charges levelled against China. In other words, while the Chinese government's stance on both human rights and the broader principle of sovereign authority changed during the 1980s and 1990s, the Chinese also directly influenced the content of the international human rights system (especially in regard to promoting the issue of economic rights and preserving the role of the principle of non-interference within international politics). In short, as Ann Kent has remarked, in the human rights arena China has been a 'taker, shaper and breaker of norms' (Kent 1999).

International influence also played a role in shaping China's stance on the economic component of sovereignty. In this case, it is first evident that, since the late 1960s, economic sovereignty's role in international politics has been eroded by the rising prominence of the GATT, the International Monetary Fund (IMF) and the World Bank (WB). This trend first gathered momentum in the 1970s, with the expansion of all three institutions' authority to intervene in their member states' economic affairs, and was sustained during the 1980s through their frequent utilization of this right. Membership in these organizations then became nearly universal in the 1990s. Moreover, as participation in these institutions rose, globalization and economic integration norms grew in acceptance. As a result, the lines that had previously been drawn between each sovereign state's economic affairs were in practice supplanted by an increasingly dense web of transnational economic ties and regulatory agencies.

As was the case in regard to sovereign authority, in the late 1970s the Chinese position on economic sovereignty was adamantly opposed to such trends, but here the subsequent shift in Chinese policy occurred at a faster rate and was more extensive. In the early 1980s the PRC quickly moved to become a member of both the IMF and the WB. While it showed more caution in joining the GATT, by the end of the decade China had also made a concerted effort to begin negotiations with this key international economic organization. In addition, throughout the 1990s, when talks with the GATT, and then with the WTO, stalled, the government reacted by pledging to speed China's transition toward a market-oriented economy, and explicitly promised specific changes in Chinese law in order to bring

it more into line with the rules and principles of the trade organization. Against this backdrop, Chinese analysis repeatedly highlighted the speed with which economic globalization was occurring and frequently observed that this trend had already begun to undermine sovereignty's established role in the international system (Jin, X. 2003). Thus, it was not surprising that China was first able to reach a crucial agreement with the USA in late 1999 over the terms of its accession to the WTO and then in 2001 formally join the trade organization. Moreover, since China became a WTO member, despite persistent and mounting questions about its record of compliance with the organization's rules and earlier Chinese commitments, the government has maintained a relatively low profile in Geneva. In sum, such words and actions replaced its earlier calls for economic self-reliance and erased many of the economic boundaries between China and the rest of the world.

A consideration of the durability of the new Chinese approach to sovereignty

These new patterns in Chinese behaviour raise an interesting question. To what degree is the government likely ever to return China to the intractable policies that dominated prior to the late 1970s, and how durable will such an approach be in the years to come? On this score, it is readily apparent that, during the 1980s and 1990s, China's leaders were particularly adept at controlling the pace and scope of change in the Chinese position on sovereignty (and thus the boundaries that separated China from the rest of the world). As such, it is reasonable to expect a relatively high degree of continuity in Chinese positioning on sovereignty for the foreseeable future. However, it is also possible to argue that, over the course of the last ten years, such policies have begun to trigger a series of still relatively inchoate developments (at home and abroad) that have the potential to reorient the current direction of change with regard to each individual aspect of sovereignty.

On the surface, the carefully orchestrated compromises that China's leaders made on territorial sovereignty during the 1990s cost them little, and the benefits they garnered have arguably grown over time. However, such gains have also been partially offset by the emergence of new difficulties. In short, the PRC is arguably in a less favourable position to make further compromises on border issues today than it was in the early 1990s. To begin with, China's outstanding border disputes are appreciably more difficult to solve than the ones that the Chinese have already resolved (in that the territory in question has greater value for each of the involved claimants). Second, the concessions that China made on territory had already created some resentment among Chinese nationalists in regard to the government's failure to press for more land at a time when China's neighbours were in a comparatively weak strategic position. Thus, it is likely that significant compromises on any of these issues by the PRC would generate even more anger within this community and, more significantly, cut against the grain of popular nationalism within China. Moreover, it is possible, although not probable, that in an environment of rising Chinese nationalism, the Chinese government may backtrack on the territorial commitments that it has already made.

In the same vein, the Chinese stance on jurisdictional sovereignty has remained resolutely boundary-reinforcing over the course of the last decade, and in recent years has arguably become even less flexible. It is in Tibet and Taiwan where such policies are proving to be most volatile (although the situation in Xinjiang also remains delicate).

In Tibet the Chinese position required the long-term deployment of military forces to contain and prevent pro-independence protests, and led to a series of costly economic development projects. In recent years, such expenses have grown. For example, China has

repeatedly attempted to spur the development of the Tibetan economy through large construction projects (such as the recently completed Qinghai-Tibet railroad) and massive subsidies. The Chinese government has also been forced to wage a costly international campaign against the Dalai Lama. These efforts notwithstanding, the Tibetan leader's stature in the international community has actually grown over the last ten years. Whereas in the late 1980s he was a religious figure who had a relatively small but devoted group of followers in the West, today he is a cultural icon who enjoys approval ratings that rival those of even the most beloved public figures. In other words, the Chinese government has quite clearly been losing its war of words with the Tibetan leader, and as a result the Chinese have increasingly found themselves on the defensive within the international arena over the Tibet issue.

Nonetheless, China's leaders will continue to be willing to bear the weight of international criticism on Tibet while they work to bolster Chinese jurisdictional rights over the region through continuing the policy initiatives of the 1990s. Therefore, although the recent renewal of contact between the governments in Beijing and Dharamsala suggests that the Chinese are once again trying to make a breakthrough on Tibet by entering into serious negotiations with the Dalai Lama, such diplomacy is unlikely to produce dramatic results. On the contrary, the Chinese government is more adamant now about defending China's claims to Tibet than during the previous high-water mark in relations between it and the Dalai Lama. Its reticence on this front has only been underscored by the March 2008 anti-Chinese demonstrations in Tibet and the Chinese nationalist blowback against such protests. In other words, while talk of talks will probably continue, neither side will be willing to make the type of compromises that would be necessary to bring about a major change in China's Tibet policy.

Until recently cross-Strait relations lacked even the slightest prospect for dialogue, and this status quo has had major costs for the Chinese government. Sustaining China's claim to Taiwan has led to the maintenance of a long-term, and growing, military presence opposite the island. It has also placed the Taiwan issue at the centre of much of China's foreign policy, and made it the main obstacle to developing stable relations within many of China's main bilateral relationships (especially with the USA).

For much of the last decade Chinese behaviour suggests that the Chinese government will go to great lengths to avoid sacrificing the economic benefits gained from economic integration across the Strait. However, it also makes it clear that the government will use whatever means necessary, including military force, to avoid the perceived costs of a further devolution of China's claim to Taiwan.

Until recently such a stance meant that the Chinese leaders' approach to Taiwan was rather clear cut. They sought to isolate the politician Chen Shui-bian internationally, circumvent his authority on the island by attempting to build ties with opposition leaders, encourage Taiwanese investment on the mainland, and continue the missile build-up near the Strait. Due to the damage that it would do to the broader policy goal of growing the economy, the Chinese were then loathe to use military force in a pre-emptive fashion to return Taiwan to China. But, at the same time, the Chinese government made it clear that, if Chen, or his successors, crossed any of the red lines laid out in the 2000 Taiwan White Paper, it would be willing to act to defend China's jurisdictional sovereignty. It was this resolve that made outright military conflict across the Strait a real possibility for much of the last ten years. However, with Ma Ying-jeou's election to the island's highest office in early 2008, it appears as if such a confrontation is now much less likely.

The Chinese government's relatively malleable stance on the relationship between sovereign authority and human rights may be even more subject to challenges. Change on this

front is possible as, over the course of the last ten years, the failure to consistently follow up on progressive human rights rhetoric has begun to embolden China's human rights critics. To date such consternation has been most evident in the international arena, where China's human rights critics have increasingly denigrated its concessions on human rights as 'hollow' and 'superficial'. Today human rights groups are highly sceptical of even the PRC's most extensive commitments to participate in the human rights system. These organizations, and the international media, instead concentrate their attention on the extensive human rights violations still occurring in China. Such accusations are less prominent in the Chinese government's main bilateral relationships (particularly since 2001), but here, too, pointed criticism of the pace of human rights reform has continued despite persistent Chinese attempts to extinguish it. As a result, human rights today remain a central, contested issue in China's relationship with the rest of the world. While a reversal of Chinese policies does not appear imminent, the pace of adapting to international human rights standards does seem to have slowed and raises profound questions about the depth and scope of the Chinese embrace of the system.

The initial rearticulation of the Chinese stance on economic sovereignty, most visible in the shift in the Chinese government's position on the WB and the IMF, and on the GATT and the WTO, brought China's leaders a long list of material gains. Membership in the first two of these organizations made China eligible for concessionary loans and assistance in the event of balance of payment or currency crises. The PRC's drive for admission to the GATT, then to the WTO, was both an indication of China's overall commitment to economic opening, and a means of opening foreign markets to Chinese goods. In composite, overtures to all these organizations were part of a broader effort to strengthen the economy by making China a more appealing location for foreign capital and investment. The stellar growth of the 1980s and 1990s is ample testimony of the success of China's leaders in achieving these goals.

Nonetheless, such advances were only possible as long as the Chinese government accepted a diminution of the scope and impermeability of China's economic sovereignty. In other words, they came at the expense of China's earlier boundary-reinforcing stance on this facet of sovereignty. The costs of such concessions will largely be determined by how much the Chinese economy continues to grow now that China has become a member of the WTO.

Through the first half of this decade the Chinese government successfully steered the Chinese economy in this direction. However, even as it accomplished this goal, questions emerged about the impact of export-led growth, symbolized by the WTO accession agreement, on Chinese society. It is increasingly apparent that, although opening has fuelled the overall rise of the Chinese economy, it has deepened pre-existing regional inequalities in China and created a host of new challenges for the Chinese leadership. First among these has been the widening economic divide between China's coastal regions and its interior. However, problems are not limited to remote rural areas. On the contrary, increased competition in the manufacturing sector has created unprecedented pressure on inefficient state-owned enterprises, and resulted in high levels of unemployment in many cities (especially in the northern industrial belt). At the same time, those who have managed to keep their jobs have often been subjected to dangerous, deteriorating working conditions, or, in many cases, have simply not been paid. To make matters worse, official corruption (at all levels of government) now appears to be endemic.

Despite such ills, the current leadership has staked its right to rule on the promise of ongoing growth and integration. Thus, a radical inward shift of Chinese economic activity is unlikely. Drastic change will only occur if the current global economic downturn develops

into a lasting world-wide depression and social unrest becomes so threatening that it provokes a violent political clampdown, or regime change. While the prospect of such developments is more likely now than even a few years ago, it is still improbable that China's leaders will in the near future turn away from the compromises they have made in regard to economic sovereignty. In other words, they appear to have little choice but to stay the course of attempting to maximize the benefits of economic integration while maintaining an ironclad grip over the state. However, the new pressures outlined above will also make it especially difficult for the Chinese government to comply with all its WTO commitments, may serve to embolden anti-globalization forces within China, and may, ultimately, lead to a reinforcement of China's economic boundaries.

Conclusions

What are the implications of the pattern of China's divergent practices for the way in which we think of China's evolving relationship with the international system? Most importantly, this pattern highlights the superficiality of coding China as simply a 'status quo' or 'revisionist' power on the world stage. The pattern of behaviour analyzed in this chapter stretches across both categories and reveals a China that is at all times both integrating with, and differentiating itself from, the international community in which it is now firmly grounded. The former behaviour reveals a China that is still very much defining itself in relation to the rest of the international community and intent on ensuring that the peoples and territories that currently lie within the scope of the PRC's sovereign rights remain there. The latter suggests a significant movement away from a sharp distinction between China and the rest of the world. It is precisely the juxtaposition of the two behaviours, the ability to both change and stay the same, to accept and reject external pressure, that constitute the main story of Chinese foreign relations since the late 1970s.

Note

1 Adapted from *Unifying China, Integrating with the World* by Allen Carlson, ©2005 by the Board of Trustees of Leland Stanford Jr. University. All rights reserved. By permission of the publisher, www.sup.org.

7 Oiling the wheels of foreign policy?

Energy security and China's international relations

Zha Daojiong and Shaun Breslin

Resource requirements in general, and energy needs in particular, are an important component of China's international relations. From a domestic Chinese perspective, since the turn of the century, there has been a new and urgent focus on the need to ensure reliable and continued access to energy supplies. This focus on energy has in part helped change the fundamental thinking on the nature of security in China, introducing a much stronger focus on economic security and economic (market) solutions alongside traditional conceptions of inter-state war and diplomacy. But the move from energy self-sufficiency has also fed into existing security anxieties.

For those who perceive the West (which usually, but not always, is shorthand for the USA) as determined to use its power to prevent China's pursuit of political/diplomatic status and influence commensurate with its economic power, energy politics might provide a key Chinese vulnerability that others can exploit. In combination, these economic and strategic considerations have resulted in China's renewed focus on diplomatic and international activities towards Africa and Latin America in addition to the Middle East. Indeed, energy considerations effectively reversed a benign Chinese neglect of those 'third world' states in the previous two decades after China rejoined the capitalist world economic system in the late 1970s.

Thus, for China, energy is an arena where old and new security conceptions and practices overlap and coincide (Kang and Storey 2008). This is also the case when it comes to external perceptions of the international consequences of China's search for energy security. For example, there is concern that China's search for energy security will result in insecurity for others, as increased Chinese demand alters the price and distribution of global resources. For some, rather than viewing China's pursuit of energy overseas as just the 'normal' consequence of increased global demand, this is exacerbated by the perceived predatory actions of companies acting on behalf of the Chinese state to achieve strategic national objectives. Economic and traditional security concerns combine when this analysis is extended into the possibility of inter-state wars over competition for increasingly scarce resources—leading to the question of whether there are 'oil wars in the pipeline' (Lee 2005).

There is also international concern over the extent to which China's new resource diplomacy might undermine the global liberal order. When China engages resource-rich states in Africa, Central Asia and Latin America, it does so 'with no strings attached', i.e., without attempting to utilize investment and trade capital as an instrument for enticing political and social progress in host countries. This stands in stark contrast to 'Western' projects, such as the Norwegian-based Extractive Industry Transparency Initiative which is designed to 'encourage' governments of those resource-rich but developing nations to be more transparent and accountable (for details, see the official web-site at http://eitransparency.org). To be sure, Chinese energy actors and diplomatic actors overseas are increasingly concerned

about the security of their investments and (like investors from other countries) are looking for transparency and predictability within the host regime. As more and more incidents of kidnapping and other disruptions to Chinese energy projects in Africa take place, there is also an increasing demand for assurances about domestic security and governance structures.

But, compared with the West, which has over 100 years of history in extracting and trading energy world-wide, China is very much a latecomer in terms of handling the norms of international energy business. The arrival of this Chinese latecomer has played into the hands of resource-rich but 'rogue' (to the West) states—states that can exploit international competition and concern over supply security to cherry-pick whom to deal with, and the terms of engagement as well.

This chapter first maps out the industry/policy contours leading to the emergence of an energy security discourse within China and establishes the key distinction between 'self-sufficiency' on the one hand and 'security' on the other. It then considers the main potential sources of instability that emerge from China's search for energy security. While mutual suspicion and lack of transparency over processes and objectives between China and the West might result in pessimistic predictions, China has no choice but to accept that it is now part of (and partly dependent on) a complex and interdependent global economy. For their part, potential (energy) enemies must accept that China is an essential component of this global order as well. As such, any aggressive action would harm the perpetrator as much as the target—a form of mutually assured (economic) destruction for the post-Cold War era.

Between sufficiency and security, 1949–96

Despite the focus in much of the literature on China's 21st century search for energy resources, in truth resources have been an important component of China's international relations since the onset of Chinese Communist Party rule in 1949. In the early days, ambitious goals for industrialization, together with only a very low base of petroleum production, and the US-led trade (and diplomatic) embargo reinforced the need to turn to the Union of Soviet Socialist Republics (USSR) for help. The Russian government not only provided oil, but the technological knowhow and personnel to develop an indigenous Chinese oil industry that (largely thanks to the development of the Daqing oil field in the northeast) resulted in the end of a century-long dependence on imported oil in 1963 (Zen 2003).

But energy self-sufficiency is not the same thing as energy security. A country has meaningful energy security when its management of energy supply and demand serves the purpose of developing its economy and society. This was not the case in China. By the time that China reached the stage of oil self-sufficiency in 1963, the USSR had already terminated its aid programme (in July 1960) and the Sino-Soviet alliance was transforming into mutual hostility. Indeed, in 1964 the Chinese government formerly began to mobilize the bulk of its financial as well as energy and other industrial resources to build up a 'people's war' capacity in the interior provinces of the country.

Dubbed as the 'third front'—assuming the loss of the first and second fronts along the coast (to the USA and its allies) and along the northern land border (to the USSR)—this project dominated China's economic agenda until 1971 and lasted well into the late 1970s (Chen, D. 2003). Naughton calculates that the third front industrialization accounted for 38.2% of all central government investment from 1963–65, rising to 52.7% during the Third Five Year Plan (1966–70), before decreasing slightly to 41.1% during the Fourth Five Year Plan (1971–75) (Naughton 1988). In other words, for two decades China had self-sufficiency

under strained international circumstances that did not allow the utilization of resources for development goals; it had sufficiency, but not security.

In the wake of the Cultural Revolution, by the mid-1970s the Chinese economy was on the verge of collapse. But ironically, as China moved towards losing its self-sufficiency in energy, changes in the international environment actually enhanced its energy security. Rapprochement with the USA eased access to the industrialized world. Energy, particularly oil and coal, became a primary export commodity for China, in exchange for industrial plants and technology from developed countries, with Japan the primary destination. Moreover, energy policy took on another strategic role during the first oil crisis, as China used crude petroleum exports to Thailand, the Philippines and other Asian countries as part of its drive to cultivate a favourable regional environment (Barnett 1981).

Thus, oil and coal played a valuable strategic purpose; they helped develop—in East Asia, at least—an idea and image of Chinese 'responsibility' and earned much-needed hard currency for importing equipment and technology. Partly due to lack of first-hand knowledge about China's energy geography, in the wake of the Arab energy embargo, expectations grew for China to be considered a credible replacement for the Middle East for meeting its neighbours' energy needs. This prompted misconceived concerns about China using its 'oil weapon' against US allies in East Asia (Park and Cohen 1975). In the long run, more importantly, energy trade between China and its neighbours, Japan in particular, paved the way for the development of China's export-oriented economy, which of course has proved to be pivotal in developing the Chinese economy and society.

Slower growth in domestic production, coupled with growing levels of domestic demand, contributed to the decline in Chinese oil exports in the 1980s. China began to import crude petroleum from Oman in 1983, originally as a temporary measure for dealing with domestic transportation bottlenecks in moving crude petroleum from northern China to refineries located along the upper stretches of the Yangtze River. The volume of China's crude petroleum exports peaked in 1985, reaching 30m. metric tons, and, from 1988, Chinese imports of crude and processed fuels began to rise rapidly. In 1993, China became a net importer of oil products and in 1996 it became a net importer of crude petroleum. The rest is history.

The search for supplies and security, 1996–

Despite the move from net exporter to importer in the mid-1990s, this transition did not cause immediate political concerns. Indeed, the concept of energy as a national security issue did not really emerge until the turn of the century. In 2000 the volume of China's oil imports almost doubled from 36.6m. metric tons to 70.2m. tons, accounting for around a quarter of total Chinese consumption. This dramatic rise in import volume had several causes. First, domestic crude production was insufficient for consumption. Second, China's petroleum refining capacities had significantly improved, making it possible for China to import greater quantities and more types of oil. Third, in June 2000 China began to reform its pricing system for processed fuel by pegging the domestic sales price level to that in the Singapore commodity futures market. This reform led to four separate increases on domestic oil prices within six months, reflecting the tripling of world oil prices in 1999. The higher sales price encouraged Chinese oil refineries to increase imports, amidst concerns about supply interruptions world-wide. Fourth, China's customs statistics more accurately reflected the actual volumes of oil imports, thanks to a nation-wide campaign against oil smuggling between 1998 and 2001 (Tian 2001).

Since then, researching and 'predicting' China's future energy needs has become something of a cottage industry—both within China and amongst an often nervous international community. Unsurprisingly, there is considerable variety in the tone and findings of the various studies. However, there is convergence on the idea that domestic oil production will continue to stagnate. This contributes to a second and probably more important convergence: the key conclusion that, no matter how China plans and carries out its energy policies, dependence on imported oil will have to continue, with imported oil accounting for a growing proportion of Chinese demand (SCDRC 2003).

Gone is the era of energy independence for China. Also gone for China is the viable application of self-reliance as an ideology guiding its energy policy-making. When added to China's dependence on overseas consumer and technology markets, this has resulted in a key transformation in Chinese security thinking and policy. In short, China has no choice but to learn how to live in a world of (complex) interdependence (Zha 2005c). In terms of energy, thinking and policy are no longer framed in terms of military threats and diplomatic responses, but instead fall into the realms of 'geo-economics': of economic threats and market solutions (O'Brien 1997).

Part of this search for market solutions has entailed 'going global' (the call to *zou chuqu* literally means 'go out', but is widely now referred to as the campaign to 'go global' in English language publications) and acquiring concession rights in foreign oil fields. Chinese oil companies first entered the upstream of the international oil market as early as 1993, when a subsidiary of China National Petroleum Corporation (CNPC) bought the Talara Block in Peru for US $25m. Since then, Chinese oil companies, principally CNPC, have entered into an array of overseas oil investments. However, as a RAND Corp. (a Santa Monica, CA, USA think tank) study concludes, it is not just that these are not growing fast enough to meet projected demand in the future, but that the domestic infrastructure in China (logistics and transportation) simply cannot cope. As such, much of the oil produced in Chinese-owned fields overseas will likely never enter China, but will instead be sold on international markets or swapped for oil from other supplies that can be more easily utilized within China (Downs 2000).

The solution also entails diversifying sources of oil imports to hedge against potential political obstacles. China's dependence on imported sources of energy is spreading Chinese economic and diplomatic presence to wherever there is spare supply. Out of this dependence arises the question of China's relations with the major powers in the world: how can China and the major industrialized nations coexist with each other in the field of energy diplomacy? As a consumer country, China does not really have much choice in choosing its source of supply. Combined with the learning curve that Chinese oil companies are going through as they interact with international oil majors in the Middle East, Central Asia, and Africa, contention between China and the USA and its allies over China's pursuit of energy supplies can be expected to last for some time to come.

The extension of Chinese interests in Latin America and Africa have been particularly notable and are dealt with in more detail in the chapters by Roett and Taylor in this collection. This has included frequent visits to Africa by Chinese leaders, increasing the Chinese profile in UN peace-keeping operations in Africa (see the chapter by Suzuki), the launching of a ministerial-level co-operation forum with African governments, and the offer of debt reduction to African states. China's differences with the USA in the UN over dealing with the Darfur atrocities in Sudan led to media speculation that China was 'staking a claim' to Africa before the USA gains a stronger foothold in the continent, especially in countries around the oil-rich Gulf of Guinea basin (Leggett 2005). It is possible for China to claim

that it inherited Sudan's domestic problems since its oil companies were invited to operate in that country only after the US energy business presence there was terminated as a result of a comprehensive embargo by the US government in 1992 (Zha 2006).

Put in a broader context, this is not so much a specifically and/or uniquely energy-related issue as part of a longer-standing Sino–American dispute over the use of economic sanctions as a diplomatic instrument. Clearly China faces the challenge of doing its share to address questionable domestic policies in Sudan, including the enlisting of concerned third governments and parties—but this should be the case regardless of any energy context.

Notwithstanding this new importance of Africa for China, the Middle East still looms large in terms of oil and gas supplies, and the volatility of international relations in the region is well documented (Guo 2005). But the possibilities of a politically motivated embargo against China by a Middle Eastern exporting country remain low. China has pursued a balanced foreign policy toward the long-running Arab–Israeli conflict in the region and has done nothing to raise the enmity of Arab oil exporters. Moreover, by opening talks with the Gulf Co-operation Council over the possibility of a free trade area, China has moved from a single focus on oil supplies to an enlarged scope of economic exchanges. Given not so much the current size and importance of the Chinese economy as what it will become (or is expected to become in the future), then increasing levels of economic interdependence will even further decrease the potential for political issues to emerge that will get in the way of China's search for energy resources in the Middle East.

In the mid-stream of Chinese oil importing, there is no clear threat of a transportation embargo against China. The risk of a military conflict across the Taiwan Straits involving the USA has existed for decades. The worst-case scenario is that the USA repeats its policy of the 1950–70 period by organizing China's maritime Asian neighbours to launch a comprehensive blockade against China, in the event of the Chinese mainland initiating a military attack on Taiwan. But as China's economy becomes more deeply integrated into the regional production chain, the associated costs of launching such a blockade are increasing as well. Economic interdependence again serves as perhaps the single most powerful deterrent against an embargo or blockade by China's neighbours.

China's search for (diversified) oil supplies has resulted in ties with a number of states that are considered to be unreliable and/or have gained 'pariah' status in the West. But given this, and the at times tense political relationship between China and some Western states, it is important to note that political motivations have not seriously interrupted China's access to oil imports since it lost its self-sufficiency. The only event that might have threatened the transportation of foreign oil to China's shores was the 1993 *Yinhe* (*Galaxy*) ship incident. The *Yinhe* container ship was the subject of a forced inspection by the USA in the Persian Gulf because it was suspected of carrying precursors and chemical production equipment on route to Iran. But even this incident concluded without there being any interruption to Chinese imports from Iran. Indeed, the biggest problems have been the international energy market's reluctance to accommodate new entrants. For example, in 2003 both the Chinese National Overseas Oil Corporation (CNOOC) and Sinopec were blocked from participating in the development of an oilfield in the Caspian Sea after the existing partners decided to increase their own stakes instead (NYT 2003). Thus, a key question that remains for Chinese policy-makers is, where can Chinese oil companies go and not face obstacles put in place by either political or business communities, or both?.

To sum up, then, China has lost its self-sufficiency in energy, particularly oil and gas. But in terms of traditional military-related risks, the possibility of a risk turning into a threat to China's energy security is reducing thanks to the forces of economic globalization. As long

as China does not initiate a military conflict with Taiwan or its neighbours, the primary actor in maintaining the stability-based security that China has enjoyed for the past three decades is China itself, not an external actor. So on an everyday basis, managing demand and utilizing energy efficiently within China is at least as important as securing foreign supplies.

Domestic energy governance

Fluctuating (and particularly, increasing) oil prices are a key determinant of interest in China's energy policies and requirements—both within China itself and in the international community. High oil prices directly cut into profits in the Chinese economy and force the Chinese government as well as oil companies more aggressively to pursue international sources of supply. This in turn drives up international apprehension about China draining an already tight international oil trade market, feeding existing concerns about the implications of China's rise for the global order.

As such, the domestic governance of energy production, distribution and utilization is an important component of China's international (energy) relations. Energy efficiency is increasing in China. The 3.39 metric tons of standard coal required to produce yuan 10,000 of gross domestic product in 1980 had been reduced to 1.1 tons by 2008 (Xinhua 2009). Technological collaboration with international corporations, sponsored and/or supported by the Chinese government and international agencies, helped to make such progress possible. But there is still a long way to go.

Thus, the argument here is that energy industry governance is critical for the future evolution of China's energy sector, which is in turn critical for the evolution of China's international economic relations. Diversifying from oil and gas to other sources of energy is one such governance reform that could have a significant long-term impact. For example, South Korea, a country that was totally dependent on offshore sources of energy, has managed to meet 40% of its electricity consumption through nuclear power. Another area of China's energy industry that requires serious improvement in governance is the coal industry—not just in terms of the efficient production and supply of coal (and not least in reducing the high industrial death rates in the coal industry), but also in meeting the domestic and international environmental challenges that result from the extent of (and inefficiency of) coal usage.

Observers outside China tend to focus on signs of leadership commitment to addressing China's own and the Chinese source of global climate and environmental challenges. Hu Jintao's announcement of the move towards carbon intensity targets in his speech to the UN in September 2008 is viewed as one of the latest signs of progress (Watts 2009). As a matter of fact, in 2002, the Chinese government introduced its own concept of building a 'circular economy', to address environmental degradation and resource scarcity associated with rapid economic development. Thus far, the scheme—the essence of which is promoting thrift in resource and energy consumption regardless of fluctuation in world-wide energy prices—is showing signs of solid support from local governments and citizen participation (Geng *et al.* 2008).

In short, improved domestic energy governance is one effective and indeed essential route for China to improve its overall energy security situation. In this respect, China must work to make as extensive use of international resources as possible for the sake of promoting more efficient use of energy in the country. At a strategic level, the rest of the world stands to benefit from progress in Chinese efforts.

Energy and China's international relations

China today is, by and large, on the defensive when it comes to the international reaction to the pursuit of supply security through the exploitation of offshore sources of energy, particularly oil and gas. A case in point is that China's energy policy-makers find it necessary to stress that China is maintaining an energy self-sufficiency rate of over 90% and that the country has become the largest producer of energy in the entire world (*People's Daily* 2009b). Given the high level of dependence of the Chinese economy on trade with the rest of the world, there can be some arguable sympathy for those Chinese officials. After all, making those exports that provide profits for Western companies and lower prices for consumers in the West inevitably requires the use of energy; and if not in China, then somewhere else. To some degree at least, China is consuming energy (and producing emissions) on behalf of the rest of the world; or, put another way, China is a conduit for the energy demands of producers and consumers in the West.

This state of affairs is in some ways a repetition of the Japanese experience in the 1970s and 1980s, when the pursuit of high economic growth by going global led to serious debates about the impact of Japan on the world. Crucially, though, Japan was largely considered to be part of the existing liberal global order and a responsible stakeholder within the existing structure. Despite extensive rhetoric and real policy changes by the Chinese leadership to convince others about Chinese responsibility and an increasingly status quo position, there remains considerable suspicion about China's long-term ambitions and intentions. For those who already think that China plans to change and rule the world, the search for energy resources can be used and manipulated to support these hyperbolic claims. Whilst changing the minds of the already convinced might not be possible, combining economic power with responsibility remains an important task for those engaged in developing China's overseas assets (and not just in the energy sectors).

International concerns about how China's economic growth will translate into geopolitical clout reflect the lack of symmetry in China's overall international relations with the major powers of the world. China's search for overseas oil supplies has led the Chinese government to pursue close diplomatic ties with Iran, Sudan, Uzbekistan, and Venezuela. These are countries that pursue questionable domestic policies and, in many cases, foreign policies in defiance of US and European interests and/or preferences. The situation leads to concern about the strategic intent behind China's oil- and gas-related diplomacy. As one article on China's oil diplomacy questions: why is China seemingly working to challenge the interests of industrialized countries in North America, Europe, and Northeast Asia, while logic tells us that oil should serve as a linchpin of closer relations instead (Jaffe and Lewis 2002)?

A key issue here is the relationship between 'state' and 'market', concepts central to thinking about the management of economic ties across national boundaries. Put another way, the relationship between the Chinese state and the major energy companies makes it difficult to know who is acting to support whom. Is a particular oil/gas venture overseas the result of the Chinese government using a state-owned energy company to carry out a governmental mission, or is it a case of the company using the diplomatic clout of the state to support its own economic interests?

Moreover, international energy companies have met varying levels of difficulties in their attempts to enter Chinese markets. Since 1980 China has allowed international oil companies to participate in developing its offshore oil and gas reserves and to conduct oil-related business on land. Chinese law, however, requires that international oil companies enter into joint ventures on Chinese territory with Chinese counterparts (CNOOC 2008). Because the

Chinese oil industry is state owned and operates monopolistically, such joint ventures have been limited, especially in distribution. Out of frustration grew imaginings about China doing all it could to protect and expand its oil reserves at the expense of everybody else. This understanding has led to high-profile competition for access to international oil fields, which easily and quickly becomes politicized as international oil majors seek political assistance from their home governments to counter the 'unfair' state assistance granted to Chinese companies (Wysocki and Schlesinger 2005).

China shoulders a good part of the blame for this suspicion of its activities because it has been very poor at making its energy transactions with countries such as Iran and Sudan transparent. Lack of transparency fuels speculation that China has a well co-ordinated project of countering US influence, particularly when it comes to dealing with 'rogue states' (Daragahi 2005; French 2004). For example, Chinese government agencies and oil companies are not known to be forthcoming at all about CNPC's Sudan operations. Tracking publicly available industry profiling (often elusive to scholars of international politics, too), tells us that China's Sudan oil operation began as a four-way joint venture involving Canadian, Malaysian and Sudanese oil companies. Canadian companies had to withdraw from Sudan in part because of protests by human rights activists. The government of Sudan decided against Chinese requests to increase its shareholding and awarded the Canadian share to Indian companies. In other words, the government of Sudan does not appear to be that helpless in handling foreign competition for its oil assets (Zha 2006).

Energy concerns have driven China's increased activity in the Middle East in recent years (Jin, L. 2005) and, since as far back as the 1980s, have been a contentious issue in Sino-US relations. China is routinely accused by the USA of selling weapons in exchange for oil and thereby undermining the global campaign against the proliferation of weapons of mass destruction. But China's behaviour over the two Iraq wars indicates that China actually has shared interests with the USA and other powers in supporting stability in the Persian Gulf region—and that shared interest is to keep Middle Eastern oil flowing to the rest of the world. Moreover, the primacy of maintaining oil supplies even means tolerating a heavy US military presence in the region (Yoshihara and Sokolsky 2002).

But despite China apparently buying into the existing order and the need to ensure oil supplies, China's pursuit of oil supplies from Iran has been a source of contention with successive administrations in Washington. For example, in 2004, Sinopec, which accounts for over 80 per cent of Chinese oil imports and is the single most important refiner in China, continued with its bid to develop 16 Iranian oilfields in the face of a concerted effort from the USA to persuade it to drop out of the race. This US intervention in what many in China see as a purely domestic issue gives weight to those voices in China that argue for a move into politically motivated diplomacy as the ultimate instrument for securing China's oil supplies—so too does ongoing US support for India's nuclear energy programme, while maintaining sanctions to prevent Chinese acquisition of the same technologies (Weisman 2005).

To an extent, diplomacy has indeed been used in this way. Iran (together with Pakistan and India) was granted observer status to the Shanghai Cooperation Organisation (SCO) in 2005 (see Lanteigne's contribution in this volume for more detail). In contrast, the USA has been denied such status, despite repeated statements of a wish to be involved. It is also true that the SCO is one of the regional organizations that China actively supports as part of its 'new security concept', which emphasizes the importance of consultation and co-operation as a means for achieving security with its neighbours. But it should be noted that inclusion of Iran in the SCO framework does not necessarily mean a deliberate challenge to US interests and dominance in the Persian Gulf and the wider Middle Eastern region. After all,

to have Iran in the SCO is meaningful for the organization to be effective in combating terrorism in Central Asia, which has a direct bearing on China.

Central Asia is another region where images of a new 'Great Game' easily re-emerge on account of China's thirst for oil and gas. Oil and gas are the major and in most cases only competitive commodity that the landlocked states have to offer the rest of the world. Pipelines are the most logical means of transporting Central Asian oil and gas to markets for consumption. Interested parties from near and far have come up with a 'spaghetti bowl' of pipeline designs (Smith and Koottungal 2008). China is seen to be in a strategic position in deciding whether or not Eurasian oil and gas can pass through China to reach Japanese and South Korean markets, in addition to directly (i.e., without having to go through a third country) importing from Kazakhstan. A Kazakh–Chinese pipeline, in turn, allows China access to fields further inland. For those who want to, there is no dearth of materials for dramatizing the geo-political significance of China and Central Asia in the world's energy scene.

Increased Chinese use of natural gas from Central Asia can also be helpful in altering the energy mix of China's north-western provinces. This in turn is conducive to improving the environmental and atmospheric conditions in those localities, thereby providing an important public good for the rest of China and the entire Northeast Asian region. Seen in this light, an increase in natural gas supply in the Chinese energy market, either by way of pipelines or seaborne transportation (of liquefied natural gas), is a contribution to the agenda of sustainable development. To be sure, this benefits China, but it also benefits the rest of the world, as the alternative scenario is an increased use of coal, which might be locally produced, but which also does much greater harm to the shared global environment.

Energy and Sino-US relations

As the above brief discussion demonstrates, it is difficult to stray too far away from the pivotal Sino-US relationship when it comes to considering the role of energy in China's international relations. Indeed, perceptions of a potentially malign intent on behalf of the USA were at the heart of the emergence of the idea of energy as a national security issue in China in the first place. In the 1990s, when it was becoming clear that the Chinese regime was not going to implode as a result of the political and economic difficulties that the mid-1989 incidents in Tiananmen Square brought about, a number of key events seemed to point towards a deliberate attempt to prevent China's re-emergence as a key global player. Examples included US opposition to China's bid to host the 2000 Olympic Games in 1993, the USA's granting of a visa to then-Taiwanese leader Lee Teng-hui and the ensuing crisis across the Taiwan Strait in 1995–96, President Clinton's refusal to sign an agreement on China's entry into the WTO in April 1999, and the 'accidental' US bombing of the Chinese embassy in Belgrade one month later. Ongoing debates within US security studies circles between 'engagers' and 'containers' over how to deal with China's rise only served to heighten the fear that China's energy requirements could become a key source of vulnerability in a USA-dominated world.

From such a viewpoint, the USA is in a prime position to use oil as a weapon against China (Ding 2006, 143–147)—one alarmist view even predicts an inevitable war over oil (Wu, L. and Shen 2006). Pessimists reason that the USA has historically worked to control not just the production, but also the movement, of oil supplies world-wide. Crucially, the USA controls vital sea lanes in the Persian Gulf, the Indian Ocean, and Southeast Asia, making unfettered transportation of oil from Middle Eastern and African ports to Chinese shores a matter of US choice.

Such arguments do not stand the test of intellectual scrutiny. Accusing the USA of working to control international oil production and movement is common among those in the developing world dissatisfied with US diplomacy. The argument that the US government conspires to manipulate world oil prices fails to consider the implications for the USA, as the largest importer of oil in the world. It would be self-destructive for the US government to support a rise in world oil prices, as oil is openly sold to whomever is willing to pay the highest bidding price. If the price were manipulated in any direction, any damage to China would also hurt the USA. In any case, thus far a solid case of the US government working to manipulate the world's oil trade has yet to be established.

The fact of the matter is that China benefits from the freedom of commercial navigation through the Strait of Hormuz, which since the late 1970s has been protected by the US naval presence in the region. Chinese analysts who complain about US hegemony in the Middle East fail to take note of their own country's need for security in maritime transport; it is certainly in China's interest for movement of oil through the Strait of Hormuz to continue to be safeguarded against sabotage.

Sino-US energy relations are full of ironies. For the past 30 years, China and the USA have in reality gained from each other's energy policies. China has benefited from the security that US 'hegemony' has employed in stabilizing volatile spots of the energy-producing world. Meanwhile, the US economy has on the whole benefited from a steady flow of cheaply made exports from China. According to the US investment bank Morgan Stanley, buying Chinese-made goods had saved US consumers US $600,000m. in the decade to 2005—more than China had received in foreign direct investment over the same period (Pan 2006). Because a sufficient energy supply is crucial to meeting trade demands, the USA and China, as the largest and third-largest trading nations in the world, respectively, must treat energy as a key factor in economic interdependence.

Of course there are differences between China and the USA; but it would be a waste of resources on both sides to encourage more competition or confrontation. Both stand to lose from further complication or politicization of an already complex international energy system. The case for collaboration is easy when there is so much at stake. Collaboration on energy technology development and increasing oil extraction are two politically low-cost solutions to reduce tension between the USA and China. In fact, the USA is the country with which China has launched the largest number of collaborative energy development programmes and projects. These activities have in no small part contributed to improvement in energy technology development in China. As a result of these government-sponsored projects, thousands of energy scientists and policy analysts regularly interact with each other across the Pacific.

For more than a decade, Beijing and Washington have also made energy policy an agenda item in governmental-level dialogues. Such vehicles include the US-China Energy Policy Dialogue, the US-China Oil and Gas Industry Forum, the US-China Economic Development and Reform Dialogue, the Peaceful Uses of Nuclear Technologies Agreement, the Joint Co-ordinating Committee on Science and Technology, and the US-China Strategic Economic Dialogue. Still, the prevailing sentiment in both capitals is that China and the USA are parties for dialogue, at best, rather than partners in concerted action.

Future research efforts on China's energy diplomacy vis-à-vis interests of the USA or the West can and should benefit from solid answers to a number of questions. Is it possible to ascertain that China (its government and/or its oil companies) seeks to weaken or even drive out the existing presence of American, Western (or non-Chinese) energy businesses in a third country? In what ways has American or Western access to the energy market in question been

adversely affected? Is there solid evidence demonstrating another (energy-rich) government and China collaborating to treat unfairly a non-Chinese energy interest? To what extent has Chinese pursuit of oil investments led to a 'lock out' of energy supplies, as was feared years ago? Do the energy deals imply a shared anti-Western agenda between China and a host government? If so, how solid are the ideological and business foundations of that agenda? Squarely addressing these questions will greatly help contribute to ascertaining the extent of real competition between China and the West over energy supplies.

Conclusions

This chapter has focused on oil as a means of exploring the more generic issues relating to Chinese energy requirements and the search for energy security. Indeed, much of the analysis could also be applied to the search for other resources beyond energy supplies. To be sure, there are specific issues relating to different resources. But the basic concerns in China about how to gain resource security, and the basic concerns in the rest of the world about the implications of Chinese resource policy remain the same. Thinking about the future, we might also suggest that food security will emerge to play at least as important a role as energy in China's international relations; possibly even a greater role.

This chapter has also focused on the demand for and use of energy. Arguably as important in the long term are the implications of energy consumption for China's international environmental relations. In terms of both energy and the environment, a key source of 'threat' (either to China or to the world) is ever-growing consumption in China without significant improvement in China's energy efficiency. In this respect, the global economic crisis that began in 2008 might actually be beneficial in that part of the response in China has been the expansion of spending and bank lending to promote renewable energy resources and energy conservation projects. Proposals to cut China's carbon intensity might remain rather vague, and might only reduce the rate of growth of both energy usage and emissions rather than leading to actual reductions; but recognition of the urgent need to do something and the full backing of the regime from the very apex of the political system are an important starting point. A sensible direction in policy interactions between China and the international community over China's pursuit of energy security is to make China's efficiency in energy consumption a priority area for international collaboration. A focus on energy efficiency in China is probably the single most effective way to prevent against the nightmarish scenario of China crowding out the global energy market at the expense of the energy needs of both industrialized and industrializing countries.

At the political/diplomatic level, the international community increasingly demands that China behave in politically acceptable and responsible ways in its pursuit of energy and other resource supplies. China must enhance its transparency in those government-business interactions associated with its pursuit of energy interests overseas, so as to increase the level of confidence that the international community can have in China's geopolitical intent. Whether it is fair or not, and whether China's leaders like it or not, there is still unease over China's long-term goals. In truth, there are some who are simply not persuadable—no matter what China's leaders say or do. Nevertheless, ultimately it is in China's own interest to try and show that it is becoming the 'responsible great power' of the 21st century, a power to be trusted and dealt with fairly and without prejudice in an interdependent global economy.

However, one final word of caution is required here. It is easy to perceive China as a single entity, organized, manipulated and controlled by a single leader (or small group of leaders) in Beijing. As noted in this paper, when it comes to energy policy, and the pursuit

of overseas oil supplies in particular, then Chinese policy does appear to be more co-ordinated and part of an overarching state strategy than is perhaps the case elsewhere. Nevertheless, it is becoming increasingly important to disaggregate different Chinese actors and interests; for example, an increasingly common complaint in Beijing is that the actions of individual Chinese traders in Africa often (unfairly) reflect badly on broader perceptions of China, and on the Chinese government itself.

Commercial interests, rather than state strategies, already play a role in the overseas activities of China's major resource companies. As the outward investment regime is reformed to make it easier to 'go global', then the ability to control what happens under the name of China (or associated with China) will become ever more difficult. Considering China as having a single voice, interest and objective is becoming increasingly problematic. Around the world, as well as in China itself, working out whether firms are working for the state or the other way round is becoming an increasingly important task—and in light of what has happened in the response to the global crisis, an increasingly difficult task as well.

8 Human rights and China's international relations

Rosemary Foot

The last decade or so is littered with examples of China's engagement with the international human rights regime. Yet, the Chinese government's regular celebrations of the anniversary of the 1948 Universal Declaration of Human Rights, accession to some of the core international human rights covenants, and participation in human rights mechanisms and dialogues at bilateral and multilateral levels have exposed it to international criticism, to obligations that it is often reluctant to fulfill, and in earlier times to political and economic sanctions. The Chinese government's record has come under high levels of external scrutiny where its own domestic conditions suggest that it has failed to live up to the international commitments it has made. In addition, it has been castigated where it has been unwilling strongly to censure those governments that are perpetrators of large-scale violations of human rights within their own societies.

This chapter elucidates the place of human rights in China's international diplomacy and in particular focuses on the puzzle of its involvement with the global regime, given the difficulties that often derive from participation. First, it provides some examples of China's international involvement in this issue area, before outlining the path of China's engagement with the human rights regime. A final section highlights those factors that best explain its failure to deepen that level of engagement.

My argument is that, in the early years of China's reform and opening, and then especially as a result of the Tiananmen bloodshed, domestic human rights conditions within China were the main objects of global concern. China responded to this external criticism in three main ways: it engaged in argumentation with its accusers, initially denying that human rights were being abused within Chinese society, and then pointing to the advances it had made as a result of reform and opening. It also offered tactical concessions, including signature of most of the major human rights treaties. Moving beyond tactical requirements, it later introduced some domestic legal reforms that, if fully implemented, would be conducive to improving levels of protection. As China's significance in the global political economy has increased, it has approached human rights diplomacy with greater confidence, and has become more dismissive of the criticisms of external actors.

I also argue that, while domestic conditions are still subject to external scrutiny, global actors have shifted some of their attention to a concern with China's behaviour towards rights-abusing governments. China's resurgence, which has given it a larger global and regional role in many policy areas, in part accounts for that change. In response to criticisms of its foreign policy behaviour as well as UN activism in this issue area, the Chinese government has become somewhat more flexible in its interpretation of state sovereignty and non-interference in internal affairs. It now offers limited support for the concept of the 'Responsibility to Protect', as defined below.

Contemporary forms of China's international involvement

Although human rights are hardly the most prominent area in China's international relations, nevertheless, especially since the 1990s, China has become actively involved in what is now a seemingly permanent feature of global politics. As Michael Ignatieff (2002) put it, human rights by that time had come to be the 'dominant moral vocabulary in foreign affairs'. The Chinese government has found that dominance impossible to ignore. For example, in March 2001, China ratified the International Covenant on Economic, Social and Cultural Rights, having signed that core covenant in 1997, followed in 1998 by signature of the International Covenant on Civil and Political Rights. The Chinese government invited the UN's Special Rapporteur on Torture and other Cruel, Inhuman or Degrading Treatment or Punishment to visit at the end of 2005, made its fourth periodic report to the Committee Against Torture in Geneva in November 2008, and issued a National Human Rights Action Plan for 2009–10, in response to a UN call for all states to produce such documents. In its statement to the UN Human Rights Council's Universal Periodic Review Working Group in February 2009, the government in Beijing noted that the People's Republic of China (PRC) was a party to 25 international human rights instruments and was holding human rights dialogues with about 20 countries (Office of the High Commissioner for Human Rights, 2009).

Human rights abuses in other countries have also elicited some Chinese comment, a senior official characterizing the situation in the Sudanese region of Darfur as a 'humanitarian crisis' (Huang, C. 2008), and its UN Ambassador supporting a UN Security Council (UNSC) statement strongly deploring the Union of Myanmar government's violent tactics against peaceful demonstrators in late 2007 (Kleine-Ahlbrandt and Small 2008, 44). The PRC government has, in addition, associated itself with the idea of the Responsibility to Protect as outlined in the UN's World Summit Outcome Document of September 2005 and in subsequent meetings of the UNSC that have discussed the protection of civilians in armed conflict. In that 2005 document, all UN member states promised to act where peaceful means had been shown to be inadequate and where 'national authorities are manifestly failing to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity' (UN 2005, para.139).

Not to be outdone, Chinese citizens have also used the language of rights to express grievances against state officials (Goldman 2005, O'Brien and Li 2006). The Tiananmen Mothers movement, formed to try to force an independent investigation into the killings of demonstrators and bystanders on 4 June 1989, has used the foreign media and transnational human rights organizations to publicize its demands (Goldman 2005, 70–72). Some groups, such as the Chinese Human Rights Defenders, have used significant international anniversaries, and have referenced other path-breaking human rights movements, as legitimating mechanisms to advance the protection of human rights inside China. The Chinese document, Charter 08, written in deliberate emulation of the founding of Czechoslovakia's Charter 77, appeared at a signal moment, linking China's struggle for human rights with universalist principles and a global movement. As Charter 08 put it: '2008 … marks the sixtieth anniversary of the promulgation of the Universal Declaration of Human Rights, the thirtieth anniversary of the appearance of the Democracy Wall in Beijing, and the tenth of China's signing of the International Covenant on Civil and Political Rights' (NYRB 2009, 54). It went on to ask several important questions of the government in Beijing: 'Where is China headed in the twenty-first century? Will it continue with "modernization" under authoritarian rule, or will it embrace universal human values, join the mainstream of civilized nations, and build a democratic system? There can be no avoiding these questions' (NYRB 2009, 54).

Shortly after the promulgation of this document, several of its signatories were detained in police custody and on International Human Rights Day, 8 December 2009, Liu Xiaobo—a leading signatory—was charged with inciting subversion.

China's gradual engagement with the human rights regime

Given the Chinese authorities' response to Charter 08 and other movements like it within China, as well as the difficulties associated with the conduct of human rights diplomacy abroad, why did the government become so closely engaged with the human rights idea and associated treaties and institutions?

In the initial stages, two contextual factors best explain that involvement: first, China's Vice-Premier, Deng Xiaoping, believed that the opening and economic reform policies he first introduced in late 1978 required China's full integration into a wide variety of international institutions. This included the UN Commission on Human Rights—the forerunner to the UN Human Rights Council—and its Sub-Commission (the UN Sub-Commission on the Prevention of Discrimination and Protection of Minorities). China formally joined these bodies in 1982, together with the Commission on the Status of Women, and in subsequent years steadily acceded to several human rights treaties. Further major steps were taken in 1997 and 1998 when the Chinese government signed the two core human rights covenants (on economic, social and cultural rights and on civil and political rights).

The second factor is encapsulated by the Tiananmen crisis of June 1989. Partly as a result of Deng's reform agenda, which resulted in widespread corruption in China, the Chinese authorities experienced an upsurge in demands for a reform of its political system. Chinese demonstrations spread in the early summer of 1989, eventually resulting in a violent crackdown by the authorities in and around Tiananmen Square on 4 June. This led a number of governments to impose political and economic sanctions against China—even if only temporarily—and the UN Sub-Commission on the Promotion and Protection of Human Rights to pass a mildly-worded but condemnatory resolution, the first-ever resolution to criticize a permanent member of the UNSC for its human rights violations (Kent 1999, 56–60). The Chinese government had to find a means of responding to these developments, and involvement with human rights discourse inevitably deepened.

Until the Tiananmen crackdown, the fact that China, unlike eastern Europe, had not been democratizing and offered only poor levels of human rights protections to its people had not garnered a great deal of international attention. For example, US President Jimmy Carter, whose administration between 1977 and 1980 had articulated an intention to place human rights matters at the heart of his country's foreign policy, had finally negotiated full diplomatic relations with the PRC at the end of 1978. However, whereas Carter offered succour to Soviet dissidents, he did not do the same to their equivalents in China. China escaped attention because the Union of Soviet Socialist Republics (USSR), at least until the late 1980s, was deemed the major enemy. Beyond that belief, there was sympathy for the task that the Chinese leadership had set itself. The Chinese government was understood to be embarking on fundamental reforms, and many believed it had to be given the chance to make progress with that agenda. China's leaders had admitted to the excesses of the past and claimed that they would introduce mechanisms to ensure that those abuses would never be witnessed again. This more co-operative stance in a number of major foreign policy arenas was of sufficient promise that praise rather than criticism seemed to be in order, at least to many Western governments.

However, information about the violation of human rights in China, even as it undertook reform, did become available in a piecemeal fashion during this period, especially as a

result of its opening up. The Chinese government could not make progress with its open-door policies and at the same time prevent external probing into its domestic conditions. Moreover, Chinese reforms were taking place precisely at the time that human rights organizations, mainly based in the West, were growing in number and strength. Amnesty International, the most prestigious of the transnational human rights non-governmental organizations (NGOs), for example, produced its first report on conditions in China in 1978, concentrating on major abuses such as arbitrary arrest, the use of torture, and detention without trial. The US-based Human Rights Watch began to take an interest in China in the 1980s, testifying before the US Congress and producing its own reports critical of Chinese practices.

Improved foreign access to Tibet provided additional information about Chinese governmental repression in that region. Growing publicity on the plight of those Tibetans who were struggling for autonomy or independence energized Tibetans abroad, internationalized the Tibetan struggle, and prompted Amnesty International to take up the cases of those arrested for political or religious reasons. A Tibetan lobby became active in London, United Kingdom, New York, USA and Washington, DC, USA. The US Congress, which had become far more assertive on human rights questions from the early 1970s, took note of the increasing levels of unrest. In 1987 it invited the Dalai Lama to Washington. The following year, the Tibetan spiritual leader spoke before the European Parliament. When China declared martial law in Tibet in March 1989, the Western media, human rights NGOs and some political figures took up the Tibetan cause even more vigorously. Repression in Tibet has remained high on their respective agendas to this day.

Thus, there were a number of developments in China's foreign relations that were not fully anticipated when it introduced its reform policies after 1978. That opening led to greater exposure to foreign ideas and new thinking about how to change China's political system. Chinese citizens as well as the government had begun to explore the concept of rights, prompting the government to sign up to a number of the core human rights covenants such as, in 1986, the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, and to celebrate in 1988 the 40th anniversary of the Universal Declaration of Human Rights. At the same time, greater openness in China exposed those overseas to new information about conditions within Chinese society.

This increased openness was occurring at a time of other important changes in global society, making more complex the environment in which state policies had to be negotiated. Governmental protection of the human rights of its citizens had begun to be expected of the modern, legitimate state. Western states, together with Japan, over the course of the 1970s and 1980s had introduced a human rights element into their foreign policies, even if that element had not as yet affected relations with China. Human rights NGOs were growing in number and had increased resources at their command. At the same time, China's value as a tacit partner in an anti-USSR containment policy was beginning to diminish, as the Cold War started to unravel in Europe. When the Chinese leadership decided in June 1989 to use force to suppress the demonstrations that were rocking the Chinese capital, these important shifts in the political and normative climates ensured that its actions would be widely condemned (Foot 2008, 304–305).

China's response to Tiananmen criticisms

Using its special attractions as a growing market, its regional strategic importance, and its position as a permanent member of the UNSC with veto power, China managed eventually to escape most of the sanctions that Western governments, together with Japan, had

imposed on it in the period after the Tiananmen bloodshed (Foot 2008, 313–314). For example, the US decision to obtain a UN resolution approving the use of force to reverse Iraq's invasion of Kuwait in 1990 immediately placed China in an advantageous position. Its potential to exercise a veto led the US Secretary of State, James Baker, to offer to lift a number of US sanctions, as well as to promise that China's Minister of Foreign Affairs, Qian Qichen, would be received in Washington once China had voted in favour of the UN Resolution. In fact, China abstained in the critical vote, but a meeting with President George H. W. Bush went ahead as planned (Qian 2005, 145–146; Suettinger 2003, 113–115).

Nevertheless, despite this relaxation in sanctions, democratic governments found themselves still under pressure from domestic and transnational human rights groups to monitor China's human rights policies, and to try to effect some improvements in those policies. Human rights 'dialogues' between the Chinese and a number of democratic governments became the norm from that time. The US State Department produced on an annual basis a report on China's human rights practices, regularly evoking an irate Chinese governmental reaction, as well as Chinese counter-reporting on human rights violations inside the US itself. Debates over human rights also became a feature of China's relations with the UN's human rights bodies in the 1990s. China had to lobby hard to ensure there were no resolutions introduced at the UN Commission on Human Rights, or at meetings of its Sub-Commission, condemning it for human rights violations. It targeted individual ambassadors from particular countries, mainly those in the developing world, using threats and inducements in ways that provided it with several successes. Governments eventually gave up on the route of seeking condemnatory UN resolutions, placing most of their efforts in bilateral dialogues, using what political leverage might be attached to the holding of high-level summits with the Chinese government's leaders, and maintaining some sanctions, mostly with respect to arms sales.

Despite China's successes in countering some forms of criticism, this period marked the start of its recognition that the matter of human rights in global diplomacy could not be wished away, although it might be controlled. As debates at the UN and in bilateral meetings showed, Chinese officials would need to have coherent answers ready when they were called upon to defend their country's record or when criticisms were voiced. The Chinese academies and universities were required to provide the basis for that defence. The year 1990 saw the establishment of a number of academic institutes, several conferences on the theory of human rights, and an upsurge in publications on the topic. The line from the top at this time was that legal scholars should concentrate on promoting the idea of development and subsistence as basic human rights. In 1991 an official White Paper on human rights was produced, the first of many such papers. Despite its inadequacies, its production was a signal indication of the power of international criticism to force a formalized response. China's international statements still emphasize that it contributes markedly to human rights improvements in the country through its successful efforts at poverty reduction; nevertheless, now it also acknowledges the place that legal reform—including in the administration of capital punishment—and democratic representation play in the advancement of human rights (Office of the High Commissioner for Human Rights 2009).

China's responses to human rights violations overseas

At the start of the 21st century, China's growing global role, success in lifting millions of Chinese out of poverty, and emergence as the world's third largest economy (at market exchange rates), have resulted in a reduction in attention to human rights conditions within

China and growing attention to China's relationships with and policies towards governments guilty of large-scale human rights violations.

In August 1989 China had claimed at the UN that its actions in June that year were designed to restore order out of chaos and in any case were its own domestic affair. One respondent reminded China of the obligations that it had accepted under treaties that it had signed, and also noted that China in the past had voted in favour of resolutions that had sent human rights investigators to such countries as Afghanistan, Chile and South Africa (Foot 2000, 141–142). Such past behaviour has made it difficult for the Chinese government to hold entirely to a default position stressing non-interference in domestic affairs and that human rights violations should not attract international disapproval, let alone military intervention, designed to restore protections and order. China's treaty commitments in the field of human rights, and its discursive behaviour in support of rights, weakened the logic of its earlier argument. Moreover, participation in UNSC debates during the 1990s that reflected increased UN concern with the promotion of humanitarian goals, has reinforced China's need to adapt. So, too, has the criticism that inaction in this area has generated from governmental and non-governmental actors.

By 2006, for example, China had more of its security forces, including civilian police, involved in UN peace-keeping operations (UNPKOs) than any other permanent member of the UNSC. That year they participated in 10 of the 19 UN-mandated operations, including six out of the seven in Africa (Gill 2007, 118; Suzuki 2008, 55). The significance of that participation for the human rights question is that those UNPKOs now involve something far deeper than keeping warring parties apart: their mandates are intrusive in nature, and often include establishing the conditions for the holding of elections, the demobilization of fighting groups, the promotion of human rights, and the building of institutions to create a rule of law. The UNPKO of 1991 in El Salvador was the first to include a human rights division, but almost all UNPKOs have since maintained that profile (Roberts and Zaum 2008, 54). An in-depth study of Chinese involvement in UNPKOs is provided by Suzuki in his contribution to this collection.

Debates in the UN since the 1990s over the potential use of force in response to evidence of humanitarian need have posed even greater dilemmas for China in its desire to protect the norms of state sovereignty and non-interference in internal affairs. Its respect for state sovereignty as traditionally defined, its acceptance of intervention only with the consent of the target state and when authorized by the UNSC, and its preference for diplomacy over sanctions or force are, for it, the optimal generalized principles. However, China has been a part of the UNSC during the activist 1990s, through to the framing of major policy statements such as the World Summit Outcome document in 2005. More recently, it has participated in elaborating the concept of the Responsibility to Protect. These experiences have required it to finesse its preferred position.

Thus, China did join other UNSC members in authorizing military action in Somalia in 1992 under Chapter VII provisions of the UN Charter, which was remarkable in that the enforcement mission was mandated to 'use all necessary means to establish as soon as possible a secure environment for humanitarian relief operations' in the country, and the operation was justified solely to deal with the 'magnitude of the human tragedy caused by the conflict in Somalia' (quoted in Welsh 2008, 541). China also supported a resolution on Haiti in 1993, one which referred to the 'incidence of humanitarian crises, including the mass displacements of population'.

Certainly, the Chinese government was very critical of the NATO intervention in Kosovo in 1999, especially once aerial bombing had begun and following the unintentional

bombing of China's Belgrade embassy a few months later. It also voted, with Russia and Namibia, in support of a Russian-sponsored draft resolution that called for an 'immediate cessation of the use of force against the Federal Republic of Yugoslavia'. Nevertheless, shortly afterwards, and having initially held back its consent, it voted in support of both the UN Resolutions that authorized robust intervention in East Timor. Although there is no explicit reference in the UN Charter to the international administration of war-torn territories, such an authority was established in Timor and permitted to exercise 'supreme executive, legislative and judicial authority' in the territory for a limited period (Roberts and Zaum 2008, 55). China further indicated its support by deploying a few civilian police to that mission (Carlson 2006, 227).

The PRC has been unwilling to support UNSC sanctions against Myanmar, even going so far as to use its veto in January 2007, 'the first time since 1973 that China vetoed any matter unrelated to Taiwan' (Kleine-Ahlbrandt and Small 2008, 42). Notably, this veto was followed three days later by the signature of an oil and gas exploration contract between the Myanmarese government and a Chinese company. However, international exposure of its position on Myanmar, together with subsequent further massive unrest in the Southeast Asian country, led the Chinese government to toughen its rhetoric: it acquiesced in the passage of a condemnatory resolution at the UN Human Rights Council, supported a UNSC statement strongly deploring the junta's violent tactics against peaceful demonstrators, and pressed the government to receive the UN special envoy, Ibrahim Gambari (Kleine-Ahlbrandt and Small 2008, 44).

Another major international controversy has involved China's relationship with a Sudanese government that has stoked a humanitarian catastrophe in the region of Darfur. Once again, China has slowly and after pressure shown some limited flexibility with respect to the non-interference norm and in response to governmental and non-governmental censure—the threatened global boycott of the so-called 'Genocide Olympics' probably having had some influence. In April 2006 China abstained on a UNSC resolution imposing targeted sanctions on four Sudanese officials, but by September that year it had started to put pressure on the Sudanese government to accept a hybrid African Union-UN peace-keeping force, and in November China's ambassador to the United Nations, 'made crucial interventions to secure the Sudanese government's agreement to the plan' (Kleine-Ahlbrandt and Small 2008, 42). It has appointed a special envoy to Darfur, Liu Guijin, and it sent a second deployment of peace-keepers to the region in July 2008 (Teitt 2008, 14–15). As noted earlier, China has been willing to characterize events in Sudan as a 'humanitarian crisis' (Huang, C. 2008).

In sum, we see incremental and cautious changes in discourse and behaviour. Chinese scholars, in response to these international developments, have developed a more flexible argument on humanitarian uses of force (Carlson 2006, 225–231; personal interviews in Beijing and Shanghai, September and December 2008). According to Pang Zhongying (2008, 43) and in reference to the Responsibility to Protect, 'some Chinese analysts worried that this concept would be used to justify unwarranted military intervention by the US or some European powers'. However, Pang notes that 'gradually they recognized that R2P [the acronym by which the Responsibility to Protect is widely known] could be used to bridge the divide between supporters of "humanitarian intervention" and supporters of state sovereignty and non-intervention' in light of the exacting conditions on intervention that the current R2P formulation imposes.

Beyond the changes in scholarly opinion, the Chinese government has found ways of supporting international UN operations that have linked humanitarian catastrophes to

threats to international peace and security (Teitt 2009). As the 'Position Paper of the People's Republic of China on the United Nations Reforms' put it in June 2005: 'When a massive humanitarian crisis occurs, it is the legitimate concern of the international community to ease and defuse the crisis' (UN Reform 2005). Both officials and the élite have begun to debate not how best to 'defend the principle of non-interference' but how best to assess the 'conditions under which intervention is justified' (Kleine-Ahlbrandt and Small 2008, 39) in response to grave abuses of human rights.

Chinese public attitudes may actually be in the van of those of the élite. The results of public opinion polling in several countries, including China, showed that when a sample were asked 'whether the UNSC "has the responsibility to authorize the use of military force to protect people from severe human rights violations, such as genocide, even against the will" of the government committing such abuses' the highest levels of support came from the Chinese public (76%), followed by the American public, at 74%. When asked whether the UNSC has the 'right' to act in such cases, 72% of Chinese agreed. While the use of the term 'genocide' may have influenced the results, the findings nevertheless are interesting, if not striking (World Public Opinion 2007). The questioning of focus groups in China bore out these results (Brookings Panel 2007), as did discussions with Chinese scholars, even eliciting the somewhat dubious statement that, if Kosovo had arisen in 2006 rather than in 1999, 'China would have supported military intervention' (Daalder 2007, 3).

However, the Chinese government has worked to limit the circumstances under which states would intervene to contain egregious violations of human rights in another country. It has been at the forefront of those states that set out to define the Responsibility to Protect as primarily emphasizing action designed to prevent the abuses from occurring in the first place: that is, building state capacity and using preventive diplomacy. The Chinese government has also tried in various ways to prevent the establishment of precedent in UNSC behaviour when it deals with human rights crises: on Somalia, it argued that it agreed to intervention because there was no responsible governmental authority to give consent (Welsh 2008, 541); on Haiti, China stated that prior action on the part of the Organization of American States as well as the General Assembly provided the enabling context that 'warrant[ed] the extraordinary consideration of the matter by the UNSC and the equally extraordinary application of measures provided for in Chapter VII' (quoted in Welsh 2008, 542). East Timor was made easier for China when the Indonesian President gave his grudging consent to a UN-mandated operation and by the fact that China had never recognized the Indonesian takeover of East Timor in the first place (personal interview, Beijing, September 2008).

The modifications of China's positions are then relatively minor when it comes to the actions that it will take in response to governments deemed guilty of wide-scale violations of the human rights of their populations. Nevertheless, some willingness to embrace the idea that global actors have a duty of humanitarian care has come about, and some expansion of its understanding of the concept of state sovereignty has occurred.

Conclusions

Human rights have become a feature of China's international relations for a variety of domestic and international reasons. Domestic interest best explains the initial moves that were made, promoted by Deng Xiaoping, who argued that peace and development were the dominant trends of the era. His view was that economic reform and opening, together with greater international involvement—which came to include institutional memberships, treaty accession, and bilateral diplomacy—were useful ways of showing China's determination to

support and benefit from those trends. That integration with international society occurred at a time when human rights had become a prominent feature of global politics.

Once within those institutions and, with the success of its reform efforts, China displayed a strong desire to protect its international image and to be recognized as a 'responsible great power'. It worked hard in order not to be censured by UN member states, using diplomatic and economic bargaining tactics in the 1990s in order to prevent the introduction of resolutions critical of its own human rights record. It also made some concessions, such as permitting a visit by a UN human rights official, or signing a particular human rights treaty. Participating in this manner resulted in a form of discursive entrapment that made it difficult to undo the steps already taken, or to reject *in toto* the constraining effects of legal commitment.

When other countries came under the UN spotlight for breaches of security that often resulted in wide-scale human rights abuses, the Chinese government's image concerns meant that it rarely blocked outright various UN efforts to respond to those challenges. As one interviewee from a Chinese think tank associated with the Foreign Ministry put it, the PRC involved itself in PKOs—even the most intrusive among them—because it desired 'to cultivate the image of a *responsible great power*, *and cultivate the image of [a] state which protects international peace*. It also want[ed] to improve the image of the Chinese and the Chinese military' (quoted in Suzuki 2008, 56, emphasis added). In cases such as Myanmar, where there were clear commercial interests that impinged on economic development and energy security goals, then image concerns obviously had a less powerful effect, and the degree of change in China's policy was far more constrained.

Where there have been serious humanitarian crises that have led to UNSC involvement, again China has shown some willingness to soften its hitherto strict reading of the concept of state sovereignty. It is now close to the global consensus on the meaning of the Responsibility to Protect and has acknowledged in a formal document that, under the circumstances of a state's manifest failure to protect human rights, the international community has a duty to be involved in ameliorating those conditions.

Finally, weaknesses within the international human rights regime allow all states, including China, room for manoeuvre when image concerns are of less moment. The rights regime permits much temporizing and delay. The ratification of human rights treaties often comes well after signature; treaty reporting requirements might only be required once every four years; exceptions, understandings, and reservations can be and are entered into at the time of treaty ratification; and failures of implementation remain imperfectly monitored and sanctioned. China also has experienced the rise and fall of other states' interest in its own human rights record, especially when rights matters may be seen to clash with other goals of states' policy, such as co-ordination of policy to deal with the current global economic crisis. Moreover, many of those same states critical of China have loudly-rattling skeletons in their own cupboards, especially in the period since the 11 September 2001 terrorist attacks on the USA. This tends to reinforce the Chinese government's belief that power politics determines much in global diplomacy.

All of these features mean that China has retained an important degree of control over participation in human rights diplomacy. This is not an aspect of international relations that is particularly threatening to the one-party authoritarian state, unless those domestic critics of the government's human rights record begin to enjoy wider levels of support and legitimacy within Chinese society itself.

9 China's soft power diplomacy in the 21st century

Kerry Brown

China's economic influence is now undisputed. Even sceptics like Yasheng Huang (2008, xiii) admit that, in terms of wealth creation and liberalization, China continues to be a gross domestic product (GDP) growth machine, whatever the specific contours of its development, and the inequalities and faults that its model still contains and creates. But how this sort of influence is translated into raw political and military impact beyond the borders of the People's Republic of China (PRC) is still less clear. To some, China remains a reluctant operator internationally, with no set game plan, and a clear reluctance to get involved in international issues. To others, it is hiding an ominous ambitious purpose, slightly cloaked by the language of 'peaceful rise' used in recent years by the political élite in Beijing to reassure outsiders. Either way, if we resolve the issue of how, and why, China deploys influence abroad, we can then be clearer about the sort of entity that the PRC will become in the years ahead, as it continues to be a major power in the 21st century.

Historical background

By its size and location, China would be hard pressed not to be a major influence. When Chiang Kaishek attended the meeting of the allied powers in 1945 at Cairo with Churchill and Roosevelt, it was taken as a sign that China was already then a major power—although the Civil War and the Communist victory in 1949 threw up walls that impeded its further progress towards being a true global actor. In as much as it sought to exercise influence in the years of Maoist rule from 1949 to 1976, it did as a self-proclaimed leader of the 'third world' (a term that it itself coined, and which was deployed by Deng Xiaoping when he made a brief political comeback in 1974 at the UN in New York, USA). In 1971, China 'invested' over 6% of its GDP in supporting the revolutionary struggle of communist parties abroad, particularly in Africa and Latin America (Dittmer 2006). But this ran against a highly divisive and distrusted international image, as a result of which, by 1967, China had only one fully operational Ambassador based abroad, Huang Hua in Egypt. Whatever work it did in areas traditionally apportioned to 'soft diplomacy', the hearts-and-minds work, was directed at a small constituency of sympathizers in the West who supported China's aspirations for emancipation. Such support was highly ideological. The government of the PRC circumscribed this with firm declarations in favour of 'non-interference in the internal affairs of other countries'. This was articulated at the Bandung conference in 1955.

The reforms implemented after 1978 in the economy were also an opportunity for China to start to renew and redefine its image abroad. Deng's celebrated visit to the USA as Vice-Premier in 1979 was typical of this period, reintroducing people in the outside world to a

less dogmatic, more outward-looking leadership. Policy-makers rationalized government economic and industrial policy in the early 1980s, re-enfranchising the private sector in the rural economy, something which had been active, important, but largely ignored since the early 1970s (Thaxton 2008). In 1979 and in 1984, Deng, as the face of this reformist leadership, was placed on the front of Time Magazine as man of the year, a unique distinction. Waves of study delegations and arts groups went abroad, some of them even looking at the social welfare and democratic systems in Northern Europe.

This period of refreshing, and intense, liberalization created perhaps a somewhat distorted view of China's change. Breathless accounts of the New China came out, based on brief visits to the newly opened China (Schell 1985). All this was to be thoroughly derailed by the events leading up to June 1989, when tanks were sent in to quell student and worker protests in Tiananmen Square. The attack on the legitimacy of the one-party state that existed in China reached deep into the soul of the ruling Communist Party, and put the brakes on both economic and social policy. In fact, throughout the period of most intense liberalization in the 1980s, there were regular panic attacks in which outspoken intellectuals, usually without good political backing, were thrown into jail (Barmé and Minford 1989). After 1989, the atmosphere, and China's image, became far more complex.

There is no better example of this than the debacle of the first bid for Beijing to host the Olympics in 1992. Intense lobbying availed little. Even the recommitment of Deng Xiaoping during the celebrated Southern Tour in early 1992 did little. In 1993, China failed by two votes against Sydney, Australia to get the 2000 Olympics. Bitter comment in the Chinese press ascribed this to a Western conspiracy, with some voices (mostly those associated with the Leftists led by Party veteran Deng Liqun) saying that reforms since 1978 had delivered inequality and spiritual pollution. China's final falling out with Western symbols of progress and excellence, like the Nobel Prize, culminated in 2001 with the awarding of the Prize for Literature to émigré author Gao Xingjian. As Julia Lovell has shown in her study of 'Nobel Prize fever' in China during the 1990s, a sustained campaign to get prize recognition had ended in the award being made to an author largely regarded as disreputable and unrepresentative (Lovell 2006).

Similar accusations were levelled at the most successful of the initial wave of Chinese film directors whose work received international recognition among prize committees and audiences abroad, particularly Chen Kaige and Zhang Yimou. Their films were censored at home, and accused in the official media of being 'unChinese'. I remember conversations with Chinese students in 1995 in Inner Mongolia, about the actress Gong Li. To almost all I spoke to, her credibility in China fell in inverse proportion to her success abroad.

Part of the issue until China's entry into the World Trade Organization (WTO) in 2001 was the lack of a clear narrative about what China was, what it wanted, and what it represented. In an interview for the BBC in the late 1990s, Jonathan Mirsky, the veteran journalist, said in answer to a question about China being a great power that 'until it represents something positive, it is hard to see how it can do this'. The Chinese political élite, and their spokespeople, dealt with the bad news stories about human rights, and other sensitive issues, by defensiveness, stock replies, and attack. They showed little understanding of the operations of the Western press. The BBC in particular, after its airing of an interview with Mao Zedong's doctor, Li Zhisui, in 1993 on the 100th anniversary of his birth, found themselves permanently in the doghouse. Hopes that the internet would bring about a thaw proved to be short-lived. The creation of the Great Firewall of China meant that the government controlled the areas of cyberspace that it considered important. This has been maintained to this day.

The creation of a new narrative

Partly by accident, partly by design, since 2001, China has remade its image, and repositioned itself. Its soft diplomatic influence now is looking much more acceptable. Part of this is the unintended help that its image has been given as its main international competitor, the USA, has suffered a major image collapse. As Joseph Kurlantzick (2007) points out, at least in Southeast Asia, the manner in which the Bush Administration conducted its 'war on terror' caused its image to plummet amongst key constituencies in the region. The Philippines, Japan, Malaysia and Singapore, all to some extent allies of the USA, were alienated by the USA's unilateralist approach and its assertion of its own objectives above all others. This was accompanied by a relative downgrading of traditional soft diplomatic work in the area. The war in Iraq from 2003, and its messy aftermath, caused this issue to become almost terminal, at least for the Bush Administration. It remains to be seen if the new President Obama can turn this around. Clear empirical evidence in opinion polls in the region tabulate this fall. By 2004 people were looking for an alternative, less aggressive model.

This was captured in an influential, controversial paper issued by the British Foreign Policy Institute in 2004, 'The Beijing Consensus', by Kissinger Associate, Joseph Cooper Ramo (Ramo 2004). Ramo argued that the so-called Washington Consensus, of broadly free market-led development, and the promotion of democratic liberal systems and methods, was now being challenged by a new, state-led model, based on the Chinese government's model. This was now being seen in Africa, other Southeast Asian countries and Latin America. China was seen as being more pragmatic, and quicker, and therefore more effective in its granting of aid and economic development in these areas. This was winning it admirers and supporters. The President of Senegal was one of the most vocal of these: 'I achieved more in my one hour meeting with President Hu Jintao in an executive suite at my hotel in Berlin during the recent G8 meeting in Heiligendamm than I did during the entire, orchestrated meeting of world leaders at the summit—where African leaders were told little more than that G8 nations would respect existing commitments' (Wade 2008). Even so, in some regions China's involvement was ultimately to cause a loss of reputation and problems. Investments in Zimbabwe, Sudan and Nigeria were to be highly contentious, and hit home in the build-up to the Beijing Olympics, when some international non-governmental organizations (NGOs) and commentators started to talk about the events in 2008 being a 'genocidal Olympics' (more of this below). Those that looked harder at the idea of a Chinese state-led development model were unable to come up with specifics. The way in which China operated depended very much on which place it was in, and what its overarching objectives were. China was a complex actor abroad, sometimes visible in state-owned enterprises securing important resources, sometimes in companies listing on Western stock exchanges to improve their expertise and governance, sometimes as the granter of aid for clear political purposes (for example, in 2007 to Costa Rica, which shifted from recognition of Taiwan to supporting the PRC).

The creation of a narrative was articulated by the influential veteran ideologue Zheng Bijian in his talk of a 'peaceful rise' of China (*heping jueqi*), language which started to appear in senior Party leaders' speeches in 2003 (Zheng 2005). Throwing its lot into an international system like the WTO meant that China had a vested interest in getting on with its international partners. As Bates Gill has argued in *Rising Star*, since the 1990s China has changed from being an upholder of the original Dengist foreign policy tenet of keeping a low international profile, working within international systems, and continuing to enjoy a stable and benevolent international framework, to heeding the (admittedly sometimes contradictory)

advice of other powers, like the USA and the European Union, and playing a greater role in international events (Gill 2007).

In 1990, during the first Gulf War, China had practised on the other four of the five permanent UNSC members the game of neither agreeing nor dissenting, although it was clear that it regarded the invasion of Iraq with deep unease. A more confident PRC in 2003 was able to do a deal with the USA, whereby, with more active support for the second invasion of Iraq, it managed to get Xinjiang separatist parties placed on the USA-sponsored list of international terrorist groups. As Gill makes clear, since the late 1990s China sent troops to 16 of the last 23 UN peace-keeping forces. It was especially active during the troubles leading up to the creation of East Timor in 2001. It sent peace-keeping forces, after international pressure, to the Sudan, and also to the Occupied Territories in Israel, where one was killed.

This ran parallel with a move to be involved in multilateral fora on issues such as climate change, energy and matters concerning the International Monetary Fund (IMF). Even so, some gatherings like those of the Group of Eight (major economic powers), the World Bank (despite its appointment for the first time of a chief economist who was from the PRC, Justin Lin Yufa) and the IMF gave rise to issues about what China perceived as the unrepresentative nature of voting rights and the way in which these fora were regarded as the servants of Western interests rather than of China's interests. The language of peaceful rise was accompanied by a parallel discourse within China of harmony and harmonious society, which was an attempt by the newly arrived leadership of Hu Jintao and Premier Wen Jiabao to do something about the rising inequalities between the western and eastern parts of China, and mounting public dissatisfaction with corruption and nepotism. (Ironically this occurred at the same time as at least nine members of the top-level Central Committee of the Communist Party (currently 202 strong) were defined as 'princelings'; these included the man widely expected to be the successor to Hu Jintao in 2012, Xinping.)

To effect and legitimize this talk of harmony, and to create a stronger sense of Chinese identity and political narrative, Confucius made a spectacular comeback, with talk in the Party School and other influential institutes of a new form of Confucianism, representative of Asian Values (whatever they were). Confucian and neo-Confucian philosophy and social morality found many defenders, one of whom, the Beijing-based American academic Daniel Bell, found space in Confucius to defend the taking of mistresses and the hiring of servants, as this was compatible with the ancient philosopher's teaching (Bell 2008)!

Making friends

The PRC started off as a very effective creator of propaganda. Its redrawing of the narratives of revolutionary struggle and liberation after 1949 have been so effective that it has only been in recent years that historians of the republican period, such as Frank Dikötter, have managed to remind people that some of the earliest, and most open, periods of modern Chinese history occurred during the 1911–49 period, which is usually maligned as an unmitigated disaster (Dikötter 2008). Even so, from 1949 China created a clear circle of 'friends', some of whom have been described in Anne-Marie Brady's work on those foreigners who stayed behind after 1949 (Brady 2003). The New Zealander Rewi Alley was representative of these, producing prodigious amounts of propaganda for the regime in Beijing till his death, in 1989.

A hard core of indefatigable defenders of China's case were supported right into the 1980s, and, during the lean years of the period of real Maoist enclosure in the 1960s and

1970s, were pretty much the only real channel of on-the-ground information, no matter how disputable. However, such a controlled strategy was not fit for purpose from the 1980s, when major foreign investment into China meant that the PRC, and its state and non-state partners needed to improve information flows about what it was doing, if only to reassure investors and keep the flows of money and capital, and, perhaps more importantly, technical and management know-how coming in.

In the crudest terms, having a strategy for how one communicates with the rest of the world is useful inasmuch as it avoids misunderstandings and the potential build-up to conflict. Indeed, that was something that China wished to avoid as it rebuilt its economic capacity after 1978. As diplomat Robert Cooper has eloquently argued, it is easier to get on with people than pick a fight with them (Cooper 2003). For countries, conflict is costly and destructive, and usually the choice of last resort. The Chinese themselves point to sayings in sources as ancient as Sun Tsu's *The Art of War* about the best battle victories being the ones won before a shot is even fired. Even so, there have been certain key areas where the Chinese government has shown unremitting stubbornness and often inflicted wounds on itself, wounds which were clearly viewed as a necessary evil in view of the desire to maintain a strong political line. These have been summarized as the three T's—Tibet, Taiwan, and Tiananmen. In the last two decades, broaching these topics has usually resulted in the expression, at least from officials, of formulaic slogans, and 'devil may care' rebuttals of the rest of the world. Tibet and Taiwan, in particular, have been consigned simply to the formula of 'being issues internal to China' and of having an impact on its sovereignty.

These three issues act in many ways as a litmus paper test for how China's official discourse of soft diplomacy as it is directed at the outside world might be changing. If there is a shift in these sensitive areas, then the signs of a shift in less contentious issues can be taken as more certain. The signs for these three are mixed. Language about Taiwan, after a decade of confrontational language during the period of the Democratic Progressive Party and Chen Shui-bian's ascendancy in the island, has softened, with signs of greater dialogue, visits of high-level representatives across the Straits, and some tangible signs of more fruitful interaction. However, the issue of Tibet has remained static, with the riots in the Tibetan region in March 2008 being condemned by some in the Party as overt separatism, talks with the Dalai Lama's representatives put on hold or actually permanently halted (depending on to whom one listens), and a clear return of more hard-line discourse from the key parties at the centre in Beijing. Tiananmen offers the most interesting case, with hints that the current leadership may even be contemplating reviewing the 'counter-revolutionary label' placed on the events, and an acceptance of open discussion of them after almost two decades of this having been regarded as taboo.

The 2008 Olympics—money well spent?

Commentators are right to say that in many ways the present leadership is less interactive and internationally experienced than the Dengist, or indeed the Maoist, period. Even Jiang Zemin and Zhu Rongji had been educated in the Union of Soviet Socialist Republics, and were keen to speak foreign languages. Deng had spent six years in France in the 1920s, albeit most of that time at the Renault Factory in Paris. Mao was unashamedly untravelled, but the senior leaders around him, like Zhou Enlai and Liu Shaoqi, had spent large parts of their early careers abroad. In the current nine-strong Politburo Standing Committee in the PRC, none has been educated abroad. Hu Jintao has granted no person-to-person interviews to any Western media outlet. As the face of modern China, China's leaders remain low profile, remote, and largely silent.

The 2008 Olympics exposed the risks of this. In many ways it should have been the ultimate soft power vehicle, a global event, displaying China and its new narrative of culture and power to the rest of the world. Chinese leaders must have believed in this opportunity, given that they granted the spending of in excess of US $44,000m. for the construction of infrastructure for the games. But the lead-up to the big event itself showed just how difficult it is even now for China's political élite to communicate its message. The Tibet riots in March, on top of mounting criticisms of China's investments in Africa, provoked complex reactions, partly defensive, partly trying to repair or address the criticisms being made. China appointed an experienced senior diplomat, Liu Guijian, to be its *rapporteur*, a job that in effect meant he spent part of the time travelling around European and American capitals justifying China's position, and part of the time talking to the leadership in Sudan and attempting to bring about a change in their behaviour. The government also took advice from public relations (PR) experts, Ogilvy and Hill Knowlton. Even so, according to a senior director of one PR company based in Beijing, who had a conversation with the author, this advice was being given only at a very junior level in the Chinese government, and there was confusion over just how far up the decision-making tree the advice was reaching. The ill-advised torch relay that proceeded through cities such as Paris, London, United Kingdom and San Francisco, CA, USA only created more ill-feeling between the government and the pro-Tibet protestors. The Chinese government effectively restricted entry to Beijing, tolerating hotel occupancy rates of less than 50%, in order to avoid the risk of embarrassing demonstrations during the games itself. The Olympic Games left a mixed legacy, with China's image strengthened, but made more complex.

China itself recognized that there was something wrong with the way it spoke to the rest of the world. There was no particular soul-searching about what it was doing, but there was dismay that it was evidently failing to get its message across, and that opponents, most sharply personified by the Dalai Lama, were landing clear blows on it. The Executive Director of the Party School in Beijing, Li Junru, during talks at Oxford, United Kingdom in late 2007 admitted that there was a need to rethink some of the language that Chinese leaders used when they tried to speak to the rest of the world. Phrases like 'creating an all-round middle-income country by 2020' and 'socialist countryside' did not seem to hit the spot. According to one source, attempts by the Chinese embassy in London to secure more news coverage for events deemed meritorious and of interest to an international audience, like Hu Jintao's speech to the 17th Party Congress in October 2007, were met with baffled requests to get 'just the key points, not the whole 50-odd pages of the speech'.

Brand creation abroad

In the last decade, one of the most striking innovations for the PRC has been to promote Chinese 'culture' more proactively abroad through Confucius Institutes organized and funded by the Chinese Language Council International—commonly known by the short version of its Chinese name, the Hanban. The first of these appeared in Seoul, South Korea in 2004, and by the end of the decade there were 282 such institutes throughout the world. These institutes were subsequently supplemented by the creation of smaller Confucius Classrooms, bringing the combined total to over 500. Primarily entities to help in the teaching of Mandarin Chinese, some of them partly funded, and some of them wholly funded, by the Chinese government, they have become the front line in presenting the 'soft side' of Chinese culture. But they do raise issues of what exactly this culture is, and how effective, and unified, China is at the moment in undertaking such an ambitious project.

The very name Confucius Institute connects to the re-emergence of Confucian values mentioned above, and with the attempts to define a more unified sense of what Chinese culture actually is. Ever since the 1980s there has been passionate debate in China about what, in fact, it is to be Chinese in the 20th (and now 21st) century. The influential 1987 documentary shown on Chinese television, 'Yellow River', was an early, and powerful, critique of the ideas lodged in the collective consciousness of being Chinese as being intimately linked to complex myths of connection with the soil, a traditional and family-based lifestyle, and acceptance of certain ways of thinking and acting. Some foreign articulations of these ideas have been laughably simplistic: 'Chinese, regardless of whether they live in China, Taiwan or Hong Kong, are essentially the same. They are Confucian to the core. They share the same worldview … . They have much in common in terms of broad social and business tendencies: filial piety … respect for mathematics … low crime rates … Hello Kitty stickers and kung fu flicks' (Doctoroff 2005, 107–108). Even so, figures as bold as the Taiwanese writer Bo Yang in his early *Ugly Chinaman* tried to pin down what it was about saying that one was Chinese that had any traction or meaning (Po, Cohn and Qing 1992).

China's economic ascent has been accompanied by a greater sense of self-confidence about there being a 'Chinese way' of doing things. This haunts the language of, for instance, the *Beijing Consensus*. It also enters into the discussion about human rights, wherein the Chinese government asserts that its position of asserting collective economic rights before personal ones is right for its stage of development (Breslin and Taylor 2008). During the height of the tensions before the Olympics in 2008, students in Beijing in particular circulated angry e-mails and posted entries on internet chat rooms condemning what they saw as Western spleen at their recent success. China's greater assertiveness has been welcomed and embraced in some quarters, and regarded with unease in others. The Confucius Institutes, and, even more acutely, Chinese overseas direct investment, which has just begun to figure significantly, are all regarded in some quarters as fronts for the one-party state behind them.

Whether Confucius Institutes are particularly successful in promoting 'brand China' is disputable. Some hosts have complained that the chaotic establishment and management of some of these institutes have caused more reputation loss than gain. Agreements with Russia, for instance, have stalled over greater expansion of 'Hanban'. There is also evidence that there remain divisions between the Ministry of Culture and the Ministry of Foreign Affairs and other key partners in Beijing about what these Institutes are for, and how they should best function. Once more, there seems to be no clear blueprint in China among the political élite about what the medium- to long-term strategy might be. The current five-year programme running from 2006 to 2010 might cite the importance of creating a strong brand awareness for China as a country and culture. But the implementation of practical steps to achieve this is much tougher. A good example is the 'China Now' campaign, waged in the United Kingdom in 2008, in the run-up to the Olympics. Largely supported, finally, by corporate sponsors in the United Kingdom itself, expectations of money from the Chinese government were not realized. This lack of buy-in meant that the impact of this festival fell far short of the Japan Festival in the early 1990s, on which it had been modelled, and into which the Japanese government had put significant resources.

Brand China

The branding of China was, in fact, dealt with by Joshua Cooper Ramo in a follow-up article in 2007 (Ramo 2007). In his view, China was prepared to start placing major emphasis on improving its image abroad. It connected this in particular to the clear lack of perceived

Chinese global brands. Japan and South Korea, and to some extent Taiwan and Hong Kong, had had success at creating corporate brands that were internationally recognized. But Chinese corporates, while they were beginning to figure internationally, were barely known. Huawei, Lenova, Sinotrains and Sinochem were all internationally active. Yet, in surveys they barely figured. China had over 20 companies in the Forbes Global 500 in 2007. But none of them was a household name outside China. Moreover, the perception (and in these things perception matters more than anything else) remained that China produced goods that were from low-end manufacturing, often of poor quality, and had issues of production. Mobile telephones were used as an example, the majority of them being made in China, yet under non-Chinese brands. Even the clear evidence that China was in fact making most of the high-technology equipment for companies like Sony went largely unnoticed.

Ramo's prediction was that China was soon going to address this issue of branding and perception, not just for its manufactured goods and corporates, but for the country as a whole. Even some regions and cities in China got in on the act. Chongqing, a newly created autonomous municipality under the central government, employed international consultants to redesign its logo, and to undertake a campaign to attract more visitors and foreign businesses, around the logo of *ren ren Chongqing* ('Everyone's Chongqing'.) In interviews with the Information Office Director in Chongqing in April 2007, he said that Chongqing wished to create first an Asian, and then a global, market. Shanghai had the Expo, planned in 2010, as a means of creating awareness of the city as, next to Hong Kong, Asia's second 'World City'.

However, even despite all this national and local effort, Ramo's argument was vulnerable to one powerful rebuttal. Branding, according to most practitioners, only really works if it is linked, however tangentially, to some credible narrative. Branding that weighs itself too heavily in favour of the object being promoted simply becomes propaganda, and that is a wholly different matter. Too much of the marketing and branding material from China was simply regarded by its target audience with suspicion. It was unwilling to engage with, and accommodate, negative areas, such as environmental degradation and human rights and human development issues. For these reasons, branding China, as a means of encapsulating the most powerful elements of China's national soft diplomacy, remained a work in progress. Even in October 2008, after the Olympics, there were meetings of leaders in Beijing again trying to do something about the real problems of how it, as a country, communicated with the rest of the world.

Money can't buy you love

Nowhere was the opportunity more tangible, nor the impact more contentious, than in the role of Chinese investment abroad. Having accrued US $2,000,000m. in foreign exchange reserves by the end of 2008, the most in the world, partly from exports, partly from foreign investment, China found itself in the position, for the first time ever, of becoming a fast emerging, and significant, investor abroad. In 2000, before entry to the WTO, China's outward investment barely registered. By 2008, it had increased to over $120,000m. It had also, in the process, accrued almost $1,000,000m. in US treasury bonds, become the third largest investor in Africa, and the owner, through the State Administration of Foreign Exchange of shares in over 100 listed companies in London. Even so, China's new-found interests abroad brought to the fore the issues of how it was perceived, how it communicated with the world, and how complex this new brand China was proving to be.

The most famous example of this, also discussed by Zha and Breslin in this volume, was the attempts by China National Offshore Oil Corporation (CNOOC) through 2004 and

into 2005 to purchase the small US energy company, Unocal. This hit the buffers even before a formal bid had been made, with Chevron finally winning the bid, and CNOOC backing out. In the USA, there were clear expressions of distrust that CNOOC was in fact nothing more than a front for the Chinese state. One commentator, academic Peter Navarro, has warned of 'strategic dangers' from Chinese state-owned enterprises, saying that they are 'trying to gain control of critical sectors of the US economy, from ports and telecommunications to energy and defense' (Cognato 2008, 26).

A more fundamental issue was that created two years later in September 2007, when the Chinese Investment Corporation (CIC) was established. A US congressman, Brad Setzer of the US Council For Foreign Relations, said in an interview in November 2007: 'The rise of sovereign wealth funds represents a shift in power from the US to a group of countries that aren't transparent, aren't democracies, and aren't necessarily allies' (Martin 2008). Frustration with how China's involvement was viewed became clear in statements by leaders of the CIC. Lou Jiwei said, 'We will be transparent in all we do. But if we are too transparent we will be eaten by the wolves' (Martin 2008, 16). Despite efforts to make clear that the CIC had been created for purely commercial reasons, the suspicion remained that it concealed a covert purpose. The slightly schizophrenic reaction of some parties in the West to China's involvement in this area, welcoming it one moment, and complaining about it the next, was not helped by the general lack of transparency on the Chinese side. China's involvement in Africa (mentioned above) only caused further problems.

Conclusions

If China is a complex political actor abroad, that comes through in the nuances and challenges of how it exercises influence. In the last decade there have been clear improvements in the efforts of the Chinese government to communicate with the rest of the world. Even so, there is still scope for plenty of misunderstanding. The build-up to the Olympics illustrated this. Perhaps at the heart of this is that there are real problems in defining which China is being presented: the China of Beijing, a centralized, unified actor, or the China of the provinces, complex, varied in its economic development levels, a highly complex mixture of wealth and poverty, modernity and antiquity, liberalism and conservatism. That China cannot make up its mind about what it is, in view of the huge differences that exist side by side within its borders, only magnifies the issue of how difficult many other countries find it to decide what they think of China. In the years ahead, one way or the other, we will all have to make our mind up about what China is, what its identity and brand is, and where it is going.

10 China and global governance

Status quo power or challenge to the global order?

Giovanni B. Andornino[1]

Some 20 years ago Berlin, Germany played host to the event that came to symbolize the most significant transition in international politics since the end of World War II. As Eastern and Western Germans peacefully tore down the wall separating the Soviet bloc from the free world, an era of competitive condominium over global affairs (Ikenberry and Parsi 2001, 29) appeared to give way to the post-ideological 'end of history' (Fukuyama 1992). With the demise of communism, the new age was to be free of the vestiges of Hegelian dichotomies. Hailed as the only effective paths leading to sustained economic growth and stable social relations, market economy and liberal democracy came to be perceived as the sole legitimate models, which would gradually spread around the world. This would in turn bring about an era of sustainable international peace, since a robust body of historical evidence supports the claim that democracies do not fight each other (Russett 1993). Clearly, in the context of such a pervasive liberal order, global governance would hardly pose any major political challenges. For emerging powers, such as China, the political horizon would necessarily have to incorporate a tendency towards democracy, as Bruce Gilley recently suggested (Gilley 2004), or a decline into irrelevance, whether through collapse (Chang 2001), or near-isolation.

The 21st century offers a rather less straightforward picture: history is alive and well, and the effectiveness of global governance—while crucial for the future of the world—cannot be taken for granted. Whether because of a 'trapped transition' (Pei 2006) or on account of a form of 'resilient authoritarianism' (Nathan 2003), China has not democratized, and yet today it is at the heart of pretty much any strategy devised to push the world out of the deepest recession since 1929. Indeed, not only are political scientists forced to assess the contention that we may be facing a global 'democratic recession' (Diamond 2008), but in all evidence the economic, political, and military capacity to put under pressure the liberal international order led by the USA is becoming concentrated around the great power autocracies of Russia and, especially, China (Kagan 2008, 39).

According to the National Intelligence Council, a US government think tank, by 2025 China and India will have the world's second and fourth largest economies, respectively. In the eyes of many analysts, such growth heralds the emergence of a multipolar era in world economics (Subacchi 2008, 485), a 'tectonic shift' likely to pose a challenge to the USA-dominated global institutions that have underpinned the current international order since the 1940s. Not surprisingly, Michael Green, senior director of Asian affairs in George W. Bush's National Security Council, observes that historians will judge the Obama Administration on how it 'manages the rise of the East' (LaFranchi 2009), where China is perceived by many to be destined for hegemonic status, at—and possibly beyond—the regional level (Buzan 2004; Weiss 2009, 21).

The operative term in this context is 'manage': Hillary Clinton's first remarks as newly appointed Secretary of State stressed that the USA wished to pursue a 'comprehensive dialogue with China', broadening George W. Bush's 'strategic dialogue' in order more effectively to accommodate 'the important role that China is playing and will be playing as both a regional and international player on so many important issues' (Clinton 2009a). The strategic *milieu* in which China is being observed internationally appears to be increasingly informed by the idea that, unless rising powers such as China and India are actively engaged and incorporated into the current global institutional framework, the future of today's international regimes will be uncomfortably uncertain (Drezner 2007). Since such regimes are in most cases the fruit of a deliberate choice by the USA to 'institutionalize' part of their hegemonic power (Ikenberry 2001, 9), their decline would have direct consequences on the overall stability of the international system.

This chapter seeks to explore the contribution of the People's republic of China (PRC) towards global governance precisely by framing China's foreign policy in the context of the current international order. Here, 'global governance' is therefore taken to signify efforts to tackle issues of global relevance through more or less formalized fora and institutions that are embedded within that order. Whether the Chinese government's actions suggest a progressive socialization into the workings of today's order as opposed to a revisionist attitude is a matter of the greatest relevance for the future of world politics.

In order to shed some light on this crucial issue, the next paragraphs will focus on China's attitude towards multilateral institutions: after considering economic and financial ones, special attention will be devoted to the key international body of the UN. In particular, analysis of China's policy pronouncements and behaviour within the UN Security Council (UNSC) will seek to identify the main components of China's foreign policy rhetoric and gauge the extent to which, in practice, they are adhered to. Finally, the PRC's political role at the global level will be considered as a critical intervening variable in the peculiar transition process that characterizes the current international order.

China and global economic institutions

Today no military, social, demographic or environmental crisis can be adequately addressed in a multilateral framework without China's co-operation, or, at the very least, benevolent acquiescence (Kim 2004, 39). This fundamental truth is a direct corollary of the record of unparalleled economic success brought about by the 'open and reform' policy (*kaifang, gaige zhengce*) inaugurated by Deng Xiaoping in the late 1970s. This gives rise to the question of the extent to which the Chinese government is willing to co-operate in the governance of an order in which it has had no shaping role and whose evolution does not fully reflect its preferences on a number of sensitive issues, the respect for national sovereignty being the chief example. This point is of increasing relevance, as virtually all countries in the world have vowed to fend off the most severe economic downturn since the Great Depression by reinstating politics and regulation to centre stage in lieu of the supposedly neutral workings of the 'invisible hand'.

Even before the end of World War II US President F. D. Roosevelt identified China as one of the 'Four Policemen' that would be consulted on major policy decisions regarding the Axis Powers. The US government in Washington, DC was subsequently instrumental in securing for China a seat on the UNSC, where a Chinese representative has sat since the inception of the organization, as stipulated in Article 23 of the UN Charter. However, crucially, at the time when the post-war order was being set out, China was not simply

weak and hardly able to play a significant role in the drafting—much more than that, it was a *different country*. Formally, it was then called the Republic of China (ROC), and, in essence, it represented the last episode of the story of decline of republican China, soon to be confined to the shores of Taiwan under the protection of the US Navy, while the Chinese Communist Party (CCP) took over the mainland and established the PRC. The issue, therefore, is whether in the long term the PRC will be willing to shoulder the burdens attached to the role of 'order protector' conferred on its Nanjing predecessor at a time when the now-ruling communist leadership could not participate in shaping such order, and China was a mere shadow of the economic giant that it has now become.

In the opinion of many influential scholars, considerable changes in China's behaviour in recent decades raise the possibility that China may be progressively socialized into the workings of the current order (Johnston 2008, 197). China's interests often converge with those of the major powers—above all, the USA—which lend the strongest support to the current international order. Further, a constructive and 'social' approach to global governance has also increasingly been perceived by the Chinese leadership as a valuable source of prestige, and international tribute of *kudos* has traditionally been an important legitimizing factor for rulers in China (Deng, Y. 2005; Fairbank 1942, 135). Reference to the PRC as a 'responsible country' is now an unfailing component of all major speeches by Chinese leaders (Wen 2009).

Others are more cautious—or outright pessimistic—about the chances of China becoming a stable 'shareholder' in what in essence still is a USA-centered international order. These observers speak of 'tactical acquiescence' by the Chinese government, in keeping with Deng Xiaoping's admonition that China should bide its time and build up its capabilities, giving way on small issues with a view towards its longer-term interests (Pillsbury 2000). As Richard Solomon remarks, when the time is ripe it is unlikely that China will content itself with being treated in the reciprocal manner invoked by PRC Premier Zhou Enlai, when first meeting US National Security Advisor Henry Kissinger in July 1971, ahead of the formal rapprochement between the two countries. Such demand for equality 'conflicts with [the Chinese] historical sense that China … is more than just equal' (Solomon 1999, 30).

However, ultimately, most analyses endorse the view that the Chinese leadership has shown a very pragmatic attitude in the face of its ever-increasing 'remunerative power' (basically, power obtained through money, Etzioni 1975), which has been identified as being at the heart of China's ascent. One crude indicator of such power is offered by recent estimates contained in a report by the Council on Foreign Relations, a high-profile New York think tank: Chinese purchases of US treasury securities in 2008, the year that the global financial crisis broke out, were close to US $400,000m., or more than half the net inflow needed to sustain the US current account deficit (Setser and Pandey 2009, 18).

The point is powerfully reinforced by Secretary of State Clinton's remark during her first visit to China, that China should continue to invest in US treasury instruments, since the economies of the two countries 'are truly going to rise or fall together' (Mohammed 2009). Ultimately, therefore, the permanent bargaining process that has been tying the USA and rising China in the last two decades will be one of the most effective indicators of the PRC's actual position with regard to the current international order. The Chinese government has been highly effective in extracting concessions vital to China's national interests in exchange for co-operation on issues that are important to the West, like non-proliferation, narcotics, and, superficially at least, human rights.

In the post-9/15 world—that is after leading US investment bank Lehman Brothers Inc. filed for bankruptcy protection on 15 September 2008, initiating a downward spiral that

brought New York and much of the Western financial system to its knees—it will likely be in the realm of global economic governance that China's pressure for change will be felt first. At the moment, the Chinese government's capacity to shape decisions in major international financial institutions is severely constrained, as is that of all other major emerging economies. Both in the International Monetary Fund (IMF) and the World Bank (WB)—the 'Articles of Agreement' of which provide for a parallel and virtually identical governance structure—real power still rests with G7 countries (the seven leading industrial nations: USA, Japan, Germany, France, United Kingdom (UK), Italy and Canada) (Blustein 2001), while it has become manifest that nothing short of a much larger forum, such as the G20 (the international group of ministers responsible for financial affairs and central bank governors, including those of China), is in any position concretely to address the current crisis.

In the IMF each member country is assigned a quota, based broadly on its relative size in the world economy: this quota determines its maximum financial commitment to the IMF and its voting power. The current PRC quota share is 3.67%, providing China with very little leverage, if compared with those of France and the UK (4.94% each), Germany (5.99%) and Japan (6.13%). It is barely credible that with the twelfth General Quota Review (a process usually held every five years) the IMF Executive Board recommended in 2003 that China's then even lower quota—a mere 2.98%—should not be raised. Only at the Singapore Annual Meetings of September 2006 did IMF members agree to a preliminary ad hoc quota increases for four countries—China, South Korea, Mexico, and Turkey. At the same meeting the Board of Governors launched a large-scale quota and voice reform effort, whose declared aim is to make quotas more responsive to economic realities by increasing the representation of fast-growing economies while giving low-income countries a greater say in the IMF's decision making. The reform package, which includes a new quota formula, should increase the voting power of 135 countries, with an aggregate shift of 5.4 percentage points, mostly to the benefit of dynamic emerging market countries.[2] For the reforms to become effective 112 member countries representing at least 85% of total voting power need to approve the amendment. As of early March 2010, 65 members representing about 70% of total voting power have accepted, including the United States, most European countries, Japan, China, India and Brazil.

The current disparity between developing and advanced economies becomes striking if one compares the position of China and that of the US, whose current quota share is 17,09% (resulting in 16.74% of total votes). Notwithstanding China's role as the most significant provider of the financing needed to sustain Washington's large current account deficit and stimulus plans, it is the White House and Congress that still command the only single-state veto power. This reflects the IMF statutory provision requiring an 85% majority in 18 categories of decisions - including constitutional changes, quota revisions and major policy drives. Moreover, since the founding of the Bretton Woods institutions, by informal convention the IMF Managing Director has always been European, while the President of the WB is an American. It is also noteworthy that, although a similar understanding has evolved to the effect that 'staff representation should roughly match quota share' (Kahler 1990, 97), emerging economies remain under-represented in this realm too (Evans and Finnemore 2001; Lahti 2000). Although the need for a 'comprehensive effort' (World Bank 2003) to change the governance structure of global financial institutions appears to have been accepted by all relevant parties, exactly how such transformation should take place in the longer term is far less obvious. Indeed, according to initial statements by key US officials, the Obama Administration has yet to move beyond the stage where it assesses whether and how we need to reframe some of the regulatory processes (Clinton 2009b, 10). The same

cannot be said of the PRC leadership, which has been vocal in its efforts to secure more voice and representation on behalf of 'developing and transition countries' in the WB's decision-making process. In particular, the PRC Governor at the IMF has indicated that 'the ultimate achievement of a 50/50 distribution of voting rights [between advanced countries and emerging/least-developed countries] is the most fundamental and important objective of World Bank reforms' (Yi, G. 2008).

It remains doubtful that the Chinese government will consent to deploy its liquidity on any significant scale in order to prop up institutions that cannot effectively implement any major decision without the specific consent of the US. Indeed, Chinese Premier Wen Jiabao has unequivocally called for a reform of the international financial system: 'Developing countries should have greater say and representation in international financial institutions and their role in maintaining international and regional financial stability should be brought into full play' (Wen 2009). As Chinese financial support is sought with increasing vigour, China is thus likely to use its willingness to play a constructive role in governing the current crisis as a means of obtaining favourable treatment on a number of pressing issues. The most visible of these is that of the misalignment of the renminbi, especially vis-à-vis the US dollar. Since 2006, China has been able to prevent the IMF's executive board from discussing this controversial aspect of the Chinese economy, in spite of rules requiring the Fund regularly to assess member economies.

Similarly, on the occasion of the IMF's annual meeting in Singapore in September 2006, Resolution 61–65 was passed, requesting that the Executive Board formulate within two years a reform programme to enhance the credibility and effectiveness of the Fund. Implicit in the decision was the recognition, *inter alia*, that the four members that had received quota increases in the first round (including China) remained substantially under-represented. On 4 September 2008 IMF Managing Director Dominique Strauss-Kahn appointed a committee of eminent persons to assess the adequacy of the Fund's current framework for decision-making and advise on any modifications that would enable the institution to fulfil its global mandate more effectively. The issue is likely to become even more pressing at a time when a growing number of countries—including Belarus, Hungary, Iceland, Latvia, Pakistan, Serbia, and Ukraine—have been forced to request emergency lending. The money required to meet the Fund's objective of raising its reserves from US $250,000m. to $500,000m. will have to come from countries possessing substantial liquidity. Although Japan has led the way with a $100,000m. lending agreement, China—the possessor of the largest currency reserves in the world—has also been publicly tipped as another potential source of funding.

However, it is doubtful whether the Chinese government will consent to deploy its liquidity on any significant scale in order to prop up an institution that cannot effectively implement any major decision without the specific consent of the USA. Indeed, Chinese Premier Wen Jiabao has unequivocally called for a reform of the international financial system: 'Developing countries should have greater say and representation in international financial institutions and their role in maintaining international and regional financial stability should be brought into full play' (Wen 2009). As Chinese financial support is sought with increasing vigour, China is thus likely to use its willingness to play a constructive role in governing the current crisis as a means of obtaining favourable treatment on a number of pressing issues. The most visible of these is that of the misalignment of the renminbi, especially vis-à-vis the US dollar. Since 2006, China has been able to prevent the IMF's executive board from discussing this controversial aspect of the Chinese economy, in spite of rules requiring the Fund regularly to assess member economies.

A second point of contention has recently arisen within the World Trade Organization (WTO), of which the PRC has been a member since 11 December 2001. Despite China's accession to the WTO having been perceived as a positive contribution to the creation of an effectively 'global' structure of economic governance, the Chinese government has so far been only partially co-operative in addressing its many shortcomings with regard to its WTO commitments. In particular, Chinese officials have frequently attempted to modify or employ a restrictive interpretation of the Organization rules, and they appear unwilling to resort to the dispute settlement system at the WTO (Farah 2006, 303). On 26 January 2009 one such settlement was reached by a WTO panel, which ruled that the PRC must 'bring the Copyright Law and the Customs measures into conformity with its obligations under the TRIPS Agreement' (WTO 2009, 134). A good indicator of China's commitment to the upholding of global economic rules will be the degree to which it allows its economic and financial might to be constrained by similar multilateral arrangements, rather than pursuing more favourable regional and bilateral solutions (Matsushita 2005).

From the foregoing analysis three main facets of China's approach to global governance emerge. First, the Chinese government prefers a low level of institutionalization for all fora of multilateral co-operation, a tendency that is observable both at a regional and systemic level (Lanteigne 2005, 13). There are multiple reasons for this, including historical, cultural and geopolitical factors. Like all other countries that have been subject to foreign domination in the past, China has a clear perception of international hierarchies (Freedman 2004, 22) and, after the so-called 'century of humiliation', the ruling CCP wishes to surrender as little sovereignty as possible (Collotti Pischel 2002).

Culturally, as Bates Gill (2001) notes, worldviews in the USA, informed by Western/Judeo-Christian philosophies and values, tend to presume that history moves in linear fashion from anarchy towards a desirable, universalistic end, and that man can shape destiny through concrete action. Thus, formal, transparent, and predictably ordered relationships are all indications of progress, marked by binding instruments and arrangements. By contrast, Chinese philosophical tenets argue for a politically pragmatic 'long-term view', preferring personal, informal relationships forged through trust and mutually recognized codes of conduct (Gill 2001).

The second identifiable component of the Chinese government's behaviour is a penchant for employing its vast resources of remunerative power in pursuit of the more readily realizable benefits of closer bilateral relationships. Indeed, it has been remarked that China's engagement in multilateral institutions is frequently designed more to facilitate its pursuit of a plethora of bilateral activities than to reinforce the legitimacy and efficacy of the specific multilateral forum *per se* (IISS 2005, 357). In this context, the word 'multilateralism' is employed in a nominal sense, as an informal and 'light' practice of co-ordinating national policies in groups of three or more states (Keohane 1990, 731), a logic that is more appropriately rendered by the term 'concert'. It is a defensive approach, compared with the view that multilateralism 'obliges nation-states to define their national interest in a manner that does not conflict with the international community's view of its interest' (Lobel and Ratner 1999, 137).

Finally, during the past decade 'status' has emerged as one of the most precious goods in the eyes of China's leaders (Deng, Y. 2005, 51). While this inclination is regarded by some as a proxy for the Chinese government's commitment to play by the rules, another interpretation that deserves note links China's quest for international prestige with its position vis-à-vis developing countries. On several occasions Chinese officials have unequivocally stated that their country should not be counted in the ranks of developed economies, but

belongs among developing and transition countries, on the ground that 'one should take into account a country's GDP [gross domestic product] per capita instead of only the GDP when measuring its strength' (Qin, G. 2005). Naturally, China's aspiration to be a leading player is far more likely to be appreciated within this constituency, than it would in the eyes of the G7. Therefore, it is not surprising that, in recent years, China has rather pushed for the overall enhancement of the collective voice of all developing countries, especially within the G20. This larger forum includes Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, the USA and the European Union, represented by the rotating Council presidency and the European Central Bank.

There are a number of reasons why the government in Beijing should have favoured the workings of the G20. The first has to do with its genesis: the forum was launched in 1999 against the backdrop of the 1997 financial crisis, when China's status in Asia surged following the decision not to devalue its currency and likely precipitate the region further into turmoil. Secondly, the forum has a distinctively informal nature, working on a comfort-level basis without any permanent steering institution. Third, since the beginning of the global economic downturn in 2008 the G20 has come to be regarded as one of the most prominent venues in which to forge a broad political consensus that may lead to a restructuring of existing international institutions. Its rising profile has prompted BRIC countries (the major emerging economies of Brazil, Russia, India and China) to engage in preliminary discussions in order to take a joint stand and secure a greater voice (Radyuhin 2008). The decision by European G20 members to hold a similar high-level meeting in Berlin ahead of a much-anticipated G20 summit in London, UK on 2 April 2009 further attests to the forum's increasing relevance.

One concluding remark: the Chinese government's robust calls for a more substantial involvement in multilateral fora dealing with global economic governance is often officially referred to as both a reflection of the transition to multi*polarity* and a means of accelerating the process. This point, originally made by Avery Goldstein with reference to bilateral 'partnerships' struck by the PRC since the mid-1990s (Goldstein, A. 2001, 846), is extremely consequential. Far from raising an issue of method, it undermines the very pillar upon which the international order is based, namely the undisputed supremacy of the USA as the current hegemon. In a multipolar context, the USA would likely maintain a position as *primus inter pares*, but there would be lesser scope for 'hegemonism and power politics [that] remain key factors undermining international security' (State Council 2009, 3). While it is certainly plausible to point to a global economy that is rapidly restructuring around a growing number of poles, in terms of international politics the issue is more complex and highly sensitive. We shall examine this in the following paragraphs, which assess China's role in the realm of global political governance as shown by the workings of the UNSC.

China's global politics at the UN

The Chinese leadership appears to be conscious of the fact that it would be politically unwise to appear publicly as a force actively promoting change in the current international order. Scholarly references to China's 'peaceful rise' (Zheng 2005) are dropped from official statements in favour of more neutral remarks on 'peaceful development' (State Council 2005). Similarly, while then CCP leader Jiang Zemin's report at the 2002 16th Party Congress spoke of 'boosting world multipolarization' (Jiang, Z. 2002), his successor's remarks in 2005 merely noted that the process of multipolarization 'is deepening' (Hu

2005). However, despite this quest for a low profile, the Chinese government has not shied away from making several firm political points in recent years. In no other context is this more apparent than at the UN, and especially within the UNSC, which can be considered the body in which governance in the crucial field of international security is effectively crafted.

There are at least three reasons to study China's behaviour in the UNSC as the best available proxy for its approach towards global political governance—two structural, and one contingent. The first structural reason has to do with the fact that the UN remains the only truly global institution endowed with significant powers and virtually universal legitimacy. The fact that the UNSC does indeed wield considerable influence is proved, *inter alia*, by the effort constantly made by the most powerful countries—especially the five permanent members (P5)—to exclude the UN from major involvement in conflicts in which they have direct security interests, Taiwan being one of the most obvious instances (Foot 2003, 207). As for legitimacy, Ian Clark has offered what is perhaps the broadest and most compelling account of its relevance for the durability of an international order and the effectiveness of any action of global governance (Clark 2005). It is precisely in light of its powers, legitimacy and the scope of its activities that the UN is at present the subject that can foster the most effective global governance. Since the specific activity of the UNSC is deemed to impinge the most upon national sovereignty (in light of the provisions contained in Chapter VII of the UN Charter and as a consequence of the recent evolution of international norms regarding the legitimacy of intervention), and given that respect of sovereignty is a very sensitive issue for the government in Beijing, China's conduct within the UNSC can be taken as a significant indicator of its overall attitudes towards global governance.

The second structural reason stems from Samuel Kim's observation that China's engagement with the UN bodies has reached a level of great significance (Kim 2003) and that the days of the low Chinese profile in the UNSC are over. The point has recently been addressed in the Position Paper of the People's Republic of China on the United Nations reforms: 'The United Nations plays an indispensable role in international affairs. As the most universal, representative, authoritative inter-governmental international organization, the UN is the best venue to practice multilateralism, and an effective platform for collective actions to cope with various threats and challenges' (PRC Permanent Mission at the UN 2005). Such a statement, coupled with a generally accepted view that China has now moved past the stage where it merely reacts to challenges in favour of a more proactive approach to world affairs (Goldstein, A. 2001, 835), makes the UN possibly the most relevant international political arena to be observed.

Finally, the contingent reason for observing the politics of the UNSC as a useful proxy for studying global governance derives from the renewed interest that the USA has shown in international institutions. Then Senator Obama had already remarked in 2007 that 'instead of constraining our power, [international] institutions magnified it', a campaign statement swiftly translated into policy with the decision to raise the position of UN ambassador to cabinet level in his new Administration. The first official comments by Susan Rice, Obama's choice of ambassador at the UN, very much underline the US Administration's commitment in this regard, defining the UN a 'vitally important institution' with 'room for great improvement … so that it is best-suited to meet the challenges of the 21st century' (Rice 2009).

China's policy towards the UN has historically witnessed several changes, often producing outright U-turns. As noted in the opening sentences of this chapter, the ROC is mentioned in the UN Charter among the founders of the United Nations. A representative

of the ROC sat in the UNSC since its inception and retained the seat even after Chiang Kai-shek's regime was forced out of mainland China by CCP troops in 1949. The status quo was preserved at the UN headquarters for another 22 years, with Taiwan diplomats officially claiming to represent the whole of China and the PRC government talking disparagingly of the UN as a tool for the great powers illegally to breach the sovereignty of smaller nations (Kim 1979, 100). A sea change in the Chinese government's attitude coincided with the Sino–Soviet split of the 1960s, and the contextual rapprochement between the PRC and the USA. The Chinese government lobbied with increasing vigour to have its own representative substituting the ROC one, and, with the support of several newly independent Third World countries and the crucial acquiescence of the USA, it finally obtained the desired outcome in December 1971.

Since then, China's conduct in the UNSC, and especially its voting behaviour, have shown China to have developed a relatively peculiar posture vis-à-vis the other permanent members of the Council. Specifically, three tendencies are worth mentioning: the PRC has cast the least number of vetoes, it has made extensive use of abstentions, and it has systematically employed four voting options as opposed to the established three (vote in favour, abstain, use veto power), often choosing not to take part in the vote. An elaboration over the last point offers some tangible evidence of China's increasingly active participation in global governance. Between 1971 and 1981 China recurrently chose to vacate its seat during the workings of the UNSC. It would be a gross oversimplification to equate abstentions and absences: whereas the former behaviour indicates uneasiness with the decision reached by the Council, the latter carries a much more severe judgement, namely that, in the eyes of the Chinese, the international body is not legitimized to address a specific subject. In this sense, the fact that PRC diplomats have refrained from leaving the Council since the early 1980s may be taken as an important indicator of China's drive fully to accept the global mission of this institution.

As for the use of its veto power, since 1971 the PRC has employed it only six times, displaying great restraint if compared to the 79 instances in which the USA has actively blocked a UN resolution. China has traditionally shown considerable aversion to the employment of what can be described as the most powerful and visible diplomatic weapon at its disposal. After having vehemently criticized veto power as a morally corrupt tool of great power politics, the Chinese leadership is clearly not keen to make much use of it, especially if this means casting the 'no' vote solo. This position was more easily held during the Cold War, when the Union of Soviet Socialist Republics (USSR) could be relied upon to use its own veto power to prevent the West from operating unwelcome policies around the world. However, even after the disintegration of the USSR, the PRC has demonstrated its desire not to be perceived as isolated in opposing resolutions proposed by Western powers: the most recent drafts vetoed by China carried Russia's 'no', too.

Aside from the quantity of China's vetoes, their *quality* too is relevant for gauging the PRC's current and potential contribution to global governance. While the two 'no' votes cast in 1972 are to be understood mainly within the old Cold War context, the 1997, 1999, 2007 and 2008 vetoes are rather indicative of the issues that the Chinese government considers imperative to the point of breaking with its self-imposed diplomatic 'restraint' in the UNSC. In general terms, the first two instances illustrate why China is a moderate revisionist of the *current* international order, while the latter two give a sense of what it means to describe China as a preventive revisionist of the *potential* order, as will be argued in the concluding section of this chapter.

In 1997 China vetoed a UN resolution aimed at dispatching 155 military observers and medics to war-torn Guatemala, and in 1999 it adopted a similar position against a

proposed resolution to extend the mandate of a UN mission safeguarding Macedonia's borders. The latter decision drew widespread criticism, especially as China had previously supported not just the establishment of the mission, but its forerunner in 1992.

In both instances the underpinning rationale had to do with the One-China policy, whereby it is one of the Chinese government's top foreign policy aims to have the largest possible number of states in the world recognize the PRC as the one and only China, with Taiwan as a renegade province (People's Daily 2005b). Guatemala and Macedonia had established official diplomatic relations with Taipei, thus generating China's reprisal. Such behaviour suggests that the issue of Taiwan—which the Chinese government defines as a wholly domestic matter—strongly impinges on the PRC's conduct, influencing its participation in governance practices. More broadly, given that Taiwan lies at the crux 'of what may be the Asia-Pacific region's most acute security dilemma' (Tow and Yen 2007, 332) and that gaining control of the island would put China astride the sea lines of communication of Japan and South Korea (the closest US allies in the region), this irrevocable claim by the PRC may be defined as intrinsically revisionist vis-à-vis the material, if not the formal, constitution of the international order.

The remaining two vetoes were cast by the PRC together with Russia in 2007 and 2008 to prevent resolutions condemning, respectively, the governments of the Union of Myanmar and Zimbabwe. Aside from the warm relations connecting these countries to China, the Chinese leadership explained its decision referring to the need to uphold the principle of sovereignty against any attempt to interfere with a state's domestic affairs. This piece of evidence is conspicuously reinforced by the pattern of abstentions that specifically characterizes the PRC's behaviour in the UNSC. China has a structural tendency to abstain, a conduct that Samuel Kim equates to a sort of 'normative veto' (Kim 2003, 69). Charting the official pronouncements on such abstentions produces a very telling result: in over 85% of the examined cases the bottom-line rationale for not approving the UNSC resolutions has to do with the desire to safeguard—at least rhetorically—the principle of national sovereignty. This result is obtained by coupling the number of pronouncements in which sovereignty violation is formally referred to with those carrying a negative judgement on the enactment of the provisions contained in Chapter VII of the UN Charter.

While China's posture in respect of Taiwan may be regarded as evidence of a moderate, risk-averse form of actual revisionism, the Chinese government's rhetoric and behaviour in the UNSC seem to justify an interpretation of its role in shaping global governance—or, more precisely, in working to reduce its breadth and intensity—as a coherent practice of *preventive* revisionism. This claim is to be understood in the context of an international order that clearly appears to be in flux and the apparent broad consensus on the need for a substantial adjustment of global economic and political institutions, so as to equip them for current and future challenges. What is disputed is the nature and scope of the proposed changes.

Conclusions

Since the early 1990s a peculiar situation has developed in which the hegemon has displayed a decreasing degree of satisfaction with the international order that it had established and sustained in previous decades, advocating the establishment of a 'new world order'. Most analysts have argued that in formulating this remark in 1990, President George H. Bush implied at the very least a strengthening of the UN and a more robust role for international law (Evans and Newnham 1998, 371). Subsequent US administrations

maintained this 'new order' discourse, but progressively shifted their attention away from procedures and institutions, towards a more normative-interventionist posture. This tendency could be perceived during the Clinton years, but reached its climax with the 'escalating' foreign policy doctrine employed by George W. Bush, which progressively loosened the traditional concept of pre-emptive war to the point where preventive intervention (i.e., taking military action against a country perceived as threatening well before any attack were imminent) was held to be legitimate. The President's remark during his second inauguration in 2005, that it would be US policy to support the growth of democratic movements and institutions in every nation and culture with the ultimate goal of ending tyranny, attests to the maximum thrust ever attained by this approach. In Bush's vision a direct connection is established linking domestic democracy and international peace, as if the institutions of the multilateral order created after World War II were no longer necessary to make sure that interests would not clash and collective problems could be jointly addressed.

With new leaders in power in both the USA and the UK—the two 'special partners' responsible for the highly contentious episode of the invasion of Iraq in 2003—the drive to reform global institutions has not decreased, but it has witnessed a marked shift in priorities. In London, the UK government published the country's first National Security Strategy in March 2008. The document states that Britain believes 'that a multilateral approach—in particular a rules-based approach led by international institutions—brings not only greater effectiveness but also, crucially, greater legitimacy' (Government of the UK 2008, 7). As mentioned above, the Obama Administration, too, is committed to devoting attention to international institutions and, significantly, it officially speaks of the relevance of 'rules', in particular with regard to China: 'Obama and Biden will … work to ensure that China plays by international rules' (White House 2009). The strategic orientation appears to be that of reinforcing the corpus of such rules, especially in Asia, moving past the stage of 'occasional summits and ad hoc arrangements' in favour of 'an infrastructure with countries in East Asia' (White House 2009).

As Stephen Brooks and William Wohlforth note, despite widespread scepticism, the USA still possesses enough power and legitimacy to spearhead reform of the international institutions in which global governance is worked out (Brooks and Wohlforth 2009). This statement implies that the USA can look at maintaining its hegemonic position in any renewed version of the international order that it chooses to help design. Despite the very different emphasis placed by the past and current US administrations on norms and values, vis-à-vis rules and procedures, the one common denominator is the pursuit of an 'upgraded' version of the international order, as opposed to a merely 'updated' one. The US leadership is unlikely to commit significant shares of its power in global institutions merely to render them more representative in the face of a rising number of significant power centres. A search for a 'thicker', more effective and rules-based fabric of institutions is more likely on the political horizon of the US Administration, with the objective, *inter alia*, of constraining at least a share of rising China's sovereignty.

It is with regard to both these *potential* new orders—that of George W. Bush's normative interventionism and the one foreseeing a wider and more stringent set of rules—that the Chinese government appears to employ a form of preventive revisionism. In the early 2000s, the Chinese leadership was able to use a traditional set of foreign policy principles to produce a refined and cohesive official rhetoric claiming to defend the true spirit of the UN Charter against Western attempts surreptitiously to interpret it in a 'hyper-progressive' direction. The PRC would therefore uphold the 'equality of states in establishing international norms and the uninfringeable sovereignty of all states large and small, Western and

non-Western, rich and poor, democratic and authoritarian, each to run its own system as it sees fit, whether its methods suit Western standards or not' (Booth and Trood 1999, 4–5). China has found many supporters for this view, especially in the developing world, where adherence to traditional conceptions of sovereignty appears to be gaining momentum (Gowan and Brantner 2008, 58).

Samuel Kim explains that Chinese leaders fear the UN becoming a 'supra-national government' and so insist that the UN remain a state-based organization aimed primarily at reducing transaction costs, enhancing co-operation and defending the interests of sovereign states (Kim 1993, 430). At a time of economic and social turmoil, when the need is felt for authoritative arrangements to steer the world away from the most pernicious consequences of a global recession, the observation of China's behaviour towards an effective restructuring of international institutions stands out as perhaps the best opportunity yet to assess the breadth of its commitment as a 'responsible country'.

Note

1 I wish to thank Bob Ash and Anna Caffarena for their valuable comments on earlier drafts of the chapter. This chapter was finalized with the support of a research grant sponsored by T.wai, the Torino World Affairs Institute.

2 It is in the context of this wide-ranging reform that one should read the apparently paradoxical decision by the IMF Executive Board in 2008 not to propose any changes in quotas in the latest (thirteenth) general review of quotas. The Board of Governors of the Fund has made it clear that, after the reform, further realignments should be expected in quotas and voting rights, adjusting to changes in the global economy. The fourteenth general review is now underway.

11 Integrating into the international community?

Chinese peace-keeping operations

Shogo Suzuki

The involvement of the People's Republic of China (PRC) in UN peace-keeping operations (UNPKO) serves as an excellent case to examine and gauge the extent to which China has integrated itself into the international community since the advent of the reform and opening up policies initiated by Deng Xiaoping. China's traumatic encounter with the Western-dominated international order in the 19th century—often known as the 'hundred years of humiliation'—resulted in a strong sense of suspicion towards any perceived encroachments on Chinese sovereignty, and indeed any form of intrusion on other states' sovereign prerogatives by outside powers. During the Maoist era, the Chinese government's world view was deeply coloured by realist thinking, which essentially posited a hostile international realm in which self-help was the most efficacious means by which to maintain the survival of the state. This perspective was undoubtedly strengthened by the fact that China had confronted both the USA and the Union of Soviet Socialist Republics (USSR) during this time.

Much has changed since the death of Mao Zedong. Deng's policies of attaining high levels of economic growth have meant that China has had to engage with the global economy and international community at an unprecedented level, and accept the interdependency that this entails. As this process has continued, we have witnessed a significant change in the PRC's outlook on international politics. No longer do the Chinese rigidly adhere to a realist view, but they are increasingly convinced that their international environment is a relatively benign and beneficial one to China. This means that the PRC's interpretations of sovereignty have become more flexible. The Chinese political élite now acknowledge that China's interdependence with the international community means that is has no choice but to surrender part of its sovereignty to outside forces, and that this does not necessarily entail a threat to the survival or vital interests of the PRC (Carlson 2005; Wang, Z.Y. 2001). The fact that China agreed to the World Trade Organization's demands for certain domestic reforms for the sake of further integrating itself into the global economy is a case in point.

The PRC's views of UNPKO have also been strongly influenced by this evolution in the Chinese government's interpretation of international politics, and it is the purpose of this chapter to examine China's evolving policies with regard to UN-sponsored peace-keeping operations. The chapter proceeds in a broadly chronological manner, and will begin by examining the Chinese views on UNPKO shortly after its admission into the UN. While China's perceptions of these missions were coloured by hostility at this time, in recent years we have seen a significant increase in Chinese contributions. The second section will examine this process of change, and contextualize this with the evolution of UNPKO from 'neutral' and 'non-intrusive' missions into intrusive operations that aim for the reproduction of liberal-democratic, market-capitalist states in war-torn areas. While there still exists substantial

Chinese suspicion towards these new types of UNPKO that emerged after the end of the Cold War, this chapter argues that strategic interests, combined with the PRC's gradual acceptance of certain humanitarian norms, have made China into a (sometimes reluctant) supporter of peace-keeping missions.

China and UNPKO: the early days

China initially made little secret of its hostility towards UNPKO when it first joined the UN. The powerful memories of the 'hundred years of humiliation' meant that the PRC would be a fierce defender of sovereign integrity, and any attempt—even under UN auspices—to erode this norm was viewed with deep suspicion. Furthermore, the Chinese government had long regarded the organization as a stooge of both American and Soviet imperialism during the height of its international alienation in the 1960s. Even after China had reached a *rapprochement* with the USA and joined the UN in 1971, it continued to adhere to its 'Three Worlds' theory of international politics, and denounced UNPKO 'as an act of superpower "power politics", a pretext deployed to justify US or Soviet intervention in the affairs of small states' (Fravel 1996, 1104). While the PRC did not veto any operations, it refused to take part in any deliberations on the subject. The Chinese neither sent any personnel to UNPKO, nor did they pay their dues towards the operations.

However, as Deng's 'reform and opening up (*gaige kaifang*)' policies progressed, a gradual shift took place in the Chinese government's policies. There were broadly two reasons for this. First, in order to benefit from its growing interaction with the international community and the international economy, it was imperative for China to be seen as a 'status quo player' that adopted a co-operative stance in international politics and upheld the status quo. Second, as Fravel (1996, 1104) argues, 'China … sought to distance itself from its alliance with the USA by emphasizing its role as the self-proclaimed leader of the developing world, which required a more co-operative attitude toward the U.N. and peacekeeping operations', which were important to these states. It was in this context that 'China participated in its first vote on peacekeeping, voting in favor of the operation' in 1981 (Gill and Reilly 2000, 44). The PRC's representative to the UN, Li Luye, voiced on 22 September 1988 China's desire to join the UN Special Committee on Peacekeeping Operations, stating that 'peace-keeping operations have already become an effective way in which the UN maintains international peace and security … China is willing to join the UN Special Committee on Peacekeeping Operations, and make contributions towards peace-keeping activities' (Tang 2002, 39). This request was quickly granted in December that year. China also began to make financial contributions towards UNPKO, and sent Chinese observers to a mission for the first time in 1990.

In many respects, such acts did not pose any fundamental political dilemmas for the PRC. For a start, from 1981 (when China began voting for UNPKO) to 1988, 'the U.N. did not establish a new peacekeeping operation' (Fravel 1996, 1104), so agreeing to the principles of the missions was arguably 'cheap talk'. Second, UNPKO during the Cold War period was generally restricted to the patrolling and monitoring of cease-fires or conflict management. The missions tended not to be overly intrusive on the host states' sovereignty, and helped allay Chinese sensitivities towards any perceived 'foreign interference'. Furthermore, the five permanent members (P5) of the UN Security Council (UNSC) were restricted in participating in UNPKO 'because of the danger that their Cold War rivalries would be injected into the very conflicts that peacekeeping was designed to insulate them from' (Findlay 1996, 13). There was therefore not much need for the PRC to participate in any operations.

China and UNPKO in the post-Cold War international community

However, the end of the Cold War has brought about a number of significant changes to UNPKO. During the Cold War, the stand-off between the USA and USSR and the fears of a nuclear war between the two superpowers meant that security policy was very much focused on protecting the sovereign state. With the immediate danger of this possibility receding, increasing attention was paid to other threats to humankind, which often emanated from *within* a state's borders. Most prominent were those resulting from so-called failed states, suffering from economic collapse, civil or ethnic war. Furthermore, in this new conceptualization of security, the sovereign state could also be seen as a *source* of security threats to humankind. Many failed states suffered from undemocratic governance (which was often linked to their economic underdevelopment) and appalling human rights records. Conventional security policies had assumed that the sovereign state was responsible for the well-being of its citizens and *capable* of protecting them: this is precisely why the survival of the state was seen as a paramount goal.

However, the human suffering resulting from failed states, brought about a fundamental rethinking of security policies. The presidential speech of the UNSC in 1992 put this aptly as follows:

> The absence of war and military conflicts among States does not in itself ensure international peace and security. The non-military sources of instability in the economic, social, humanitarian and ecological fields have become threats to peace and security. The United Nations membership as a whole, working through the appropriate bodies, needs to give the highest priority to the solution of these matters.
>
> (UN 1992, 3)

The search for solutions to these 'new' security threats led to two important policy shifts. First, as epitomized by the lively debates surrounding humanitarian intervention, there was an increasing belief that the international community could override a state's sovereignty if the state in question had failed to provide adequate security for its citizens. Second, and following from this, it was argued that the international community now had the duty to engage in some form of intrusive social engineering to rebuild failed states and provide security for the latter's citizens.

This new policy was reflected in the mandates for post-Cold War UNPKO, which were not expected, in Kofi Annan's words, 'to create the conditions necessary for a sustainable peace in war-torn societies' (cited in Paris 2004, 2). As UN Secretary-General Boutros Boutros-Ghali (1992, 17) put it in his 'An Agenda for Peace', '[t]here is a new requirement for technical assistance which the United Nations has an obligation to develop and provide when requested: support for the transformation of deficient national structures and capabilities, and for the strengthening of new democratic institutions'. Crucially, this entailed the transplanting of liberal-democratic government and market capitalism in failed states. The operations were 'guided by a generally unstated but widely accepted theory of conflict management: the notion that promoting "liberalization" … would help create the conditions for a stable and lasting peace' (Paris 2004, 5). In the post-Cold War intellectual climate, which firmly believed in the ultimate triumph of the West, no alternative forms of governance were imaginable. UNPKO has thus become the modern day '*mission civilisatrice*' (Paris 2002).

The puzzle of Chinese participation in post-Cold War UNPKO

These developments in UNPKO should pose a number of moral dilemmas for the PRC. For a start, the very notion that a state's sovereignty can be suspended for its failure to fulfil

its humanitarian obligations towards its citizens is troubling for China, which has more than a fair share of its own human rights abuses. Second, the Chinese have tended to insist that it is important to obtain the consent of the host state for all UNPKO (Sheng, H. 2006, 22; Tang 2002, 40; Zhang, H.Y. 2004, 31). However, in the case of failed states, it is extremely difficult to obtain the 'consent' of the host state when the government has either collapsed or is extremely weak. It is for this reason that Simon Chesterman (2004, 143) argues that the concept of 'consent' or 'ownership' is misleading, because '[i]f the local population had the military and economic wherewithal to provide for their security and economic development' then intrusive PKO operations with their agendas of social engineering would not have been dispatched in the first place. Furthermore, even if the host state does give its permission for the missions to take place within its territorial borders, it is far from certain whether this took place under conditions of perfect freedom, given the weak political capacity of failed states. In the case of peace-keeping operations in East Timor, for instance, 'the Indonesian "request" for international assistance was less than enthusiastic, and widely seen as the product of fairly intense pressure from the … Western powers' (Carlson 2004, 21). This, again, flies in the face of the narrow (and absolute) interpretation of the sovereignty norm upheld by the government in Beijing.

Third, the international community's attempts to transplant a particular type of domestic governance on a war-torn state effectively deems the citizens of the host state as 'children' lacking the capacity to determine the course of their own lives (Bain 2003). For many Chinese, such beliefs have uncomfortable parallels of the racist climate of the 19th century, when non-European peoples were treated as 'child-like' and 'uncivilized' by the Europeans and expected to modernize along Western models (Gong 1984; Suzuki 2009). China would be expected to have fundamental difficulties in transplanting Western-styled liberal-democratic models of governance—which stand in opposition to the PRC's authoritarian, party-state system—onto other sovereign states. Such views are discernible from various Chinese scholars' works, which state that, since 'the end of the Cold War the neutrality of UNPKO has clearly been eroded … and interventionist characteristics have become extraordinarily prominent' (Zhang, H.Y. 2004, 31).

Yet, this has not led to a reduction in Chinese engagement with UNPKO. In fact, Chinese participation has grown remarkably. In January 2001 China sent 113 military and civilian police personnel to UN operations, and ranked 46th in terms of contributions. By March 2004, this had increased to 648, and the PRC has consistently been ranked among the top 20 contributors, having stayed in the top 15 since October 2005. At the last count, in January 2009, 2,146 Chinese military and civilian personnel were taking part, making the PRC the 14th largest contributor. China has sent missions to the African Union/UN Hybrid Operation in Darfur, the UN Mission in the Sudan, UN Operation in Côte d'Ivoire, UN Mission in Liberia, UN Organization Mission in the Democratic Republic of Congo, and the UN Mission for the Referendum in Western Sahara, where Major General Zhao Jingmin was Force Commander. China's financial contributions to the UNPKO budget have also grown steadily 'from around 0.9% throughout the 1990s, to 1.5% by December 2000, and … just above 3% per cent by 2008' (International Crisis Group 2009: 8).

While the bulk of the PRC's contributions are in the African continent, Chinese personnel have also participated in the UN Stabilization Mission in Haiti, UN Integrated Mission in Timor-Leste, UN Interim Force in Lebanon, and the UN Truce Supervision Organization (in the Middle East). Crucially, some of these missions have substantial 'social engineering' aspects to them. The mandate in Libera, for instance, includes the protection and promotion of human rights, assisting the 'transitional Government … in reestablishment of national

authority throughout the country, including *the establishment of a functioning administrative structure at both national and local levels*', and 'preparing for national elections scheduled for no longer than the end of 2005' (UN 2003:4, emphasis added). Similarly, the mandate for the Côte d'Ivoire also states that the mission is to 'provide oversight, guidance and technical assistance … to prepare for and assist in the conduct of *free, fair and transparent electoral processes*' (UN 2004: 4, emphasis added).

China's Participation in post-Cold War UNPKO: the motivations

China's seemingly extensive participation in these missions presents us with something of a puzzle. States do of course participate in UNPKO for a variety of reasons. Some states, for instance, send their military personnel to train their troops or have their defense expenditure effectively subsidized by the UN. Some may also contribute in order to keep their military overseas to prevent them from engaging in military coups (Findlay 1996, 4–6). However, the PRC has no immediate need to participate in UNPKO for these reasons. Furthermore, given its moral difficulties with intervention and 'social engineering' and its memories of Western imperialism, the Chinese government should have very little motivation for contributing to these UNPKO. Why, then, has China become a supporter of these missions?

The first reason stems from considerations of national security. Participation in UNPKO is a very good way for the Chinese military to 'gain some of the technical skills and knowledge necessary for force modernisation' and 'important on-the-ground experience' outside China (International Crisis Group 2009: 14). Furthermore, given that some of the PRC's neighbours are candidate failed states, there is strong Chinese appreciation of the need to stabilize these states, and to support UNPKO in its aim to achieve this. While some Chinese scholars continue to claim that calls for intervention in failed states constitute nothing but a cynical justification of Western hegemonic ambitions (Liu, B. 2002), the Chinese government has now in principle accepted that failed states (*shibai guojia*) do present a concrete security threat and that it is imperative to stabilize these states, even if it does entail the use of somewhat intrusive means by the international community. Given this new belief, it is not particularly surprising that the PRC not only supports, but also actively participates in UNPKO designed to reconstruct failed states. Chinese analysts argue that 'if we adopt a "big view" (*dazhoubian de jiaodu*), Iraq, East Timor or other "failed states" should all come under the scope of our consideration, and should be viewed as factors that play a key role in stabilizing China's border regions' (Song and Liu 2007, 35). China shares its borders with Pakistan and Afghanistan, both states characterized by weak central governments lacking the capacity to enforce their rule. Facing Islamic cessationist movements in the autonomous region of Xinjiang, it is highly likely that China fears that instabilities brought about by failed states in its border regions could have adverse effects on its own domestic security. Pointing out that the September 11 2001 suicide attacks on the USA brought the dangers posed by such states into sharper focus, Song and Li note:

> If we use Western definitions, there are many 'failed or candidate-failed states' around China … . If we think about the explicit and implicit dangers that can be brought about by the 'export of failure', we cannot avoid the reality of 'failed states', and neither can we avoid the direct threat 'failed states' could bring to China.
>
> Song and Liu (2007, 35)

Second, since the 'humanitarian turn' in the post-Cold War international community, the Chinese government has found it increasingly difficult to oppose intervention in the face of blatant human rights abuses. Some analysts remain staunchly orthodox in their approach, arguing that the missions must be neutral and only be sent after the host state's consent has been given. For instance, Lai Zhigang (2000, 66; also see Liu, W. 1999) argues that the more intrusive forms of UNPKO lack legality and 'do not adhere to the basic principles of traditional PKO. The use of military force to interfere on another state's internal affairs and infringe on their sovereignty sets a bad precedent for the international community'. However, other analysts have shown more nuanced views. Tang Yongsheng (2002, 41) argues that one 'cannot abandon PKO and efforts to establish peace just because it has certain interventionist tendencies'. He then goes on to say that the definitions of sovereignty have changed throughout history, and that 'the sovereignty of nation-states is no longer absolute and exclusive. In order to survive and develop, nation-states must participate in a wide range of international relations, and in many areas [of international co-operation] they need to surrender the power originally held by the state' (Tang 2002, 41; also see Zeng 1998).

The reasons for these changes in attitude can primarily be traced back to China's increasing interactions with the international human rights regime. This process has resulted in a gradual (if sometimes limited) acceptance of certain humanitarian norms, and made the Chinese leadership increasingly susceptible to international social pressures to improve its own human rights record (Johnston 2008; Kent 1999). In this context, China cannot veto the international community's attempts to halt human rights abuses within a state's borders for the sake of upholding the sovereignty norm without risking substantial international opprobrium, and has even accepted 'the general legitimacy of multilateral intervention to resolve particularly prominent humanitarian crises' (Carlson 2004, 24). Evidence of this was visible during the bombing by the North Atlantic Treaty Organization (NATO) of Kosovo. While highly critical of the latter's actions, it is interesting to note that the Chinese chose to oppose NATO actions on the ground that the organization had not sought UNSC authorization. Their sensitivity to human rights norms meant that the Chinese leaders were ultimately unable to ignore the ongoing 'ethnic cleansing' taking place in Kosovo for the sake of upholding the sovereignty norm (Wheeler 2004, 48).

More recently, China has again demonstrated its growing acceptance of 'conditional sovereignty' by endorsing the 'Responsibility to Protect' (R2P) at the World Summit in 2005. This development is noteworthy in that the concept of R2P departs significantly from traditional notions of 'absolute sovereignty' by asserting that states have the responsibility to protect their citizens from 'genocide, war crimes, ethnic cleansing and crimes against humanity, and from their incitement' and that the international community has the responsibility to ensure that this duty is implemented—by coercive and intrusive measures if need be—if the state in question fails to fulfil it (Ban 2008). Furthermore, China went one step further and 'reinforced that support in its Position Paper on UN Reform in 2005 which noted that: "When a massive humanitarian crisis occurs, it is the legitimate concern of the international community to ease and defuse the crisis"' (Teitt 2008: 8).

The final reason for China's growing participation in UNPKO stems from a desire to establish an image of a benign great power that upholds the normative fabric of the international community. China's rise has frequently aroused the suspicion of the international community, as seen by the flurry of 'China threat' theses that charged that the PRC was a revisionist power that sought to challenge the international normative status quo and Western primacy (Bernstein and Munro 1997). Stunned by the fact that China's growing parity with the Western powers did not appear to be universally welcomed (Deng, Y. 2006), the Chinese government has since sought to reverse this image by adopting a co-operative stance and

constructing the identity of a responsible great power (*fu zeren daguo*), and participation in UNPKO has been seen as a crucial means to this end. Zhou Qi notes that

> … PKO is a special and important multilateral security institution with a global range, and is a 'contact point' for international security co-operation … . China should strive to increase its participation in such institutions or meaningful 'contact points' in the international system. The greater [the participation with] these 'contact points', the greater security China will gain. It will also play a very important role in breaking the 'China Threat Theses'.
>
> Zhou Qi (2005, 59)

While peace-keeping missions have frequently been associated with political symbols, it is important to note that it is only since the end of the Cold War that it has been possible to utilize UNPKO to shore up 'great power' status. As noted previously, permanent members of the UNSC were generally limited in terms of participating in peace-keeping during the Cold War period. However, the growing scale and complexity of the post-Cold War missions has meant that 'the UN Secretariat, which organizes such missions [had to] cast its net wider than ever before in its search for contributors' (Findlay 1996, 4). With their superior military power and resources, the more powerful states are increasingly expected to play a role in maintaining the peace in the international community.

Furthermore, as noted by English School international relations scholars, some of these states—often known as great powers—have traditionally been given constitutional privileges (as can be seen from the veto rights given to the P5 of the UNSC) in the governance of the international community in return for playing a leading role in the maintenance of global order (Bull 1995; Simpson 2004; Suzuki 2008). In the intellectual climate of 'liberal triumphalism', in which liberal-democratic values and market capitalism have become important criteria for legitimate membership of the post-Cold War international community (Clark 2005; Fidler 2001), UNPKO missions that aim to propagate these norms in war-torn societies serve as an excellent way of reinforcing the normative structures of the international community, and can thus allow the great powers to fulfil their special moral responsibilities (Suzuki 2008).

Such thinking is visible in the works of Chinese analysts, who frequently state that UNPKO is something that *great powers* do. This is in interesting contrast to states such as Canada, Sweden or Denmark, which have long been enthusiastic participants because of their desire to carve an identity as a 'middle power' with independent, internationalist credentials (Findlay 1996, 4). Zhou, for instance, mentions that participating in these operations would 'help China exhibit its image of responsibility *and that of a great power*' (Zhou, Q. 2005, 59, emphasis added). Tang Yongsheng (2002, 41) echoes this view, stating that 'further participation in PKO is something that China ought to shoulder *as a great power*' (emphasis added).

Conclusions

The PRC's evolving policies on UNPKO mirror its transformation from an alienated state living—as Richard Nixon (1967, 121) put it—'in angry isolation' to a 'status quo' player that seeks to work towards the maintenance of the international order. It is precisely for this reason that the Chinese, ironically, are helping to reproduce Eurocentric structures in the international community by engaging in the modern *mission civilisatrice* of propagating liberal-democratic governance and market capitalism through UNPKO.

It would of course be premature to suggest that the Chinese now fully agree with the social engineering aspect of UNPKO. An International Crisis Group report (2009: 26–30) notes

that divisions within the Chinese political decision-making élite remain with regard to the despatching of PRC troops to UNPKO. While the Ministry of Foreign Affairs has tended to be more concerned with China's image abroad and therefore more enthusiastic about contributing personnel, certain segments of the Chinese military remain deeply sceptical about international intervention and distracting the Chinese military from its primary duty of protecting China's national territory. Similarly, interviews with Chinese analysts revealed a continued scepticism towards attempts at reconstructing failed states along Western liberal-democratic lines, citing Iraq as a classic case of failure of this policy. Nevertheless, these operations allow the PRC to play what Ringmar (2002, 121–122) has called the 'recognition game', where an actor tries to adopt a particular identity by conforming 'as closely as ever possible to the rules which govern life in a certain social setting. By conforming to the rules he makes it possible for others to recognize him as the kind of person to whom these rules apply'. The PRC's participation in UNPKO, which aims to spread 'liberal-democratic governance' and 'market capitalism', can thus be interpreted as a 'recognition game' in which the PRC adopts the role of an institutionalized great power that helps reinforce the norms of 'legitimate membership and conduct' within the post-Cold War international community, and is given special responsibilities and privileges towards this end. Crucially, today these norms are frequently associated with Western ideology and dominance, and this strongly suggests that China's 'recognition game' is directed towards an audience consisting of the *Western great powers*, whose acceptance of the PRC as an equal is crucial for the Chinese to regain their self-perceived 'rightful' place among the great powers.

Naturally, China's policy of participating in paternalistic PKO that treats the peoples of the host states as children could damage its relations with the developing world, and its self-professed identity as a member of the developing world may be cast into doubt. The Chinese government appears to be aware of this. The fact that China participates only in UN-led PKO indicates that the Chinese are at pains (conveniently) to avoid charges of hegemonism and of hypocritically calling for the upholding of the sovereignty norm while simultaneously interfering in the internal affairs of other states; UNPKO are at least *multilateral* in nature, and the legal insistence—at least on paper—on the host state's consent also allows the PRC to maintain its credentials as a staunch upholder of sovereign integrity. Peter Van Ness (1993) has argued that, despite repeated assertions of solidarity with the so-called Third World, these assertions have often been highly superficial. The PRC has often had a sense of superiority over many Asian and African states, and has tended to turn to the developing world for its support only when it has been alienated by the West. If this is true, we should expect that China will continue to seek Western recognition and play the role of a 'civilizer' by supporting (tacitly or overtly) the paternalistic social engineering mandates that often colour post-Cold War UNPKO, so long as this does not have any implications for *Chinese* sovereignty and national interests.

However, what is less clear, is what would happen if China's quest for equality with the Western great powers fails. Social recognition is open to manipulation and subjectivity, and as such is an inherently *political* process. If the PRC decides that it has been alienated from the social group of the Western powers, will it abandon its participation in UNPKO? Will it attempt to propagate different norms of 'legitimate conduct' through the missions in which it participates? It is of course difficult to predict precise answers to such questions. However, what seems to be clear, is that China's participation in peace-keeping missions is a by-product of its engagement with the Eurocentric international community that has been taking place ever since its forced incorporation into this political order in the 19th century. We can thus expect Chinese UNPKO policies to take twists and turns, as long as the PRC's tortuous quest for identity within this social environment continues.

12 Modernizing the People's Liberation Army

Aims and implications

Tai Ming Cheung

Ever since China opened up to the outside world and chose economic development over Cold War confrontation at the end of the 1970s, the country has enjoyed an unprecedented period of peace, stability and sustained economic expansion. With its power and prosperity growing, China's place in world affairs is on the rise and it is increasingly playing a more prominent international role.

Despite this positive picture, Chinese military chiefs are concerned that the country faces a range of near- and long-term challenges to its national security. Taiwan has been the dominant source of anxiety for the Chinese government since the early 1990s. While cross-Strait ties have improved since the status quo-minded KMT (Nationalist Party) returned to power in 2008, the People's Liberation Army (PLA) continues its build-up against the island and continues improving its ability to deter the USA from intervening in the Taiwan Strait and within China's expanding sphere of regional influence. Over the longer term, China regards itself as a strategic rival to the USA in terms of power and influence throughout the Asia-Pacific region. Other security worries include maritime territorial disputes with Japan and nuclear proliferation and regime instability on the Korean Peninsula.

To meet these challenges, the PLA and the Chinese defence-industrial complex are undergoing a concerted and far-reaching modernization of their organization, capabilities and doctrines. With access to rising defence budgets and new generations of foreign and domestic weapons systems and defence technology, the Chinese military establishment is gradually emerging as a modern, well-trained and well-equipped fighting force that is able increasingly to project its power well beyond its territorial boundaries. Its missions are to defend against threats to the country's sovereignty and territorial integrity and to promote the country's image as a rising international power through military diplomacy.

In the past few years, China has unveiled new indigenous and foreign-acquired weapon platforms that are beginning to narrow—and in some cases overcome—a wide technological gap with the world's top military powers (Cheung 2009). The introduction of the fourth generation Russian Sukhoi Su-30MKK multi-role combat aircraft gives China a fighter aircraft that is more advanced than anything that Japan possesses, according to some senior US military officials (Fulghum 2009). In addition, the unannounced testing of a Chinese ballistic anti-satellite missile that destroyed a satellite at an orbital height of 500 miles in 2007 sparked international unease and prompted calls for greater Chinese transparency regarding its military activities and intentions (Hagt 2007).

But even as its rearmament drive makes progress, the PLA is being stretched to meet a growing array of responsibilities to safeguard the broadening global interests of the world's fourth largest economy. One glaring deficiency is a lack of long-range naval capability to secure the country's sea lanes of communication that carry more than 80% of the country's

external commerce. This enormous task of remaking a defence establishment that is still more suited to fighting a Vietnam War-era conflict than a 21st century engagement means that PLA chiefs have to be selective even as they enjoy double-digit increases in annual defence spending. The air force, navy and strategic missile forces are at the front of the queue in equipment funding priorities, while the once-dominant ground forces lag well behind.

The phased approach to Chinese military transformation

China has two contrasting visions and goals for its military modernization over the next two decades. The course being charted over the near-to-medium term between now and 2015 is an incremental strategy that seeks to improve the PLA's war-fighting capabilities through the upgrading of existing equipment combined with the selective introduction of new generations of conventional weapons. In the other far bolder approach, which looks 15–20 years ahead, defence planners are plotting a transformation using an information-driven revolution in military affairs to elevate the PLA onto a par with the world's advanced military powers.

These different technological trajectories are contained in plans promulgated by the Chinese authorities over the past few years. The long-term vision is spelled out in leadership pronouncements and more concretely in the Science and Technology (S&T) Programme for National Defence for 2006 to 2020 (Xinhua 2006) (hereafter referred to as the 15-Year Defence S& T Plan) and its civilian counterpart, the 'Guidelines for the Medium- and Long-Term National Science and Technology Development Programme (2006–2020)' (State Council 2006a), (hereafter referred to as the 15-Year National S&T Plan). Taken together, they represent a comprehensive blueprint for the undertaking of revolutionary technological leapfrogging efforts to 2020. Key research and development (R&D) priorities include information technology, laser technology, strategic reconnaissance, space-based technology, and high speed computer technology. The 15-Year Defence S&T Plan is largely devoted to basic and early-stage applied R&D activities.

However, before such a radical makeover can occur, the interim focus is to tackle the PLA's current backwardness. This is the task of the 11th Five-Year Defence Plan (hereafter referred to as the 11th 5-Year Defence Plan) and the defence industry's 11th Five-Year Defence Science and Technology Plan (Xinhua 2006), which covers the period from 2006 to 2010 and is focused on finalizing the development and introduction into service of a select number of new weapon platforms, ensuring the incremental upgrading of existing equipment and the overhaul of outmoded organizational structures. These plans are practical and pragmatic in nature and are grounded in the realities of limited defence budgets, restricted access to state-of-the-art foreign technology and know-how, and the overall backward state of the PLA's current technological standards.

Near-term military modernization: incremental upgrading and selective transformation

The 11th 5-Year Defence Plan seeks to build upon the robust pace, direction and upward trajectory of military modernization that the PLA has enjoyed since the late 1990s. This calls for the acceleration and broadening of the rearmament drive. The national leadership has affirmed its commitment to provide ample political, financial and technological support to allow the PLA and defence industrial apparatus to maintain this momentum. The 12th 5-Year Defence Plan, which begins in 2011, is likely to incorporate many of the same priorities as

its predecessor and continue with the same incremental approach, although perhaps at a more accelerated rate.

At a PLA armaments conference in September 2006, Hu Jintao, Party General Secretary and Chairman of the Central Military Commission (CMC), said that 'our army's armaments construction is at a new historical starting point. Our army's historical mission in a new phase in a new century sets a higher demand on armaments construction. Comrades on the all-army armaments front and the national defence science, technology, and industry front should further enhance their sense of responsibility and sense of urgency in armaments construction' (Cao and Sun 2006).

Although the actual details of the five-year defence plans are not publicly available, the modernization trends evident over the past decade offer insights as to the priority areas:

- There is a broad-based effort to root out obsolescence, downsize the ground forces and promote integration among the service arms.
- A selective rearmament programme is being executed, which seeks to achieve a modest incremental improvement in the overall technological standards of the PLA's frontline arsenal through the upgrading of existing equipment while at the same time procuring limited amounts of new generations of weapons in priority areas such as combat jets, submarines, ballistic missiles and surface warships.
- Efforts are underway to lay down the high-technology foundations on which to build a future military establishment that is capable of pursuing information-based operations.

Taiwan remains the central focus for the PLA's modernization drive, despite the thawing of cross-Strait relations since the election of KMT leader Ma Ying-jeou as Taiwanese President in March 2008. Between the early 1990s and 2008, pro-independence Presidents Lee Teng-hui and Chen Shui-bian shifted Taiwan's grand strategy away from reunification with the mainland and pushed for greater international recognition of Taiwan's de facto independent statehood. This led to severe tensions and volatility in relations with China, which included aggressive shows of military force by the PLA in 1995–96 and an accelerating build-up of Chinese offensive military capabilities in eastern coastal provinces adjacent to Taiwan.

The central objective of this modernization has been to acquire the capabilities that would allow the PLA to execute a quick and decisive victory against Taiwanese forces while deterring US military intervention. The PLA's concentrated acquisition of precision strike assets suggests that its preferred military strategy would be a 'decapitation' strategy that would neutralize Taiwan's civilian and military command-and-control apparatuses and vital infrastructural and communication facilities in addition to its key military capabilities.

The centrepiece of this offensive capability is the PLA's potent missile force. The PLA has been engaged in a concerted build-up of its short-range ballistic missile (SRBM) force opposite Taiwan since the mid-1990s. The US Defense Department estimates that the PLA had deployed between 1,050 and 1,150 CSS-6 and CSS-7 SRBMS in the Nanjing Military Region by September 2008 that can be used against targets in Taiwan, Okinawa and Guam, which the USA is turning into a major hub for its forward military presence in East Asia. In addition, new models of intercontinental ballistic missiles are now entering service. This includes the three-stage solid-propellant Dongfeng 31 and improved long-range Dongfeng 31A. The submarine-launched version, the Julang 2, is expected to be operational before the end of 2010.

Moreover, the PLA is also acquiring large numbers of highly accurate land-, air- and sea-launched cruise missiles, such as the DH-10 and the Russian SS-N-22 Sunburn (Office of

the US Secretary of Defense 2009, 48). Another purpose of these missile capabilities, as well as the rapid build-up of the PLA Navy's submarine force, is to develop robust sea denial capabilities so as to be able to deter the USA and its allies from intervening in the Taiwan Strait, and to blockade Taiwan and overwhelm the Taiwanese Navy. Chinese submarines have become increasingly active in the monitoring of US naval activities around Guam and Okinawa.

This near-term modernization drive will likely allow the PLA to gain the upper hand in the military balance against Taiwan for the first time by 2010–15. However, the Pentagon's assessment in 2009 was that the PLA could conduct various limited military operations against Taiwan, such as mounting a naval blockade, launching missile strikes, and seizing outlying islands like the Pratas and Itu Aba, but that the Chinese military was not capable of carrying out a successful full-scale amphibious invasion of Taiwan, especially if this would lead to international intervention (Office of the US Secretary of Defense 2009, 43–45).

Ma's election as President of Taiwan in 2008 has led to a softening in the PLA's rhetoric of the threat situation in the Taiwan Strait. China's 2008 defence white paper judged that 'the attempts of the separatist forces for "Taiwan independence" to seek "de jure Taiwan independence" have been thwarted, and the situation across the Taiwan Strait has taken a significantly positive turn' (State Council 2009, 5–6). But, while the PLA's public statements have become more tempered, initial hopes that this thaw might lead to a lowering of military tensions through structural initiatives such as a peace agreement or other types of confidence-building measures have not materialized. In its assessment of the cross-Strait military balance in early 2009, the Pentagon had detected 'no signs that Beijing's military dispositions opposite Taiwan have changed significantly' (Office of the US Secretary of Defense 2009, 46–47). Given the volatility of Taiwanese domestic politics, the PLA's build-up is unlikely to be halted or reversed anytime soon, despite the improved dynamics in cross-straight relations.

In tandem with the containment of Taiwan is the importance of militarily deterring the USA from intervening in the Taiwan Strait and increasingly elsewhere in China's expanding regional backyard. Since the mid-to-late 1990s, the Chinese defence establishment has been intensively engaged in developing a wide assortment of asymmetric military capabilities and strategies to interfere with the ability of the USA to deploy or operate its military forces in East Asia, especially in the maritime regime (Cliff *et al.* 2007). This is because US military intervention is regarded as the biggest obstacle to a successful Chinese invasion or other military actions against Taiwan.

Work has focused on sea-denial capabilities that include submarines and highly accurate anti-ship ballistic missiles, along with research and development of anti-satellite assets. The successful deployment of anti-ship ballistic missiles, such as the 1,500 km-range DF-21 could, according to some analysts, 'alter the rules in the Pacific and place US Navy carrier strike groups in jeopardy' in the not-too-distant future (Erickson and Yang 2009).

The PLA is also paying close attention to the efforts by Japan to raise the status of its defence establishment and to become more militarily active overseas. The PLA's concerns have occurred against a backdrop of deteriorating Sino-Japanese relations since the late 1990s that have led to deepening mistrust and friction between the two major regional powers (Bush 2009). The 2006 Chinese defence white paper pointed out that Japan was seeking 'to revise its constitution and exercise collective self-defence. Its military posture was becoming more externally oriented', and Japan was strengthening its defence alliance with the USA. 'in pursuit of operational integration'. These developments, along with US moves to enhance its regional military capabilities, are described as adding to the 'growing complexities in the Asia-Pacific security environment' (State Council 2006b, 5–6).

China has been particularly troubled by increasing efforts by the USA and Japan to reconfigure their defence alliance to focus on regional security matters. In 2005, for example, the governments in Washington, DC and Tokyo agreed jointly to respond to new threats and diverse contingencies in areas surrounding Japan, 'such as involving ballistic missile attacks, attacks by guerrilla and special forces and invasion of remote islands' (US-Japan SSC 2005).While this was primarily directed towards North Korea, Chinese military analysts said it was also a cryptic reference to China's expanding missile capabilities, Taiwan, and territorial disputes between China and Japan. Another major source of security tensions has been the East China Sea, where both countries have competing claims over control of maritime waters, demarcation of their exclusive economic zones, and rights to drill for offshore resources.

This downward spiral in Sino-Japanese relations appears to have stabilized, at least temporarily, since 2007. Concerns about Japan's expanding regional military posture were noticeably absent in the 2008 defence white paper, which reflected an upswing in Sino-Japanese relations following a lengthy period of strained ties between the late 1990s and 2006. But this hiatus may be short-lived, because of the deep-seated structural problems in their bilateral ties, which have nurtured a self-sustaining security dilemma.

Funding the modernization effort

The PLA has enjoyed substantial double-digit increases in its official defence budget allocations since the beginning of the 1990s. This has helped to support its far-reaching restructuring and rearmament effort as well as pay for significant salary rises, improvement in personnel welfare conditions and other non-combat expenditures. While the publicly disclosed budget, which totalled RMB 480,000m. (US $70,000m.) in 2009, is regarded by Western governments and outside experts to be between one and a half and three times smaller than actual Chinese defence spending, as it does not include expenditure on weapons research and development or foreign arms purchases, the size of the increase is nonetheless a good barometer of leadership support and the largesse of the state (Crane 2005, 91–190).

Some senior Chinese defence officials argue that military outlays should be lifted from the current level of 1.5% of gross domestic product to 2%–3%, which would be comparable to other advanced Western economies. However, this is unlikely in the near term, as the leadership's priority remains firmly focused on the country's economic development.

Inter-service modernization efforts: streamlining and consolidation of the ground forces into smaller, more manoeuvrable units

The ground forces have historically been the dominant component of the PLA, and this grip on power and authority remains strong today. Army generals hold most of the top posts in the high command, including in the policy-setting Central Military Commission, general headquarters departments, and regional military commands. There is a sprinkling of air force and navy chiefs as a gesture towards the long-term goal of turning the PLA into an integrated joint organization.

However, command dominance has not translated into budgetary largesse for the ground forces. While the air force and navy are able to buy sizeable quantities of new equipment to replace outdated arsenals, the pace of ground force rearmament has been much slower. Out of an inventory of 6,700 tanks, only around 200 new generation Type 98 and 99 main battle tanks have been procured so far. PLA chiefs have instead opted for a dual-track

strategy of engaging in limited modernization of mechanized capabilities, while emphasizing the long-term construction of a more nimble network-enabled force that can carry out the missions defined under the new operational rubric of fighting 'high-technology wars under informationized conditions'.

A major reason for the meandering pace of hardware modernization in the ground forces is the high manpower costs. Salaries and living expenses have soared over the past decade, as the PLA has sought to keep up with rising levels of prosperity in the rest of the country. To mitigate this burden, a concerted effort has been taking place since the mid-1980s to drastically slim down the ground forces, and troop numbers have now fallen to 1.25m.

At the same time, significant effort has gone into improving the quality of personnel, especially to mitigate the problems arising from the heavy reliance on conscription. A key initiative has been the cultivation of a professional non-commissioned officer corps, which is taking over many of the duties previously carried out by officers. With the emphasis on mobility and the need to prepare for contingencies in the Taiwan Strait, the PLA has sought to shrink the size of some of its divisions into more nimble brigades. The 2008 defence white paper points out that the ground forces are moving from 'regional defence to trans-regional mobility' and are also improving China's capabilities in 'air-ground integrated operations, long-distance manoeuvres, rapid assaults and special operations' (State Council 2009, 28). The number of infantry, armoured and artillery divisions have fallen over the past decade from 100 to 33, while there are around 60 army and marine brigades.

The PLA is expanding the dozen or so mobile division or brigade-sized rapid reaction units that are able to be quickly deployed over long distances. Many of these units are located in the Nanjing, Guangzhou and Jinan military regions, which are the regional commands in East China responsible for military operations against Taiwan. Nearly one-quarter of the ground forces, or 440,000 troops, are based in these three areas along with 40% of their tank force. The Pentagon says that the PLA has been steadily beefing up its troop and firepower capabilities in these three military regions since 2005, and units in these areas enjoy priority in weapons upgrades. To offset a smaller frontline force, the PLA has been building up its reserve and secondary units. There are 40 reserve divisions and 25 reserve brigades with more than 800,000 troops, and the para-military People's Armed Police, which deals with internal security, has been expanded to around 1.5m. troops.

The PLA's ability to transport large numbers of troops over long distances in a crisis was severely tested in May 2008, when more than 130,000 soldiers were sent to support disaster relief operations following a massive earthquake in Sichuan. While the scope and speed of the PLA's response was impressive, serious shortcomings were exposed. This included an acute lack of tactical airlift assets despite the assignment of a quarter of the ground forces' total helicopter fleet, the difficulty in reaching outlying areas, and a lack of operational experience and adequate training.

PLA units in Western China were also reported to have taken part in internal security duties, for the first time since the 1989 Tiananmen Square crackdown, in Tibet and adjourning areas in April 2008 to supplement hard-pressed People's Armed Police units. PLA troops were also deployed to safeguard the Olympic Games in Beijing in mid-year. The PLA has also been contributing to UN peace-keeping operations activities and has so far taken part in 18 missions. Around 1,800 Chinese peace-keepers were stationed in Sudan, Haiti, Liberia, Lebanon and other parts of the world in 2008 (Office of the Secretary of Defense 2009, 56).

Growing efforts have been taking place to overcome the entrenched compartmentalization among the service arms and to promote joint operations among the ground forces, the air force and the navy. A joint logistics system has been established and joint-service exercises

are now regularly held, although many are command post drills involving small numbers of headquarters personnel rather than actual units.

Ground force training and exercises are heavily oriented to amphibious training and promoting inter-operability between infantry, armoured, marine, airborne and special operations units. The PLA conducts at least two major amphibious exercises annually, which simulate operations against Taiwan, a sizeable number of which are beach-head assaults held on Dongshan Island off the Fujian coast, which closely resembles potential landing areas on Taiwan. Joint amphibious training areas have also been established on several other islands off the south-east Chinese coast.

The PLA claims that nearly all its training activities are now conducted at purpose-built combined tactical training centres that are intended to add realism through the use of live ammunition and the simulation of near real-war conditions. In addition, military units are making growing use of online military training networks. These improvements in the training regime are crucial to raising professionalism for a military establishment that has not fought a war since a border conflict with Vietnam in 1979.

Upgrading of combat airpower

The PLA Air Force (PLAAF) is undergoing a far-reaching transformation to turn from a bloated, backward and defensive outfit into a streamlined and high-technology force able to conduct offensive operations over long distances. The PLAAF has traditionally been the Cinderella of the service arms, which was reflected in limited budgets and low bureaucratic status compared to the ground forces and navy. But this changed in the early 1990s, especially following the First Gulf War, as airpower began to be recognized by PLA chiefs as a decisive factor in winning contemporary wars. Their views were reinforced by the impressive performance of airpower in military conflicts in the Balkans in the late 1990s and in the US invasions of Iraq and Afghanistan in 2002 and 2003.

The PLAAF has wholeheartedly embraced airpower as an effective offensive tool, which was enshrined in its operational strategy of 'integrated air and space, simultaneous offensive and defensive operations' that was adopted in 2004. The contours of this strategy were spelt out in the 2006 Chinese defence white paper that pointed out that Chinese air doctrine was shifting from 'territorial air defence' to a posture that emphasized both offensive and defensive operations, especially through air strike, missile defence, early warning and reconnaissance, and strategic projection missions (Saunders and Quam 2007). A key factor driving this emphasis on offensive capabilities has been Taiwan. As cross-Strait tensions flared in the mid-1990s and have remained high ever since, the PLAAF and the rest of the Chinese military has been preparing for conflict. In the event of war, the PLAAF would be expected to conduct massive and prolonged air and missile attacks against Taiwan ahead of operations by the ground forces and navy.

To be able to carry out its offensive missions, the PLAAF has had to undergo a painful restructuring and downsizing to get rid of outdated and excess capabilities. From an inventory of 5,000 combat aircraft, most of which dated from the 1960s and 1970s, the front line arsenal has shrunk to around 1,800 fighter aircraft and bombers today. This has also led to a significant reduction in manpower, with total personnel strength being cut by 25%, to 400,000 in 15 years.

An estimated 20% of the PLAAF's current combat aircraft fleet is comprised of modern fighters that are comparable to the line-ups of other advanced military powers. This includes more than 300 Russian Su-27 and Su-30MKK strike aircraft and a growing pool

of indigenously developed J-10 and FB-7A combat aircraft. A large number of these aircraft are deployed within operational range of Taiwan.

The PLAAF's high-technology and offensive aspirations will be heavily dependent on how well the J-10 fighter does. This aircraft only entered production a few years ago and less than 100 are currently in service. But the US Defense Department estimates that the PLAAF has a requirement for up to 1,200 J-10s, which is comparable to an upgraded US F-16C fighter. However, the PLAAF has already set its sights on the acquisition of a next generation advanced fighter that is radar-absorbing and could compete with the US Air Force's 5th generation F-22 and F-35 fighters. PLAAF chiefs are urging the Chinese aviation industry to speed up the development of the J-X fighter, which is reportedly a stealthy, twin-engine jet. The military's support for this project is crucial and may help to mitigate the difficulties and lengthy delays that hampered the J-10 programme, which did not receive such high-level political support and, as a consequence, took more than 20 years to develop.

The PLAAF is also eagerly awaiting a major boost with the development of airborne early warning and control platforms. This includes the KJ-200 programme, which is based on the Shaanxi Y-8 transport aircraft and is being configured for the early warning and control role, as well as intelligence collection and maritime surveillance, and the KJ-2000 Airborne Warning and Control system, which is based on the Russian A-50 early warning and control platform.

Another key role for the PLAAF is long-range and tactical airlift, which was severely tested with the May 2008 earthquake in Sichuan. The PLAAF quickly mobilized more than 100 aircraft and helicopters to transport tens of thousands of military and civilian personnel and their equipment from across China as well as perform high-altitude airdrops of emergency supplies and round-the-clock search and rescue missions.

While this was one of the largest airlift and support operations ever undertaken by the PLAAF, the limited number of aircraft and lack of heavy-lift aircraft available for use demonstrated a major weakness in its operational capabilities. The PLAAF has less than 50 heavy-lift transport aircraft, although it has scores of smaller, medium and light transports, and around 80 helicopters. The ground forces have several hundred helicopters, but most of them are too small to conduct disaster relief operations. The PLAAF sought to address this transportation gap a few years ago, when it signed a deal for three dozen Russian Il-76 heavy transport aircraft, but the deal floundered after the manufacturing plant in Tashkent could not build the aircraft.

With its growing strategic importance, the PLAAF has enjoyed expanding access to military budgets and also a growing voice and presence in policy-making and operational planning. While the Chinese defence budget does not break down allocations by service arm, the PLAAF is undoubtedly at or near the top of funding priorities because of the long list of expensive combat aircraft and other weapons that it is currently procuring domestically and from Russia. By contrast, the ground forces are only receiving a trickle of new arms to replace their outdated arsenal.

In a major step forward in the PLAAF's political influence, the CMC in 2004 elevated the commander of the PLAAF, along with the heads of the navy and strategic missile forces, to become CMC members, a privilege previously reserved for the ground-dominated general headquarters departments. At around the same time, the PLA began to promote a small number of air force generals to senior positions in these headquarter commands. While these appointments show that the PLA leadership is now beginning to move towards a more tri-service joint structure, the process is gradual and has a long way to go before it can be comparable to the joint integration that has taken place in the West.

The PLAAF also has its sights set on taking charge of military space operations. In a number of official air force-sanctioned publications in the past few years, the PLAAF has laid claim to becoming the primary organization responsible in the event that China were to move ahead with the development of military space capabilities. This is likely to pit the air force in a bureaucratic contest with the Second Artillery, which controls the country's strategic missile forces and which would also regard space operations as a natural extension of its missions.

The PLAAF is spearheading the Chinese military's transformation into a high-technology force with potent power-projection capabilities. While the air force is shrinking in the size of its air fleet and manpower, its actual war-fighting capabilities have significantly grown with the acquisition of new generations of far more powerful assets. If these modernization trends continue over the next 5–10 years, the PLAAF could assume the mantle as the region's most capable and feared air force from rivals such as Japan and Taiwan.

Development of naval programmes

As China's economic and strategic interests become increasingly global, the Chinese navy is spearheading the PLA's push for more resources to build up its power project capabilities, so as to be able to deal with off-shore disputes over contested islands and maritime natural resources, safeguard sea lanes of communication, and prepare for possible contingencies against Taiwan and the intervention of outside parties. The 2008 defence white paper describes the Chinese navy's operational strategy as being aimed at developing the capabilities to carry out 'integrated offshore operations'—improving inter-operability with other service arms—and conducting 'strategic deterrence and strategic counterattacks' (State Council 2009, 31). This suggests that the long-awaited strategic shift from the development of a brown water fleet to a fully-fledged blue water navy is now taking place.

At the centre of this approach is the establishment of a sea denial capability to prevent the US navy from being able to deploy into waters that cover what Chinese naval strategists term as the Second Island Chain, which stretches from the Japanese archipelago to Guam and the Marshall Islands. In addition, for the first time, there was reference to the need to 'gradually develop its capabilities of conducting co-operation in distant waters and countering non-traditional security threats'. This provides the doctrinal justification for developing capabilities for long-range operations, which would potentially include aircraft carriers and other power projection assets.

China's ambition to become a naval power with global reach received a major impetus with the dispatch of a naval flotilla to the Gulf of Aden to participate in anti-piracy operations in December 2008. The deployment of two Chinese destroyers and a supply ship to East African waters represented an important step forward in the Chinese navy's transformation into an ocean-going navy. While the Chinese navy has been sending warships on port-calls around the world since the beginning of the 1990s, the East Africa mission was its first long-range operational mission.

The East Africa deployment has helped to boost the navy's argument for the procurement of aircraft carriers because of the importance of providing air defence to safeguard Chinese warships, which are increasingly operating around the world. Navy chiefs and the domestic defence industry have been intensively lobbying for aircraft carriers in the past few years. Other service arms have long been opposed to this purchase because of the huge outlays and vulnerability of these vessels, but this resistance appears to be weakening. In November 2008, Major-Gen. Qian Lihua, foreign affairs director of the Ministry of National Defence, said that China had the right to have an aircraft carrier.

Senior Chinese navy officials have said that the local shipbuilding industry is actively conducting research and development on aircraft carrier construction and could be ready to build a vessel by 2010. There is widespread speculation as to the type of carrier that will be chosen. This ranges from brand-new 'light' vessels of 20,000–30,000 metric tons to 'heavy' types in the 60,000–70,000-ton category. The Chinese navy could also decide to refurbish the former 65,000-ton Ukrainian aircraft carrier, *Varyag* that has been sitting in a shipyard in Dalian in Northeast China since 2002.

If the Chinese navy does embark on the acquisition of aircraft carriers, this would represent a significant shift in its mission priorities away from the building up of 'brown water' capabilities that could be used in a conflict against Taiwan, as well as sea denial assets to prevent the US navy from freely sailing within the Second Island Chain. A key capability to carry out this strategic objective is the build-up of submarine assets. The Chinese navy at present is acquiring five types of nuclear and conventional submarines that range from vessels armed with nuclear intercontinental ballistic missiles to hunter-killer models. With more than 20 advanced conventional and nuclear submarines delivered to the Chinese navy over the past five years, the total size of the submarine fleet amounts to around 55 vessels. Such a rapid expansion in advanced capability within a short period is likely to place severe strain on the Chinese submarine fleet to effectively operationalize these assets, especially as they have been detected in waters off Guam and Okinawa that are well beyond their traditional areas of operation.

The Chinese navy has also been taking delivery of a sizeable number of highly capable domestically produced surface combatants in the past few years. This includes Type 052C Luyang II class DDG, Type 051C Luzhou Class DDG and Type 054A Jiangkai class frigates. Altogether, the Chinese surface force, which is divided up between the North, East and South Sea Fleets, is estimated to have around 75 major surface combatants. Additionally, there are approximately 45 coastal missile patrol craft and 50 medium and heavy amphibious lift vessels, which have been increasing in size substantially in the past few years.

China's current naval shipbuilding programme is on a par with the Soviet Union's efforts during the 1970s to become a blue water navy and challenge the USA for naval supremacy. According to US intelligence assessments, the Chinese shipbuilding industry produced 23 new amphibious assault ships and 13 conventional attack submarines between 2001 and 2005 (Shanker and Sanger 2005).

Longer-term defence modernization aspirations

The second long-term phase of the defence development strategy is between 2011 and 2020, and the PLA and defence industry, at the urging of senior civilian leaders, have set the ambitious goal of catching up with the world's second tier of regional military powers such as Japan, Russia and Western Europe, and narrowing the gap with the USA. PLA chiefs believe that a revolution in military affairs is transforming the nature of warfare and that China has to embrace information-based operations and technologies as the principal focus of its modernization effort during this period.

The PLA adopted the concept of 'local wars under conditions of informationalization' as its principal operational doctrine in 2004, which emphasizes the importance of information technology and knowledge-based warfare on the battlefield. But despite the introduction of this doctrine, the PLA has yet to promulgate a definitive military doctrine to guide the development of capabilities and operations in this area.

Some analysts have pointed to an emerging aspirational 'active offence' doctrine of achieving information superiority through the use of electronic warfare, computer network operations, psychological warfare and intelligence-gathering. Many of these concepts are based on foreign thinking, especially US military doctrinal publications on information operations, although there is selective use of ancient and modern Chinese strategic ideas, especially related to issues such as asymmetric conflict.

Information warfare capabilities and China's emerging space capabilities

While Chinese leaders urge the PLA to catch up with the world's advanced military powers as quickly as possible, military planners are more cautious and do not envisage developing the mix of capabilities required to be an advanced military information power until at least the middle of the 21st century at the earliest, which represents the third stage of their defence development strategy. These assets include command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) systems, electronic warfare systems, and integrated command automation networks.

The foundations of a nascent C4ISR capability are being laid down in the 11th 5-Year Defence Plan. While the pace and scale of this construction appears impressive, its actual technological standards and operational capabilities are limited and lag well behind the USA and other advanced military powers. The current main areas of development in the PLA's C4ISR programme are in air and space-based systems. This includes airborne early warning and control platforms, electronic intelligence-gathering aircraft, and unmanned aerial vehicles. China has been conducting extensive R&D in unmanned aerial vehicles, primarily for surveillance purposes, but also with secondary strike capabilities. One of the PLA's most capable unmanned aerial vehicles assets has been the Israeli Harpy, which can be armed and used to attack radar installations. China sought to have the Harpy upgraded by Israel in 2004, but the deal was thwarted by the US government.

In the space sector, Chinese firms are engaged in an extensive number of military and dual-use C4ISR projects, which include imagery reconnaissance, electronic intelligence and signals intelligence reconnaissance satellites, small and micro-sized satellites for imagery, navigation and communications roles, and anti-satellite weapons (State Council 2009, 25–27). It is estimated that China may have a requirement for as many as 200 military, civilian and dual-use satellites in the first two decades of the 21st century and, to meet these diverse needs, the space industry is developing around 15 different types of satellite (Yi, Y. 2002). For the PLA, key areas of satellite development include reconnaissance, especially photo-reconnaissance, remote-sensing and multi-spectral imaging satellite capabilities, navigation systems, such as the Beidou active positioning system, which the Chinese have developed by themselves, and communications satellites.

The PLA and the defence S& T research community have also been active in conducting research on anti-satellite weapons (ASAT), as was dramatically demonstrated by the 2007 ASAT test. The Pentagon believes that the direct-ascent ASAT capability is just 'one component of a multi-dimensional programme to limit or prevent the use of space-based assets by potential adversaries during times of crisis or conflict', and that China is also conducting R&D in high-powered lasers and satellite-jamming, -homing and -tracking (Office of the Secretary of Defense 2009, 25–7). A few months before the 2007 ASAT event, US military officials claimed that China had used high-energy lasers to interfere with US satellites, which rendered them ineffective when crossing over Chinese territory (Jane's Defence Weekly 2006).

Asymmetric warfare: information, electronic and cyber-warfare

The PLA is investing heavily in the development of information warfare capabilities, especially in electronic and cyber-warfare. The PLA has established information warfare units and is also able to harness extensive civilian resources to conduct cyber-warfare operations, even during peacetime. Taiwanese authorities have said that they regard a cyber-warfare attack from China as much more likely than an actual invasion, and the US Defense Department also established a major cyber-warfare command in 2009 to address increasing cyber attacks against the USA, of which a sizeable number were suspected to originate from China (Rawnsley 2005; Rogin 2009; Sanger, Markoff and Shanker 2009).

PLA strategists argue that cyber-warfare using viruses and mass hacker attacks can paralyze and overwhelm an adversary's military and civilian command and control systems. According to the Pentagon, the PLA sees computer network operations, which cover computer network attack and defence operations, as 'critical to seize the initiative and achieve "electromagnetic dominance" in the early stages of a conflict' (Office of the Secretary of Defense 2009, 14).

Conclusions

A central objective of the PLA's near-term modernization is to develop a war-fighting capability to prevent Taiwan from moving towards independence and to deter US intervention. The US defence intelligence community's assessment in 2009 was that 'China will take until the end of this decade or longer to produce a modern force capable of defeating a moderate-size adversary. China will not be able to project and sustain small military units far beyond China before 2015, and will not be able to project and sustain large forces in combat operations far from China until well into the following decade. The PLA continues to face deficiencies in interservice co-operation and actual experience in joint exercises and combat operations' (Office of the Secretary of Defense 2009, 20).

In other words, the PLA appears to be achieving an important part of its objective, which is having the capabilities to win against Taiwan. In meeting the other goal, of effectively deterring the USA and its allies, the military modernization effort appears to have a long way to go. The USA considers that the main way in which the PLA can challenge its military power is through disruptive capabilities, which is the development of military forces and operational concepts to prevent the USA from deploying military forces to forward operating locations and rapidly destabilizing critical military balances. The main instruments of this approach include submarines, surface-to-air missile systems, ballistic missiles and amphibious forces. While the PLA is making major strides in these areas, the USA still holds a decisive, if gradually narrowing, advantage in many of them.

Part III
Relations

13 Less beautiful, still somewhat imperialist

Beijing eyes Sino-US relations

Gregory J. Moore

In the title of his *Beautiful Imperialist: China Perceives America, 1972–1990*, David Shambaugh (1991) made a rather clever play on the Chinese characters, *Mei Di*, which could be translated literally as 'beautiful imperialist', but in the Chinese political lexicon are in fact a sort of Chinese acronym for 'American imperialism', which in Chinese is *Meiguo diguo zhuyi*, or *meidi* for short. Shambaugh's point was that, for the Chinese, the USA was beautiful or admirable, as its Chinese name *Meiguo*—beautiful country—coincidentally suggests, for the Chinese admired America's wealth, its powerful military, and its technological prowess. Yet, at the same time, the post-1949 Chinese leadership has traditionally viewed US foreign policy as essentially imperialistic in nature. In other words, the USA was the 'beautiful imperialist'.

This chapter is an overview of the Chinese view of the USA and of US foreign policy, and it concludes that the view in Beijing of the USA today is essentially that the USA is less beautiful than in the past, and still somewhat imperialistic, referring to its recent economic woes and its actions in Iraq, respectively. At the same time, China's stronger economic position today has given it the confidence to stand up to the USA should it need to, and so much power and influence, that it has become less likely that it will have to. This chapter is concerned with Sino-US relations from the perspective of China. It will include a brief history of the bilateral relationship, a discussion of the state of bilateral relations today, a discussion of the defining issues that shape the bilateral relationship, the reasons why this is the most important bilateral relationship for the Chinese government, how US government policy is basically made in Beijing, and concluding thoughts about the future of Sino-US relations.

A brief history of Sino-US relations

While the USA played a pivotal role in Japan's international history with the 1853–54 visits of Commodore Matthew Perry to Japan and Japan's subsequent opening and reformation, it played no such role in China in the 19th century. Not even China's loss in the 1839–42 Opium Wars with Great Britain was to open China. China preferred to keep foreign forces in cantonments along its perimeter, rather than to open to trade. While the USA was one of the foreign powers that participated in the suppression of the Boxer Rebellion in Beijing in 1900 (a source of resentment among Chinese to this day), unlike the other powers, the USA returned the reparations that it received from the Chinese after the incident to schools in China that prepared students for English language study, higher education generally, and study in the USA.

With the establishment of the Republic of China in 1912, China and the USA came to be on very friendly terms, and became allies against the Japanese during World War II (in

China's Anti-Japanese War and World War II 1931–1945), the USA even stationing 'volunteer' air corpsmen in Sichuan Province to fly US aircraft with Chinese markings against the Japanese forces in China. While Chinese-US relations were excellent during those years, the US support of the losing side in the Chinese Civil War and the ensuing Cold War all but doomed the bilateral relationship to tension when the Chinese Communist Party (CCP) took over in China in 1949 (Qing 2007). The Korean War (1950–53) brought the two nations into open conflict, and the two sides remained basically enemies until the rapprochement between Mao Zedong and President Nixon (with National Security Advisor Henry Kissinger) in 1971–72.

The rapprochement and the Soviet invasion of Afghanistan in 1979 brought the USA and China into a state of alliance once again, when they reached an unprecedented level of military/strategic co-operation, which lasted until 4 June 1989, when the harsh crackdown on the pro-democracy protests at Tiananmen Square took place, dashing the bilateral relationship to pieces almost overnight (Moore 2009a). Responding to the deaths in Beijing, the US government imposed sanctions and ended its military relationship with China, ushering in a phase of ups and downs in the bilateral relationship that lasted until 2001. Bilateral tensions were also palpable during the 1995–96 Taiwan Strait Crisis and the 1999 bombing by US forces of China's embassy in Belgrade, Serbia (see below). However, relations between the two giants improved markedly with the suicide attacks on the USA in New York and Washington, DC on 11 September 2001 ('9/11 attacks'). China was very supportive of US efforts to rein in terrorists, citing the problems it faced with its own extremists in western China, even supporting the US incursion into Afghanistan. However, China opposed the invasion of Iraq, and so a measure of tension returned to the relationship with this in 2003. At the time of writing, Sino-US relations are stable and positive overall, with trade (and US indebtedness to China) at unprecedented levels.

Sino-US relations today

Since Hu Jintao took full control of China's party-state apparatus in 2004, a number of changes have occurred in China's foreign policy orientation, and these have had an impact on Sino-US relations. Jiang Zemin is widely considered to have pursued an 'America first' policy, considering the Chinese government's relations with the USA first and foremost, and then considering China's relations with other nations as secondary. However, Hu Jintao has pursued a different course as regards China's foreign policy stakes, not putting the USA first, but investing more in China's relations with other nations. This may have been in part because of disappointment in the US government's approach to the world under George W. Bush, whether through the Iraq War, the unilateral US withdrawal from the Anti-Ballistic Missile Treaty, the treatment of prisoners at Abu Ghraib and Guantanamo Bay, suspected US complicity in the 'coloured revolutions' in a number of former Central Asian Soviet republics, a perception of US encirclement of China with the establishment of US bases in Uzbekistan and Kyrgyzstan, or the deepening of US relations with Pakistan, India, the Philippines, Malaysia, Singapore and others as a part of the 'war on terror'. Despite China's frustrations with US policy during the Bush years, the 9/11 attacks and the 'war on terror' distracted the hawks in the US government from putting greater pressure on China, and instead the USA pursued greater co-operation with China, and bilateral relations during that time were relatively smooth.

This benign turn in the US government's China policy meshed nicely with Hu's approach, for in Jiang Zemin's waning years, and more so under Hu, China has again taken up Deng

Xiaoping's old mantra *tao guang yang hui* (hide brightness, nurture obscurity) (see Cabestan's chapter in this collection), joined to the notion of a 'peaceful rise'. In other words, China's policy is to avoid bringing attention to itself or rocking anyone's boat, but to fly under the radar insofar as concerns its own rise to power, in an attempt to avoid the sorts of drama that realist thinking about the balance of power suggests would normally accompany the rise of a new power. This is particularly important regarding China's relations with the USA, the most powerful nation in the region and world. As regards its military projection power, China is undeveloped relative to the USA, Japan and others, and the Chinese know it. Various studies have concluded that they have been true to their word and have constructed a softer, more co-operative Chinese foreign policy in recent years (Kang 2007; Moore 2009c).

This is a change from the days when David Shambaugh (1991) did his path-finding study of China's view of and policy toward the USA, and when leftist thought dominated Chinese policy-making, and most America watchers saw the USA as bent on world domination. While most of China's foreign policy-makers today still see Western foreign policies as hegemonic, they have come under the sway of realist views of the world (Christensen 1996), combined with a form of contemporary Chinese nationalism (for more on nationalism in China, see Zhao, 2004). China's domestic economic policy has been the driving force behind China's foreign policy imperatives since Deng's reforms began, and the realist/nationalist nexus works in tandem with Hu's economics-driven peaceful rise approach—or 'peaceful development', as the Chinese have been saying more often recently to downplay further the imminence of China's rise (Glaser and Medeiros 2007).

Sino-US relations at present are quite positive overall. Besides Hu's softer, 'harmonious' approach and the events of 9/11, which brought greater Sino-US co-operation, the positive state of bilateral affairs is in part due to a series of fortuitous events. These include the election in Taiwan of a more China-friendly president in Ma Ying-jeou, a softer tone toward China from Japan's leaders of late, and the general success of the Olympics and the Chinese perception of US co-operation in managing the protests related to the Olympic torch relay in the USA, as opposed to the chaos that the torch relay met in London and Paris. In 2008 China even accepted assistance on Olympic security matters and allowed the US Federal Bureau of Investigation to open an office in Beijing. It may be too early to tell how the election of President Barack Obama will play out in the bilateral relationship, but early indications are positive, based on a successful visit to Beijing by US Secretary of State Hillary Clinton in February 2009, Minister of Foreign Affairs Yang Jiechi's constructive visit to Washington in March, and the positive tone of a meeting of Presidents Hu and Obama on the sidelines of the G20 (Group of Twenty ministers responsible for financial affairs and central bank governors) summit in April. There remain some tensions over US military sales to Taiwan and occasional incidents such as the naval confrontation between a US surveillance ship and Chinese naval ships 75 miles south of China's Hainan Island in March 2009 and the EP-3 incident (wherein a Chinese fighter jet collided with a US reconnaissance plane). However, the two sides seem committed to overcoming these issues, as well as to rebuilding military-to-military relations, which were cut off by China after the US arms deal to Taiwan in 2008.

The defining issues in the bilateral relationship

The relationship between China and the USA tends to be driven by a select set of issues between the two nations, as well as by unforeseen events such as the 1989 Tiananmen incident or the 11 September 2001 attacks in the USA. One of the most important issues between

China and the USA is the status of Taiwan, which was separated from China in 1949 when the KMT (Chinese Nationalist Party) fled China for the Chinese province of Taiwan, where they have remained in control since, to China's chagrin. China sees the recovery of Taiwan as unfinished business after, first, Japan's takeover of the isle after the Chinese loss in the 1894–95 Sino-Japanese War (China got it back in 1945) and, second, China's loss of control of the isle in 1949. While the USA has since 1979 officially recognized the People's Republic of China in place of Taiwan (though it has a mission in Taipei that is, for all intents and purposes, an embassy), and accepts that historically Taiwan was returned to China after World War II, it was Taiwan's close ally during the Cold War. Since 1979, through the Taiwan Relations Act, the USA has provided for Taiwan's major defence needs, a major source of frustration for China.

The Taiwan Strait Crisis of 1995–96 illustrates the potential of the Taiwan issue to rock the bilateral relationship. At that time the USA granted a visa to Taiwan President Lee Teng-hui, provoking Chinese military and live missile-firing exercises near the coast of Taiwan. This was followed by the passage of a US aircraft carrier through the Taiwan Strait a few months later and more Chinese military exercises and live missile-firing tests prior to Taiwan's first presidential election in March 1996, which in turn provoked the assembly of two US aircraft carrier groups near Taiwan.

Human rights is another issue that has created splits between China and the USA. The human rights issue did not really appear on the US foreign policy scene until the Carter Administration, but became an important part of the Sino-US relationship as a result of the deaths at Tiananmen Square in 1989, and during the Clinton Administration, when the USA's annual decision to grant China most favoured nation status (or not) became an annual discussion of China's human rights record, until delinkage of the matters in 1994 (Moore 1999; 2007). The human rights issues that stay at the top of the agenda for watchers of Chinese human rights in the USA are several. China's treatment of Tibetans and the Tibet question is one. China's narrative about Tibet's status is that Tibet has been a part of China for several centuries, whereas many Tibetans argue that, while Tibet may have had periods when it was in a suzerain relationship with China, China never ruled it outright, and Tibet was clearly independent from at least 1912 to 1950, when the Chinese moved in to stake China's claim to Tibet (Goldstein, M. 1999). China rejects this narrative, but claims to have liberated Tibet from oppressive feudal lords, calling Tibet's Dalai Lama a 'splittest', who, with Western forces, is bent on separating Tibet from China. Another human rights issue is religious freedom in China, for China's policies towards people of faith have brought criticism from the USA and others. While China's constitution sounds relatively liberal on the issue of religious freedom, the state reserves the right to curtail religious freedom when it believes that religion is used as a guise to undermine state security. State security is often defined in very broad ways, and people of faith, including Buddhists, Muslims, and Christians, have all seen their religious rights curtailed in the name of state security. China's treatment of political dissidents, labour activists, whistle-blowers and others and its curtailment of significant media freedoms have also brought it significant criticism from the US government over the years. China's general lack of democracy at levels above its villages is an ongoing source of concern for US policy-makers given the importance that Americans place on democracy and given the widespread acceptance in Washington policy circles of the democratic peace theory—the idea that democracies do not go to war with other democracies (Brown, Lynn-Jones and Miller 1996)—the implication being that China as a non-democracy might have fewer constraints on potentially aggressive behaviour than it would were it to become a democracy.

Another issue area vital to the relationship between the USA and China is bilateral trade, investment and finance, made all the more vital given the global recession and the deepening interdependence between China, the USA and the other regional trading nations. The USA has consistently been China's number one trading partner and the number one destination for exports (once the European Union (EU) is disaggregated into its constituent member states), generating massive surpluses on the Chinese side. Moreover, it holds over US $2,000,000m. in US treasury bills, giving it both leverage and vulnerability in its relations with the US government. China's willingness to hold US debt may have proven to be a wise investment in comparison to the performance of other financial assets in 2008–09, but it has created a 'trap' in that any attempts to diversify China's assets and sell off some of its dollar-denominated treasury bills or other assets could lead to a fall in the dollar's value, which could decrease the value of any of China's remaining dollar-denominated assets (Krugman 2009). This is complex interdependence indeed. Trade frictions have arisen between the two powers, despite the seemingly symbiotic relationship between US capital, know-how, technology and consumers on the one hand, and China's thirst for these four factors, plus its own low-cost skilled labour, on the other. The USA regularly accuses China of not doing enough to thwart Chinese pirating of US copyrights and intellectual property, and of not doing enough to maintain safety standards on the production of goods, from toys to dairy products, and it has accused China of currency manipulation, though it has backed away from this latter charge at the time of writing.

Moreover, the East Asian region has a number of potential flashpoints that could threaten a sound Sino-US relationship. Taiwan is the primary and most potentially dangerous flashpoint, and this has already been discussed, but the Korean Peninsula is another, where, at the time of writing (January 2010) the USA maintained 28,500 troops, and North Korea is again under UN sanctions for its defiance of the international community with its second nuclear test. China is North Korea's closest remaining friend, but the Chinese are increasingly uncomfortable with North Korean leader Kim Jong-il's provocative moves, and they are vehemently opposed to North Korea's acquisition of a weaponizable nuclear capability (Moore 2008). North Korea puts both the USA and China in an awkward position and has the potential to create quite a commotion in the region, whether this turns out to be a regime collapse, nuclear weapons or technology proliferation, a North Korea-spurred regional arms race or renewed Korean war, or any other of a number of unfortunate outcomes. China's relationship with Japan also has important implications for Sino-US relations (and vice versa), given the close security relationship between Japan and the USA for over 60 years.

Another category of issues that have had a profound effect on Sino-US relations is what might be called traumatic unforeseen events. The Tiananmen Square incident of 1989 played an enormous role in undermining the mutual trust between the two sides and the very foundations of the bilateral relationship, particularly from the US government's perspective. The Chinese government saw the US Administration as supporting the demonstrators and meddling in China's affairs, and the government in Washington saw the CCP as increasingly out of touch with its own citizens and willing to use any means necessary to stay in power. Then, in 1999 an event took place that shook China's trust in the USA almost as much as Tiananmen Square shook US trust in China. On May 8 a US B-2 bomber took off from Whiteman Airbase in Missouri, USA and launched five GPS (global positioning system)-guided Joint Direct Attack Munitions bombs at (what turned out to be) the Chinese Embassy in Belgrade. The Chinese are to this day convinced that the USA did this on purpose, whereas the Americans maintain that there was an error in the targeting selection

process, again leading to a grave deterioration in the bilateral relationship (see Moore 2009b; *Observer* 1999; Sweeney, Holsoe, and Vulliamy 1999).

An unforeseen event that had a positive impact on Sino-US relations was, surprisingly, the terrorist attacks in the USA of 11 September 2001. Though neither side saw them coming, and the Chinese had been concerned during the previous year over the hawkish stance of the second Bush Administration, the 9/11 attacks had the effect of bringing the governments in Washington and Beijing closer together. This was because, first, the USA needed Chinese support at the UN to attain UN Security Council (UNSC) support for the war against Afghanistan (which it got) and later the war against Iraq (which it did not get). Second, it could be argued that the Afghanistan and Iraq wars, together with the political and security changes domestically and the tactics of the larger 'war on terror', effectively sapped the energies of the Administration's more hawkish members, leaving dealing with China for a future time when China issues might seem more pressing. To conclude this point on the importance of unforeseen events, it is because there are some underlying tensions and differences of world view and interests, and a general dearth of trust between China and the USA, that the relationship is quite vulnerable to shocks such as these. This will not likely change any time soon.

Why Sino-US relations are China's most important bilateral relationship

China's relationship with the USA is clearly the most important bilateral relationship that China maintains, and this is true for a number of reasons. First, China's most fundamental interest is continuing its strong economic growth, and the USA is a key to that. Economic growth and strength is China's most fundamental interest because the CCP is sincerely committed to raising the income level of all China's people, because Chinese leaders desire that China become a great power in the world, and economic growth is the bedrock for military prowess and great power status, and because the CCP's legitimacy rests in large part on its continued ability to deliver economic betterment to China's people—without it, the longevity of the CCP would come to be in question. The USA is China's number one export market, and exports are fundamental to China's model of development today.

Second, the USA is the most economically, technologically and politically powerful nation in a world into which Chinese leaders desire to integrate their nation. In this respect there is for China no ignoring the USA for a number of reasons. The US dollar is the world's most important currency, and China holds vast quantities of US dollar-denominated assets. The US government is a key gatekeeper and the most important force behind the World Bank, International Monetary Fund, World Trade Organization, G8 (Group of Eight governments of world major economies and the EU), G20 and the Organisation for Economic Co-operation and Development, all of which are important to China's development hopes. The USA leads the world in military, aerospace, medical, agricultural, computer/information and other vital technologies, which China needs to sustain its ambitious development plans and remain competitive in the global economy. With China, the USA is a member of the permanent five nations of the UNSC. The USA is also a trendsetter, agenda-setter and oft-times enforcer for humanitarian and human rights concerns around the world, and China cannot afford to ignore or offend US sensibilities in this regard without paying a high price.

Third, the USA maintains the most powerful military presence in China's home region, the Asia-Pacific, and the USA has important or even vital roles to play in almost all China's regional security issues. The USA has played, and still does play, a key role on the Taiwan issue, perhaps China's most important security issue. The USA is also the key player in

dealing with North Korea and its quest for nuclear prowess. The USA is the security partner and ally of China's former enemy and perhaps greatest potential Asian rival, Japan. The USA was a catalyst in the formation of the Asia-Pacific region's most influential regional organization and important partner for China in regional trade and security, the Association of Southeast Asian Nations (ASEAN), and while not a member, still has influence, as a number of ASEAN members have close security ties with the USA (e.g., Singapore, Thailand and the Philippines). If China plans to become the most influential military power in the Asia-Pacific, US military forces are its primary competitor.

Evidence of the importance that the Chinese government has placed upon its relations with the US Administration can be found in the quality of its diplomatic corps and staffing of its embassy in Washington. In fact, a number of China's ambassadors to the USA have gone on to become Minister of Foreign Affairs or other top government officials, again highlighting the importance of the Sino-US relationship to China. In fact, both China's last two ministers responsible for foreign affairs, Li Zhaoxing (2003–07) and Yang Jiechi (2007-present), previously served as Chinese ambassador to the USA.

Making 'Washington' policy in Beijing

Chinese foreign policy-making is a very secretive business, and the making of its policy towards the US government in Washington (its 'Washington' policy) is no exception. Relatively few detailed studies have been undertaken on Chinese foreign policy formulation because access to sources, meetings and leading figures of Chinese foreign policy-making is difficult for outsiders (whether Chinese or foreign) to obtain. Yet a general picture of the Chinese foreign policy-making process and its key players can be constructed without too much difficulty, and then tied into this discussion of China's Washington policy.

Chinese foreign policy-making is heavily centralized when it comes to major issues of strategic importance, and, given its particular importance, the making of China's Washington policy is no exception. The most important body pertaining to making China's foreign policy is the Central Foreign Affairs Leading Small Group (*Zhongyang Waishi Lingdao Xiaozu*), accountable to the Standing Committee of the Politburo of the CCP. The apex of Chinese foreign policy-making power is here, in the Party, not in the Ministry of Foreign Affairs. The Standing Committee is comprised of China's nine most powerful figures, and it and the Central Foreign Affairs Leading Small Group are headed by China's paramount leader, Hu Jintao, a man who presently holds all three of China's key positions of power (the chairmanship of the CCP, the presidency of the state, and the chairmanship of the Central Military Commission). While Chinese policy-making in general has become much more professionalized and decentralized in recent decades, Hu remains 'the go-to guy' as regards US policy, and this was also true of Jiang Zemin and Deng Xiaoping, his predecessors. However, for decisions to go to war or for major foreign policy shifts, the Party leadership requires deliberation in the full Politburo (there are 25 persons presently on the 17th Politburo), for the appearance of legitimacy, if for no other reason (Lu, N. 2000, 10). Actual decision-making on important foreign policy issues is made not by vote, but by discussion and consultation, wherein central figures have a chance to air their opinions. Nevertheless, in the end, 'when the most authoritative person makes his opinion known, the rest of the members tend to concur' (Lu, N. 2000, 19).

As far as background information or policy papers used as backdrops for the discussions and consultations on Chinese foreign policy-making are concerned, a number of institutions and their particular power brokers are most likely to have the ear of the leadership on foreign/Washington policy. Of primary importance are China's state-run think tanks, such

as the China Institutes of Contemporary International Relations (belonging to the *Anquan Bu*, or Ministry of State Security), the China Institute of International Studies (belonging to the Foreign Ministry), the China Institute of International Strategic Studies (belonging to the People's Liberation Army—PLA), the Chinese Academy of Social Sciences' Institute of American Studies, the Shanghai Institute of International Studies, or the Central Party School's Institute of International Strategic Studies, to name a few. Each has an array of experts on the USA, who write reports, articles and policy papers on specific aspects of Washington policy, any of which might be filtered upward for the eyes of the leadership. However, in recent years, a number of China's top US experts have left these institutions for the comparable freedom of China's top-tier universities, such as Peking University, Renmin University and Tsinghua University, in Beijing, or Fudan University in Shanghai. Consequently, each of these universities (and a few others) have experts that are consultants for the government and/or write papers that government officials take seriously as they formulate China's Washington policy. Given the increase in resources that these universities have had of late, they have been able to attract some of China's best and brightest scholars and analysts, including some 'star' quality academics who left China for the USA or other foreign countries to obtain advanced degrees, and whom they have persuaded to return to China in increasing numbers. Select scholars at these universities have, consequently, become influential on select foreign policy issues in their own right, though their major drawback is lack of access to the *neibu* (top-secret, internal) documents that the state-run think tanks have access to.

There are other institutions that have influence over China's Washington policy. Of course the job of the Ministry of Foreign Affairs is foreign policy, but, in most cases, China's diplomats serve as errand boys (or girls) for the core leader, the Foreign Affairs Leading Small Group and the Standing Committee. However, because the USA is such an important country to China, and China's ambassador at the Ministry of Foreign Affairs' key foreign post in Washington tends to be a rising star in the Ministry, that ambassador's voice (currently that of Zhou Wenzhong) is not small when it comes to China's Washington policy, nor is that of a Minister of Foreign Affairs like Yang Jiechi, who was previously China's man in Washington. Moreover, the Ministry of Foreign Affairs does of course have its institutional interests and does exercise them where it can, particularly when its interests conflict with those of the PLA or other institutions.

The PLA, too, still has some influence over the foreign policy-making process. When it comes to Taiwan policy (Bi 2002), or incidents like the EP-3 incident of 2001, the PLA's influence tends to rise. While the PLA was once a force to be reckoned with in foreign policy-making as well as in mainstream domestic politics, it has in recent years been relegated increasingly to military affairs, as is the norm in most countries. Today the PLA no longer even has a representative on the Standing Committee of the Politburo, though it does have two members of the 25-member Politburo itself. Likewise, on matters of trade, the Ministry of Commerce (formerly the Ministry of Foreign Trade and Economic Co-operation) plays a proportionately larger role. Just as in the USA and other countries, when foreign policy issues necessitate co-operation and co-ordination between different government agencies, for example between the Ministries of Foreign Affairs and Commerce, turf battles ensue. Yet, as always in China, those at the top have the final say.

Conclusions

As the liberal-democratic USA and the communist-authoritarian China interact, it is not surprising that conflicts have occurred, and it is likely that they will continue to occur over

human rights, humanitarian intervention, Tibet, US surveillance activities in waters close to China, and trade practices, among other things. However, war between the two is not inevitable. The two have, in many ways, a symbiotic relationship in trade, given China's labour resources and lower costs, and America's enormous consumer market and technological prowess. They have a shared interest in regional stability and nuclear non-proliferation, as has been exhibited in their close co-operation on the North Korean nuclear and money-laundering issues (Moore 2008). They also have a shared interest in the ultimate peaceful resolution of the Taiwan issue. Yet the future holds many uncertainties, as the discussion of the impact of unforeseen events highlights. As Jeffrey Legro has argued, what also has to be determined is what kind of power China will become and what China will want as it relates to the international system (Legro 2007). The same is true of the USA as well, to some degree.

So, while all bets are off in terms of predicting the long-term future of Sino-US relations, assuming no cataclysmic world- or region-reorienting events occur, a few conclusions might be safely made about Sino-US relations in the shorter-term future. First, China is not longing to rock the boat of regional security, and can be expected to act with restraint in relations with the USA and its neighbours in coming years. That restraint does not necessarily include its actions toward or reactions to Tibetan or Uighur separatists, or to political dissidents, should they upset the regime. Hu's softer, more flexible policy has been outward only; the leadership has tightened the screws politically inside China in recent years. Second, despite China's softer approach to foreign policy, China will indeed fight over Taiwan if it declares independence or changes its name, or something to that effect. The Chinese are committed to reunification, and Chinese leaders know that they have no room for manoeuvre on Taiwan. Third, despite China's historical and contemporary differences with the USA, it will remain very much in its interest in the near term to continue to work with, and not against, the USA. Not only would it be foolish to pick a fight with an 800-pound gorilla (the USA), but China is (perhaps fatally?) dependent on the US market for its continued growth, and any rash act that disturbed or disrupted its relations with the USA could threaten China's growth projections and ultimately the ability of the CCP to continue to rule, given that its legitimacy is heavily dependent upon continued growth and prosperity.

Fourth, despite its fragility (Shirk 2007), China is more confident now than at any time since 1949, and perhaps any time in the past several hundred years. It has, for the first time in memory, no real enemies on its borders, greater relative financial might than at any time for centuries (and the largest reserves of any nation on earth presently) and nuclear weapons, and the future appears to be nothing but positive for China. Lastly, and consequently, China's military power and political influence will only increase. It will not be bullied. It will not be ignored.

It appears that bipolarity will return sometime in the near future, for China seems destined to take its place with the USA as a superpower. When China is no longer willing to 'hide its brightness', how will the USA accommodate China? That will be an important question. For, returning to Shambaugh's 'beautiful imperialist' theme, though the Chinese do not see America as quite as beautiful as they once did, they still respect the USA, and at some level they still fear what they see as the imperialist tendencies of the USA. Though still undoubtedly a long way off, the transition to bipolarity will not be an easy one. What will China want when that time comes? That will be perhaps the most important question in international relations in coming decades. While no one knows for sure (not even the Chinese), one thing is certain—things will only get more interesting for students of Sino-US relations.

14 China and Japan

Between co-operation and competition

Reinhard Drifte

One of China's most complex bilateral relationships is with Japan, as a result of the latter's aggression against China until 1945 (the 'history issue'), the differences of their political systems, the impact of both being in different camps during the Cold War, and conflicting national interests, such as regional leadership and disputed borders. Yet, cultural communalities, shared political and economic interests and Japan's alliance with the USA have—in often convoluted ways—kept the peace between them and allowed them greatly to benefit from their bilateral relationship. However, relations have always been on a roller-coaster and this is not going to change in the foreseeable future.

The setting of the bilateral relationship

Geographic contiguity has encouraged links between China and Japan since ancient times and has allowed Japan to benefit from China's advanced civilization and culture in order to develop its own. This closeness and China's geographic size (it is 25 times larger than Japan) have never (except during the failed Mongol invasion attempts in the 13th century) before the end of the 19th century constituted a threat to Japan. However, with the Opium Wars, Japan's perception changed, and its leaders perceived China's policy of isolation as an inadequate reaction to Western imperialism and ultimately as a threat to Japan's security. As a result, Japan decided to react with its own version of belated imperialism. China's perceived weakness led first to Japanese designs over Korea, which was still under Chinese suzerainty and which the Japanese rulers considered in strategic terms as a 'dagger pointing at Japan's heart'.

To forestall Russian advances into Korea, Japan clashed with China in 1894 over Korea and achieved its first victory in its imperialist expansion. In 1905 Japan defeated Russia in a war, which again was started over Korea. China became one of the main victims, losing not only control over Korea but also Taiwan. In 1931 the Manchurian incident led to further Japanese encroachments into China. The following year saw the Japanese establishment of the puppet state Manchukuo, and the Marco Polo Bridge incident in 1937 opened the way for an all-out war against China, which ended only in 1945 with Japan's surrender to the Allied forces, which included China, then still ruled by the KMT (Chinese Nationalist Party). When the Chinese Communist Party (CCP) took over the Chinese mainland in 1949, Japan was occupied by a USA-led occupation force (1945–52), which compelled the Japanese government to conclude in 1952 a peace treaty with the KMT in Taiwan and prevented it until 1972 from establishing official relations with the new rulers of mainland China.

This historical experience and the outcome of the Pacific War shaped China's perception of Japan in several ways. First, the experience of Japan's occupation of major parts of China

left an indelible, negative impression on the Chinese people, particularly on the mainland. This past makes it difficult for many Chinese to recognize the fundamental changes that have taken place in post-1945 Japan and to trust Japan's intentions. This is enhanced by Japan's inability properly to acknowledge the historical facts and apologize to China in a way recognized by China as convincing. At its most basic, many Chinese fear that an unrepentant Japan is bound to repeat its past aggression, echoing the widespread historical deterministic idea of many Chinese that a country that does not acknowledge 'correctly' past misdeeds is bound to repeat them. Until recently, when China's rise began to startle the whole world, Chinese also liked to emphasize that Japan as a big economic power would sooner or later become a big (i.e., threatening) military power.

The CCP leaders had originally stressed that only a handful of Japanese war leaders bore responsibility and that the majority of the Japanese people were also victimized. This position, in combination with the division caused by being in different camps of the Cold War, encouraged historical amnesia in Japan, which was promoted by conservative politicians and opinion-makers. When the CCP later in the 1980s started to employ the historical legacy to legitimize its continued rule, and a more open political atmosphere allowed a freer discussion of this legacy, it met with increasingly entrenched opinions in Japan, as well as considerable ignorance among a younger Japanese generation who in the meantime had become much more self-confident as a result of their country's economic success. Moreover, it has often been difficult to know whether the Chinese side raises the issue of the past for opportunistic reasons, so as to extract a compromise from Japan (the 'history card') and in order to keep Japan in an inferior position, or because it truly believes that the Japanese will repeat their aggression, or at least believes that constant reminders are essential to prevent such an occurrence while China is still weak.

Clashes over this incompatible perception of the two countries' histories have been ignited since the 1980s by Chinese criticism of Japanese school text books and visits by Japanese leaders to the Yasukuni Shrine, which has not only enshrined Japan's war dead (including many Taiwanese soldiers who had to fight on Japan's side under the Japanese occupation of their island), but added in the 1970s the 14 war criminals who had been condemned to death by the Tokyo War Crimes Tribunal in 1947. The Yasukuni Shrine also hosts a war museum, which, the Chinese consider, distorts Japan's aggression before 1945. In addition, many remarks made by Japanese politicians about the past have regularly been considered revisionist and insensitive and have invited the ire of China and other countries that suffered from Japan's pre-1945 policies. Another historical legacy still burdening relations today is the existence of chemical shells, which the Japanese imperial army left on the Chinese mainland after their defeat and which still cause serious accidents when suddenly unearthed by unsuspecting residents. Japan is now committed under an international agreement to removing these shells, but various difficulties are putting the deadline for completing this further and further ahead. In other words, the past is still in many ways having a impact on the present bilateral relationship.

A second factor that shaped the bilateral relationship is the decision by Japan's conservative leaders after the war to ally with the USA and conclude in 1951 a mutual security treaty (revised in 1960) that pitted Japan during the Cold War against China. As a result of Japan's close foreign and security links with the USA, the Japanese government had to follow the US Administration's anti-Communist line, which implied no official political or economic relations with China and joining the US economic boycott of China. Although Japan's post-war leaders were initially interested in closer relations with the government in Beijing, Japan stood no chance of prevailing against the background of growing anti-Communism

in the USA and China's conflict with the UN in the Korean War in 1950. Instead, Japan was forced to establish diplomatic relations with the KMT Government in Taiwan until 1972, when the USA made a radical change in its China policy. Not surprisingly, China saw Japan's links with Taiwan as being directed against its wish to reunite the country and as a Japanese attempt to continue its colonial past on the island. As we shall see, these perceptions still make Japan's Taiwan policy suspect in Chinese eyes.

However, the Japanese-US alliance has also been an insurance for China against Japan's ability to break away and again become a militaristic autonomous power in East Asia, which is dryly referred to by many in Japan as the American 'cap on the bottle'. The USA has always been interested in a peaceful Japan that follows and supports US foreign and security policy, and that does not become an autonomous political and military power which might directly or indirectly harm its objectives. At the same time the alliance has been a security guarantee for Japan against China. When China tested its first nuclear device in October 1964, the Japanese government publicly reacted very calmly and played it down, hinting at the protection given by the US nuclear umbrella (Drifte 2003, 20). Feeling secure under the American conventional and nuclear umbrella, Japan was not overly concerned about China becoming a nuclear weapon power. The Japan-USA security treaty fostered an emphasis of Japan's post-war diplomacy on 'economics first', the so-called Yoshida line. The Yoshida Line also meant a focus by Japan on the stability of China and its economic interests there. This focus would later prove to be the conceptional as well as the material backbone for the strategy of engagement, once Japan had normalized relations with the People's Republic of China in 1972.

Sino-Japanese relations since 'normalization'

The China-Japan Joint Declaration of 29 September 1972 led to the establishment of diplomatic relations, followed in 1978 by the Peace and Friendship Treaty. Trade expanded dramatically and became the most positive foundation for the Japanese-Chinese relationship. This was facilitated by Chinese politics, which shifted from an ideological focus to economic modernization and pragmatism. From 1977 to 1981 two-way trade tripled, reaching more than US $10,000m. In 1975 Japan became China's principal trading partner. During much of the 1980s Japan was China's second largest trading partner, second only to Hong Kong. Even more beneficial for China was Japan's development aid to China in the form of loans and grants. Japanese investment was encouraged by the high complementarity of the two economies: China had raw materials and Japan's was able to supply capital goods and technology.

The security relationship during the 1970s was characterized by an unprecedented convergence of strategic interests, which stood in marked contrast to the situation both before and afterwards. Due to China's fear about Soviet military intentions, Japan and China shared with the USA an important security concern, which dominated the relationship in the first decade after the normalization of relations. The dispute over the Diaoyu Islands (known in Japan as the Senkaku Islands) in the East China Sea, which have been under de facto Japanese ownership since their incorporation into Japan in 1895, was therefore put on the shelf when negotiating the agreements in 1972 and 1978, but at considerable political cost, as we shall see later. The Chinese side also accepted the Japanese-American Security Treaty and Japan's right to have a military establishment.

However, China's anti-Soviet posture, joining up with Western countries, was only a transient phase in its overall diplomacy and security policy. When China realized the diplomatic

costs of this policy in terms of vulnerability to being used as a strategic card by the USA, jeopardizing other important security interests (notably national reunification), and when the immediate danger of a Soviet attack had disappeared, China's leaders reverted to a more independent line. The shift of the Chinese international 'united front' policy against the Union of Soviet Socialist Republics to the line of 'independence and autonomy' was publicized at the Twelfth Party Congress in September 1982. In 1985, Hu Yaobang declared that China would 'never attach itself to, nor foster strategic relations nor an alliance with, any big power or bloc of power' (Wang, J.W. and Wu 1998, 23).

Old concerns about Japan's future direction were again more often voiced publicly, including about Japan's becoming a 'political big power' as the preceding stage to a 'military big power'. The most important problems that shaped the Chinese perception of Japan in the 1980s were once again the fear of a possible resurgence of Japanese militarism, which was fanned by closer defence co-operation between Japan and the USA and Japan's continued inability to come to terms with the past, the growing imbalances in the bilateral economic relationship, Japan's ambiguity about the status of Taiwan, and the dispute about the Diaoyu/Senkaku Islands.

The strengthening of Japan-USA defence co-operation, while enhancing economic ties with China, demonstrates the two basic ingredients of Japan's China policy of engagement to date, that is, on the one hand providing China with political and economic incentives, and, on the other, building political and military power for purposes of power-balancing and hedging. Such a multifaceted policy of engagement is seen by the Japanese leadership as the ideal mix of policy tools to enhance the chances of China's modernization policy, by not only stabilizing China's economy and enabling it to feed its people, but by also inducing a peaceful change from a communist regime to a more democratic system, while at the same time hedging against the failure of political and economic incentives. The economic element of this policy was, of course, very agreeable to China, as it helped the country to overcome its backwardness, while it could not do much against the element of political and military power-balancing by Japan.

The killings resulting from the Chinese government's crackdown on pro-democracy protestors in Tiananmen Square in June 1989 led to a dramatic loss of China's international reputation, but Japan's leaders were less affected than the Japanese public because they trusted more a slow transformation in China. Moreover, Japan's leaders had much more sympathy with their Chinese counterparts' concern about internal instability and also felt morally less entitled to impose sanctions on China because of Japan's historical legacy. Japan therefore took a more cautious stance among the general Western indignation and resulting sanctions and instead tried to avoid driving China (again) into isolation. This was very much appreciated by China's leadership, and the bilateral relationship again reached a high point, symbolized by the Japanese emperor's visit to China in 1992.

The end of the 'special relationship'

A new phase of the bilateral relationship began around the middle of the 1990s. Since 1972 the historical legacy had led to the formation of a 'special relationship', but major changes in the international environment and in both countries had been pointing towards a more normal relationship, where conflicting interests were more directly voiced. The end of the Cold War had provided Japan with new opportunities to widen its diplomatic room for manoeuvre, as well as forced it to take a clearer position in world affairs. One example was Japan's quest for a permanent UN Security Council seat. At the beginning of the 1990s its

economic power was at its height and it was still able to cope with its long economic crisis, which had started in 1991, by enhancing its exports, notably to China. It began to be concerned about the unstoppable rise of China's economic, political and military power. The territorial dispute over the Diaoyu/Senkaku Islands was revived by a series of incidents, because political and economic interests in China were no longer willing to accept the territorial status quo. Tensions rose in the Taiwan Strait in 1996, with Chinese missile tests that were designed to warn the Taiwanese against further independence moves. Japan reacted to these developments and the more immediate concerns about North Korean nuclear developments by reinforcing its alliance with the USA, which China perceived as a threat to its security interests. China also became concerned about Japan's co-operation with the USA on ballistic missile defence, which risked diminishing the deterrent value of China's missiles and might send an encouraging signal to the Taiwanese government, which was then in the hands of the Democratic People's Party, which had a strongly independent streak.

Around the same time both countries lost through generational change the old group of go-betweens who had always been able to intervene when a crisis erupted. President Jiang Zemin was rather critical of Japan and had emphasized the history issue, notably when he visited Japan in 1998. He also affected the bilateral relationship negatively by the fall-out from his patriotic education campaign, which relied considerably on reminding the people of the decisive role of the CCP during the fight against the Japanese occupants before 1945. In Japan a new generation had come to the forefront of politics, who were often ignorant of the past and therefore insensitive to Chinese feelings. The old Japanese Left, which had been very positive towards China, lost most of its power. Japanese public opinion became critical of the Japanese Ministry of Foreign Affairs' traditional China policy, which was now considered as too self-effacing and indulgent towards China.

In February 1992 the Chinese legislative passed the 'Law of the People's Republic of China on its Territorial Waters and their Contiguous Areas', which included not only the South China Sea, but also explicitly the Diaoyu/Senkaku Islands. China's military modernization, which—according to Chinese official figures—has since 1989 shown annual double-digit increases, started to have its effect on Japan. The new series of Chinese nuclear testing in 1995 prompted even the then Socialist Prime Minister Murayama temporarily to suspend Official Development Assistance (ODA) grants to China, an unprecedented measure. The year 1995 saw also another escalation in the textbook dispute. Japanese nationalism had increased, and a vocal minority was no longer willing to accept Chinese criticism of how Japan approached its past. Instead, teaching children about negative aspects of Japan's recent history was perceived by this minority as masochistic and not conducive to making children love their country.

Tensions in the relationship came to a head during the relatively long reign of Prime Minister Koizumi, in 2001–06. Although not an ideological rightist, he nevertheless insisted on annual visits to the Japanese Yasukuni war shrine. This could only inflame Chinese public opinion, which had in the meantime gained a much greater influence on China's foreign policy. There were demonstrations against Japanese football players during the 2002 World Cup, hosted jointly by Japan and Korea. In 2005 Chinese demonstrators attacked Japanese diplomatic facilities and shops against the background of new Japanese history textbooks that were deemed to play down Japan's aggression against China before 1945 and of Japan's renewed attempts to gain a permanent UNSC seat. China is still even officially considering whether Japan's attitude towards the past does not yet qualify it to occupy a permanent UNSC seat, which is seen by Japan as a thinly disguised pretext to protect China's advantage over Japan.

The Koizumi era showed the contradictions and limits of Japan's engagement policy, and made obvious the perils of a possible fusion of traditional and non-traditional security challenges. Traditional security challenges have been for the Japanese the rising Chinese defence expenditures, because of their size and non-transparency, particularly against the background of the territorial conflicts in the East China Sea, whereas for China the growing military co-operation between Japan and the USA is seen as inimical to China's security and Taiwan interests. China's own military build-up is presented as merely off-setting its military backwardness. Non-traditional security interests for Japan are the rapid rise of China's economic and political power, which enhances China's political as well as economic competitivity and increasingly gives rise to rivalry over leadership in Asia and in the UN, and competition over raw materials and energy. China's rapid development has also raised concerns in Japan since the end of the 1990s about China's ecological sustainability, political sustainability (the creation of social imbalances and dislocations), and even economic sustainability (as in, for example, the potential collapse of the underlying economic model of export-led and foreign direct investment (FDI)-driven development due to the current international recession).

These negative developments started to affect Japan by way of transboundary pollution, illegal immigration, transboundary crime and the loss of competitiveness in many manufacturing sectors. China, on the other hand, is still concerned about the possibility of Japan again becoming a militaristic power behind the protective US screen. The danger of these conflicting positions and perceptions has been and continues to be that the solution of an acute traditional security crisis may become more difficult to implement against the background of a poisoned atmosphere caused by non-traditional security concerns. Confidence-building measures, such as mutual visits of warships—a common feature of China's military relations with many other Western countries—were agreed during President Jiang Zemin's 1998 Japan visit. However, it took nearly a decade for them to materialize, because China called their start off several times, when its leaders considered the state of the general bilateral relationship as 'inappropriate' in the wake of Japanese statements and policies. A similar fate struck various government-level dialogues, and even summit meetings, because of Koizumi's policies.

The economic relationship

In contrast to these difficult political relations, notably during the Koizumi era, the economic relationship has grown from strength to strength, and Koizumi himself declared in April 2002 at the Bo'ao Forum in Hainan that China was for Japan not a threat, but an economic opportunity. This contradictory situation led both sides to refer to 'cold politics, warm economics'.

The economic relationship has become for both sides more important, as well as more equal. Without the steep increase in the bilateral trade volume, Japan would not have been able to cope as well as it did with its long economic crisis, which had started in 2001 but which is now dwarfed by the world economic crisis which began in 2008. In 2004 China (including Hong Kong) became Japan's biggest trading partner, which pushed the USA to second place, while at the same time Japan fell to third place among China's top trading partners, behind the European Union and the USA. Japan's relative importance to China as a trading partner has in the meantime decreased: in 1985 23.6% of China's foreign trade was with Japan, but this fell to 13% in 2005, while China's total trade increased 30 times over that time! Overall trade between the two countries was over US $200,000m. in

2008. Whereas in the 1980s China was mostly an exporter of raw materials and energy (including oil!) to Japan, while importing finished products from Japan, the situation has become much more equal, with China now exporting mostly semi-finished or finished products to Japan (often from companies benefiting from Japanese investment) in exchange for finished products from Japan. China has also become a major source of agricultural products for Japan, some of them being produced in China with Japanese know-how and for Japanese companies.

Japanese investment in China has also played an important role in China's economic development since 1978. The exact extent of this Japanese role is difficult to ascertain as official figures are contradictory. Japanese statistics do not include reinvestments in China, whereas Chinese figures do, and neither Japanese nor Chinese statistics make clear how much investment from Taiwan and Hong Kong is actually from Japanese companies or banks domiciled there. Many Japanese companies have outsourced considerable parts of their manufacturing to China because many production processes have become too expensive in Japan. This has been referred to in Japan as the 'hollowing out' of Japan's manufacturing industry, leading many in Japan to worry about their country's economic future and jobs.

In recent years Chinese companies have started, as part of the official policy of 'going out', to increase investment abroad, including in Japan, by establishing wholly-owned companies, acquiring Japanese companies, or setting up joint ventures. Moreover, the global economic crisis seemed to have an invigorating effect on Chinese activity: while foreign mergers and acquisitions in Japan fell by 80% in 2008, those from China increased (*Japan Times* 7 January 2009). The incentive for China is the acquisition of technology, management know-how and access to the difficult but highly lucrative Japanese market. As a result of the worsening economic situation in Japan, demand for much cheaper Chinese-branded consumer goods has increased.

Chinese-Japanese economic relations have been bolstered by Japanese ODA, which started in 1979 with loans and a grant after the Chinese government had, in the previous year, opened the economy to greater foreign involvement (Drifte 2008a). The amount of Japanese ODA is the highest for any bilateral ODA donor to China: figures released in 2008 for cumulative totals up to and including 2004 revealed loans of JPY 3,133,000m., grant aid of 145,700m., and technical aid of 144,600m. (up to and including 2003 only) (MOFA 2005).

Against the background of a worsening bilateral relationship and China's economic rise (including China's own ODA programme and its space activities), Japan decided in 2005 to terminate by 2008 its new annual loan programme commitment, which was by far the biggest part of its ODA to China. The remaining ODA grant and technical aid programmes, as well as the more recent loan programmes, the disbursement of which will continue because of the delay between commitment and actual disbursement, are mainly for environment-related purposes, poverty-eradication in the inland area, and youth exchanges. The previous loan aid projects had mainly been used for Chinese infrastructure such as roads, railways and airports. China is now particularly keen on Japanese technology for more efficient and cleaner energy to reduce pollution and its energy dependence, while the Japanese side is willing to help for commercial as well as environmental reasons.

Another indication of the close economic relationship is the growing physical links between the two countries. There are 676 direct flights between airports in China and Japan, although some of the links will now be at least temporarily cut because of the current world economic crisis. In 2007 8.34m. foreigners visited Japan, of which 943,400 came from China, indicating a rise of 16.2%, which put China in third place after South Korea and Taiwan, but ahead of the USA. Chinese tourists are particularly important for countryside areas in

Japan, where Western tourists normally do not go (e.g., hot spas, like Beppu), and the Japanese Government therefore eased visa regulations for Chinese in July 2005. However, the number of Chinese tourists to Japan is still dwarfed by the number of Japanese tourists to China: 3.75m. Japanese visited China in 2006 (Yamashita 2008, 4).

Close economic ties naturally also create frictions. There have been some cases in the past of China complaining about inferior products from Japan or insensitive Japanese advertizing. In 2005 Chinese activists called for a boycott of Japanese products to protest against Japanese history books and the Japanese government's quest for a UNSC seat. Japan has also complained about high Chinese tariffs on automobile parts and insufficient enforcement of intellectual property laws. In October 2008 China announced the obligation of foreign companies producing and importing high-technology electronic goods to disclose their secret source codes (*Yomiuri Shimbun* 2008).

Scares about the safety of some Chinese food and cosmetic products receive particularly high media attention in Japan. Most famously, a number of Japanese fell ill from consuming Chinese dumplings, creating bilateral tensions as the Chinese government denied that the dumplings were tampered with in China. The greatest impact on Japan is probably generated in Japan by China's increasing competitiveness, which is often seen as unfair because of the state-supported Chinese banking system and other particular characteristics of China's economic structure. In February 2006 China overtook Japan as the leading holder of foreign currency reserves and in November 2008 China overtook Japan as the largest holder of US treasury bonds (Morrison and Labonte 2009). This development is naturally also linked to the high renminbi exchange rate, which is supported by the Chinese government. However, as a result of the sheer size and development of the Chinese economy, as well as fewer political conditionalities attached to Chinese FDI, China is becoming a serious competitor for raw materials, food and energy. China is, for example, now a larger importer of oil than Japan and overtook Japan in 2005 as the world's largest seafood importer.

Conclusions

The opportunity to normalize the bilateral relationship after the end of the Koizumi era was quickly grasped by the Hu Jintao leadership, and summit meetings resumed immediately after September 2006. China agreed with Japan at the Hu Jintao-Abe summit to speak of a 'mutually beneficial relationship based on common strategic interests'. Until then the Japanese government had opposed the use of 'strategic' in its relations with China, because this term was considered only appropriate for the Japanese-American relationship. Although leadership instability in Japan makes the solution of more entrenched interest conflicts more difficult, the fabric of dialogue at official as well as non-governmental level has grown very dense. The potentially most harmful dispute is probably that over the Diaoyu/Senkaku Islands, which is also linked to the still undelimited maritime border between the two countries in the East China Sea. China started to dispute Japan's de facto control over the islands only in 1970, when a UN report mentioned the probability of oil and gas in the area. Despite many rounds of negotiations, the maritime border has not been agreed upon because both sides base their claims on conflicting approaches to the international law of the sea (Drifte 2008b). The disputes involve political, military and economic interests. In June 2008 both sides agreed to conclude a treaty that would allow the joint development of some areas in the East China Sea, but as of now (March 2009) negotiations have not even started, as the agreement of June 2008 is seen by some Chinese as too favourable to Japan.

In the last few years a long and very diverse list of bilateral official fora has been created, which shows the scope of the bilateral relationship, including the ministerial High-Level Economic Meeting (which has taken place since November 2007), the dialogue on UN and UNSC reform (since March 2007), the Mekong region dialogue (since 2008), the Vice-Ministerial Comprehensive Policy Dialogue (since 2005) and various security and military dialogues at different levels. The security-related dialogues are still the most difficult ones, with the Chinese side insisting that the Japanese-American security treaty should not go beyond the defence of Japan (i.e., should not have regional implications, nor include Taiwan) and the Japanese side voicing its concern about China's continuous military build-up. Japan's relations with Taiwan continue to be seen with great suspicion, lest they encourage Taiwan to go independent. In February 2002 the Japanese and American ministers with responsibility for defence and foreign affairs had declared jointly that the issues in the Taiwan Strait should be solved peacefully through dialogue, which greatly upset the Chinese government. On the other hand, there are positive developments, such as the agreement between the Chinese Minister of National Defence and his Japanese counterpart in March 2009 to exchange information between Japanese and Chinese ships on anti-piracy missions off Somalia.

The history dispute has become quieter since 2006, and both sides are trying to prevent a recurrence by sponsoring a bilateral history commission and putting considerable funding into youth exchanges and other cultural activities. China has stepped up its cultural diplomacy by the establishment of Confucius Institutes since 2005. In reaction, the Japanese government announced its own plan to increase the number of official Japanese language facilities worldwide.

The economic relationship will most likely continue to show the greatest potential for improvement. Both sides are in favour of concluding a free trade agreement which would considerably boost the relationship, but there are still too many obstacles as a result of their very different economic structures. Since Japan is unable to redress its insufficient domestic consumption to offset the fall of exports, it will be particularly dependent on a relaunch of exports to China, which may be possible if China's economic rescue packages restart its economic engine. If handled well by both sides, the economic crisis may dampen other conflicts of interest and lead to a more equally balanced relationship, but the crisis will at least at times sharpen economic and political rivalry. Much will depend on how China negotiates the political and military implications of its rise with the USA, and how Japan in turn can adapt its relationships with the USA and China under changed circumstances. The overwhelming victory of the Democratic Party of Japan over the hitherto perennial ruling Liberal Democratic Party in August 2009 may help to address these challenges more effectively.

15 China's 'backyard'

Relations with the Korean Peninsula and Southeast Asia

Robert G. Sutter

The People's Republic of China (PRC) has had its greatest success in advancing Chinese interests and influence in the post-Cold War period in the neighbouring areas of the Korean Peninsula and Southeast Asia: its own 'backyard'. Chinese economic exchanges and adroit diplomacy, backed by steady expansion of military power, propelled China into an increasingly prominent and favourable position in both areas. Prevailing circumstances point to a continuation of recent moderate and pragmatic Chinese approaches to neighbouring areas, with China refraining from more assertive Chinese policies that were prevalent throughout the first decades of the PRC.

The Maoist record—revolutionary assertiveness, periodic pragmatism

The path for China to get to the point of achieving significant advances in conventional economic, diplomatic, and other relations with Korea and Southeast Asia was tortuous (Garver 1993). Mao Zedong and his communist insurgents took power with revolutionary determination to support armed struggle against the USA and its allies and associates and to free China's periphery from the pressure of the USA, its allies and other hostile powers.

China miscalculated US resolve when it supported Kim Il Song's June 1950 assault on South Korea. The USA miscalculated China's resolve when it ignored the Chinese government's warnings and sought to reunify Korea by force after defeating the North Korean assault later that year. Over two years of bitter combat and confrontation ensued. The USA established a ring of defence arrangements with allies around China's periphery, which were backed by large-scale US military deployments in order to contain China and the spread of communist influence in East Asia (Chen, J. 1994).

Maoist China resisted in ways that were often aggressive, though China generally remained careful to avoid provoking a US nuclear attack or renewed direct combat with the USA. The USA was similarly wary of direct combat with Chinese forces. The armistice in the Korean War in 1953 allowed China to increase substantially its military support for the communist forces resisting US-backed French forces in Indochina. The collapse of the French resistance set the stage for a peace conference in Geneva in 1954, where Chinese leaders joined with post-Stalin Soviet leaders in supporting a compromise settlement. The limits of China's willingness to follow the more moderate direction of the policy of the Union of Soviet Socialist Republics (USSR) toward the West showed with China's forceful stance later in 1954 against a proposed US defence treaty with Taiwan, which resulted in serious combat between Chinese communist and US-backed Chinese Nationalist forces around islands along the southeast China coast.

Pressured by allies and associates to ease the crisis, the USA and China in 1955 agreed to ambassadorial talks, as China's leaders adopted a new emphasis on moderate and persuasive diplomacy at the conference of Afro-Asian leaders in Bandung, Indonesia. This brief interlude of 'peaceful coexistence' ended with shifts toward radicalism in Chinese domestic and foreign affairs later in the decade, which resulted in tens of millions of deaths in China's so-called Great Leap Forward and the public break-up of the Sino-Soviet alliance. By the early 1960s China was competing actively with the USSR for influence among developing countries, including North Korea, and in Southeast Asia. It backed North Vietnam and communist forces in Laos as they faced greater US military involvement in Indochina. For several years China developed close relations with the left-leaning Sukarno administration in Indonesia, before the military crackdown and slaughter of communists and ethnic Chinese in 1965. China also began more active support for communist groups and insurgencies directed against various Southeast Asian governments, some of which were aligning with the USA in its military involvement in Indochina.

As Mao turned inward to destroy the existing Chinese Communist Party (CCP) and government leadership in the Cultural Revolution begun in 1966, Chinese foreign policy was stuck in radical opposition to the USA, the USSR, and their allies and associates. China's uncompromising truculence alienated even those regional leaders inclined to co-operate with or accommodate China, notably North Korea's Kim Il Song, North Vietnam's Ho Chi Minh, Cambodia's Norodom Sihanouk, and Burma's Ne Win. China lost ground to the USSR in North Korea and North Vietnam, as Leonid Brezhnev was devoting more attention to Asia and to competition with China in the region. The Chinese government's emphasis on armed struggle and support for insurgencies against various non-communist administrations in Southeast Asia underlined China's image as a major threat to the region.

The immediate danger of Soviet invasion and nuclear attack on China in 1969 forced Mao and Chinese leaders to reconsider. Bitter leadership debate eventually resulted in the death of defence minister Lin Biao and the arrest of much of the Chinese high command. In the end, China reached out to the Nixon Administration for support against the Soviet menace. Nixon coincidentally was reaching out to China for help in disengaging from the Vietnam quagmire and restructuring the Asian order in ways that emphasized US co-operation with China against expanding Soviet influence and allowed for massive US military pull-back from the region (Ross and Jiang 2001).

The realignment among the USA, China and the USSR increasingly saw an overlap in Asia of the international struggles for influence between the USA and the USSR on the one hand and China and the USSR on the other. China supported the compromise between the USA and North Vietnam at the Paris peace conference in 1973. It differed with the Vietnamese government's greater reliance on Soviet assistance and its assault on South Vietnam in 1975. Chinese leaders publicly reassured US allies, Thailand and the Philippines, who sought to improve ties with China in the face of Vietnam's expansion. It also strongly backed the radical Khmer Rouge leaders in Cambodia, who stood against Vietnam while pursing their bloody consolidation of power in Cambodia. China also eschewed support for Kim Il Song in his bid to use the US defeat in Southeast Asia to expand North Korean power against South Korea.

Deng Xiaoping and Soviet power in Asia

Deng Xiaoping rose to lead China at the beginning of the current era of economic reform in 1978, following Mao's death in 1976 and an intense struggle for power among divided Chinese leaders. Ideological radicalism ended at home and abroad as Chinese leaders sought legitimacy through pragmatic pursuit of economic development and nation-building. Foreign

policy was generally secondary to domestic priorities. Top foreign concerns were protecting Chinese sovereignty and security and preserving a peaceful international environment and economic outreach that would benefit Chinese development and political stability for the CCP rulers (Harding 1984).

While Deng's China reached out to the USA, Japan and other developed countries and international organizations for advantageous investment, trade and aid, its focus in Korea and particularly in Southeast Asia was to preserve a favourable environment in the face of Soviet expansion and pressure along China's periphery. China competed with the USSR for influence in North Korea through aid and other means. In deference to its important ties with North Korea, Deng's China only slowly developed compatible trade and investment relations with the advanced South Korean economy. It strongly supported US and Japanese efforts to build military, diplomatic and other means to contain the spread of Soviet power in Northeast Asia.

China decided to take the lead against the expansion of Soviet-aligned Vietnam in Southeast Asia. Several years of Sino-Vietnamese disputes reached a high point when Vietnam, backed by the USSR, invaded Cambodia in December 1978, toppled the Chinese-backed Khmer Rouge leadership, and occupied the country. In 1979, China reacted with a massive but temporary invasion of Vietnamese territory adjoining China, followed by years of large-scale artillery shelling and other hostilities, putting pressure on the government in Hanoi and its Soviet backers. China also supported the Khmer Rouge insurgents that resisted the Vietnamese occupiers and the Vietnam-backed regime in Cambodia. It joined with the USA, the non-communist Southeast Asian countries in ASEAN (the Association of Southeast Asian Nations) and others in a united front supporting insurgents and pressing Vietnam to withdraw from Cambodia. It gradually reduced Chinese support to communist insurgents targeting non-communist Southeast Asian states that were now seen as important allies in the struggle against Soviet-backed expansion in Southeast Asia.

China's focus on countering Soviet-backed pressure along its periphery did not subside in Southeast Asia until Soviet leader Mikhail Gorbachev shifted support away from Vietnam's occupation of Cambodia, prompting a major readjustment in Vietnam's approach to China and the region. Once Gorbachev met Chinese demands on Cambodia and other perceived areas of Soviet pressure along the Sino-Soviet border and in Mongolia and Afghanistan, China was willing to welcome the Soviet leader at a summit meeting in Beijing, which unexpectedly coincided with the mass demonstrations in Tiananmen Square immediately prior to the Chinese crackdown on 4 June 1989. In response to reduced Soviet support and strong pressure from China, the USA and others, Vietnam pulled back its forces from Cambodia, setting the stage for the international agreement of 1991 on the conflict in Cambodia.

Post-Cold War relations—priorities and phases

Priorities

The Tiananmen crackdown of June 1989 prompted Western-led isolation of China, which was reinforced with the collapse of communism in Europe and developing countries and the eventual demise of the USSR in 1991. Soviet expansion was a thing of the past. On the whole, this represented a positive development for China's security along its border and around its periphery, but it also meant that the USA and other powers had less interest in developing relations with China in order to counter Soviet power and influence.

Chinese efforts to break out of international isolation were eventually successful. The Chinese government fostered over the next two decades ever-expanding Chinese interaction with

the outside world through economic exchanges in an era of globalization, and by broadening Chinese involvement with most foreign governments and with international organizations dealing with security, economic, political, cultural and other matters. In the years after the Tiananmen crackdown, China established diplomatic relations with South Korea and with such key Southeast Asian nations as Singapore and Indonesia, and it normalized heretofore strained relations with Vietnam. It began participation in such regional groups as the Asia-Pacific Economic Cooperation (APEC) forum and worked more closely with ASEAN and its security group, the ASEAN Regional Forum (ARF). It was a formal, albeit generally passive, participant in four-party talks following the US-North Korean Agreed Framework of 1994 dealing with North Korea's nuclear weapons development. China participated much more actively in the three- and six-party talks dealing with crises caused by North Korea's advancing nuclear weapons development from 2002 until now.

In general, Chinese leaders focused on promoting China's economic development, while maintaining political and social stability in China. These efforts supported a fundamental determination of the CCP administration to be an exception to the pattern of collapsing communist regimes at the end of the Cold War, and to reinvigorate and sustain its one-party rule in China. Foreign policy was made to serve these objectives by sustaining an international environment that supported economic growth and stability in China. This was done partly through active and, over time, generally moderate, Chinese diplomacy that was designed to reassure neighbouring countries and other concerned powers, eventually including the USA, the dominant world power in Chinese foreign policy calculations.

After several years of rapid growth, Chinese leaders saw the wisdom of trying to demonstrate to China's neighbours in Korea, Southeast Asia and elsewhere, and eventually the USA, that rising Chinese economic, military and political power and influence should not be viewed as a threat, but should be seen as an opportunity for greater world development and harmony. In the process, Chinese diplomacy gave ever greater emphasis to engagement with and conformity with the norms of regional and other multilateral organizations as a means to reassure those who were concerned with the possible negative implications of China's increased power and influence (Lampton 2008).

Chinese foreign policy placed great emphasis on seeking international economic exchange that was beneficial to Chinese development. A large influx of foreign direct investment, as well as foreign aid, technology and expertise was critically important to China's economic growth in the post-Mao period. South Korea and some advanced Southeast Asian countries invested heavily in China. China also became the centre of a variety of intra-Asian and other international manufacturing and trading networks that saw it emerge as the world's third largest trading nation, the largest trade partner with North Korea and South Korea, and the largest or second largest trading partner with most Southeast Asian countries.

Chinese nationalism and Chinese security priorities also were important determinants in contemporary Chinese foreign policy (Gries 2004). The CCP administration placed greater emphasis on promoting nationalism among Chinese people as communism weakened as a source of ideological unity and legitimacy on account of the collapse of the USSR and other communist regimes and the Chinese government's shift toward free market economic practices. Nationalism supported the CCP administration's high priority to prevent Taiwanese independence and to restore this and other territory taken from China by foreign powers when China was weak and vulnerable during the 19th and 20th centuries. Nationalism exacerbated ongoing Chinese disputes with North and South Korea and several Southeast Asian nations regarding territorial and symbolically important historical questions. China's neighbours also showed varying degrees of concern over Chinese leaders' forthright efforts to build advanced

military power and to take coercive measures to achieve nationalistic goals, especially regarding Taiwan. More broadly, Chinese leaders sought to build what they called 'comprehensive national power'—particularly economic, military and political power—as China sought an as yet not clearly defined leading role as a great power in Asian and world affairs.

Phases

Viewed broadly, Chinese foreign relations with Asian neighbours and more generally went through distinct phases after the Cold War. The shifts from one phase to the next saw Chinese leaders reverse or revise policy actions and goals that were seen as having failed or otherwise become counterproductive to Chinese interests, and add policy actions and goals better suited to advancing Chinese interests (Shambaugh 2005a; Sutter 2008).

1989–96

The first phase witnessed strong Chinese efforts to break out of the post-Tiananmen isolation and pressure imposed by the USA and Western aligned countries by means of more active Chinese diplomacy. Chinese diplomacy focused on neighbouring countries and other developing states, which were more inclined to deal with China pragmatically and without pressure regarding China's political system or other internal affairs. The Chinese administration's strong emphasis on sovereignty and nationalism saw China pass a territorial law in 1992 strongly asserting claims to disputed territories, especially along China's eastern and southern maritime borders. The Chinese military backed efforts by Chinese oil companies, fishing enterprises and others to advance Chinese claims in the Spratly Islands of the South China Sea against the expansion of such activities by Vietnam, the Philippines, Malaysia and other claimants. A major incident in 1995 saw the leading states of ASEAN stand against Chinese territorial expansion, and the USA also publicly weighed-in in support of peaceful resolution of regional disputes.

While trying to sustain a workable economic relationship with the USA and other developed countries critical of China's communist political system, human rights practices and other policies, Chinese leaders and official media responded sharply to the pressure of the US 'hegemon' and its allies and associates and denounced perceived domineering US foreign policy actions throughout many parts of the world. China used the international importance of its rapidly growing economy in manoeuvres to force US President William Clinton to reverse his policy linking US trade with China to human rights and other considerations. China subsequently was out-manoeuvred by Taiwan President Lee Teng-hui who, to the surprise of the Chinese government, effectively pressured Clinton to reverse policy and allow Lee to visit the USA. This challenge to Chinese sovereignty and nationalistic determination to reunify Taiwan with China led to nine months of off-and-on large-scale Chinese military exercises against Taiwan. The exercises did not end until the USA dispatched two aircraft carrier battle groups to the Taiwan area in early 1996 for the first such US-Chinese military face-off in the Taiwan area since the 1960s. Few of China's neighbours explicitly sided with China or the USA in the dispute, but many were seriously concerned with the implications of China's assertiveness and ambitions.

1996–2001

Chinese leaders in this period demonstrated greater concern about reassuring neighbours in Asia and other countries that China was not a threat. They propounded a 'new security concept' that built on the moderate approach that China had adopted sometimes in the

past regarding peaceful coexistence in international affairs. Chinese diplomacy was very active in bilateral relations, establishing various types of special partnerships and fostering good neighbour policies. China also increased interaction with ASEAN, the ARF, and other Asian regional organizations. Chinese trade relations with neighbouring countries generally grew at twice the rate of China's rapidly growing economy. Asian investment in China grew, with South Korea and Singapore among the largest investors. The Chinese economy remained stable amid the Asian economic crisis. China did not devalue its currency, it sustained economic growth, and it supported some international efforts to assist failing regional economies—developments that boosted China's stature in the region.

The Chinese government and the Clinton Administration held two summits and improved relations under the rubric of 'engagement' and of seeking a constructive strategic partnership. However, both sides also highlighted serious differences. The US Congress, media, and various interest groups continued sharply to attack Chinese policies and to attack the Clinton Administration's moderation in the face of perceived Chinese infractions regarding a long list of political, security and economic issues. The Chinese administration continued to encourage strong public opposition to perceived US efforts to pressurize and weaken China and to US domination and 'hegemonism' in various world areas. China told neighbouring states that its 'new security concept' was in opposition to the archaic 'Cold War thinking' seen in US efforts to sustain and strengthen alliances, including US alliances or closer military relations in Asia, notably with Japan, South Korea, Australia and some Southeast Asian nations. The Chinese government indicated that these states would be wise to align with China's approach and to eschew closer alliance and military ties with the USA. The bombing by a US aircraft of the Chinese embassy in Belgrade in 1999 prompted mass demonstrations that wrecked US diplomatic properties in China and also resulted in a major strategic debate in China regarding whether peaceful development or opposition to US hegemonism should be the main trend in Chinese foreign relations in Asian and world affairs.

2001–present

The coming to power of the George W. Bush Administration coincided with a further demonstrable shift in China's policy in Asia and elsewhere. The initially tough Bush Administration's approach of supporting Taiwan, and opposing China's military build-up and Chinese proliferation practices, as well as other initiatives on issues sensitive to China, such as strengthening US-Japanese alliance relations and developing ballistic missile defences in Asia and the USA, did not elicit strident criticism from Chinese officials or in the official Chinese media. In the recent past, even less serious US steps against Chinese interests were routinely denounced as perceived manifestations of US hegemonism and Cold War thinking.

Over time it became clear that China was endeavouring to broaden the scope of its ongoing efforts to reassure its neighbours that China was not a threat. The broadened efforts now included and focused on the USA. The previous Chinese efforts, attacking US policies and alliance structures, in order to get Asian governments to choose between closer relations with China, under the rubric of China's new security concept, and closer relations with the USA, had failed and were put aside. In their place emerged a new and evolving Chinese emphasis, focused on the government in Washington, as well as on Asian and other powers, that China's 'rise' would be a peaceful one that represented many opportunities and no threat to concerned powers.

Chinese officials were realistic in explaining the shift. They wanted to make sure that China's growing economic, military and other power and its related increased international influence

did not prompt the US superpower and other concerned governments to align together in ways that would thwart or even oppose China's rise. In private briefings, authoritative Chinese spokespersons echoed the rationale seen in official Chinese media that China was well aware of the hostile international reactions to the rise of Imperial Japan and Nazi Germany in the 20th century and was striving to avoid such an outcome for China in the 21st century.

China's initial emphasis on 'peaceful rise' eventually transformed into the even less threatening rubrics focused on 'peaceful development' and seeking 'harmony' in relations with all powers. China's public opposition to hegemonism, one of China's two top foreign policy goals in authoritative pronouncements for over 20 years, declined to a point where it was no longer a major stated goal of Chinese foreign policy. In its place was the strong determination of the Chinese administration to follow an international path of peaceful development.

The shift in China's approach reinforced the positive momentum in China's relations with Asian neighbours, notably in Southeast Asia and South Korea. It also added to forces prompting the Bush Administration to adopt a more co-operative and less confrontational posture toward China over salient Asian and other issues. The crisis caused by North Korea's breaking existing restrictions on its nuclear programme in late 2002 and moving toward nuclear weapons development saw the US and Chinese governments co-operate closely in managing the various crises and in endeavouring to reach a negotiated solution. The perceived provocative moves of Taiwanese President Chen Shui-bian (2000–08) in relations with China also prompted closer convergence of US and Chinese positions on this sensitive issue.

Patterns in Southeast Asia and Korea

Chinese relations with Southeast Asia generally followed and benefited from the shifts in Chinese foreign relations during the post-Cold War period. Concurrently with China's greater outreach to Southeast Asia in the period after the Tiananmen crackdown, China's rising military power and occasional recourse to forceful rhetoric or military action concerning regional territorial disputes reminded Southeast Asian leaders of China's past assertiveness against Southeast Asian governments and produced wariness about China's intentions. China's strong public opposition in the latter 1990s to continued US military alliances and other strategic relations in Asia, including Southeast Asia, also was broadly unwelcome to governments in Southeast Asia, and they continued to encourage the USA and other powers to remain active in the region as China's influence rose. More recently, the Chinese leadership's focus on an accommodating approach, emphasizing mutual benefit focused on peace and development, won widespread support amid China's rapidly growing economic, political and military interaction with all the members of ASEAN and with regional organizations affiliated with ASEAN and other organizations (Percival, 2007).

Chinese trade with Southeast Asian countries grew impressively. This was accompanied by an ever-widening array of high-level official contacts. China and ASEAN developed economic ties centred on an emerging China-ASEAN free trade agreement. China also reassured Southeast Asian neighbours by agreeing to a code of conduct regarding disputes over the Spratly Islands and the South China Sea and by signing the ASEAN Treaty of Amity and Co-operation.

Underlying issues in Chinese relations with Southeast Asia in the post-Cold War period remained focused on economic competition for markets and foreign investment, territorial disputes in the South China Sea, and concerns over regional security, especially the implications of China's military modernization. Many government officials in ASEAN co-operated with China in the 1990s in promoting 'Asian values' as a counterpoint to USA-backed

efforts to foster greater support for international human rights. They were reassured by China's policies during the Asian economic crisis and by China's discreet reaction to concurrent anti-Chinese riots in Indonesia. But they also privately were concerned about China's support for and widespread interaction with the repressive regime in the Union of Myanmar. ASEAN leaders also continued to support the USA-Japan alliance and the US military presence in Asia, despite China's strong criticism of these security measures during the 1990s and until mid 2001.

Although they were losing out to China in competition for foreign investment, Southeast Asian entrepreneurs and government officials sought advantage in the large-scale Southeast Asian processing trade with China. China also imported many raw materials from the region and developed transportation, hydropower and other close links with neighbouring states. Frequent leaders' meetings in bilateral and multilateral settings followed the 'win-win' pattern favoured by China, whereby the parties focused on common ground and put aside differences.

The Southeast Asian governments went along with concurrent tough Chinese measures against Taiwan's efforts to spread its international influence. Singapore and other Southeast Asian states sympathetic with Taiwan were alienated by Chen Shui-bian's provocations. Japan's economic stagnation for much of the post-Cold War period meant that China's influence in Southeast Asia came to overshadow that of Japan, previously the most important Asian power in the region. However, Southeast Asian governments were reluctant to side with China in its sometimes contentious disputes with Japan, and they sought to keep Japan closely engaged in the region.

Some specialists and media observers estimated that China had become the dominant power in Southeast Asia, with even the USA relegated to a secondary position. (Kurlantzick 2007). Closer analysis showed overwhelming US strategic power and influence, especially among the key states along the maritime periphery of Southeast Asia that represented the focus of US interests in the area. The USA also remained critically important for the export-oriented Southeast Asian administrations as a source of investment and technology and as a market for much of the processing trade that they carried out with China.

In Korea, the collapse of the USSR and the demise of East–West and Sino–Soviet competition for influence in the Korean Peninsula prompted the Chinese government to adjust Chinese relations to take advantage of economic and other opportunities with South Korea, while sustaining a leading international position in relations with North Korea. The international confrontation caused by North Korea's nuclear weapons programme and related ballistic missile programmes, and the sharp decline in economic conditions and the rise of political uncertainty in that country following the sudden death of Kim Il Sung in 1994 raised uncertainties in China about the future stability of the peninsula. In general, Chinese officials used economic aid and continued with military and political exchanges to help stabilize and preserve Chinese relations with the North, while working closely with South Korea and, at times, the USA in seeking a peaceful resolution to tensions on the peninsula. In response to the crisis created by North Korea's provocative nuclear proliferation activities, beginning in late 2002 and capped by its 9 October 2006 nuclear weapons test, China was even more active, taking a leading role in international efforts to seek a diplomatic solution that would preserve China's influence and interest in stability on the peninsula (Kim 2006; Snyder 2009).

Observers outside China often judged that China had a longer-term interest in seeing growth in Chinese influence and a reduction in US influence on the peninsula. However, in contrast to the often strident Chinese criticism of the US role in other parts of Asia and the

world up to 2001, the Chinese government was careful not to be seen directly challenging US leadership in Korean affairs. It apparently judged that Chinese interests were best met with a broadly accommodating posture that allowed for concurrent improvements in China's relations with South Korea and effective management of China's sometimes difficult relations with North Korea. The net result was a marked increase in China's relations with South Korea and continued Chinese relations with North Korea that were closer than any relations that North Korea had with any other power, without negatively affecting China's relations with the USA. During the crisis over North Korea's nuclear programme after 2002, China's co-operation with the USA, South Korea and other concerned powers in seeking a negotiated solution to the problem enhanced the overall positive development of China's relations with these countries, while managing tensions over the North Korean programme in ways that avoided conflict or helped to reduce the instability caused by the provocative actions of the regime in Pyongyang.

China's influence, relative to the USA, grew on the Korean Peninsula. China became South Korea's leading trade partner, the recipient of the largest amount of South Korean foreign investment, the most important foreign destination for South Korean tourists and students, and a close and like-minded partner in dealing with issues posed by North Korea's nuclear weapons programme and related provocations, and by the Bush Administration's hard-line policy toward North Korea up to 2006. China's economic importance for South Korea was accompanied by some trade disputes and concern by South Korean manufacturers about competition from fast-advancing Chinese enterprises. Other differences focused on nationalistic concerns over the implications of competing Chinese and Korean claims regarding the scope and importance of the historical Goguryeo kingdom, China's longer-term ambitions in North Korea, and Chinese treatment of North Korean refugees in China and of South Koreans endeavouring to assist them there.

China's improved relations with South Korea coincided with often serious tensions in South Korean relations with the USA. Those US–South Korean tensions subsided with the more moderate US stance toward North Korea since the North Korean nuclear test in 2006 and with the election of a pro-USA government in South Korea in 2007. Many South Korean and other commentators over the years held up China as South Korea's most important and most beneficial partner and sharply criticized the USA. However, Chinese officials and official commentaries kept a low profile on these issues. They seemed unwilling to bear the consequences for regional stability that would come with a serious Chinese challenge to the US leadership role in Korean affairs. Meanwhile, regarding North Korea, China's influence grew by joining with the USA in the multilateral efforts to deal with the North Korean nuclear weapons issue on the one hand, while sustaining its position as the foreign power having the closest relationship with the reclusive North Korean regime on the other.

16 China's relations with Europe

Towards a 'normal' relationship?

Chen Zhimin and John Armstrong

During the Cold War era, China's relations with Europe (or more precisely the European Union (EU), its predecessor the European Community (EC) and its member states) was regarded as a 'significant' but 'secondary' relationship, derivative of broader strategic forces (Yahuda 1994, 268–269). Yet, in the years that have followed the ending of the Cold War, the international environment has changed considerably, such that China-EU relations can be argued not only to possess a dynamic of their own, but to have an impact on wider trends. The first decade of the new century witnessed a series of benchmarks—in 2004, for example, the EU surpassed the USA and Japan, to become China's biggest foreign trade partner. In October 2003 China even went so far as to issue an 'EU Policy Paper' (FMPRC 2003a), the first ever foreign policy paper detailing China's strategy towards a country or group of states.

If these events signalled that Europe and the EU had moved towards the first rank of China's foreign policy horizon, the events that followed subsequently suggest that positive trends are by no means guaranteed. After the euphoric peak of 2003 and 2004, frictions and setbacks have become more evident, with disputes over human rights, Tibet, a growing trade imbalance and the EU's arms embargo dominating the headlines. China even took the drastic step of postponing the 11th annual China-EU summit in December 2008 in protest at French President Sarkozy's official meeting with the Dalai Lama in his capacity as the rotating President of the European Council. While these trends have not derailed the overall co-operative relationship, they have sobered expectations about the prospects for and potential of the 'strategic partnership' and have meant that much of the last two years have been dedicated to repairing rather than driving forward relations.

This chapter will investigate the conceptual, economic, institutional and global aspects of China's relations with Europe, focusing on the post-Cold War years, to map out the obstacles and opportunities that both sides will have to navigate if they are to ensure a mature partnership of global importance.

Europe in China's foreign policy thinking

In many ways China's relationship with Europe is the story of two powers re-emerging, one through internal economic and social transformation, the other through integration and intensive policy co-ordination. While the trajectories of both these processes remain uncertain, what is beyond doubt is that their products are both intrinsically linked and critically important to the future of international relations.

How China foresees the evolution of this relationship depends much on how it perceives both the EU as an actor in itself and as an actor driven by particular interests. For the most

part, China's image of Europe and the EU specifically has at least until very recently been overwhelmingly positive. Since China and all the major countries of Western Europe established normal diplomatic relationships at the beginning of the 1970s, Europe has been regarded as a group of countries that have no fundamental conflicting interests with China. This is not to say that there have not been diplomatic skirmishes over human rights, or major disputes in the early 1990s, such as with France over the export of 60 Mirage-2000 fighter planes to Taiwan, or with the United Kingdom (UK) concerning the handover of Hong Kong. The disputes were short-lived, and were properly handled, as the EU countries understand that the issue of China's territorial integrity is not something to be contested. Since the UK withdrew its troops from Hong Kong in 1997, a permanent European military presence in East Asia from which to project power no longer exists. European countries have no major geo-strategic interests in East Asia, as the USA does, which would place themselves in conflict with China. Accordingly, the Taiwan issue generally does not feature as a major problem in EU-China relations As such, China's 2003 'EU Policy Paper' could proclaim in good faith that 'there is no fundamental conflict of interest between China and the EU and neither side poses a threat to the other' (FMPRC 2003a).

If China does not see the EU as a danger, this is not to say that it is not aware that the European position on China is far more ambiguous (Zaborowski 2008). Nor does it mean that it has not viewed its relations with Europe as serving larger strategic objectives. Shortly after China forged diplomatic normalization with the EC member states, China and the EC established diplomatic relations in 1975. While these steps were taken out of self-interest from China's side, improving relations with Europe and supporting the process of European integration reflected contemporary strategic thinking in China. The 'Three Worlds' vision outlined by Mao Zedong, cast the USA and the Union of Soviet Socialist Republics (USSR) as the First World, the major ranking powers, with Western European states belonging to the Second World, as potential valuable partners in China's effort to fight the two Cold War hegemons. Thus, China encouraged and urged Western European states to integrate themselves and develop a common stance, independent of the superpowers.

Such a line of thinking continued in the post-Cold War era, with China's fear that the lack of any balance to US power in a unipolar world could become the single most threatening force to China's core interests. An affinity of positions seemed to be emerging, as European countries deepened their integration process by establishing a common currency and common foreign and security policy (CFSP)—moves that seemed in part prompted by concerns over the 'hyperpower' of the USA. In that context, Europe is seen as a natural and ideal partner in China's drive for a multipolar world (more recently described as a 'harmonious world'), which places greater stress on multilateralism based on an irresistible trend towards multipolarization.

Apart from the strategic facets of China's vision of Europe, since China's reform and opening-up policy of the late 1970s, stable relations with Europe have been seen as a necessary prerequisite for Chinese development. With an export-oriented development strategy, Europe, with its advanced economy, is seen as providing not just a key market, but also technology and much-needed investment for China's massive economic restructuring.

Furthermore, the example of the EU as a successful model of internal and regional transformation is of itself of interest to the Chinese élite. Chinese scholars and policy-makers have enthusiastically looked upon European initiatives and achievements as something to draw upon, whether in terms of engineering a sustainable welfare state, ensuring an ecologically sound mode of development that balances regional disparities, or, perhaps most crucially, creating a European single market. In simple terms, faced with the tremendous, unfolding

challenges that have beset China's process of rapid economic development, China needs advice, inspiration and know-how from Europe to help narrow the developmental gap between coastal and inland regions, to achieve sustainable economic development, to construct a single domestic economy out of provincial protectionism, and to rebuild its social welfare system. As China has increasingly involved itself in Asian regional co-operation processes, the salience of the European integration process as an example (if not a template) for dealing with interdependence in both greater China and the Asian region as a whole increases.

Overall, the prevailing line of thinking in China was supported by the positive response from the European side in the form of its policy of 'constructive engagement'. However, as later sections will show, more recent developments in bilateral relations and the changing global context have added new elements to this line of thinking.

Deepening of an interdependent relationship

In 1975, when China and the EC established official relations, bilateral trade was only US $2,400m. With the opening-up of China to global economy, in 1980, China's trade with the EC increased to $6,033m. That figure further increased to $15,925m. in 1990 and $71,514m. in 2000 (Ash 2008, 224–225). By 2008, total EU-China trade reached $425,600m., making the EU China's biggest trading partner and accounting for 16.6% of China's total trade. Conversely, China is the EU's second largest trade partner after the USA, and its biggest source of imports. Even in the face of a global economic downturn, the volume of China's exports to and imports from the EU in 2008 grew by 19% (NBS 2009).

The EU is also a major source of foreign direct investment (FDI) into China. Over the last three decades, EU countries' annual utilized direct investment in China rose from zero to US $178m. in 1986, to $2,120m. in 1995 and to a peak level of $5,440m. in 2006, with a share of 7.48% of China's total FDI in that year (Invest in China 2008). Although investment from the EU is surpassed by inflows from Hong Kong and the British Virgin Islands (a tax haven that acts as a conduit for investment that originates elsewhere), from 2006, the EU has invested more than any other major economy. Furthermore, while Asian investors usually aim to relocate production activities to China in order to take advantage of cheap labour and land costs, the structure of European investment, like their American counterparts, tends to bring in bigger, less numerous, higher value-added and high-technology projects, which produce a 'catalytic impact' on China's development (Barysch, Grant and Leonard 2005, 38).

China's outward foreign investment into Europe was at a very low level for a long time. In 2006 China's total annual outward FDI in the EU was only US$128.7m. However, 2007 witnessed seven-fold growth, with $1,044m. in Chinese investments pouring into EU countries, with the UK and Germany the favoured destinations; indeed, investment into these two states accounted for 62% of cumulative Chinese investment into the whole of the EU by the end of 2007 (MOC 2008, 76). As a result, the EU rose to become the second biggest destination for China's outward FDI, surpassed only by Hong Kong. Such a development, if continued (and all evidence suggests that it will be continued), would create a more balanced relationship in the field of FDI, and could transform the bilateral economic relationship.

Yet, while the relationship is built on trade and economic engagement, it has led to spillover, with a range of co-operation and dialogue in other areas. These span the gamut from education to space exploration, scientific innovation to aviation, agriculture to intellectual property rights. While the inspiration for many can be found in Chinese (e.g., food safety) and European interests (e.g., intellectual property rights), they ultimately reflect China's

ongoing commitment to learn from other models. Not only is this trend likely to continue, it is also destined to become a two-way process, with Europe learning from Chinese practice and experimentation. Just as Europe will continue to provide a source of inspiration even in the context of wavering faith in the Anglo-Saxon model of market governance (China is more than aware of the range of European models and practices, particularly in areas such as social welfare reform, economic redistribution and food safety), so China's efforts to develop its own brand of multilateral diplomacy, conflict resolution and growth and development will provide alternative strategies and models for action.

Turning to the future, perhaps one of the most crucial areas of co-operation between China and Europe will be the environment. Here, issues of energy, sustainable development and protection have provided fertile ground for co-operation, both bilaterally and globally. The context for co-operation could not be more suitable; few countries are more immediately faced with the complex trade-off between economic development and environmental reform than China, and few more committed to act than Europe. In the context of this enormously complex and interconnected problem, both China and Europe are keen to ensure that their co-operation becomes a model for others.

Thus far, China has drawn enormously from European practice in terms of environmental regulation and governance, a trend reflected throughout the levels of engagement with Europe, whether in the form of summit commitments, such as the 2005 declaration on the fight against climate change, the sectoral dialogues on the environment, energy, and science and technology, right down to collaborative projects on clean energy. Notwithstanding tensions in the wake of the December 2009 Copenhagen (Denmark) Summit, when some in Europe blamed China for the failure to agree binding commitments, these efforts hold the promise of greater convergence in Chinese and European approaches to climate change over the longer term.

Codification and institutionalization

The widening and deepening of the bilateral relationship has been coupled with a process of codification, through which bilateral co-operation practices are codified in legal, political and policy norms. For the most part, this has been achieved through the accumulation of bilateral agreements, joint statements, unilateral policy papers and efforts to negotiate the reconfiguration and streamlining of engagement in the form of an overarching partnership and co-operation agreement between the EU and China.

In terms of bilateral documents, the most important, as well as the most long-standing, is the EC-China Agreement on Trade and Economic Co-operation, signed in Brussels, Belgium in May 1985. This short agreement (containing just 18 articles) was intended to promote and intensify trade and to encourage the steady expansion of economic co-operation. Given that most political dialogue between China and EC countries was conducted at the bilateral level, it should come as no surprise that the EC-China relationship at that time was limited to economics. Other sector-specific agreements—for example, the agreement on science and technology in 2000, the agreement on maritime shipment of 2002 and the co-operation agreement on the Galileo satellite navigation system of 2003—have laid down legal frameworks for the two sides to work together in the specific functional areas.

Codification also includes the unilateral release of policy documents towards each other by the two sides. In this regard, the EU is a comparatively more proactive player. In 1995, after the EU issued its first strategy towards Asia, trying to tap into the new economic boom of East Asian countries, it released its first ever policy paper towards China. In 'A Long

Term Policy for China-Europe Relations' (European Commission 1995), Europe's relations with China were presented as a 'cornerstone' in Europe's external relations—not just in Asia, but globally. In the Commission's second major China policy paper, of 1998, the long-term relationship was further updated to a 'comprehensive partnership'. The paper stressed that, 'engaging China's emerging economic and political power, as well as integrating China into the international community, may prove one of the most important external policy challenges facing Europe and other partners in the 21st century' (European Commission 1998, 4). The EU's 2003 China policy paper took a further step, proclaiming that 'the EU and China have an ever-greater interest to work together as strategic partners to safeguard and promote sustainable development, peace and stability' (European Commission 2003, 3). In responding to the EU's agenda-setting policy documents, the Chinese government took the unusual step of issuing its own EU policy paper in October 2003. Detailing China's vision for the partnership, this document, taken together with the various policy statements issued by Chinese officials over the past decade, provides the relationship with substance and aspiration by which to steer (FMPRC 2003a).

While the previous agreements laid the basic foundations for the EU and China to co-operate in economic and other individual sectorial areas, and the unilateral policy papers served to drive the relationship to a higher level, the two sides have not yet provided a comprehensive bilateral legal framework to guide and regulate the significantly broadened relationship. To adapt to the new stage of this relationship, both sides agreed in September 2006 to launch negotiations to conclude a single, overarching partnership and co-operation agreement, with negotiations over the nature of this agreement being formally launched in Beijing in 2007.

In the political and foreign policy areas, a biannual mechanism for dialogue was established in the early 1980s between political directors of the rotating EU presidency's ministry responsible for foreign affairs and the Chinese ambassador to that country. In 1986 the European Political Cooperation (EPC) Troika at ministerial level started to meet the Chinese Minister of Foreign Affairs on the margins of the annual UN Assembly (Algieri 2008, 71). In 1998, with the launching of the first EU-China summit, bilateral political dialogue was further updated to the summit level, and a multilevel mechanism for political dialogue has been restructured and reinforced since then. In September 2008 the 8th China-EU summit injected further significant impetus into the development of a mechanism for political dialogue by setting up the regular vice ministerial-level strategic dialogue.

The growing institutionalization of relations has created an expansive network of bureaucratic and expert co-operation, dealing with a wide spectrum of bilateral and global issues. The cumulative effect of these contacts is that relations are no longer simply being driven by events, a product of reactions trailing in the wake of economic engagement, but have begun to develop a dynamic of their own.

The rhetoric and reality of 'strategic partnership': challenges to the EU-China relationship

If the increasing institutionalization and codification of China-EU relations suggests that both sides are keen for the relationship to be managed in a more harmonious fashion, this should not disguise a number of outstanding difficulties brought into focus by increased mutual awareness (of each other's systems and global strategies) and sensitivity (brought about by increased interconnection). What the rhetoric of 'strategic partnership' encounters in reality is rhetoric of 'complicated partnership', increasingly so from 2005 onwards.

Several factors have contributed to complicate the relationship.

First, viewed from the outside attempts to generate a more strategically-oriented EU-China relationship can easily be interpreted as a joint effort to 'constrain American power and hegemony, whether through the creation of a multipolar world or through multilateral institutional constraints on the United States' (Shambaugh 2004, 246).

Symptomatic of this perspective was the US reaction to the EU's internal debate on the lifting of the long running arms embargo against China at the end of 2003 during which the US government made all possible efforts to press the EU's members to desist (Chen, Z. 2008). Apprehension that the transfer of military technology might jeopardise US security interests in Asia blurs easily with the more diffuse suspicion that such action might play into a Chinese strategy of divide and rule, altering the dynamic of relations within and between Western international society and China (Gompert *et al.* 2005). Indeed further to this intervention, the US also sought to establish a transatlantic dialogue mechanism on China. This biannual dialogue held its first meeting in May 2005 in Brussels, with the aim of developing a common understanding about Asia and China across the Atlantic. Furthermore, as the Bush Administration entered its second term, it started to readjust its foreign policy and became more willing to work with its European allies.

The net effect of this (temporary) improvement in transatlantic relations, has been than enthusiasm for a more robust EU-China relationship to counter US unilateralism among Europeans has waned—a trend to some extent mirrored in the continuing pragmatism of US-Chinese relations.

Shifting to the more immediate, the still booming economic relationship has begun to experience greater turbulence. This second dynamic has become more visible as the EU's trade deficit with China widens. Europeans are becoming aware and concerned about the challenge presented by China's economic development, nuancing their previous enthusiasm for constructive engagement. In October 2006 a new policy paper towards China released by the European Commission labelled China 'the central challenge for EU trade policy' (European Commission 2006, 2). To be sure, there are still benefits for Europe: exports to China has increased faster than exports to the rest of the world, investment in China has allowed EU firms to remain competitive, and imports of China's low-price goods have kept inflation low in Europe. Nevertheless, complexities across the EU's economic policies have given rise to priorities that include further opening the Chinese market, protecting European intellectual property rights, and protecting EU producers from 'unfair' competition from China. As Bates Gill has observed, EU trade policy towards China, though still far from combative, 'is somewhat closer to Washington's approach' (Gill 2008, 276). This narrowing of positions has been further signalled by US and European responses to Chinese exchange rate policy and support for domestic producers in the wake of the 2008 global financial turmoil. While globally orientated Europeans have become impatient with levels of market access to China, and those more domestically focused have begun to stress the economic challenge from China, China finds itself equally frustrated. When China joined the World Trade Organization (WTO), existing members, including the USA and the EU, insisted that it remained classified as a non-market economy (with all the disadvantages that such a status extends) for a period of 15 years. For example, China's not having market economy status gave the EU a freer hand in issuing anti-dumping duties, and in 2007–08 some 42% of all anti-dumping cases initiated by the EC targeted Chinese producers (Davis 2009). Although accepting these preconditions, China has come to regard its subsequent treatment as discriminatory, particularly in the light of Russia's treatment (given that Russia is not a WTO member) and increasing levels of state intervention in Europe and the USA (Tobias and Dickie 2004). Inevitably, one of the main thrusts of its foreign policy has been to negotiate

for bilateral recognition of its market economy status. There is a strong feeling in China that Europe neither appreciates the sacrifices and progress made to date, nor the degree to which China as a large economy is actually open. In short, many in China think that, by 'ignoring the fact that China is moving towards the market system at a rapid speed' (Zhou, H. 2000, 220), Europeans are hardly offering encouragement for China to move faster.

Managing the transition towards a 'normal' partnership

As the relationship enters into a more complicated and sometimes more problematic phase that has followed a decade-long (1995–2005) 'honeymoon', (Shambaugh, Sandschneider and Zhou 2008) it is becoming more important that both sides properly manage the transition towards a mature partnership of equals. Proximity and familiarity test all relationships, and whether they thrive or fail depends on how these problems are communicated and evaluated.

A series of efforts have been made to cope with the new challenges in EU-China relations. The negotiations on a new partnership and co-operation agreement were formally launched in early 2007, aiming to establish a comprehensive legal framework for the relationship in order to provide the ground rules for a mature marriage. In April 2008 European Commission President José Manuel Barroso led a huge delegation of nine commissioners to visit China, to convene the first annual EU-China High-Level Economic and Trade Dialogue. Although China postponed the Lyon, France EU-China summit of 2008, Chinese Premier Wen Jiabao made an official visit to the EU's Belgian headquarters, Germany, Spain and the United Kingdom in late January 2009. On April 1 2009, on the periphery of the G20 (Group of Twenty ministers responsible for financial affairs and central bank governors) summit in London, President Sarkozy met his Chinese counterpart, president Hu Jintao, whereby the two sides formally ended a four-month diplomatic cold war between France and China.

As bilateral relations return to a normal track, the two sides still have to deal with a number of challenges if they want to make the most out of this relationship.

First, a more mature relationship depends on both sides developing a better understanding on the implications of the rise of Europe and China will have on their respective actorness. Chinese scholars have tended to embrace a rather sophisticated view of the multi-dimensional EU-China relationship, recognizing the role of a range of European actors—the Commission, the Council, member states and so on (Zhou and Wu 2004, 20). But a number of misconceptions remain over the EU's ability to become a truly global strategic player with a coherent single European common policy. For example, many in China thought that if Chirac and Schroeder were willing to lift the arms embargo against China, other member states would follow—which of course was not the case in the end.

On the European side, Europeans encounter a cognitive problem in comprehending the pace and scale of China's rise in recent years. For the alarmists (Freytag 2008), the traditional view that China represents an economic opportunity to be exploited has begun to be nuanced and even potentially replaced by the fear that China might challenge European standing and influence in global and regional affairs. They seem not well prepared for the sudden rise of China as a truly global player and unable to develop a long-term strategy to cope with the rise of China.

Contributing to this complacency seems to be the assumption that China's economic development will be accompanied by the parallel process of political liberalization, converging to the European norms of political governance. A belief dissonant with the trend

that China's political system is not converging to European norms, at least to the extent that some Europeans might have expected, indeed the global financial crisis has exposed weaknesses in Western systems that if anything validate China's cautious and selective experimentation, encouraging many in China to be increasingly confident in the viability of its own political-economic system—a 'socialist market-economic system'.

A better mutual understanding requires both sides to see each other for what they are, (as well as rather than) what they aspire or expect to become. Knowing the limits of the EU as a strategic actor, it is argued in China that China needs to lower some of its past expectations about the level and substance of a possible EU-China strategic relationship (Chen, Z. 2008)—Europe's influence in the world comes both from the EU and from its key member states. The Union, with exclusive trade power delegated by the member states, is capable of acting as a single actor in international economic affairs. However, in other areas relevant to global management, such as foreign and security policy, the Union's institutions enjoy little room for entrepreneurial activity and can only pursue policies subject to intergovernmental negotiation and agreement by member states, who are not only willing to wield their veto powers, but who are also divided on the hard questions of force projection and global responsibility. This makes common foreign and security policy difficult to develop, rendering it difficult to perceive the EU (though not necessarily the individual key member states of Europe) as a potential partner in areas outside UN mandates. The ratification of the Lisbon Treaty should equip the EU with a stronger capacity in foreign policy, by improving coordination, and forward focused thinking, if not in a revolutionary than at least practical way. Therefore, in the foreign and security policy area, China has to work with the EU institutions when there is a common policy, and continue to work with key member states when a common EU policy is absent.

A counterpart to this reassessment must by an acceptance that Europe needs to deal with a new China on an equal footing, acknowledging that China's role is not predetermined. Indications that this adjustment is already underway amongst Europe's policy elite came in the form of the UK government's most recent policy document on China. In the preface to the document, the British Prime Minister, Gordon Brown, in strongly determined words, emphasized the importance of China, and Britain's determination to work with China. As Brown explains, 'the emergence of China as a global economic and political force is one of the most significant developments of our time. We must work together if we are to deal with the major challenges we face' (FCO 2009). Adjustment will also entail Europe adopting a dialogical approach to how mutual concerns are addressed, and continuing willingness to explore and expand co-operation beyond the bilateral. This in simple terms means being open to listening to and learning from Chinese arguments.

Furthermore, Europe has to formulate its China policy based on the convergence of member states' long term interests, and make itself a serious actor in its relations with China.

Second, moving beyond the conceptual Europe and China need to rediscover the value of a healthy EU-China relationship in their respective relations with the USA. Both players have been keen to improve ties with the USA in anticipation that the Obama Administration, chastened by the financial crisis and burdened by wars in Iraq and Afghanistan, can be encouraged to work in a more multilateral, co-operative manner. The danger is that these efforts will cause the two players to lose some of the incentives for a stronger bilateral EU-China relationship, such as the common interest in restraining excessive US unilateralism in the past. Nevertheless, the improvement in EU-US and Sino-US relationships also makes more room for better EU-China relations, as the USA might not act as such a strong constraining factor as before in the development of closer co-operation between the EU and China.

An enhanced EU-China relationship would help both sides to strengthen their bargaining positions *vis-à-vis* the USA, and rather than inevitably fuelling fears of balancing might even pave the way for meaningful and effective EU-China-USA trilateral cooperation in issues of pressing importance, such as reviving the world economy, reforming global financial institutions, fighting against armaments proliferation and climate change.

The third area of adjustment, both Europe and China need to become more pragmatic in dealing with problems in their bilateral relations. Perhaps the most obvious and immediate example of such problems is trade and economic co-operation, which has served as the foundation of this relationship for a long time, but in the context of economic turbulence can become a new source of tension and division.

Fourth, and a consequence of all the other issues, is that the two sides need to address the issue of misconceptions about each other. Public support is becoming important on both sides for a sustained relationship. Viewing the above-mentioned poll results, we can still find a generally positive view about Europe on the Chinese side. Therefore, the bigger perception problem is on the European side. Over the last decade, the European Commission has worked with China to support European studies in China by providing €20m. for the EU China Higher Education Co-operation Programme and the EU-China European Studies Centres Programme. While these efforts boosted a better understanding of Europe within China, Europe has still not made serious attempts to enhance its own capacity for modern China studies, to help generate a better informed policy-making and general public (Shambaugh 2005b). While the Chinese government has funded the establishment of Confucius Institutes in Europe, as these institutes still offer mostly only Chinese language courses, it is much needed for the Europeans to make significant investments to foster a strong research and education capacity about contemporary China in their universities and think tanks (just as the USA did in the past).

Finally, and perhaps inevitably, the focal points for the China-EU relationship have begun to multiply, as both actors become more aware and better equipped to exert influence beyond their peripheries. For Europe, this has meant adjusting to a new centre of gravity, working not simply to shape what happens in China, but also working with China in seeking solutions at regional and global level. Correspondingly, for China this means learning and taking more international responsibility in areas such as preventing proliferation of weapons of mass destruction, fighting terrorism and climate change, and reforming the global political and economic regimes.

For example, China and Europe both claim that they are committed to peace, stability and development on the African continent; both advocate supporting an African model of sustainable development; and both work hard to practise what they preach with regard to upholding the peace and stability of African countries and achieving their common development goals. While there are plenty of common interests, there is also disagreement on the methods by which to secure these goals. China favours mediation, gradual reform and, above all else, removing the economic roots of Africa's problem, preferences that contrast with European insistence on conditionality and interference, which often encourage resistance from African counterparts. Some might fear that a more influential China might come at the expense of Europe (Holslag 2008), but such a possibility would only follow from a failure on the European part to engage.

Conclusions

Europe and China have each secured more significant positions in the international system over the past two decades. Yet, if Cold War bipolarity and the post-Cold War US drive for

unipolarity helped forge an ever closer China-Europe relationship, then this sense of clarity is seemingly lost in the current turbulence of the global political economy. Albeit rhetorically committed to a 'strategic partnership', there is a danger that both actors become internally (or regionally) absorbed, prioritizing short-terms gains over the better management of international society that their participation, collaboration and vision so desperately requires. Nowhere is this more evident than in the unpleasant encounter between the EU and China at the December 2009 Copenhagen climate conference where expectations for a more ambitious gloabal compact to combat climate change were so publically misaligned.

What this means is that Europe and China have to readjust themselves to a new relationship between a rapidly increasing state power in China, and the collective power of the EU, which is still primarily focused upon its capacity to attract new member states and foster internal integration. Failure to do so, choosing the course of hesitation, waiting until definitive proof of what kind of political animals China and Europe are destined to become, invites doubt, mistrust and disharmony between two powers whose relationship will either strengthen or undermine world peace and prosperity. The two sides also need to adapt to the more mature, multilevel, multidimensional and multifaceted relationship, which demands ever more careful management and political guidance than before.

Indeed, complexity is what a mature, 'normal' relationship is all about. It is therefore important to resist the temptation to parcel the relationship into simplistic dichotomies that place the future trajectory of relations neatly into a box; dichotomizing (partner vs. competitor; ally vs. rival; winner vs. loser) is simply unhelpful. To navigate through this complexity, the two sides need to make use of existing institutions to manage wisely (and not just shelve) their differences, while seeking to define and broaden areas of co-operation. China has to make clearer to itself what position Europe occupies within its overall foreign policy strategy, to resist the temptation to drift with events or become blinkered by the idea of 'Chimerica' (Ferguson 2008), or to act as an ambiguously qualified spokesman for developing countries. On the European side, it is of the utmost urgency that European countries jointly formulate a consensus on a long-term China policy, to diffuse the fear on the Chinese side that the complexity of EU policy-making processes will lead to lowest common denominator positions that will not only slow down the pace of Sino-EU co-operation but prevent meaningful foreign and security co-operation. In that sense, the ratification of the Lisbon Treaty should be conducive towards the possibility of servicing a mature and substantive 'strategic partnership'—and both sides can invest in the providence and skills of those taking up the positions of the High Representative of the Union for Foreign Affairs and Security Policy or President of the European Council, thereby encouraging the Union to reinforce its newly emerging foreign service and building on points of common interest to create a more kinetic, or action-orientated partnership.

17 Security, strategy and the former USSR

China and the Shanghai Cooperation Organisation

Marc Lanteigne

Since the 1990s, China's views on multilateral security have become more widely accepting of the need for regional co-ordination on strategic issues. However, the Chinese government has been a frequent critic of traditional Cold War era alliance-based forms of co-operation, arguing that modern security problems have necessitated new thinking on how states should more effectively co-operate to address transnational threats. At the same time, in recent years, China's growing confidence in engaging security organizations has resulted in the country taking a more active role in developing new regimes to address security problems on its periphery. By far the most visible example of this policy has been the development, since 2001, and greatly influenced by the Chinese government, of the SCO—the Shanghai Cooperation Organisation—known in Chinese as the *Shanghai Hezuo Zushi*.

This organization, which brings together China, Russia, and most of Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan—India, Iran, Mongolia and Pakistan have observer status and Belarus and Sri Lanka are dialogue partners) has been designed not only to promote regional security but also to protect the area from non-state threats, including terrorist organizations. Despite the SCO's official stance that it is not an alliance and is not aligned against the West or any other state adversary, the organization's rapid development has nonetheless caught the attention of Western powers and has raised some concerns that the SCO might simply be an alliance-in-waiting, spear-headed by two great powers, China and Russia, that have had a significant number of policy differences with the USA. Also making the SCO distinct as a security organization is the fact that it is the largest such group to be heavily dominated in terms of policy directions by the Chinese government.

What's behind the SCO? Security considerations and security complexes

In explaining the genesis of the SCO, it is useful first to examine the security situation on China's western periphery, namely the former Soviet Eurasian regions. Despite the fact that it has been more than a decade since the states of Central Asia separated from the old Soviet state framework, the region is commonly perceived as remaining heavily linked to Russia in terms of politics as well as its security concerns. According to Buzan and Wæver (2003, 423–429), the Central Asian states are embedded within the same regional security complex (RSC) as Russia and other states within the former Union of Soviet Socialist Republics (USSR). An RSC refers to a set of actors whose processes of 'securitization' and 'desecuritization' are so interlinked that their security problems cannot readily be analyzed or resolved apart from one another. Following this logic, the Central Asian states are too tightly linked to former USSR security matters to be studied separately.

Yet, Central Asia could almost (now) be considered its own security complex on account of the often distinct patterns of security and insecurity observed there. It has been a source of much debate as to why these states did not engage in higher levels of regional and civil conflict despite the numerous sources of insecurity, and it has been suggested that the weakness of states in the region, combined with weak and often confused processes of identity-building, have prevented the widespread use of force as a means to settle disputes. Many threats in the region were seen as being either internal, namely concerns over domestic extremism and terrorism, or imported from outside the region, such as from the Middle East or Afghanistan. Whether this will change in the near future as Central Asia continues to build its separate identities and perhaps develop stronger states is unclear.

This question is further complicated by the large number of great and medium powers, including Russia, China, the USA and Europe, with extensive political, strategic and economic interests in the region, which could either help or hinder the creation of a stable power distribution in the Eurasian states. On the one hand, great power patronage may create a stabilizing force that would discourage the use of interstate force, but, on the other, there is still the possibility of an oft-discussed 'Great Game' scenario with Central Asian states (Rashid 2002, 187–207; Weitz 2006), and their patrons, pitted against each other and seeking access to diplomatic goods as well as energy and commodities found in the region.

The development of security communities, one of which the SCO has sought to become, traditionally places an emphasis on the importance of communication in the development of a 'we-feeling' of shared community and interests, as well as the understanding that co-operation is vital to the creation of peace and stability (Deutsch 1957; Puchala 1970). As one theory of security communities emphasizes, the first stage of building such a regime is frequently sparked by 'new interpretations of social reality', which provide motivations for increased diplomatic contacts among actors (Adler and Barnett 1998). In examining the SCO's relatively short history, these factors are essential in explaining the course of the organization's development. The fracturing of the USSR provided just such a catalyst for the Central Asian states and also created a window of opportunity for Russia and China to improve security in that region. The development of the Central Asian republics has been marked by an increasing number of strategic concerns in the Eurasian region. These concerns include secessionist forces, sometimes-divisive clan politics, political and religious extremism, and corruption, as well as one example of a popular uprising that led to a dramatic change in government, namely the 'Tulip Revolution' in Kyrgyzstan in 2005. The newly-independent Central Asian republics have been distinguished by governments and infrastructure inherited from the Soviet era, and by democratic institutions slow to develop.

As Swanström (2004) argued, much of the questions about security in Central Asia are tied to the question of weak states, especially since security at the regional level is commonly tied to the existence of strong powers acting as anchors or co-ordinators. The weakness of the political infrastructures of the Central Asian states has left the region open to a number of security problems involving non-state actors and transnational crimes. Of greater concern to the powers in the region has been the persistence of extremist organizations, which have threatened not only local governments but also Russian and Chinese interests.

Geographically, Central Asia upon independence in 1992 became an instant buffer zone between Russian and Chinese regional interests, adding a new dimension to the bridge-building process between the governments in Beijing and Moscow which was begun under the previous Soviet leader, Mikhail Gorbachev. Sino-Soviet relations had improved significantly with the diplomatic thaw of the mid-1980s, and this continued with the development of the 'strategic partnership' crafted by Boris Yeltsin and Jiang Zemin in 1996–97, which further

revived Sino-Russian relations and created a great power link separate from the USA and a call for greater global multilateralism (Lo 2004). These talks also created the platform for the eventual construction of a Eurasian multilateral regime. At the same time, the new states of Central Asia, concerned about the stability of their former Soviet borders, lacked a sufficiently strong impetus to attempt to build security regimes on their own, despite common interests and perceived threats. It was therefore dependent upon other actors to address the question of building a strategic community for Central Asia. In this case, it was great power diplomacy, largely under the direction of the Chinese government, that was essential for the SCO's establishment to begin.

Border security and the start of the Shanghai Five process

Shortly after the Central Asian republics gained independence, China engaged the region with an eye to resolving the border disputes that it had inherited from the former USSR. Since the Sino-Soviet split in the early 1960s, and especially after the border clashes of 1969, protecting this common frontier against enemy encroachment was a heavy financial and logistical burden for both states, involving the stationing of large numbers of military personnel on the remote Siberian frontier (Lanteigne 2005, 119).

In seeking to improve its ties with its western neighbours after the demise of the USSR, China had hopes that once the borders with Russia and the other successor states could be demarcated to the satisfaction of all sides, China could take advantage of warmer relations with Russia and argue for a phased pullback of ex-Red Army and PLA forces, a plan with which the Russian government was in full agreement. At the same time, China required assurance that the new states would not be havens for extremist groups seeking to destabilize Chinese governance in its far west, especially in Xinjiang. The possibility of a security vacuum in Central Asia provided sufficient incentive for the Chinese government to embark on a regime-building process. After many years of taking a conservative approach towards security organizations, the process that led to the SCO represented a significant policy departure on the Chinese government's part in the area of security regime-building, as well as a genesis of strategic institutional development in Eurasia.

Diplomatic negotiations on border security and mutually acceptable demarcation between China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan began in 1993. In the case of China's negotiations with the three Central Asian states, the Chinese government was willing to make considerable compromises on disputed lands, most notably in the case of Tajikistan. These bilateral talks were especially difficult owing to the complications caused by the status of the Pamir Mountains on the Sino-Tajik border, but, in the final border agreement in 2002, China agreed to retain only 4% of the more than 28,000 sq km contested territory (Fravel 2008, 160–166).

The series of border talks culminated in the April 1996 Five-Power Agreement in Shanghai, an agreement that regulated military activity in the border regions and forbade provocative military exercises in the frontier regions. The agreement also encouraged strategic information-sharing, the conducting of joint exercises, and increasing military contacts between signatory countries. A joint verification team was established in 1999 to monitor force reductions in the area and to oversee the confidence-building measures of the border agreements (Allen 2001, 235). Following these accords, there was an increase in bilateral meetings between Chinese and Russian military officials, including inspections and increased purchases by China of Russian arms. The agreement proved mutually beneficial as it served the dual purposes of reducing tensions on what had previously been a very tense

borderland, while simultaneously augmenting both states' diplomatic and persuasive power in Central Asia.

Following the Shanghai meeting, the five signatories agreed to further contact in order to maintain co-ordination of shared security concerns and, although the group was not codified into a formal institution at that time, the informal 'Shanghai Five' became an important means by which Russia, China and Central Asia could address their strategic interests, while filling an increasingly problematic security vacuum in Eurasia. By the end of the 1990s the Taliban movement in Afghanistan had occupied a majority of that country, and peripheral states were growing increasingly worried about the potential for the government in Kabul to begin exporting extremist doctrine throughout the region. China was able to utilize the diplomatic capital created in Central Asia as well as make use of its burgeoning economy and potential as a trade partner to further build bridges with the Eurasian region. This political leverage in Central Asia was instrumental in the development of China's particular vision of regional co-operation via community-building rather than formal alliances.

By the mid-1990s, the region's so-called 'three evils'—terrorism, extremism and separatism—began to eclipse border security matters as the primary concern of the Shanghai Five on account of the growth of indigenous fundamentalist movements aligned against the secular regimes of Central Asia, as well as the overspill from war-torn Afghanistan. These concerns served to further cement the links between the Shanghai group members and led to a recommendation from Kyrgyzstan that a centre to co-ordinate anti-terror efforts be created (Chung, C. 2004, 990–991). By then, Taliban-ruled Afghanistan was accused of supporting and sometimes training many Central Asian extremist organizations, including the Islamic Movement of Uzbekistan, a group which had dedicated itself to the overthrow of the Uzbek government and the establishment of a unified Islamic state in Central Asia, including the Xinjiang region in China, and which was alleged to have masterminded terrorist activities throughout the region.

Another group that appeared in the 1990s, the *Hizb-ut Tahrir al-Islami*, or Party of Islamic Liberation, despite its advocacy of non-violent struggle, also remains a serious security concern in the region on account of its stated goal of establishing an Islamic Caliphate in Central Asia. All five Central Asian states have banned the movement, but that has not stopped the spread of the group, especially in Kyrgyzstan. Clandestine extremist groups continue to operate in the region and remain a primary security concern, further uniting the Shanghai Five membership and, later, the SCO. China itself has been concerned about the activities of extremists in the country's far west seeking to destabilize Chinese rule, the most prominent of these groups being the East Turkestan Independence Movement (ETIM—*Dongtu tujuesitan yisilan yundong*) (Clarke 2008). Since being formally identified by the Chinese government in 2002, the ETIM has been blamed for fomenting instability in China's Xinjiang region through bombings and attacks. However, although there have been attempts by the Chinese government to link the ETIM and other forms of separatism among China's minority Uighur population in Xinjiang to *Al-Qaeda* and other regional terrorist organizations, there is much debate over the strength of those ties and the degree of danger that these groups represent (Sheives 2006, 209–210).

The founding of the SCO

The Shanghai Five took an important step towards greater formalization and international visibility in 2001 when, while welcoming Uzbekistan into the fold, a declaration was signed that formed the genesis of the SCO. Uzbekistan's addition to the regime underlined the

expansion of the group's interests beyond that exclusively of border security to more comprehensive strategic co-operation. This has left Turkmenistan as the only Central Asian state outside the SCO community. In June 2004 Mongolia was granted observer status, with a special liaison group proposed that would allow for a participatory role for Afghanistan, and a year later India, Iran and Pakistan were also granted the rank of observer. The inclusion of observer members was the result of greater confidence that the SCO could expand its strategic and economic interests beyond Central Asia. The working languages of the SCO are Chinese and Russian.

The structure of the SCO borrows heavily from security community-building practices in Northeast and Southeast Asia, as was seen in the creation of the Association of Southeast Asian Nations (ASEAN) and its Asian Regional Forum (for preventive diplomacy—ARF). As within these regimes, there has been a focus in the SCO on informality, the use of consensus in developing policy and the idea of 'open regionalism', stressing inclusiveness and non-discrimination. These provisions were deemed necessary in order to accommodate different power levels and political orientations among the membership. The only other viable option would have been a modified 'concert' system, with one or more great powers directly guiding a regional security structure. Neither the government in Moscow nor that in Beijing was in a position to play that role, as to do so would require considerable long-term commitments, which neither power was in a position to advocate. Furthermore, the significant differences in power between Russia, China and Central Asia contributed to the SCO developing as an 'anarchic regime', in a similar fashion to both ASEAN and the ARF. This type of regime has been described as an organization without an established hierarchy and one where each member has a *de facto* veto over policy, thus stressing the need for consensus-building rather than majority rules (Lake 2001). This construction places much emphasis on the ability of all members to compromise before policies move forward.

The founding of the SCO signalled a desire both to deepen regional co-operation and to expand the regime's mandate beyond strictly security matters. According to the declaration, the organization's mandate would be to build trust and co-operation between members as well as to promote increased co-operation in the areas of trade, science and technology, culture, energy, and the environment. That said, strategic matters still dominated the SCO's agenda. The Shanghai Convention on Combating Terrorism, Separatism and Extremism, which outlined SCO activities against these three threats, was signed the same month, June 2001, by the six. These goals took on new urgency in the wake of the 11 September 2001 suicide attacks on the USA (9/11) and the subsequent US-led operations to dismantle *Al-Qaeda* and dislodge its prime sponsor, the Taliban government in Kabul. China, along with other members of the SCO, pledged its support for the 'war on terror'.

However, the approaches of some SCO members towards anti-terrorism policies have differed from those of the West, including the 2005 Andijan Incident in Uzbekistan, which was framed by the government in Tashkent as an anti-terror uprising, but condemned by the West as a violent suppression of protestors (Clarke 2008, 291–292). Nevertheless, the SCO has sought to share information with the West and Asia on terrorist movements since 2001. At the same time, the SCO has sought closer co-ordination with the United Nations Security Council (UNSC) and its anti-terrorism initiatives (Ong 2006, 111). The organization has attempted to brand itself as another link in the chain of global anti-terrorism efforts.

The organization's official charter, unveiled at its second conference in St. Petersburg, Russia in June 2002, underscored the SCO's mandate to build 'mutual trust, friendship and good neighbourliness' and to encourage 'comprehensive co-operation'. Other key elements of the document included the confirmation that a Regional Anti-Terrorism Structure

(RATS) would be created to act as an information nexus for regional security (the only such centre operating in Central Asia), and that decisions would be based on mutual consensus (Gill 2007, 130–131). To demonstrate inclusiveness beyond regional concerns, the charter also gave support to other peace-building initiatives in the Asia-Pacific region, including the ARF and multilateral initiatives on security and co-operation on the Korean Peninsula and in South Asia. The SCO's declaration insisted that the organization was 'neither a bloc nor a closed alliance' and would be based on respect for mutual interests and common approaches to dealing with regional and international problems, rather than uniting against an outside adversary.

The third SCO conference in Moscow in June 2003 established a permanent Secretariat in Beijing, which opened in January of the following year, and appointed Zhang Deguang, former Chinese ambassador to Russia, as the Organization's first Secretary-General. These were both clear signals that China remained a driving force behind the SCO's policy development. As an acknowledgement of the growing influence of Uzbekistan within Central Asian regional dynamics, as well as the need to keep its government engaged in SCO affairs, the RATS, which had originally been planned to open in Bishkek, Kyrgyzstan was instead opened in Tashkent in June 2004 and, as of 2007, was headed by Myrzakan Subanov of Kyrgyzstan. The ministries responsible for security of each member state are charged with providing personnel for the centre. Since its inception, the RATS has centred its activities on co-ordinating anti-terrorism information with member states and other international actors, including via the use of 'scientific-research conferences', crafting legal documents on combating terrorism in tandem with the UNSC, and maintaining a databank of security information for use by member states (Lanteigne 2006, 611). In January 2007 Zhang stepped down and was succeeded by Bolat Nurgaliev, a Kazakh diplomat, who retained the posting until December 2009 when he was succeeded by former Kyvgyz Foreign Minister Muratbek Imanaliev.

Annual meetings of SCO heads of state and government have become commonplace in recent years, as have meetings between specific ministries and working groups. There has also been an endeavour to develop sub-governmental groups to act as further sources of policy development. In addition, the SCO has attempted to co-ordinate joint military operations designed further to boost confidence among members and develop a co-ordinated military policy against potential threats. The first round of war games took place between China and Kyrgyzstan in October 2002, and an expanded set of exercises, which featured all members save Uzbekistan was held in Kazakhstan and Xinjiang, China in August 2003 (Chung, C. 2006, 10). In August 2005 the SCO's great powers, China and Russia, staged their own military exercises with the other SCO members, as well as Iran, India and Pakistan sending observers. Operation Peace Mission 2005, was conducted near Vladivostok, Russia and Weifang, in China's eastern Shandong Province, and involved joint strategic planning followed by a mock offshore blockade, an amphibious landing simulation (viewed by some outside observers as a curious inclusion considering Eurasia's landlocked nature), and an airborne assault (Cohen 2006, 56). Despite the apparent hard security dimensions of the simulation, it was nonetheless officially described as an anti-terror exercise. In spite of these semantics-related differences, the development of joint security operations under the SCO's aegis is strong evidence of the organization's growing confidence, especially as it continues to seek a balance between various methods of security management and other forms of political co-operation.

An expanded operation, Peace Mission 2007, which saw all six members being represented, was successfully completed in August 2007 in Urumqi, China and Chelyabinsk, Russia. Critics have argued that the SCO is well on its way to developing into a more

mature alliance, yet the organization's budget is tiny compared to Western regional regimes such as the North Atlantic Treaty Organization (NATO), and there are no plans within the SCO for a mutual defence pact or SCO bases. However, there is now much talk of making the peace missions an annual event. Another reason for the West's concern is that the SCO, especially should Iran become a full member, would have a great deal of oversight, if only by default, of both a sizeable proportion of the world's nuclear weapons as well as energy sources, leading detractors to label the organization 'an OPEC with bombs' (Chong 2006). There is also a debate over whether the SCO might develop enough political and strategic maturity to act as a spoiler for the West, at best, and at worst might begin to leverage American interests out of Central Asia. However, policy differences between the two large members and a lack of interest at present in converting the organization into a formal military alliance have called into question just how much leverage the group has vis-à-vis the West (Fels 2009, 23–28).

The SCO's benefits for China

The development of the SCO has provided many regional policy benefits for China. First, the development of these links has served to facilitate China's policy of ensuring the stability of the country's vulnerable western frontier; more specifically, Xinjiang. Despite the remoteness of the province and the considerable amount of resources required by China to maintain it, the area is vital to Chinese security interests, since it provides a buffer zone between China's core provinces and other countries. It contains natural resources important to Chinese economic growth and it provides a needed window into Central Asia that began to grow in importance after the demise of the USSR. Maintaining good relations with Russia and Central Asia is therefore crucial to ensuring the safety of China's far west.

At the same time, China has demonstrated increasing worries about the possibility of 'colour revolutions' being exported from the ex-Soviet sphere to China itself. The Chinese government's views on these events, namely the Rose Revolution in Georgia in 2003, the Orange Revolution in Ukraine a year later, and the aforementioned 2005 Tulip Revolution in Kyrgyzstan, were that they were the products of external interference designed to weaken the regimes that were toppled (Shambaugh 2008, 87–92). The Chinese government has been worried about Western attempts to undermine its legitimacy, and the events in the former USSR have added to these anxieties.

Although the revolutions in Georgia and Ukraine occurred in areas remote enough for China to dismiss, the Tulip Revolution next to the Chinese border prompted much internal debate in Beijing, along with promises by the upper echelons of the Chinese Communist Party to fight what was termed a 'smokeless war' (*wuyan zhan*) against 'liberal elements' imported into the country at a delicate time when President Hu Jintao was still in the process of completing the handover of power from Jiang Zemin (Kahn 2005, 1). However, after the revolution in Kyrgyzstan, China was quick to recognize the Kurmanbek Bakiev regime, and Chinese representatives met with Prime Minister Feliks Kulov in October 2005 to confirm that ties between the two countries would stay strong and that both sides would work towards promoting stability in the Central Asian region (Lanteigne 2006, 619).

The SCO has been seen as promoting both regime security as well as state security in the wake of the colour revolutions. For example, the SCO sent observers to the presidential election in Russia in March 2008 that resulted in the appointment of Vladimir Putin's designated successor, Dmitri Medvedev. After the vote, Secretary-General Nurgaliyev publicly concluded that the vote was 'legal, free and fair' and represented 'the free expression of

will', despite international criticism over the process (Interfax 2008). The SCO has continuously stressed non-interference in the domestic affairs of the membership.

Central Asian relations are a natural extension of China's policy of developing more amicable relations in the international system, otherwise known as 'peripheral' (*zhoubian*) diplomacy, and it acts as an increasingly visible example of these initiatives. This trend began in the 1980s, when the Chinese government began developing its policy of building a stable periphery in Asia and encouraging more cordial relations with its neighbours in order to facilitate its ongoing economic and security policy reforms, to gain insight from the newly industrializing economies in East Asia and to discourage the evolution of security threats on Chinese borders. The SCO has further validated China's new regional friendship policies, adding weight to the Chinese government's policy of presenting a more businesslike and congenial face both to its periphery and to the world as a whole, in keeping with its stated goal of peaceful development (Glaser and Medeiros 2007). At the same time, China's drive to become a responsible great power (*fuzeren de daguo*) has been linked with productive co-operation and engagement with international institutions such as the UN and regional economic and strategic organizations (Johnston 2008, 148–149).

Central among China's peripheral diplomatic initiatives has been the Chinese government's desire to re-establish friendly relations with the Russian Federation, relations which had been placed in a deep freeze for decades following the Sino-Soviet split. Due to the extensive border between the two states, any Chinese initiative to create a stable periphery along its western frontier would not succeed without more cordial relations with the government in Moscow. Fortunately for China, at the end of the Cold War, Russian and Chinese foreign policy concerns became increasingly closer to alignment, influenced by both countries' concern about American power in Eurasia as well as a joint preference for the development of a multipolar international system rather than US hegemony (Wishnick 2001a, 799). The Shanghai Five, and subsequently the SCO, became a method of adding to the bilateral ties between the two large states.

The government in Moscow in the 1990s sought to increase economic ties with the Asia-Pacific region based on the Russian far east's energy supplies and its strategic location as a transport corridor, as well as it being both a destination for foreign labourers and a source of scientific expertise. China has played an important role in that engagement process as it became worried after 9/11 that Russian regional interests were experiencing a 'strategic contraction' (*zhanlue shousuo*), which allowed the USA swiftly to augment its presence in Afghanistan and elsewhere in the Eurasian region (Li, R. 2009, 160). However, China's relationship with Russia is not without its differences, as issues such as trade imbalances that have favoured China, illegal and unregulated cross-border trade, Russia's concerns over high levels of Chinese immigration into the Russian far east, and lingering historical distrust, have persisted (Lo 2008, 59–62; Wishnick 2001a, 804).

Nevertheless, both countries have been anxious to advertize the growing levels of amity between the two, which culminated in the Treaty on Good Neighbourliness, Friendship and Co-operation, which was signed in July 2001, largely due to Chinese efforts. Although it is unlikely at this time that the two countries will enter into an alliance comparable to that which existed before the Sino-Soviet split in the 1960s, the Chinese government is interested in keeping Russia engaged in Asia as a key regional actor. However, it is too early to judge whether the current Sino-Russian friendship will endure as a sign of increasingly converging political and strategic interests, or act as a marriage of convenience based on mutual suspicion of US foreign policy motives.

There are also signs of growing differences between the Russian and Chinese governments as to the direction of the SCO. Putin has called for the organization better to develop its

military capabilities and supports greater co-operation between the SCO and the Collective Security Treaty Organization (CSTO), which Russia dominates, while the Chinese government has been more supportive of the SCO developing into a more multifaceted community and has resisted too much symbiosis between the two. For example, during the 2007 Peace Mission manoeuvres, China vetoed a Russian recommendation to make the simulations a joint SCO-CSTO operation (de Haas 2008, 22). Russia, by contrast, has been more enthusiastic about building the SCO into a regional power nexus as well as the incubator for non-strategic forms of regional co-operation.

Development of Central Asian relations has offered China the opportunity to establish a diplomatic and strategic foothold in an increasingly important region. With the overlap between NATO partners and the SCO membership, it was suggested that the Shanghai group might act as bridge between Chinese and Atlantic security interests. The need for this linkage has grown since 9/11, and at the same time the strategic engagement of Central Asia has offered China a larger window not only into Eurasia, but well beyond. In addition, China's engagement with both Russia and Central Asia can be seen as a way for China to dilute further Western influence in the region. Although the Chinese government has insisted that it is not in a position to challenge Western interests in Central Asia, its growing diplomatic and political power cannot be discounted when examining the future of Central Asian foreign relations. There was much comment in Western circles when the SCO requested a timetable, in July 2005, for American withdrawal from Afghanistan, a request that was dismissed by the USA. However, the American air force base at Karshi-Khananbad, Uzbekistan, established to augment US forces in Afghanistan was closed in November 2005 (Baigin 2009) and another US base at Manas in Kyrgyzstan was threatened with closure both in February 2009 and again after the April 2010 protests which toppled the government of president Kurmanbek Bakiev. These closures suggest that another power shift between the USA, Russia and China may be in the process of occurring.

China's powerful position in Central Asia has also allowed the government in Beijing to act as a stronger sounding board for international-level security policies in which China has a large stake. The SCO has provided the most visible model of the Chinese government's 'new security concept' (*xin anquan guandian*) via the use of informal co-operation and community-building rather than through hierarchical alliances (Foot 2006, 85). Since the end of the Cold War, China's security thinking has expanded to include a far more heterogeneous approach to defence and strategy, including diplomacy, economic factors and developing mutual interests, as well as separating short-term fundamental issues from longer-term strategic goals. These philosophies have been successfully injected into the SCO, and there has been much talk about what the 'Shanghai spirit' (*Shanghai jingshen*) now represents for China's views on security co-operation (Chung, C. 2004, 991). Although opinion is still very much divided as to how strong a role the organization can play in Eurasian security, the SCO has distinguished itself in its approach to addressing the region's highly complex security dynamic.

Finally, China's relations with the Central Asian states have been based on the creation of a more comprehensive set of tools with which to address non-security issues, most notably increased economic and energy co-operation. For example, an SCO Business Council was established to co-ordinate joint projects among regional entrepreneurs. These projects included matters related to finance, infrastructure development and education. In 2005 the SCO Interbank Consortium, designed to co-ordinate activities between various regional financial institutions, was created in Moscow. The Chinese government has been especially committed to developing the trade potential of the organization. Chinese trade with Kazakhstan, Kyrgyzstan and Uzbekistan has grown considerably since the 1990s, permitting

the amount of Chinese goods traded to rival those of Russia and Europe. However, with America's ongoing interests in the region, China has found itself facing greater competition since 2002. China has sought to counter US influence by offering a more comprehensive set of economic goods to Central Asia, beyond security guarantees, including greater access to Chinese markets and various development projects. For example, China has been pressing for improved transportation links in the region, and in 2006 confirmed that it was willing to offer about US $900m. in credit to other SCO members seeking to purchase Chinese goods (Gill 2007, 46).

Energy also plays an important role in the Chinese government's calculations, especially as China is very much concerned with developing a steady external energy supply that cannot be easily interrupted by Western pressures or politics, or subject to any maritime interference or blockades. This explains why the government has been anxious to develop energy trade with the landlocked Central Asian states, while also ensuring that it has its own pipeline projects capable of transferring oil and gas from Kazakhstan and the Caspian region to counter Western and Russian projects.

At the same time, China is seeking alternative energy resources in the unstable Middle Eastern region, and the reserves of Central Asia's Caspian region factor high in these calculations. The country's increasing dependence upon imported oil and gas as a result of ongoing economic growth has increased China's concerns about energy security. Since the 1990s, as indigenous oil supplies began to decrease in volume, China signed a number of energy development and transport agreements with Central Asian states, including the purchase of Kazakhstan's largest energy firm, PetroKazakhstan, in December 2005 for US $4,200m. (Marketos 2009, 15–16). As long as energy prices remain unstable, the possibility of a low-key or even an overt energy scramble (or a new Great Game) between the West, Russia and China remains a possibility.

Conclusions

China's relations with Central Asia today are improving, but perceptions of China remain very mixed. China is seen by many Central Asian states as an alternative to economic dependence upon either the West or Russia, and its growing need for energy from international sources has resulted in a much more tight-knit relationship. The SCO has now become the most prominent strategic organization in the Eurasian region and China's most visible outlet for greater engagement with both Russia and Central Asia. However, the question of which direction the organization will take as it matures is still an open one. Much will depend not only on Chinese foreign policy, but also on how Sino-Russian policy differences over the SCO's identity are addressed, as well as on the longer-term strategy of the USA in the region.

The Obama administration has confirmed that it wishes to maintain a strong US presence in Afghanistan to continue to support that country's peace-building and reconstruction, so it is likely that a Western presence in Central Asia will be maintained. The government in Washington, DC announced in February 2009 that it wished to increase US troop levels by as much as 17,000 in Afghanistan and that it would welcome Chinese support for its Afghan policies, as well as engagement with Pakistan (Buckley 2009). After being sidelined for much of the early stages of the Afghanistan operations after 9/11, it is likely that, as the SCO continues to develop, it will seek a greater role in determining the course of Eurasian security.

One major challenge has been the question of expanded membership. Choosing which states to admit as potential full SCO members has resulted in delicate political manoeuvreing

between the governments in Beijing and Moscow. Belarus has also applied for observer status, calling into question whether the SCO will be restricted to Asian membership. Furthermore, a special SCO contact group has been established with Afghanistan in an endeavour better to engage the government in Kabul. The government of President Ahmadinejad has called for Iran to achieve full member status, but such an admission would be politically delicate. On the one hand, Iran's status as an energy producer would be highly useful to China, but critics argue that the SCO's stated policy of non-alignment against the West would be called into question with Iran as a full member. The current nuclear weapons standoff between Iran and the West has cooled Russian and Chinese enthusiasm for allowing Iran full membership, as they do not want to see the government in Tehran attempt to use the SCO as a shield against international pressure over its potential nuclear ambitions. It is very likely that this is the Iranian government's main motivation for seeking fast-track entry into the SCO. In March 2008 Iranian Minister of Foreign Affairs Manouchehr Mottaki made a formal request to join the SCO as a full member. Russia has supported the bid, and reports surfaced in February 2009 that Iran's membership was being formally considered by the organization. However, Iranian admission may greatly change the way in which the SCO is perceived in the West, and may significantly affect its intent to maintain an official stance of non-alignment.

As China continues to grow politically and economically, developing a more independent and activist foreign policy, it has positioned itself as the third major power affecting Central Asian development, after Russia and the USA. The SCO, while still a very new security organization, has been at the forefront of China's efforts to expand its strategic interests in Eurasia and solidify both its security and, increasingly, its economic interests in this pivotal region.

18 Playing by the rules?

Sino-Middle Eastern relations

Muhamad Olimat

This chapter explores Sino-Middle Eastern relations in terms of energy, trade and arms sales. It also examines the political economy of China's active engagement in the Middle East. It argues that China's primary objective in the region is energy security, rather than undermining the USA in the region. Contrary to the realist assumption, China is utilizing the existing Western institutions to achieve its goals in the region, a step highly welcomed and encouraged by Middle Eastern states. The chapter also attempts to develop a tridimensional and a triangular approach to the political economy of the region in relation to the rapid pace of China's involvement in the Middle East.

Sino-Middle Eastern relations: in Intellectual background

Since the mid-1970s, the Middle East has occupied a central place in China's foreign policy. Its increasing interest in the region alarmed major players who were wary of China's growing stature in the Middle East. On the other hand, China's growing profile in the region has generated substantial research interest with regard to China's foreign policy goals in the Middle East. It is vital to state that, contrary to the alarmist reactions toward China's involvement in the region, in pursuing its goals China does not seek to undermine US or Western interests in the Middle East. Rather, China seeks co-operation in achieving its energy security goals. China, therefore, seems to be working within existing Western frameworks, rather than following a realist approach to its energy needs in the region.

China's growing reliance on the Middle East in the area of petroleum imports is keeping pace with its economic growth rates. China began importing oil from the region in 1983, though its needs for oil escalated noticeably, beginning in 1993, as its economy really began to take off. Currently, the Middle East accounts for 39.95% of China's crude petroleum imports. China is expected to import 70% of its oil needs from the Middle East by the year 2020. In order to serve its interest best, China has appointed a permanent envoy to the Middle East, has established the China-Gulf Co-operation Council Forum (in 2003), has taken an active role in UN peace missions in the Middle East, and is widely engaged in issues related to the region.

Furthermore, China is presenting itself as a reliable partner and an honest broker in issues related to the region, such as the peaceful settlement of regional conflicts and trade. China's foreign policy in the Middle East emphasizes commitment to the principle of sovereignty, non-intervention in the internal affairs of the region, neutrality in the conflicts of the region, and being an honest advocate of peaceful settlement to the Arab–Israeli conflict. Chinese diplomacy has mastered a balance among protagonists in the region, allowing China skilfully to preserve its interests among conflicting parties. Its model of development is widely

admired in the Middle East, and its presence in the region is encouraged, solicited, and promoted by the Middle Eastern states.

As far as the intellectual debate is concerned, China's active involvement in the Middle East has generated a substantial body of literature. Keffer, Nelson and Schwartz (2006, 1) maintain that China's quest for energy security has drastically altered its relations with the Middle Eastern countries. The significance of their study stems from their examination of the potential USA-China collision in the Middle East.

Yetiv and Lu (2007) echoed the same sentiment, adding in-depth policy oriented-recommendations for the USA and China to avoid confrontation in the region. Beng and Li (2005) examined China's over-dependence on Middle Eastern oil and its preoccupation with 'the stability and security of its energy supply, especially from the Middle Eastern region which currently supplies up to 57% of China's overall oil usage/imports'. Zha (2005b) and Zha and Breslin in this collection conclude that China's heavy reliance on Middle Eastern oil is projected to continue. China is deepening its economic relations with the region and following a balanced approach toward Middle Eastern conflicts. Taylor expanded the scope of the debate over China's tireless quest for energy security to the Greater Middle East including Libya, Algeria, and Sudan. He projected that China's demand for oil would increase by 130% by 2025 to 12.8m. barrels per day (b/d) (Taylor 2006b, 937; 943).

Mawdsley (2007, 407), dealt with the anxiety generated among Western circles in relation to China's presence in the region. He maintained that, 'Western states and businesses are finding themselves increasingly in competition with China over securing resources'. Chen attempted to respond to such anxiety by providing a Chinese perspective on the motivation behind China's quest for equity in foreign oil. He identified oil diplomacy as a strategic goal for China's global foreign policy. He defined it as 'the foreign activities with explicit involvement of the central government aiming to secure foreign oil and gas resources or promote interstate oil and gas business co-operation' (Chen, S. 2008, 80–83). Wu and Fesharaki (2002, 1) maintain that reliance on Middle Eastern oil will escalate as China and other Asian economic giants struggle to meet their energy needs for their current growth rates. The issue of reliability was also raised by Bubalo and Thirlwell, who highlighted the fact that the Middle East is the only reliable and sustained energy source globally and that, 'for China in particular, energy security has already become a key foreign policy priority' (Bubalo and Thirlwell 2004, 8).

Russell (2005) has highlighted the link between China's energy policy in the Middle East and its relationship with China's security. He maintains that China has developed a body of strategic interests in the Greater Middle East, among which is security ties with Saudi Arabia, Iran, Pakistan and other states in the region. Oil is at the heart of such strategy. Energy sustainability was also a major concern to Grumbine, who emphasized China's rapid development and the prospects of global energy sustainability, stating that, 'China's rapid, ongoing development is deeply influencing global patterns of resource production and consumption and their associated environmental and geopolitical impacts' (Grumbine 2007, 249).

Sino-Middle Eastern relations: an overview:

Sino-Middle Eastern relations can be periodized in several phases. The pre-World War II (WWII) era was centred around trade through the Silk Road. However, the advent of Islam marked a new phase in the relationship between the two sides. Islam reached China in the seventh century, and was well received by Chinese emperors. The relationships between the

two sides strengthened until China pursued an isolationist foreign policy from the 15th to the mid-19th century. Simultaneously, the Islamic civilization declined and fell prey to Western imperialism.

During his long march, Chairman Mao showed tremendous interest in the Middle East (Shichor 1979, 3–37). China's foreign policy goals toward the Middle East following WWII revolved around its anti-imperialism agenda and promoting trade, cultural contacts, and diplomatic recognition. According to Shichor (1979, 32), 'trade relations [were] always regarded by China as an avenue to better mutual understanding that might lead to normal relations'. China supported the Arab national liberation movements and co-ordinated its policy toward the region with its closest ally, the Union of Soviet Socialist Republics (USSR); however, the friction between the two communist states complicated China's foreign policy toward the Middle East. Nevertheless, China had significant accomplishments in the areas of trade and diplomatic recognition.

Deng Xiaoping's rise to power in 1978 ushered in a new era in China's foreign policy. With Deng making economic modernization the centrepiece of China's domestic and foreign policy, the Middle East occupied an important role in this project. China extended its trade relations to the Middle East and partnered with the region especially in the area of energy. At that time, China's energy production was sufficient to meet its domestic needs, but the acceleration of its industrialization process made the Middle East the primary destination for the supply of energy. Subsequently, China made the establishment of diplomatic relations with states in the region a primary goal.

The economic modernization process in China promoted a constructive foreign policy toward the Middle East based on friendly relations with all nations, and a strict commitment to non-intervention in the internal affairs of other states. The latter principle appealed to the conservative Middle Eastern countries, which were previously alarmed by leftist forces in the Middle East, and continued to suffer heavily from Western pressure. Nor is this just a one-way relationship:

> There appears to be an equal amount of enthusiasm from the Middle Eastern countries to take advantage of the world's fastest growing market. China's presence is largely perceived as non-ideological, economically oriented and pragmatic. Furthermore, there is little concern that China's increasing status as a world power will constitute a security threat. Hegemony, domination, and imperialism are associated with the USA and Europe. China is not seen that way.
>
> (Jiang, W. 2007, 13)

China offers something different to the region to the extent that:

> At various times, many welcomed the example China provided of national autonomy; its identification with the oppressed nations; its demand for greater equality and justice within the world system; its model of discipline and frugality; and its moral, financial and technical support, usually little or nothing expected in return.
>
> (Mawdsley 2007, 410)

Energy insecurity

As noted in the chapter by Zha and Breslin in this volume, in the age of rapid industrialization, China made energy security the core of its global foreign policy. China's

increasing demand for oil is associated with its economic growth rates, which have averaged between 7% and 11.4% over the past decade. In maintaining such a level of economic growth, China's energy needs are projected to increase by 130%–150% by 2020. The International Energy Agency predicts that 'China will import 5.9 to 6.9 million barrels per day in 2020, constituting 63 to 70 per cent of total consumption' (Beng and Li 2005, 19), most of which will be imported from the Middle East. China's demand for oil is also driven by the unprecedented number of vehicles in the country. China currently has 22m. cars, up from 1m. 10 years ago, and is expected to have 140m. cars by 2020.

As far as energy security is concerned, as Zha and Breslin argue in this collection, the Middle East seems to be China's main partner, and the countries of the region seem fully supportive of China's policy goals in the region. China is following a path of joint equity to secure its oil needs from the region—joint exploration ventures and ownership in newly discovered oil fields, rather than owning them and exploiting them unilaterally. While the Middle East welcomes China's approach, Western countries generally oppose it, and seek to force China to abide by the market rules of supply and demand. China believes that such rules are unfair as they subject its growth to price fluctuations and, therefore, are threatening to its developmental model. The spike of the price of oil in the summer of 2008 to US $147.50 per barrel was startling to China, as the country struggled to meet the growing demand for energy to sustain its economic growth.

The percentage of joint-equity share in meeting China's energy needs is growing: 'in 2005, over 80% of China's imported oil was purchased under some type of bilateral arrangement' (Lee and Shalmon 2007, 2). Some observers maintain that China's resentment of the dictates of the free market stems from the fact that:

> Beijing tends to regard it as an unfair and unsafe arena for latecomers … meanwhile, China has come to realize that other countries in the world hold misgivings that its energy security problem may turn into a security issue. This realization in turn may help it conduct more energy co-operation with the USA and other consuming countries.
>
> (Chen, S. 2008, 97)

The Middle Eastern countries are eager to involve China in both the upstreaming and downstreaming of oil (both oil exploration and refining) while the West instead sees China as a key source of competition for scarce resources in the region (Mawdsley 2007, 407). This sense of competition with China led to a call to exclude China from oil resources in the Middle East, a goal that would be difficult to realize. Therefore, some observers suggested that the USA should assist China in its quest for energy security by keeping sea lanes from the Arabian-Persian Gulf to the China Sea via the Malacca Straits open to Chinese vessels (Keffer, Nelson and Schwartz 2006; Yetiv and Lu 2007). That would also assist China in resolving a further impediment to its energy security, which is the lack of control over oil routes. They also highlighted the importance of assuring China of the USA's understanding of its energy security needs, and employing a shared-interest approach in the region, rather than excluding China, and refraining from any efforts to contain China (Keffer, Nelson and Schwartz 2006). China seeks co-operation, not confrontation, in the Middle East, and its energy security is totally different from its 'security' needs. China also understands well the sensitivity of its involvement in the region. This includes its efforts to ensure continued access to oil from a USA-dominated region, and therefore, China continues to reduce its vulnerability to US power in the Middle East via bilateral partnerships, particularly with the Arab states (Russell 2005, 111).

China in the Middle East: responsible power or challenge to the regional order?

There are two contending theoretical frameworks in the field relevant to China's energy, trade and arms policy in the Middle East: the realist and the liberal institutionalist schools of thought. Realists view China as (at least potentially) a belligerent nation pursuing an aggressive policy toward the region and aiming at a monopoly and exclusion of other actors. China and its foreign policy are also viewed as building momentum for a collision with the USA and other Western and non-Western states in the Middle East. China is charged with militarizing the region, exporting arms for oil, building strategic partnerships with rogue states, and building military bases in Pakistan to oversee maritime activities in the Persian Gulf. China is also charged with being an 'irresponsible' stakeholder, an indifferent nation with regard to the proliferation of weapons of mass destruction, and suffering from a 'moral gap' in its policy toward the region.

Moreover, China is charged with having a self-centred foreign policy aimed at reshaping the rules of the international system so as better to serve its national interests. The result of such developments, they predict, will be 'tension, distrust, and conflict, the typical features of a power transition' (Ikenberry 2008, 23).

> [Realists and] analysts within the realist persuasions foresee the emergence of China as a revisionist, if not a belligerent state. They speculate that China's oil needs could prompt it to pursue destabilizing policies such as naval arms build up and oil for arms exchange.
>
> (Beng and Li 2005, 21)

Realists thus predict that China is on an imminent collision course with the USA in particular, as well as with Britain, France, and other Western and non-Western countries, such as India (Alterman and Garver 2008, 100). Another related aspect is the fact that realism tacitly assumes a level of coercion in Sino-Middle Eastern relations. However, a careful examination of the relationship would reveal that Middle Eastern countries are much more eager to build strong relations with China, than is China itself, for a large number of reasons. Some of these reasons are particular to individual countries, while others have regional or international features.

Liberal intuitionalists, on the other hand, examined China's policy in the Middle East and found a different perspective. China is working within the existing institutions, which are Western in nature, to meet its energy needs in particular (Ikenberry 2008, 32). The uniqueness of the current Western system, as Ikenberry (2008) put it, is that it's accommodating to emerging powers, and China's presence in the oil sector is a decade and a half old, and therefore, China is learning and experimenting in how best to secure its oil needs within the existing frameworks, and becoming also innovative. China also honours its international responsibilities toward the region in relation to the major crisis facing the Greater Middle East; however, China prefers 'quiet diplomacy' rather than confrontation in resolving crises in the region. Some Western observers have noticed that:

> In recent years, China has diplomatically and publically postured as an international 'good citizen' on the array of norms and agreements that constrain the proliferation of weapons of mass destruction and ballistic missiles.
>
> (Russell 2005, 108)

When it comes to Iran, China views the US policy toward the Iranian nuclear project as part of its regime-change policy, rather than as a strict commitment to the non-proliferation strategy. The USA has repeatedly violated this strategy in its support for 'friendly' states such as India. China also understands the security needs of Iran, and is willing to assist in building a regional security system to guarantee the security and territorial integrity of all states in the region.

The political economy of Sino-Middle Eastern relations

In its quest to pursue its tridimensional policy in the Middle East, which may be identified in terms of oil, arms sales, and trade, China has been navigating the treacherous waterways of the Middle East skilfully, although the task has proved to be challenging on many occasions. The political economy of Sino-Middle Eastern relations appears to be triangular: an outcome of the interaction between three major players, in each stage throughout the process (Lowell 2005). Within the triangular paradigm, and in relation to China's foreign policy toward the Greater Middle East, there are several dimensions that can be identified.

Sino-Israeli and Sino-Arab relations

A critical aspect of China's relations with the Middle East is its ability to maintain a balance with both sides. Israel was one of the first states in the Middle East to recognize China in 1948. In the post WWII era, China had taken an active role in the affairs of the region, with Egypt identified as the key partner. China strongly supported the peaceful settlement of the Arab–Israeli conflict, and its views on the conflict have not changed that much. China viewed the continued 'state of no peace, no war' in the region as a repercussion of superpower rivalry in the region. While China is viewed as generally supportive of the Arab side on a cluster of issues, among which are trade, oil co-operation, diplomacy, arms sales and the peaceful resolution of the Middle Eastern conflict, China is building a strategic partnership with Israel as well. China needs Arab oil for its industrialization process, and China needs Israel for the modernization of its armed forces. Israel and China have secret (and not so secret) military ties dating back to the 1980s, and Israel has become 'China's second-largest supplier of weaponry after Russia' (Alterman and Garver 2008, 99). As far as the Arab side is concerned, China's involvement in the Middle East is necessary to bring about a balance to the US dominance in the region. Though Arabs understand the limitations of China's involvement in the region, it is encouraged, welcomed, and solicited. Arabs do not hold China responsible for the deterioration in the situation in Palestine, rather they hold both the USA and Israel responsible for the collapse of the peace process.

Sino-Iranian and Sino-Saudi relations

Another challenging aspect of Sino-Middle Eastern relations is China's maintaining a balance between its partnerships with Iran and Saudi Arabia. In managing its relations with the two sides, China understands well the strained Saudi–Iranian relations since the advent of the Iranian Revolution in 1979. In the immediate post WWII era, China's relations with Iran were strained. Iran's conservative monarchy cut off diplomatic relations with China in 1949, while Saudi Arabia initiated no diplomatic contact with China until 1983. Iran resumed its relations with China in 1971, in the shadow of the Sino-US détente and rapprochement. The decline of the Soviet presence in the Middle East gave way to China's

advances in the region. During the Iran–Iraq war, China supplied Iran with the weapons necessary to resist the Iraqi advances (Shichor 2007).

China's partnership with both Saudi Arabia and Iran is not confined to the military sphere, but extends also to energy and trade. China is the number one importer of Iranian oil and gas:

> China views Iran as an important partner in China's plans to develop overland routes to transport oil from the Middle East. Moreover, a strong partnership with Iran has enhanced China's capacity to become an important player in Middle Eastern affairs. Although China recognizes its relationship with Iran may cost it international prestige and threaten Sino-U.S. relations, it has thus far shown unusual willingness to support Teheran.
>
> (Keffer, Nelson and Schwartz 2006, 2)

An example of their co-operation in the oil sector is the Yadavaran oil field and the Pars Gas Project. On 9 December 2007 China Petroleum and Chemical Corporation—Sinopec signed a US $2,000m. agreement on developing the Yadavaran oil field. According to the agreement, Sinopec would own 51% of the oil field, solidifying the Iranian-Chinese partnership (IHT 2007). The latest major energy deal concluded between the two sides, signed on 14 March 2009, was an agreement worth $3,300m., for a Chinese consortium to develop stages three and four in the Southern Pars Gas Project. Trade relations have also given way to security co-operation between China and Iran. As Bubalo and Thirlwell (2004), put it, a critical aspect for the deepening Iranian-Chinese partnership is the security of Iran, and oil security for China. Moreover, the Chinese presence in the Greater Gulf Region will enhance its partnership with Iran. China is optimistic about the prospects of building and oil and gas pipelines from Iran, across Kazakhstan and Turkmenistan down to China's western frontier province, Xinjiang. Such a pipeline would certainly assist China greatly in its energy needs.

With regard to Sino-Saudi relations, the two countries developed a strategic partnership in the 1980s. It progressed incrementally, first around arms sales, then trade, and then security, after the terrorist attacks on the USA on 11 September 2001. China sold Saudi Arabia advanced missiles in the 1980s, and continued to provide Saudi Arabia with its military needs. The magnitude of such co-operation is wrapped up in extreme secrecy by both sides.

Sino-Iranian and Sino-US relations

For the period 1953–78, Iran was one of the USA's closest allies. When revolutionaries toppled the Shah's regime, the USA was identified as 'the Great Satan' and enemy of the revolution. The animosity continued, and peaked when former President George W. Bush declared Iran to be a member of the 'axis of evil' in his State of the Union Address in 2002. Shortly after Bush declared 'mission accomplished' (the end to major combat operations in Iraq) on 1 May 2003, calls for regime change in Iran, Syria and, to some extent, in Saudi Arabia surfaced among the political and media circles in Washington, DC, USA. Realizing the formidability of the threat, the three countries made the US mission in Iraq 'impossible'. Had the USA been successful in its scheme in Iraq, the structure of the Middle East would have been altered significantly.

Under the Obama Administration, a new approach to US-Iranian relations is under way. However, in examining the Iranian-US, and Chinese perspectives on the current developments in the Greater Middle East, one would find more commonalities than differences. China views the security of Iran, and other states in the region, as vital for the promotion of

peace, commerce, and trade. China is very supportive of the efforts in rebuilding Iraq, a goal shared by other players. With regard to Afghanistan, Iran is supportive of the idea of eradicating Sunni radicals, and the Taliban in particular. Iran is also willing to facilitate the US mission in Afghanistan so as to ensure the non-return of Sunni-fundamentalists to the country, while China seeks to ensure the stability of Afghanistan in the hope of a potential oil pipeline to its Western province coming from Iran. Extremism in Afghanistan motivates Muslim Chinese in Xinjiang to revolt, and provides them with training opportunities. Iran provided logistical support for the US mission in Afghanistan, and is willing to expand in this sphere. It remains to be seen what would be the reaction of Saudi Arabia and other Arab countries to a nuclear Iran. Saudi Arabia would most certainly pursue the nuclear option. There are two close allies, and potential friends, in this field to help Saudi Arabia to join the nuclear club. They are China and Russia, which explains why Saudi Arabia has intensified its contacts with both countries.

Sino-Saudi and Sino-US relations

Active Saudi-Chinese relations began in the mid-1980s. The first meeting of the two countries was brokered by Oman in 1983. Previously, Saudi-Chinese relations were strained on account of the fact that both countries viewed each other unconstructively until the mid-1980s. Two developments connected with the USA have had a major impact on Saudi-Chinese relations. On account of the instability in the Persian Gulf region in the 1980s, Saudi Arabia requested advanced weaponry from the USA to ensure its security. Its request was rejected because of pressure exerted by the Israeli lobby on the US Congress, and so Saudi Arabia began searching for an alternative source of weaponry. China was identified as a potential source. China sold Saudi Arabia some of the most advanced ballistic missiles in its arsenal, the CSS-2 intermediate range missiles, with a range of 1,500 miles and the ability to carry a payload of over 4,000 lbs (Alterman and Garver 2008, 32).

The other factor that pushed Saudi Arabia toward China was the terrorist attacks on the USA of 11 September 2001. Currently, neither the USA nor Saudi Arabia considers the other as a strategic ally, as was once the case, and, therefore, Saudi Arabia began seriously considering a security alliance with China, and even with Russia. The USA views the Chinese partnership with Saudi Arabia with some apprehension. The USA has repeatedly emphasized its intention to defend its interests in Saudi Arabia and in the region at large. However, China is showing considerable sensitivity to US interests in Saudi Arabia and the region, and is therefore not presenting itself as an alternative, though the Saudis are pushing hard in this direction. In order to reduce tension with the USA, Saudi Arabia has taken drastic steps to deal with US grievances in relation to the state and society of Saudi Arabia. US demands for reform in the Saudi educational system to prevent the promotion of religious radicalism, a crackdown on the organization of charities linked to terrorism, and moves to combat terrorism were met by serious Saudi efforts. In addition, Saudi Arabia rallied Arab public opinion toward US views on resolving the Arab–Israeli conflict. King Abdullah presented a comprehensive peace initiative on behalf of the Arab people at the 2003 Arab Summit, in which Arab countries would normalize relations with Israel in exchange for land.

Sino-US and Sino-Middle Eastern relations

The Middle East continues to occupy centre stage in US global policy, and has done for many decades. By comparison, China's entry into the Middle East is a relatively new

phenomenon—at best a post-WWII relationship, and only really an active involvement since the Deng era. While China continues to be admired in the region, the USA lost its moral status in the region as far back as 1957, when the US-Israeli partnership became an integral aspect of US foreign policy toward the Middle East.

As far as China is concerned, several observers have warned of an imminent collision between the USA and China in the Middle East. US political, academic, conservative think tank and media circles are pushing for such a collision. There appears to be frustration looming about Sino-US relations. However, the Middle East is not the reason for the periodic deterioration in US-Chinese relations. The essence of such a state of affairs is that the USA does not have a grand strategy to deal with China as a rising superpower. The absence of such a strategy distorts Sino-US relations, not only in the Middle East, but also in East Asia and within international organizations. In order to put the relationship between the two sides into perspective, there is an urgent need for both sides to resolve their issues in the areas of trade, armaments, Taiwan, finance and the like.

The Middle East in general is very hospitable to the Chinese involvement in the region, where it is viewed as a necessary counterweight to the US presence. Oil-producing countries in particular are racing to build strategic partnerships with China. China itself has something to offer to every country in the region, oil producers and non-oil producers alike. To those countries not endowed with oil, China offers cheap consumer products. Overall, China presents itself in the region in a much more positive light than the USA. The latter is seen as anti-Arab, anti-Islam and anti-Palestinian, hegemonic, dominant, coercive and exploitive to the region.

Sino-Pakistani and Sino-Indian relations

The realignment of India in the post-Cold War era led to a strategic partnership with the USA. While Pakistan has been a traditional ally of the USA since the early 1950s onwards, India was on the side of the former USSR and socialism. Pakistan assisted greatly in the containment of the Soviets, and made its territory available for the USA to advance towards its goal of entrapment of the Soviets in Afghanistan. Pakistan, in close co-ordination with Saudi Arabia, Egypt, Jordan and the CIA, created the Jihadi generation that consumed the Soviets in a war of attrition for 10 years in Afghanistan. When the USSR collapsed, India managed to realign itself with the triumphant side, the USA. Given the historical conflict between India and Pakistan, the USA is attempting to walk a thin line between the two protagonists.

While the USA co-ordinates with India in nuclear, scientific and technological advancements, the USA needs Pakistan to combat international terrorism. Pakistan envies the quality ties that the USA has with India, especially in the area of nuclear co-operation, and the scientific sphere, in addition to trade, armaments, tourism, etc. However, the historical conflicts between India and Pakistan at times complicate US interests in the region. As far as China is concerned, China and Pakistan share animosity toward India on account of territorial grievances and border issues. Pakistan is China's traditional ally, and China has contributed tremendously to the Pakistani nuclear project, and Pakistan is reciprocating accordingly. China is building railroads, and a military base in the Pakistani port of Qawader, in co-operation with Pakistan. In addition, there are trade relations between the two sides. China, therefore, is maximizing its partnership with Pakistan. China's strategic goal is to monitor the maritime movement in the Arabian Sea and the Hurmuz Strait to ensure the steady flow of oil to China.

Conclusions

China and the Middle Eastern states are building solid partnerships based on mutual interest. The most attractive aspect of such partnerships is that they provide China with a reliable source of the energy necessary to sustain its economic growth. The region at large is also contributing to China's security by withdrawing support from Taiwan and quelling the spirit of independence in Xinxiang. In exchange, the Middle East can rely on China as a steady oil consumer and a partner that supports the region's causes in international organizations and forums.

However, this relationship has alarmed the USA and other countries (not all of them Western countries). While resentment to China's growing interest in the region has not yet materialized into policies on the US side, it has already brought about a noticeable level of tension between major players in the region. The key to reducing such tension is to understand China's demand for oil in purely commercial terms, rather than exaggerating such a quest into the security sphere. China does not seek to undermine US interests in the Middle East. China's goal is to secure access to oil, and to markets in the region. It is also imperative to understand that US frustration with the Sino-Middle Eastern relationship is a side-issue of the looming tension between the two sides over at least the last 20 years or so, but by no means the only catalyst. Trade imbalances, the Taiwan Straits tension, the global economic crisis, economic espionage, reconnaissance, Chinese arms sales to the so-called 'rogue' states in the Middle East, Chinese-Iranian nuclear ties and the Israeli military technology transfer to China are all symptoms of the lack of a grand US strategy to deal with China's rise. China projects its rise as peaceful, while some intellectual and policy circles continue to fuel apprehension of such a rise. A clear understanding on both sides of the other's interest in the Middle East would most likely bring about certainty, predictability, and co-operation in the turbulent Middle East, given that the USA is a central player in the region, and China's growing influence and interest in the region are potentially a force to be reckoned with unless managed carefully.

19 A challenge to the global liberal order?

The growing Chinese relationship with Africa

Ian Taylor

The expansion of Chinese political and corporate interests into Africa is arguably the most important development for the continent since the end of the Cold War. Official trade figures alone bear testimony to the exponential speed with which the Chinese presence in Africa has grown in recent times. China is now Africa's second largest bilateral trading partner, behind the USA, but ahead of both France and the United Kingdom, despite the latter two's historic and long-standing relations with the continent. Published trade figures are indicative of this massive surge in Chinese economic interest in Africa. In 1996, the value of China's trade with Africa was US $4,000m.; by 2008, this had grown to $106,700m.

Much of this expansion is driven by a desire to obtain sources of raw materials and energy for China's ongoing economic growth and new export markets for Chinese producers and traders compelled to seek new markets by domestic dynamics within China's economy. Official trade between Africa and China began noticeably to accelerate around 2000 and, between 2001 and 2006, Africa's exports to China rose at an annual rate of over 40% (Wang, J. 2007, 5). This chapter seeks to place China's role in Africa into its historical context as well as examine the political and economic implications for Africa of an increase in the Chinese presence on the continent.

China's Africa policies

Domestically, the post-Mao Chinese state has been arguably based on 'an unwritten social contract between the party and the people where the people do not compete with the party for political power as long as the party looks after their economic fortunes' (Breslin 2005, 749). Externally, 'foreign policy that sustains an international environment supportive of economic growth and stability in China serves these objectives' (Sutter 2008, 2). The developing world has long been a particular area where the Chinese government's foreign political policy has been pursued actively, using the development of 'common interests' with the South to raise China's global stature and increase China's bargaining leverage with the USA. Economically, Africa has emerged as a relatively important factor in Chinese calculations at multiple levels, whether state, provincial, municipal or individual. Within such calculations, the need to project China's peaceful development (*heping fazhan*) provides a broad framework, albeit often constrained and/or frustrated by the actions of China's growing diversity of actors.

Chinese engagement with Africa is long-standing (see Duyvendak 1949; Hutchison 1975; Snow 1988; Han 1990; Taylor 2006a). Politically, Africa has been diplomatically important for China since the late 1950s, when Chinese diplomacy began to emerge from the fall-out of the Korean War and the shadow of the Union of Soviet Socialist Republics (USSR).

During the early period of Sino-African interaction, China's role was ideologically motivated and included support for national liberation movements as well as direct state-to-state aid, most noticeably with Tanzania (Yu, G. 1970, 1975). Indeed, by the mid-1970s, China had a greater amount of aid projects in Africa than the USA.

Yet, as the Socialist Modernization programme picked up under Deng Xiaoping from the late 1970s onwards, there was a concomitant scaling-down of Chinese interest in the continent, although Chinese policy-makers have always denied this (see Taylor 1997). This can in part be explained by the fact that:

> Africa's failure to develop its economies efficiently and open up to the international market militated against Chinese policy aims, and the increasing extraneous role the continent played in global (read superpower) geopolitics resulted in a halt to closer Chinese involvement. Essentially, Beijing not only viewed Africa as largely immaterial in its quest for modernization, but also saw that the rationale behind its support for anti-Soviet elements in the continent was no longer valid.
>
> (Taylor 1998, 443–444)

In contrast to the past, Chinese ties with Africa were based on the cool realities of trade and profit.

However, an event and two processes—one within Africa and the other within China—came together to stimulate the current close involvement of Chinese actors in Africa. First, the events of 4 June 1989 following the pro-democracy protests in and around Tiananmen Square meant that the Chinese government underwent a major re-evaluation of its foreign policy towards the developing world. While Tiananmen Square resulted in an (albeit temporary) crisis in China's relations with the West, Africa's reaction was far more muted, if not openly supportive. As the then Chinese Minister for Foreign Affairs, Qian Qichen (2005, 200) put it, 'it was … our African friends who stood by us and extended a helping hand in the difficult times following the political turmoil in Beijing, when Western countries imposed sanctions on China'. Indeed, Angola's Minister of Foreign Affairs, for example, expressed support for the suppression of the 'counter-revolutionary rebellion', while Namibia's Sam Nujoma sent a telegram of congratulations to the Chinese army. As one commentator noted, 'the events of June 1989 … did not affect the PRC's relations with the Third World as it did with the Western world … what changed [was] the PRC's attitude towards the Third World countries, which … turned from one of benign neglect to one of renewed emphasis' (Gu, W. 1995, 125).

As a result, the developing world was ostensibly elevated in Chinese thinking to become a cornerstone of the Chinese government's foreign policy. Post-1989 the 1970s rhetoric of China being an 'all-weather friend' (*quan tianhou pengyou*) of Africa was dusted off and deployed with vigour, and this has remained the case today (Taylor 2004). This posture is a reaffirmation of the Five Principles of Peaceful Co-existence discussed by Wang Zhengyi in this volume. Thus, Chinese policy-makers have returned to their roots in reasserting what is in fact an old theme in China's foreign policy.

The two macro-processes were, first, that, as Africa's economic reform programmes gained momentum in the 1990s, the Chinese government began to believe that the macroeconomic situation in Africa was taking a favourable turn, with resultant opportunities for Chinese commerce. This analysis was based on the belief that African countries have adopted a set of active measures to push forward the pace of privatization, open up international trade and carry out reform based on bilateral and multilateral trade agreements. An implicit proposition is that African economies have begun to copy China in its open-door policy.

China has sought to take advantage of these developments in Africa and has officially encouraged joint ventures and economic co-operation at multiple levels. This is coupled with the belief held by many Chinese manufacturers and entrepreneurs that the types of goods (household appliances, garments, and other domestic products) that Chinese producers make and sell have immense potential in Africa, where the economy is not yet as developed as in Western nations and where consumers are perceived to be more receptive to the type of inexpensive products that Chinese manufacturers typically produce. That the domestic markets of many African countries are relatively small and that there is relatively little competition means that market share can be large almost from day one of operations. Additionally, Africa is perceived by both the Chinese government *and* by Chinese companies to be rich in natural resources, particularly in crude petroleum, non-ferrous metals and fisheries.

The above then links up with the second macro-process, namely that China's rapidly developing economy in itself propels Sino-African trade. China's growth in recent years has been extraordinary and needs no rehearsing here. However, what is often overlooked in discussions of Sino-African ties is that the significance of China to Africa has to be appreciated in terms of China's own development trajectory. China's real economic growth—on average just under 9% annually for the last 30 years—has been grounded in growth in exports averaging over 17%. This commerce is based on Chinese factories processing and assembling parts and materials that originate from outside China. China's leadership is dependent on this high-speed growth continuing, as, with the effective abandonment of Marxist ideology, the only thing that legitimates continuing Chinese Communist Party (CCP) rule is economic growth. However, growing saturation of China's existing export markets as well as a rapid increase in the price of imported raw materials (due in the main to Chinese demand increasing prices) makes Africa more and more important to China's economy. Indeed, as the growth in the worth of Chinese exports decelerates, China has to maintain the growth of its economy by adding more Chinese 'content' to its exports. Getting hold of sources of raw materials is integral to this strategy and requirement, and this is where Africa fits squarely into Chinese foreign policy *and* domestic necessities. Indeed, it might be avowed that the importance of Africa to China's own development cannot be overstated.

Fight the power

Although maintaining good links with the US Administration in Washington, DC is fundamental to Chinese foreign policy, the developing world is becoming more and more important in Chinese policy calculations. The Chinese government has often expressed concern about the rise of an unchallenged hegemon, maintaining the opinion that in the current international system it is imperative that China and the developing world support each other and work together to prevent the over-domination by this new hegemon. Asserting that respect for each other's affairs and non-interference should be the basis of any new international order is fundamental to this stance, as is a policy of accommodating, and hedging risks with, the USA when deemed appropriate (Foot 2006).

With regard to Sino-African relations, this feeds into China's long-held stance that it is the leader of the developing world (formerly, the 'Third World'). China's leaders often repeat the twin phrases of 'Africa is the continent with the largest number of developing countries' and 'China is the biggest developing country'. Another frequent refrain in Sino-African diplomacy is 'Western powers, not China, colonized Africa and historically looted resources there'—or some variety of the basic idea. Similarly, as former Chinese Minister of Foreign Affairs Qian Qichen put it, 'as developing regions that … once suffered the oppression and

exploitation of imperialism and colonialism, China and the African countries … easily understand each other's pursuit of independence and freedom and … have a natural feeling of intimacy' (Qian 2005, 200). Such sentiments are utilized to argue that China and Africa basically have the same interests and no conflicts—of course, whether there are in fact 'interest conflicts' has animated a growing number of analysts of Sino-African relations.

Paradoxically, as China's leaders increasingly integrate themselves into the global economy and start tentatively to play by essentially Western rules, as exemplified by China's membership of the World Trade Organization (WTO), they have sought to strengthen political ties with various African countries, arguably as, in part, a defence mechanism, to be deployed against these very same impulses if and when they threaten influential domestic interests. This irony reflects the overall tension in China's diplomatic policy of pursuing both engagement and a certain distant coolness vis-à-vis the global order (Breslin 2007; Lanteigne 2008). This, and the notion that China seeks to 'restore' its 'rightful place' in world politics (Mosher 2000; Scott 2007) by being seen as some sort of leader of the developing world, while casting itself as a 'responsible power' (*fuzeren de daguo*), is seen by many to be important rationales influencing policy. Certainly, such coalition-building can help to explain the recent diplomatic developments in Chinese links to Africa, so graphically exemplified by the Forum on China-Africa Cooperation (FOCAC) meetings, held in 2000, 2003, 2006 and 2009.

FOCAC

The first Forum met in October 2000 in Beijing and was attended by nearly 80 ministers from 44 African countries. The second ministerial conference was held in Addis Ababa, Ethiopia in December 2003 and passed the Addis Ababa Action Plan (2004–06). The FOCAC Summit and the third ministerial conference were held in Beijing from November 2006.

The initial meeting essentially had three main objectives. First, the Forum was part of the Chinese government's overall strategy in its foreign policy to declare, even if only rhetorically, its aim of overhauling the global order and to show traditional hostility to 'hegemony' (Blum 2003). This domination, dressed up as 'globalization' (*qianqiuhua*), is at times seen as detrimental to the autonomy and sovereignty of China and needs careful management (Breslin 2006). By extension, this applies to the developing world. As the then Chinese Premier, Zhu Rongji, said at the Forum, Sino-African ties help 'build up our capacity against possible risks, which will put us in a better position to participate in economic globalization and safeguard our economic interests and economic security'. They also 'improve the standing of the developing countries in North-South dialogue so as to facilitate the establishment of a fair and rational new international political and economic order' (Zhu, R. 2000).

Such a position is based on the belief, according to the then Minister of Foreign Trade and Economic Co-operation, Shi Guangsheng, at the Sino-Africa Forum, that, 'when the new international economic order has not been established and countries differ considerably in economic development, the benefits of economic globalization are not enjoyed in a balanced way'. Consequently, 'developed countries are benefiting most from economic globalization; but the large number of developing countries are facing more risks and challenges, and some countries are even endangered by marginalization'. As a result, the global community should 'give more considerations to the will and demands of developing countries so as to promote the establishment of a fair and rational new international economic order'. This can be advanced by developing countries building 'a sense of self-protection' (Zhu, R. 2000).

Crucially, China's leadership is intensely suspicious of the West's promotion of human rights and regards such calls as a Trojan horse through which the West might undermine China.

Importantly, the perceived Western strategy of 'peaceful evolution' (*heping yanbian*) being exercised on China's political security has been cast—not unreasonably—as being analogous to regime change (Ong 2007). Chinese policy in this regard has then been consistently to cast talk of liberal democracy and liberal conceptions of human rights (and, occasionally, the environment) as a tool of neo-imperialism being practised towards both China and the developing world. This falls on many receptive ears in Africa at the élite level, and China's policy-makers are not unaware of this. This posture has been fairly long-standing, and the Chinese government has long managed to ride piggyback on the developing world's power of numbers to evade international condemnation.

As part of this, FOCAC serves as a means by which China can advance a position of moral relativism regarding human rights to a mostly sympathetic audience, consolidating its standing within African élite circles. Hence the Beijing Declaration of the Forum on China-Africa Cooperation, released at the end of the meeting, asserted that 'countries, that vary from one another in social system, stages of development, historical and cultural background and values, have the right to choose their own approaches and models in promoting and protecting human rights in their own countries' (FMPRC 2000). Going further, the declaration made the claim that 'the politicization of human rights and the imposition of human rights conditionalities' themselves 'constitute a violation of human rights' and that conditionalities for development assistance which are based on good governance and respect for human rights 'should be vigorously opposed'. All this was music to the ears of many African leaders seated in the hall in Beijing, no doubt, and all arguably crafted as a means to promote an 'alternative' global order.

The products of FOCAC reflect the increased priority that China's leadership places on Africa. The summit in late 2006 approved a three-year action plan to forge a 'new type of strategic partnership' with the following tangible features:

- doubling of aid to Africa by 2009 (to about US $1,000m.)
- a $5,000m. China-Africa development fund to encourage Chinese companies to invest in Africa
- $3,000m. in preferential loans and $2,000m. in preferential buyer's credits to African countries
- cancelling of all debt stemming from Chinese interest-free government loans that matured by the end of 2005 for the 31 highly indebted and least developed countries in Africa
- further opening of China's markets to exports from least developed African countries by increasing the number of products receiving zero-tariff treatment from 190 to 440
- training for 15,000 African professionals, doubling of the number of Chinese government scholarships given annually to Africans (to 4,000) and sending of 100 senior agricultural experts and 300 youth volunteers to the continent
- construction of 30 hospitals, 30 malaria treatment centres and 100 rural schools.

Symbolic diplomacy and rhetorical flourishes combined with some actual headline-grabbing initiatives are, like all other countries' foreign policies, integral to Chinese engagement with Africa. But what is important in recognizing the impact of FOCAC are the growing economic imperatives underpinning Sino-African linkages.

Economic relations

As suggested, the legitimacy of the CCP's political system is today based upon the Party's ability to sustain economic growth. Intimately linked to this, China is faced with a long-term decline

in domestic oil production (Taylor 2006b). China's policy-makers are actively encouraging national companies aggressively to pursue oil and other natural resources in Africa. China is currently the world's second largest oil importer and the second largest consumer of African resources. The abundance of natural resources in Africa has thus led Chinese corporations to seek long-term deals with African governments in order to ensure continued access to all varieties of raw materials and energy in Africa. As China's national oil companies are largely excluded from the majority of Middle Eastern oil supplies, and as the Chinese government wishes to limit vulnerability to the international oil market, there is a policy to encourage investment in Africa, courting states that the West have overlooked. Consequently, this approach towards securing access to African resources is what David Zweig and Bi Jianhai (2005, 31) have dubbed a resource-based foreign policy, which, by its very nature, has 'little room for morality'. The potential fall-out in terms of China's reputation on the continent that stems from such a milieu has at times damaged China's overall reputation and promoted a growing maturity in policy calculations.

The interest in ensuring its resource security and economic growth through involvement in Africa is by no means restricted to oil, and encompasses all natural resources. From investment in copper in Zambia, and platinum interests in Zimbabwe, to supporting fishing ventures in Gabon and Namibia, Chinese corporations have vigorously courted and pursued the political and business élite in Africa so as to guarantee continued access—often lubricated with 'sweetener' deals provided by central government. One of the benefits of Chinese interest in African resources is that it has dramatically increased demand and has revitalized industries such as Zambia's copper industry. However, the influx of capital into weak and authoritarian governments also has potential for long-term consequences in Africa, as leaders may be tempted to neglect necessary reforms, bolstered by newly perceived economic security from Chinese receipts. Yet this is not a problem that can be specifically associated with Chinese engagement with Africa and is in fact intimately linked to the nature of the state in much of Africa. Indeed, in this regard there is a real danger that China is being constructed (particularly within government and political circles in Washington DC, but also in some African capitals) as some sort of scapegoat for failures that have very little to do with it.

Indeed, on the one hand, one must note that, with the exception of oil exports to China, Sino-African trade is generally lopsided in favour of Chinese exporters, who are penetrating African markets with cheap household products. Such imports into Africa have been criticized as doing little to encourage indigenous African manufacturing. Yet, on the other hand, it is the failure of African economies to industrialize and to develop post-independence that means that they produce very few processed goods and are a natural target for Chinese exporters.

However, Chinese trade figures with Africa need to be treated with caution. The part played by Hong Kong as a transit point for Chinese imports and exports makes bilateral figures very dubious when estimating the levels of Chinese trade. A huge proportion of Chinese exports are routed through Hong Kong. This is important in calculating bilateral trade figures, because whether or not an export is counted as a Chinese re-export or not obviously has an enormous bearing on trade statistics. In addition, firms invested with foreign capital account for just over half of all Chinese trade, i.e., much of Chinese trade is not actually Chinese at all, and, if domestic Chinese producers who produce under contract for export using foreign components are included, the figure goes upwards. In actual fact, the majority of Chinese exports are produced by foreign-funded enterprises, often joint ventures, but increasingly wholly foreign owned (Breslin 2007, 107). Any visitor to an African market

these days will observe huge amounts of Chinese-made products on sale—that is not in dispute. However, the specific (and colossal) figures regarding Sino-African trade provided by the Chinese government do need to be taken with due caution.

Complicating this whole issue is the fact that many of the products manufactured in China, but sold in African markets, are not actually brought to the continent by Chinese, but by African, traders. There are now quite elaborate trading networks linking China and Africa, and much of this is centred in the southern province of Guangdong, where a relatively large population of African entrepreneurs now live and make deals. Indeed, in Guangzhou city there are an estimated 20,000 Nigerians living and working in the city. Other African traders have long been established in Hong Kong, primarily based at Chungking Mansions in Tsim Sha Tsui, while Yiwu in Zhejiang Province is now a growing centre for export trading to Africa and elsewhere. In fact, Yiwu is perhaps *the* key place where products from China are sold in wholesale quantities to traders from across Africa. African entrepreneurs generally buy in bulk, utilizing Chinese-owned cargo companies, and products are shipped direct to the continent.

The point of the above is crucial: Chinese traders are *not* 'flooding' the African market with cheap Chinese goods. Rather, Africans are actively facilitating the penetration of Africa by Chinese-made products. Figures do not exist on what proportion of goods sold in Africa's markets were brought in by Chinese entrepreneurs or by African traders, but information gleaned in various interviews and from observations in a variety of African marketplaces suggests that a large percentage was sourced and shipped by Africans. This is somewhat ironic, given that condemnation by many African trade unions and civil society organizations of the 'Asian tsunami' in cheap products lays the blame squarely on the Chinese. If the trade pattern between Africa and China is becoming 'colonial' in character, it is with the active connivance of many Africans themselves. And as the activities of African entrepreneurs in Hong Kong, Yiwu, and Guangzhou demonstrate, 'processes of globalization generate both localised and internationalised networks of relationships that need to be considered alongside the bilateral to gain a full understanding of how best to theorise contemporary Chinese international relations' (Breslin 2007, 25).

A Chinese model?

Politically, as well as economically, China's presence in Africa has been based on the premise of providing an alternate development model for African states and leaders. According to Naidu and Davies (2006, 80), China is seen as 'a refreshing alternative to the traditional engagement models of the West … African governments see China's engagement as a point of departure from Western neo-colonialism and political conditions'. Yet the absolute emphasis that China places on respect for state sovereignty, with non-interference being an article of faith for the Chinese leadership, as well as China's willingness to deal with states ostracized by the West, may appear promising to some African leaders, but this profoundly challenges the Western vision of a flourishing Africa governed by democracies that respect human rights and the rule of law and embrace free markets. A common bond in their desire to overcome and shake off the legacy of colonialism has further united Chinese and African political interests, with the former colonial powers portrayed as a common enemy.

In countering the Western promotion of neo-liberal reforms in Africa, China has argued that this imposition of Western ideology on African states is a form of neo-imperialism. Moreover, China's state-directed model of development provides an appealing alternative to leaders when neo-liberal economic reforms have not, for a variety of reasons, delivered their

promised economic revival. A strong state also of course serves as a shield for authoritarian leaders to maintain tight control over economic policy and continue their patronage networks.

Through political and business summits, such as the various Sino-African forums, as well as state visits by high-ranking Chinese political officials, China symbolically accords Africa equal diplomatic status with the dominant powers. For instance, as an emblematic gesture, it has become a tradition that the first overseas visit that China's Minister of Foreign Affairs undertakes each year is to Africa. Equally, the African élite are deeply appreciative of being given the red carpet treatment whenever they turn up in Beijing. A research trip to Beijing in September 2007 coincided with the visit of Chad's President, and it was quite revealing the way in which the visit was covered (with top billing on Chinese television and in the newspapers) and how the Chadian flag was prominently displayed around Tiananmen Square.

In contrast, when an African leader visits London, United Kingdom or Washington, unless they are from South Africa or Egypt or one of the few states deemed important, they are barely afforded a few minutes of government time and even then they are more likely to be belaboured for their numerous chronic failures in governance, than they are to be toasted as 'dear friends' and importantly, credible statesmen. China's leadership realizes this and thus expends energy on massaging the egos of Africa's leaders. This pays off. China has been successful in gaining African support at institutions such as the UN, where the vote of the African bloc has allowed China to block resolutions on domestic human rights abuses. African support also of course helped Beijing in its campaign to host the 2008 Olympics.

Symbolic diplomacy, defined as the promotion of national representation abroad, has become an increasingly important component of Chinese foreign policy in Africa and elsewhere (see Kurlantzick 2007). For a developing nation, China's policy-makers in Beijing are very much aware of the importance of prestige projects in asserting the power of state leaders and thus have been involved in large-scale projects of this nature, such as building national stadiums, all over Africa. This approach has proven beneficial to both the ruling élite in Africa, who view these as projections of regime legitimacy and power (and suitably impressive to the local population) and to the Chinese government, as it demonstrates China's rising prominence and presence. Through these kinds of project, combined with aid packages and the notion that China may be a 'model' for Africa, China is very much asserting itself as an equal of Western powers as well as appealing to the African élite classes. Indeed, Dirlik (2006) notes that the 'Beijing Consensus' draws its meaning and appeal not from some coherent set of economic or political ideas à la Ramo (2004), but from its intimation of an alternative pole, from which those opposed to the USA and, by extension, the West can draw inspiration. As Breslin (2007, 2) notes, 'China's alternative path is partly attractive because of the apparent success of the experience of economic reform. Other developing states might also lean towards the Chinese way not just because China's leaders don't attach democratizing and liberalizing conditions to bilateral relations, but also because China is coming to provide alternative sources of economic opportunities (with non-democratizing strings attached)'.

However, Africa's intellectuals must approach with caution the notion that China offers up an alternative model of development. Firstly, conceptions of Chinese 'soft power' built on 'the appeal of China as an economic model' (Kurlantzick 2006, 5) overstate the ability of China to project and promote an alternative economic type (Yan, 2006). It is true that economically liberalizing while preserving an authoritarian political system might be appealing to some African autocrats, but this surely has its limits, not least to the Chinese themselves in promoting such a message, given that supporting the authoritarian élite in Zimbabwe and Sudan has already stimulated anti-Chinese feelings among African civil society leaders.

Furthermore, China's sustained growth has taken place not only with no reference to democracy or transparency, but has also generally shunned policy reforms promoted from outside. This must seem attractive for those African leaders who have no real legitimacy or who are tired of having to fend off criticisms from the international financial institutions and the wider donor community.

Yet, China's extraordinary economic growth has come about, certainly initially, within the broader context of a capable state and in a region that is itself economically dynamic. Rapid economic growth without democratization as per the East Asian model often required a strong developmental state. Analysis of China within this vein generally confirms such a proposition (Ming Xia 2000), though with certain caveats (Breslin 1996). Contrast this with Africa. Granted even the relative declining reach of the Chinese state as liberalization progresses (Wang, H. 2003), the type of comparative internal strength and concomitant stability that China is able to draw on is beyond the ambition of most—if not all—current African leaders.

Furthermore, the irony is that those who applaud alternatives to Western-dominated global institutions often—sometimes perhaps without realizing—end up in a position where they not only support the authoritarian status quo in some African states, but also the emerging leadership of China. Opposition to neo-liberalism—something that has considerable appeal—can result in the promotion, not of social democracy, nor even Keynesian liberalism, but of illiberal authoritarianism. As Zha Daojiong notes (2005d), within China itself there is a debate as to whether or not the Latin American fate of social polarization, international dependency and economic stagnation is China's future fate unless appropriate policies are implemented. These debates often question the capitalist direction of the Chinese government's current course, again destabilizing the notion of a 'model' (see Wang, C. 2003; Wang, H. 2003). Even if we disagree with Gordon Chang's forecast (2002), such analyses of the so-called 'China miracle' (Wu, Y. 2003), which offer up less sanguine interpretations, seem to have been missed by those advocating the Chinese model. Ironically, it is quite noticeable these days how touchy many African intellectuals are to any criticism of China or the suggestion that China is possibly *not* the saviour of Africa, often defending China's record on human rights within the African context.

Human rights

Perhaps the aspect of Chinese engagement with Africa that is most controversial is the issue of human rights. It is certainly true that China's relations with some of the more egregious regimes in Africa cannot be seen as typical of Sino-African relations as a whole. But, conversely, it is precisely because of the negative attention that China's ties with such regimes has generated, as well as the very real and destructive nature of such administrations, that a discussion of China's stance on human rights in its Sino-African relations is justified. Equally, the notion that it is not China's business or duty to promote good governance or broad human rights (something that official Chinese statements have inferred) and that China's non-interference principle is valid in all cases and at all times contrasts with the growing norms of international accountability.

Obviously, the notion of human rights is an essentially contested concept, and the Chinese state and outside critics invariably speak past one another when engaging on this issue. China's discourse on rights is long-standing and has characteristic concerns that need to be taken seriously by anyone who seeks to engage with the Chinese state. It is also important to note that struggles about human rights have long been a way in which power plays

between countries that adhere to different political or economic models can be acted out. In this way, the persistent demand from Western governments to universalize 'international human rights', which, when boiled down to its essence, is arguably about universalizing specifically Western capitalist values, can be flagged by China and its African allies as reflecting neo-colonial impulses (Breslin and Taylor 2008). In addition, China's leadership may be seeking ways to rationalize its policies on human rights in a way that universalizes China's post-Mao developmental trajectories (Sullivan 1999, 24). This is arguably a feature of the so-called 'Beijing Consensus' touted by some commentators, as well as a product of anti-hegemonism, the five principles, and statist development thinking.

But as Weatherley (1999) notes, some of the most egregious violations of human rights in Africa with which China is arguably held to be complicit (on account of its active support for the offending regimes), cannot be justified even in terms of the Chinese discourse on human rights. This is particularly so when the Chinese position on human rights intimately links social development and welfare to the concept. This is a perfectly respectable position to take, but the Chinese government's own coherence on the issue is arguably undermined by its diplomacy in practice, if and when Chinese policy supports regimes that are anti-developmental. It is evident that some states that enjoy close Chinese support, such as Sudan and Zimbabwe, not only crush the civil and political rights of their citizens, but also threaten the economic and social rights of the population. The Union of Myanmar could also be seen as an example of China trying and failing to maintain the sharp separation between trade and human rights.

Given that the economic and social rights of people are held by China to be central in its discourse on human rights, this is surely problematic. As noted in a number of chapters in this collection, most notably Carlson's, China deploys a particular stance on state sovereignty i.e., that sovereignty is the ultimate guarantor of human rights and that it is therefore the choice of each sovereign state to institute its own understandings of the rights of its people. This is all very well, and of course state sovereignty is the cornerstone of the international system, without which anarchy might reign. Yet the reification of states and the amalgamation of sovereignty and rights into a single principle of non-interference arguably loses much of its meaning in a milieu dominated by quasi-states, neo-patrimonial regimes and even warlordism.

Yet as Li Xing (1996, 40) notes, the difficulty facing China's rulers is that, on the one hand, they have sought national independence from Western political influence and, on the other hand, they have sought to 'catch up' with the West and modernize the economy through ever-deeper integration with the capitalist world market. This contradiction is often played out around human rights issues and, in fact, taking the analysis further, it might be argued that infringing some human rights in China itself (poor labour conditions, for instance) is a *pre-condition* for China's reintegration into the global political economy, something which is actively encouraged by the West and its profit-seeking corporations. Indeed, it is a fact that 'human rights abuses under the banner of "preserving order" are aimed at maintaining the position of the ruling elements [in China]. But it is also undeniable that the state sees the necessity to maintain long-term stability and predictability of the system in order to attract much-needed foreign investment and technology' (Li, X. 1996, 34). In this light, critiquing China's human rights stance when it is played out in Africa, while selectively overlooking the abuses that underpin much of the consumer boom in the developed world, driven in part by cheap Chinese imports, lacks coherence, as does ignoring continued Western support for assorted dictators and corrupt regimes across Africa.

However, such analysis does not help the average Zimbabwean or Sudanese labouring under an autocratic and oppressive government and casting a weary eye at Chinese support for her oppressor. We can pontificate about hypocrisy and selectivity, but Zimbabwe is still

collapsing, and women are still being raped in Darfur, Sudan. Here, the Chinese government's thinking on non-interference and its hands-off attitude vis-à-vis human rights and governance needs to modify if it is to avoid being cast by critics as a friend of despots. There is actually some evidence that a rethink is occurring, and Chinese thinking on human rights and sovereignty 'is less a static concept than an idea in flux' (Gill and Reilly 2000, 42). Indeed:

> Beijing's recent handling of the situation in Sudan shows that it is learning the limitations of non-interference, however much that principle remains part of its official rhetoric. The concept may have been useful when China was relatively weak and trying to protect itself from foreign interference. But China has found non-interference increasingly unhelpful as it learns the perils of tacitly entrusting its business interests to repressive governments.
>
> (Kleine-Ahlbrandt and Small 2008, 47)

It is true that at the moment there appears to be some divergence between Western and Chinese policy aims regarding governance and that this then at times suggests a convergence between China and certain types of African leader. However, this can only ever be temporary in nature if China wishes to have a long-running and stable relationship with Africa. China is like all other actors in Africa—it needs stability and security in order for its investments to flourish and for its connections with the continent to be coherent. As Obiorah (2007, 40) notes, 'After an initial phase of snapping up resource extraction concessions, it is almost conceivable that China will be compelled by instability and conflict in Africa to realize that its long term economic interests are best served by promoting peace in Africa and that this is most likely to come about by encouraging representative government in Africa rather than supporting dictators.'

Thus, while in the current period there sometimes appears to be divergence, there can ultimately only be growing convergence with Western policy aims—maybe not with regard to democracy (though China is itself evolving in interesting directions), but certainly with regard to governance and security and, by implication, a greater connection to the downside of supporting regimes that undermine development and China's own notions of human rights.

Furthermore, China's integration into the global economy and the concomitant responsibilities that have come with this greater incorporation necessitate structural and systemic reforms, particularly through increasing membership of multilateral bodies. In the long term these could conceivably have an impression on China in the development of a regime that incorporates increased respect for the rule of law and better safeguarding of universal human rights.

For instance, the Chinese government's key commitments pertaining to its membership of the WTO comprise responsibility to advance the transparency, consistency and standardization of China's legal system. And it is more than obvious that, over the past 20 years or so, the Chinese government has signed up to and ratified a growing number of international instruments pertaining to human rights and labour as it embeds itself in various multilateral regimes (Lanteigne 2005). Recognizing that different interpretations of human rights may exist, but working to ensure that the sorts of abuses seen in Sudan or Zimbabwe are not repeated, is in the interest of both China *and* the West if stability and long-term relationships with Africa's economies are desired. On the basis of the evidence, it appears that the Chinese leadership is beginning to realize this.

Conclusions

Chinese foreign policy in Africa has been based on several key aims. The Chinese government has focused on assuring its regime of security through access to crucial resources. By portraying itself as an advocate for the developing world and emphasizing the rhetoric of South-South co-operation, China has arguably sought to offer itself up as an alternative model to Western dominance. However, to achieve its policy goals, China has equally been prepared to defend autocratic regimes, some of which commit gross human rights abuses, such as in Sudan. As a repressive government in its own right, the Chinese leadership has little sympathy with civil society in Africa if and when it challenges perceived Chinese interests and, too often, China has sided with authoritarian regimes. In this way, China's interactions with the continent fit the pattern of most external actors' intercourse with Africa: beneficial to the ruling élite, but to the long-term disadvantage of Africa's peoples.

However, it must be emphasized that China's policies towards Africa are evolving and maturing, and China is going through a steep learning curve. Recent developments suggest that China is starting to realize that, like all other actors in Africa, it needs stability and security in order for its investments to flourish and for its connections with the continent to be coherent. The history and development of Sino-African relations thus far suggest certain patterns, but the relationship is fluid and ever changing. Indeed, it has to be said that, in relative terms, the exponential increase in Chinese trade with Africa from the start of this century means that we are in the very early stages of a solidified Sino-African relationship, even though formal ties between China and Africa go back decades. Thus far the repercussions of this sustained and in-depth political and economic involvement by the Chinese in broad-based development in Africa has yet to be ascertained.

What can be stated is that Sino-African relations are processes not of colonization, but of globalization and the reintegration of China into the global economy—a project that has enjoyed the hitherto enthusiastic support of Western capitalism. At present the picture appears mixed—there are instances where the Chinese role in Africa is clearly positive and appreciated. Equally, there are issues where the Chinese government is, at present at least, playing an equivocal role, which arguably threatens to unravel some of the progress made in Africa in recent times on issues of good governance and accountability. China's current role in Africa is, like all other external actors, diverse, and its effect in the continent varies widely depending on local economic and political circumstance. A balanced appraisal of the various themes of China's engagement in Africa is needed. The diversity of both China and Africa, as well as the nature of the individual African states where Chinese interests operate, is of central importance, if we are to have a coherent picture of what is going on.

Where there is coherence in Sino-African relations, a key intention is to encourage Chinese corporations to 'go global' (*zouchuqu*), which encourages Chinese corporations to invest overseas, play a role in international capital markets (see Hong and Sun 2006) and help towards the policy of ensuring regime security through gaining access to crucial resources. A Chinese Ministry of Commerce statement has in fact averred that Africa is 'one of the most important regions for carrying out our "go outward" strategy' (quoted in Gu, X. 2005, 8). The resulting hike in commodity prices has been potentially good for much of Africa's economies, although the income from this phenomenon is obviously uneven and dependent upon a country's resource attributes. Certainly, in terms of receipts for such commodities, benefits are skewed to only certain economies. South Africa provides iron ore and platinum, while the Democratic Republic of Congo and Zambia supply copper and cobalt. Timber is sourced from Gabon, Cameroon, Congo-Brazzaville and Liberia, while various

west and central African nations supply raw cotton to Chinese textile factories. However, it is oil that remains China's biggest commercial interest in Africa—between 1996 and 2005, nearly 71% of the total composition of sub-Saharan Africa's exports to China were mineral fuels (Mwega 2007, 4). Given the nature of the oil industry globally—but particularly in Africa—this has attracted criticism.

Until relatively recently there was an arguable complacency within the Chinese government about its policies in Africa. The attitude seemed to be that third party criticism (or even internal African condemnation) was motivated by 'China-bashing' and could be safely disregarded. However, a flurry of extremely negative articles in the international media about Sino-African ties, as well as incidents on the ground in Africa, have stimulated a rethink in China. Although the Chinese government bristles at being singled out for criticism for its policies in Africa, it can be argued that since China is a rising power and arguably a great one, it has to accept the fact that it can no longer hide behind the idea of being a developing state—the fact that, once a state becomes a great power (or at least is perceived by many to be such), its policies will be placed much more directly under the microscope, especially by other great powers jockeying for influence. The USA and the USSR had to learn this during the last century, and China is facing this fact today, albeit reluctantly. In fact, it is now acknowledged within the Chinese government that there is a desperate need to promote the positive side of Chinese diplomacy in Africa, and this facet of China's links with African states is receiving more and more attention. It will be interesting to see how China accommodates Africa's intricacies as its involvement in Africa broadens and deepens.

20 China's deepening ties with Latin America

A work in progress

Riordan Roett[1]

When evaluating the evolving relationship between China and Latin America, the year 2008 marked a challenging juncture. On the one hand, China issued its first white paper on policy priorities in Latin America and the Caribbean (LAC), signalling a growing interest in the region at government level (State Council 2008). On the other hand, the global economic downturn and the sudden deterioration in the Chinese economy had broad implications for China's relationship with LAC (Yardley 2008).

Sino-Latin American links have focused primarily on the flow of raw materials and commodities to China; thus, a drop in demand in China has an adverse effect on the trade balance across the region. Furthermore, long-awaited foreign direct investment (FDI) by the Chinese government in LAC will likely remain a distant policy goal for the foreseeable future. Nonetheless, if the financial crisis of 2008–09 is resolved within the medium term, the relationship should continue to deepen and prosper. Assuming this is the case, a leading question among analysts is whether the intensity level of China's relationship with LAC will approximate that of China's relationships with Africa and Southeast Asia. An examination of Chinese policy goals would make it seem unlikely—both geography and concern over the nature of neo-populist regimes in the region pose significant constraints on the growth of Sino-Latin American ties. However, perhaps the biggest impediment to the expansion of this relationship arises from the common view among the government in Beijing that there is little, or nothing, to be gained from pursuing a strategy that could be perceived as working against US interests in the Western hemisphere.

This chapter is divided into four sections. The first section gives an overview of the evolution of China's engagement with Latin America, taking a recent historical approach. The second section analyzes the current context under which China's interest in the region is evolving, in particular based on the government's recently released white paper. The third section evaluates the prospects for China's priorities in the region, focusing on five key areas: trade, energy, South-South co-operation, multilateral and regional organizations, and cultural ties. Finally, the conclusion assesses the challenges ahead in the light of the global financial crisis.

Recent evolution of China's engagement with Latin America

Specific interest in LAC came late in the evolution of China's foreign policy. Earlier foreign policy goals emphasized peaceful co-existence and resistance to both US and Soviet imperialism during the Korean War. Beginning with the first Afro-Asian Conference in Bandung, Indonesia in April 1955, China sought an active role in the Non-aligned Movement of states that was designed to protect their territorial integrity and sovereignty in the context of

the Cold War. However, by the 1960s a more radical China reoriented its foreign policy to provide ideological support for burgeoning revolutionary regimes. Following the death of Mao Zedong in September 1976, his successors began to downplay the ideological components of both domestic and foreign policy—especially when Deng Xiaoping became China's de facto paramount leader in December 1978.

This moderation of foreign policy coincided with a shift toward policies of gradual economic liberalization, in which China began to give greater emphasis to foreign trade and FDI, eventually joining the World Bank and the International Monetary Fund (IMF) in 1980. Under Deng, China committed itself to an 'independent foreign policy of peace', a catch-all formulation that sought to reassure the international community of China's new non-aligned and pragmatic orientation, which remains valid up to the present day. After the selection of Jiang Zemin as China's leader (1993–2003), policy-making became increasingly characterized by careful compromise, consensus-building, and mutual benefit (Goldstein, A. 2005, 14–48).

It was during the Jiang Zemin period that Latin America began to appear on China's foreign policy radar screen. While China maintained low-key diplomatic and trade ties with LAC beginning in the 1970s, the visit of Chinese Minister of Foreign Affairs Tang Jiaxuan in September 2000 to Brazil, Chile, Cuba and Mexico seemed to indicate an unprecedented level of interest in the region. Speaking at the Economic Commission for Latin America and the Caribbean in Santiago, Chile, the Minister called for enhanced co-operation in light of the similar globalization challenges that China and Latin America were facing. Reinforcing the growing relevance of LAC in China's global strategy, President Jiang Zemin paid a state visit to six countries in April 2001: Argentina, Brazil, Chile, Cuba, Uruguay and Venezuela. With the express purpose of deepening ties between China and LAC, President Jiang met with regional leaders to discuss bilateral relations as well as significant international issues of common concern.

The November 2004 visit of President Hu Jintao to Argentina, Brazil, Chile and Cuba further consolidated this new relationship between China and LAC. Beginning with a meeting of the forum for Asia-Pacific Economic Cooperation (APEC) in Santiago, Hu conducted a series of state visits intended to demonstrate his concept of 'China's peaceful development'. With a view toward expanding its trade relations in the region, Hu's tour was deemed a great success. Argentina, Brazil, Chile and Peru recognized China's status as a market economy, an important step for China's further integration into the world trading system. Also at that time Chile and China agreed to open negotiations for a free trade agreement (FTA). The negotiations were concluded in November 2005. The FTA was the first-ever with a non-Asian country. The agreement immediately eliminated tariffs on 92% of Chile's exports to China and 50% of the products that China sent to Chile. The pact does not cover services.

Since the 2004 Hu Jintao visit, a sharp increase in bilateral exchanges, by both public and private sector representatives, has been observed. The first China-Latin America Business Summit, held in Santiago in November 2007, provides an interesting example of these deepening ties. With entrepreneurs from 16 countries and representatives from several international organizations in attendance, Chilean President Michelle Bachelet announced that China had replaced the USA as Chile's biggest trading partner, noting that, since the signing of the 2005 FTA, Chile's exports to China had grown by 140% and imports from China by 40%.

For most of the decade up until the 2008–09 financial crisis, trade relations with China were generally favourable to South America, though less so for Mexico and the Central American countries, which are 'losers' because their economic outputs are rather more 'substitutes' for than 'complements' to the Chinese economy (González 2008, 148–169).

However, in recent years there has been growing concern over a 'flooding' of South American markets by high-quality, low wage-manufactured goods. Most likely, the future of trade relations with China will remain uncertain for the region as a whole until the financial crisis is resolved.

Is a new context in Sino-Latin American relations emerging?

After nearly 10 years of growing co-operation between China and LAC, the Chinese government's first policy paper on Latin America and the Caribbean demonstrates the serious consideration that Chinese policy-makers have begun devoting to establishing their strategy in the region. According to Ministry of Foreign Affairs spokesman Qin Gang:

> To develop friendly relations with developing countries including Latin America and the Caribbean region is the basic stand of China's diplomatic policy. … The Chinese government has issued this policy paper with the hope to further enhance mutual understanding and trust with Latin American and Caribbean countries, deepen co-operation in various fields, and promote China-Latin America relations.
>
> (State Council 2008)

Minister of Foreign Affairs Yang Jiechi categorized the policy paper as the basis for future Sino-Latin American co-operation, noting that China and LAC 'are facing similar development tasks and share broad common interests' (Deng, S. 2008). The Chinese Ministry for Foreign Affairs confirmed that the trade volume between China and LAC exceeded an historic US $100,000m. in 2007 and that China had become the region's third largest trading partner. On a more sobering note, the Minister for Foreign Affairs called for strengthened communication and co-operation in an effort to cope with the global financial crisis, stating that 'China, Latin America and the Caribbean have common interests in preventing the crisis from spreading to the real-economy of both sides as well as to reform the international financial supervision system' (Deng, S. 2008).

The policy paper (State Council 2008) also states the following:

> As the largest developing country in the world, China is committed to the path of peaceful development and the win-win strategy of opening up. It is ready to carry out friendly co-operation with all countries on the basis of the Five Principles of Peaceful Coexistence and build a harmonious world of durable peace and common prosperity. … Since the beginning of the 21st century, the two sides have enjoyed more frequent high-level exchanges, stronger political mutual trust and closer co-operation in economy, trade, science and technology, culture and education, and mutual support and close co-ordination in international affairs.

This section of the paper makes apparent that LAC can expect a new level of interest and engagement from China, namely that the People's Republic of China (PRC) now views its relations with the region from a 'strategic plane'. With an aim toward enhancing political trust and expanding strategic common ground, the Sino-Latin American relationship envisioned in the policy paper is one of equality and mutual respect. Through deepened co-operation, China hopes to achieve win-win results with the region. Of course, the one-China principle remains the political basis for the establishment and development of relations.

The policy paper is divided into five major sections. Each section spells out the expectations and the possibilities of increased relations with LAC, from China's point of view:

1. In the *political field:* high-level exchanges including between legislatures and political parties; co-operation in international affairs; local government exchanges.
2. In the *economic field*: expansion and balance of two-way trade; support for Chinese companies interested in investing in LAC; support for Chinese commercial banks to open local branches; financial issues consultations; co-operation in agricultural science and technology; investment in infrastructure development; economic and technical assistance.
3. In the *cultural and social areas*: cultural and sports exchanges; increased co-operation in science, technology, and education; co-operation in medical and health care; media co-operation; people-to-people exchanges; co-operation in addressing climate change; disaster reduction, disaster relief and humanitarian assistance.
4. On *peace, security and judicial affairs*: military exchanges and co-operation; co-operation in judicial and police affairs; increased co-operation in non-traditional security issues, such as combating terrorism.
5. On *regional organizations*: strengthened communication, consultation and co-operation with regional and sub-regional organizations in safeguarding peace and stability in the region.

The policy paper endorses a wide range of options for Chinese public and private actors in LAC. The following section evaluates the prospects for progress with regard to China's stated goals in the region.

Evaluating China's current policy priorities in Latin America

This section examines China's priorities in the region in the context of the policy white paper. Five broad areas dominate the Sino-Latin American agenda: trade, energy, South-South co-operation, multilateral and regional organizations and cultural ties. While other points of collaboration exist, these five best illustrate the successes of China's increased involvement in Latin America and the warm welcome offered China by its Latin American allies.

Trade

Thus far, trade has received the most attention in the analysis of China's relations with LAC. Trade between China and LAC grew three-fold between 1995 and 2007, reaching US $110,000m. China is now the region's second largest trading partner, after the USA. Some scholars have indicated that there is a growing ambivalence regarding the mushrooming, to date, of the import-export relationship. Jorge Blázquez-Lidoy and colleagues, for instance, have raised the question of whether China's trade impact on LAC is positive or negative (Blazquez-Lidoy, Rodríguez and Santiso 2007).

The positive side of the equation argues that the relationship is a win-win one for both partners. China is able to maintain spectacular levels of economic growth with raw materials and commodities imported from LAC; the Latin American countries have enjoyed—at least in South America—large trade surpluses, given Chinese demand. On the other hand, the negative side of the argument suggests that increased trade with China should be a wake-up call. The country has emerged as a major exporter at both the labour-intensive, low-technology and, increasingly, at the knowledge-intensive, higher-technology end of the

product spectrum. It is presenting challenges to all developing countries, and particularly other trade champions, like Mexico, in nearly all sectors, from textiles to other more value-added industrial products (Blazquez-Lidoy, Rodríguez and Santiso 2007, 45). As Javier Santiso (2007, 9) observes:

> The Chinese boom brings a positive windfall boosting trade exports of countries whose endowments are commodity related. This appetite for raw materials is, however, also contributing to nominal and real exchange rate appreciation in most Latin American countries leading to lower competitiveness in manufacturing sectors.
>
> (Santiso 2007, 9)

LAC's total trade with China is still relatively small for both parties, but it has grown very fast in the last decade or so. Major exports from the region include: wheat, fixed vegetable oils and iron and steel tubes and pipes from Argentina; fixed vegetable oils, pig iron and iron ore from Brazil; and pulp and waste paper, non-ferrous base metals and fertilizers from Chile. Colombia exports fruits, nuts, textiles, leather machinery and coffee, while Peru sends animal feedstuff and copper; and Mexico exports organic chemicals, plastic materials and fertilizers. Venezuela provides fertilizers and iron ore, as well as an important supply of oil. The profile is the same for the other LAC countries.

On the other hand, as Robert Devlin writes (2008, 113), 'China's export basket in Latin America has a larger mix of manufactured goods, which has intensified over time, and the basket is much more diversified'. This has raised an important issue for LAC—is the 'resource curse' once again dominating the region's development model? That is, does LAC continue to be primarily an exporter of commodities and raw materials? Will its growing intensification of trade with China and other Asian countries undermine efforts to become more competitive and produce manufactured products with greater value in world markets? (Roett and Paz 2008, 17)

Energy

As noted in the chapter by Zha and Breslin in this collection (and the chapters on Africa, the Shanghai Cooperation Organisation and the Middle East), energy is clearly a medium- and long-range priority for China, and China has increased its interest in LAC in its search to diversify its sources away from the Middle East. While China has invested selectively in LAC energy resources, the jury is still out as to whether it will make a commitment to developing energy sources in LAC comparable to its efforts in Africa. One analyst foresees greatly expanded development in this area: 'Ultimately, Latin America cannot avoid being an appealing region for the Chinese oil companies to expand their diversification portfolio as part of their internationalization strategy' (Palacios 2008).

The operative word is diversification, with the important qualification being that China appears to prefer to work with predictable, stable political regimes. For better or worse, the autocratic governments of Latin America are often more appealing to China than the more unpredictable, populist governments that are the most likely candidates for increased energy supplies—for example, those of Argentina, Bolivia, Ecuador or Venezuela. As Luisa Palacios (2008, 172–173) notes, 'this last group faces various and differing institutional, political, and legal challenges that could cloud their oil production outlook and affect aggregate production levels. The challenges could also limit significant increases in oil flows to China.'

South-South co-operation

South-South relations are a key component of Chinese foreign policy, and Latin America plays an important role in that regard. As mentioned earlier, China was an active member of the Non-aligned Movement in the 1950s and 1960s. It has been a prominent participant in the United Nations Conference on Trade and Development and the Group of Seventy-seven (G-77). The G-77, created in 1964, was an effort to expand co-ordination and solidarity among developing countries with the aim of establishing a new international economic order and expanding co-operation in the areas of trade and development. China has used the G-77 as a forum for projecting its South-South ideas, following the rationale set forth by the group, that South-South co-operation is not an option, but an imperative, to complement North-South co-operation and to contribute to the achievement of the internationally agreed development goals, including the Millennium Development Goals (Hirst 2008, 91).

By the same token, China clarified its expectations from South-South co-operation in a policy statement in 2003:

> Developing countries should strengthen solidarity, closely co-operate in international affairs and co-ordinate with each other. They should take an active part in formulating the 'rules of the game' in the international economic field, propel the reform of the international economic, financial and trade systems and strive to win over the right to equal development.
>
> (FMPRC 2003b)

Speaking at the Thirtieth Annual Meeting of Foreign Ministers of the G-77 in 2006, the Chinese Minister of Foreign Affairs reinforced this notion, stating:

> China will work with other developing countries to expand avenues of co-operation, create new models of co-operation within the framework of South-South co-operation, and explore a path of sustainable development. As China's economy continues to grow, China will, guided by the principles of sincerity, friendship, equality, mutual benefit, solidarity, co-operation and common development, do more to help other developing countries to speed up development.
>
> (Chinese Ministry of Foreign Affairs 2006)

To a great degree, these statements reflect both the spirit and the letter of China's policy paper of November 2008, highlighting the Chinese desire for a new international system based on multipolarity and a more fair and equitable political and economic order.

China, along with most of the LAC countries, has been active in a number of South-South initiatives. Of these, perhaps the G-20 countries have had greatest impact in recent years. Currently comprised of more than 20 states, the Group of 20 was formed in August 2003 in the context of a failed ministerial meeting on trade held in Cancún, Mexico. The meeting was called in preparation for a high-level negotiation for the Doha Round of the World Trade Organization (Narlikar and Tussie 2004). Brazil emerged as a spokesperson for the Group, but countries like India, China and South Africa have been active members, attempting to 'level the playing field' in international trade negotiations. Particular emphasis has been placed on lowering existing barriers to agricultural exports from the developing countries to the industrialized states.

Clearly, South-South co-operation is here to stay, and China and LAC are prominent members of that dialogue. However, as Chinese scholar Jiang Shixue, has written:

> China is well aware of the fact that the United States considers Latin America its backyard, and China has no intention of challenging U.S. hegemony in the region. China and Latin America have been pursuing similar parallel paths of economic liberalization, and in the context of globalization, there is a clear opportunity for South-South co-operation. Both China and Latin America would benefit from working together toward regional peace and development in Asia and Latin America, an outcome that can only be considered favourable to the United States.
>
> (Jiang, S. 2008, 40)

Hugo Chávez's reception in Beijing during a September 2008 state visit provided further evidence of China's reluctance to challenge US influence in the region. While the Venezuelan President appeared to be looking for an exceptional ally for his anti-USA rhetoric, China downplayed its co-operation with Venezuela as 'normal state-to-state relations', explicitly qualified as having 'no ideological tint' (Li, J. 2008).

Multilateral and regional organizations

Multilateral and regional organizations are specifically mentioned as priorities in China's 2008 policy white paper. Three examples will suffice to demonstrate the convergence of both Chinese and Latin American foreign policy objectives: the Inter-American Development Bank (IADB), APEC, and the UN.

In October 2008, the IADB pronounced China the 48th member country of the bank, which is the single largest source of long-term lending in LAC. As reported in the media, 'China's membership in the IADB … is expected to increase the nation's profile and influence in a part of the world that historically has been under the sway of the United States' (Kraul 2008). In joining the bank, China agreed to contribute US $350m. to its programmes. Of this, $125m. would go to the bank's Fund for Special Operations, which provides soft loans to Bolivia, Guyana, Haiti, Honduras and Nicaragua. A further $75m. was for an equity fund to be administered by the Inter-American Investment Corporation, which lends to small and mid-sized private businesses, and $75m. was for multiple IADB grant funds to strengthen the institutional capacity of the state, including municipal governments and private sector institutions.

The remaining $75m. was to be administered by the Multilateral Investment Fund—the IADB arm that focuses on microenterprises. China is now the fifth biggest donor to the fund, joining the USA, Japan, Spain and the Republic of Korea. Zhou Wenzhong, China's Ambassador to the USA, remarked, 'China's membership in IADB will provide both sides with a new platform and opportunity for increased two-way trade and investment and greater technological co-operation. This is a win-win decision that will serve everyone's interest' (IDB 2009).

As China becomes an increasingly active participant in APEC, its mutual interests with LAC are now more frequently discussed and consolidated at the organization's annual meetings. President Hu Jintao attended the November 2008 meeting in Lima, Peru, wherein representatives from 21 Pacific Rim countries met to focus on the state of the regional economy, co-operation, trade and investment. For the Pacific Rim countries in Latin America—of which Mexico, Chile and Peru are members, and Colombia and Ecuador are candidates for membership—the organization provides an important economic and diplomatic forum for bilateral discussions on issues of common interest.

China has always jealously guarded its membership in the UN Security Council and has been an active member of the General Assembly. As Monica Hirst points out, in the Assembly

there are more points of convergence between China and South America than between these countries and the USA (Hirst 2008, 95). When a non-permanent seat on the Security Council opened in 2006, the Group of Latin American and Caribbean Countries nominated Venezuela. China, along with Argentina, Brazil and Chile, backed the government of President Hugo Chávez for this position, while the USA threw its support behind Guatemala. After a number of deadlocked votes, Panama was selected, but China supported the South American position to the end. Among the most important examples of Sino-Latin American co-operation under the auspices of the UN is the involvement of China in the UN Nations Stabilization Mission in Haiti. This mission, led by a Brazilian General and strongly backed by the South American countries, has greatly benefited from Chinese manpower and political support.

The future of Chinese involvement in the UN may depend on the extremely sensitive question of full membership for Taiwan. All South American countries, with the exception of Paraguay, have aligned with the Chinese government in opposing Taiwan's membership. With the recent presidential election and defeat of the Colorado Party, even Paraguay is now expected to withdraw its long-standing support for Taiwan. Whether China will use its new position at the IADB to bring additional pressure on the 12 Central American and Caribbean nations that continue to recognize Taiwan remains to be seen.

Cultural Ties

China's policy white paper seems to place significant weight on the expansion of cultural ties, tourism, and diplomatic representation as government objectives. One important initiative is the opening of additional Confucius Centres in LAC. The Centres, which began in South Korea in 2004, integrate Chinese language instruction, cultural studies and teacher training. With established Centres in Mexico, Colombia and Peru, plans are underway to expand to Chile, Argentina and Cuba. Venezuela and China also inaugurated a bilateral cultural programme in recent years.

The China Scholarship Council provides financial support for Latin American students to study in Chinese universities, and a small but steadily increasing number of Chinese students are allowed to study in LAC universities. More and more countries in LAC have been designated as 'approved destinations' for private citizens to travel individually, and not in formal groups. Chinese embassies in LAC have been upgraded with younger personnel, fluent in Spanish and Portuguese, who are better prepared and more willing to mix in local society and debate the nuances of the bilateral ties between China and the country to which they are accredited. All of these trends are expected to continue as the economic, trade, and financial ties between LAC and China evolve.

Conclusions

While China's policy white paper calls for wide-ranging efforts at enhanced Sino-Latin American co-operation, progress has been limited in certain strategic areas. One area where the potential for growth remains evident is Chinese FDI in the region. As Robert Devlin has noted, 'information on Chinese FDI in the region is murky. China is still a relatively small overseas investor. … Latin America is, relatively speaking, a minor destination for China' (Devlin 2008, 115). China has announced plans to create a Sovereign fund to invest US $200,000m. in projects abroad, and Latin America can expect to receive some part of those funds. At the 2004 APEC meeting in Santiago, China promised increased investment

in Latin America over the following decade. After a very slow start, Chinese money has begun to be invested in the region, with a $3,000m. steel factory being planned for Brazil. However, the current financial crisis may make the Chinese government more reluctant to commit large amounts of money to FDI projects in the developing world—including Africa and Asia.

China's ability to 'grow' the economy at double digits has been the driving factor behind the increasing ties between China and LAC. However, the 2008–09 financial crisis may have changed the landscape of Sino-Latin American relations, at least in the short term. The immediate answer to the financial crisis from the leadership in Beijing has been to put in place a stimulus programme focused on infrastructure, like railways and ports, while state-owned banks made credit easily available. For Latin America, the slowed growth of the Chinese economy no doubt implies a decrease in a demand for its exports. The only uncertainty lies in the severity of this decline, and the implications for the future of Chinese involvement in the region. If the trade balance deteriorates, will there be any interest in China in pursuing a more robust programme of FDI in Latin America?

At the rhetorical level, relations between China and LAC have received a great deal of attention. In 1988 Deng Xiaoping stated that 'China's policy is to develop and maintain good relations with Latin American countries, and make Sino-Latin American relations a model of South-South co-operation'. Former President Jiang Zemin commented during his trip to the region in 2001, that 'the 21st century will be a century of China and Latin America, co-operating in all areas hand in hand, and it will also be a century of the peoples in China and Latin America building a better tomorrow'. Current President Hu Jintao, addressing the Brazilian Congress in November 2004, stated that both Latin America and China have similar experiences in gaining national liberation, defending national independence and building up their countries. Therefore, both sides have the same feelings and a common language (Jiang, S. 2007, 48–49).

In more concrete terms, Sino-Latin American links have grown slowly and deliberately. That China does not seek to replace the USA in the Western Hemisphere is clear, and there is little reason to doubt the sincerity of China's 2008 policy white paper, which emphasizes the friendly nature of Chinese involvement and the goal to achieve mutual benefits through stronger co-operation. Undoubtedly, Latin America will remain an important region of co-operation for China.

On the economic side, China will continue to look to the region for a steady supply of oil, copper, iron ore and agricultural products, while at the same time hoping to benefit from Latin America's market size. On the political side, China's long-term goal to squeeze Taiwan's influence and to partner with Latin American countries in international forums will be the basis for a further deepening of the relationship in the future. Circumstances will determine the pace and the depth at which these goals advance. While there may be a temporary downturn in trade and FDI ties, diplomatic and political complementarities will deepen and provide a strong backdrop for renewed economic relations in the future.

Note

1 I would like to acknowledge Alexandre Borges, Kevin Hempel and Jennifer Zurek for their valuable assistance with this article.

21 South Asia in China's strategic calculus

David Scott

As the People's Republic of China (PRC) continues its meteoric rise within the international system, its old self-contained world and associated world views that were centred upon East Asia are giving way to wider engagement in other areas adjoining its borders. China's current borders impinge on several South Asian states: India (4,056 km of shared border), Nepal (1,850 km), Pakistan (523 km) and Bhutan (470 km). Within China's 'periphery diplomacy' (*zhoubian waijiao*), South Asia, the Indian subcontinent, is becoming an important element in China's strategic calculus, bringing with it a 'growing presence' for the PRC in South Asia (Niazi 2005a).

> Since the emergence of the independent states in South Asia, and Tibet's forcible incorporation into China's sovereign orbit, China has been a key actor in the politics and security of the South Asia region. Close security and strategic ties bind China to several states in the area. However, its ties with the major South Asian state and Asia's largest democracy, India, have yet to stabilize. Military relations and strategically guided policies have dominated China's ties with the region. It is *realpolitik*-guided behaviour, patterned on the interest-driven role of major powers.
>
> (Dutta 1998, 109)

This growing Chinese interest and involvement in South Asia reflects three strategic imperatives. First, India's own rise affects and complicates China's own great power rise (Garver 2001; Scott 2008). Second, growing energy considerations are pulling China in, through and past South Asia (Niazi 2006). Third, concerns over Islamist-jihadist infiltration into Chinese Xinjiang from Afghanistan and Pakistan have become all the more noticeable for China after the 11 September 2001 suicide attacks on the USA (9/11) (Wayne 2007).

As shall be seen, China's role in one part of South Asia has had frequent consequences and linkages with China's role in other parts of South Asia, of which the China-Pakistan-India triangle is only one example (Kapur 2008). One recurring pattern is that China can play a balancing role within the region, blocking India's otherwise hegemony through giving support to the smaller countries in the region. India may well feel threatened by China's presence to the north, yet for other South Asian countries it is the central Indian geopolitical position that can seem as threatening in terms of sheer power imbalances. Another recurring pattern is that India can feel its security threatened by the cumulative advances of China into the region, not only in China's own right but also through China's 'strategic proxies' in the region, from the older-established links of China with Pakistan, to newer-emerging links with other actors in the region (Bernier 2003). Let us now move through the South Asia region, starting from China's own borders along the northern flanks of South Asia.

Pakistan

In 2009 Pakistan's leader President Asif Zardari was moved to rhetorical heights when visiting China: 'perhaps no relationship between two sovereign states is as unique and durable as that between Pakistan and China … China is seen as a true, time tested and reliable friend that has always come through for Pakistan. That the Pakistan-China friendship is higher than the peaks of Himalayas is now a truism without exaggeration' (Zardari 2009). In reality, China's links with Pakistan have been variable, moving from one extreme to another.

Initially these two neighbours, with a shared boundary of around 523 km, were on different sides of the geopolitical fence; with Pakistan a member of the US anti-Communist Cold War alliance systems when they were set up in the mid-1950s. However, their mutual differences with India soon brought these two neighbours together. Breakdown of relations between China and India had led to war between them in 1962, and Chinese victories. From China's point of view, strategic co-operation with Pakistan looked like a way of containing any future Indian revenge. From Pakistan's point of view, having been engaged with a second war with India in 1965, strategic co-operation with China looked the most immediate way of redressing the strategic imbalance emerging between Pakistan and India. This was the start of the 'all-weather friendship' between China and Pakistan (Sharma 1968; Singh 2007).

Two signs of this China-Pakistan convergence were evident in the 1960s. One sign of convergence was the construction of the Karakoram Friendship Highway, which was started in 1966 and finished in 1986. This gave a tangible, usable, modern road link between the two countries, and was a highway built with significant Chinese finance and labour. A second sign of convergence was the drawing up of mutually agreed boundaries between Pakistan and China in 1963; though India greeted news of Pakistan's waiving of claims to the Trans-Karakoram Tract Shaksgam Valley, of around 5,800 sq km, as a betrayal of India's territorial integrity, given India's own claims to Kashmir, which included Shaksgam Valley. Article 6 of the agreement cautioned that such territorial adjustments were still subject to final negotiations once the Kashmir issue had been resolved between Pakistan and India. In effect though, China had aligned itself with Pakistan's general position and claims over Kashmir.

China's support to Pakistan had limits. This was dramatically shown in 1971, when the PRC refused to intervene on behalf of its partner Pakistan, despite Pakistan facing military defeat by India, and being cut in half by the loss of East Pakistan/Bangladesh. Given that India had just signed its own Treaty of Friendship and Co-operation with the Union of Soviet Socialist Republics (USSR) earlier in 1971, China may well have felt wary of facing potential war on two fronts itself. However, for a weaker, post-1971 Pakistan, the imperatives for more substantial Chinese assistance increased, as Pakistan's ability on its own to constrain India lessened. The most dramatic sign of this strengthening China-Pakistan relationship was Chinese assistance to Pakistan's nuclear programme, which seems to have included testing facilities in Xinjiang. Chinese assistance enabled an immediate Pakistan nuclear test in the wake of India's own nuclear test in 1998. US support for India's nuclear energy programme in 2008 was matched by China's further assistance for a Pakistani counterpart.

China's own energy considerations partly lay behind PRC support of the development of Gwadar as a deep water port on the Pakistan coast. Gwadar was opened in 2008, with 40% of the finance for its initial Phase 1 having come from China, assisted by Chinese construction workers and engineers. Gwadar enables Pakistan to act as a self-avowed 'energy corridor' for oil from the Middle East to come overland through the Pakistani province of Baluchistan

and the rest of Pakistan into Chinese Central Asia (Rahman 2007). From China's geopolitical and geo-economic point of view, such a corridor would avoid the maritime route through the Indian Ocean and Strait of Malacca, a maritime route which is vulnerable to interruption not only by the USA, but also by India. The other China-related implication is Gwadar's potential role in providing deep water, long-range berthing facilities for any growing Chinese naval presence in the Indian Ocean, on the far side of India (Niazi 2005b). Maritime co-operation between Pakistan and China has emerged in recent years, initiated with the Sino-Pakistani Friendship 2005 naval exercise carried out between the two navies in Pakistani waters. Chinese naval units joined in the Pakistan-sponsored Aman (Urdu for 'peace') naval exercises in 2007 and 2009. It is no coincidence that China's long-range naval deployment into the Gulf of Aden in 2009 involved Gwadar as a port of call and supply.

China's relationship with Pakistan has not been without its problems. China's close military links with Pakistan have not precluded China from seeking some engagement with Pakistan's enemy, India. India's significantly greater power than Pakistan makes India a neighbour not to be unnecessarily antagonized by too close a Chinese identification with Pakistan. One sign of this Chinese concern over not unnecessarily antagonizing India has been China's neutrality over the Kashmir issue, with the PRC now treating Kashmir as a bilateral issue for the two countries to sort out, rather than automatically identifying with Pakistan's case, as had been the situation in the 1960s and 1970s (Yuan 2005). China's identification with the central Pakistan government brings it up against regional break-away groups, Chinese construction workers and engineers having been targeted in Baluchistan. China's economic assistance to Pakistan has not always been as much as Pakistan has wished for. Trade with Pakistan is increasing, more than doubling from a relatively low figure of around US $3,000m. in 2003. However, India remains a more significant trade partner than Pakistan for China; in 2008 Pakistan-China trade of $7,000m. compared with India-China trade of over $50,000m. Last, but not least, is the question of penetration of Pakistan by Islamist groupings, giving the nightmare scenario of a Talibanization of Pakistan (Ahrari 2000). This is an uncomfortable scenario for China, faced as it is with its own difficulties in maintaining control over Muslims in Xinjiang.

Nevertheless, for Pakistan the Pakistan-China linkage gives India the problem of a potential war on two fronts, and diverts forces that India could otherwise deploy against Pakistan. Similarly for China, the Pakistan-China linkage gives India the problem of a potential war on two fronts, and diverts forces that India could otherwise deploy against China. The India and Xinjiang aspects of links with Pakistan underpin PRC comments that, 'from the geopolitical position of strategy Pakistan is the big country in the important South Asian region and … the promotion of the overall co-operative partnership between China and Pakistan will exert a very important influence on maintaining the stability and regional safety in the northwest borderland of China' (People's Daily 2005a).

Nepal, Bhutan and Sikkim

These three Himalayan states all share the common feature of being sandwiched between India to the south and the PRC to the north, with strong traditional cultural-historical links enjoyed by them in older times with Tibet.

Nepal has had wildly varying fortunes within China's strategic calculus, with the two countries sharing a 1,850-km frontier. One starting point could be the days of China's Middle Kingdom glories, when Nepal was a tributary state, and when Qing armies invaded Nepal in 1792 from its bases in Tibet. Amid subsequent dynastic decline, Nepal slipped out

of China's sphere, instead gravitating toward southerly pulls from British India, which were maintained after Partition, when the Republic of India inherited much of Britain's forward presence in the Himalayas. One sign of this was the 1950 treaty between the Republic of India and Nepal. During the subsequent decades Nepal's political orientation lay to the south, with the government in New Delhi, India. China's reoccupation of Tibet restored a long land frontier with Nepal, of around 1,415 km, with the Nepal–India boundary, which runs along three sides of Nepal, being 1,850 km.

Rivalry between China and India for influence in Nepal was already clear by the 1990s (Garver 1991). With multi-party democracy introduced in 1991, new elections led to the formation of a leftist government. With that Communist-led government dissolved in 1995, Maoist groups launched rural armed agitation in order to abolish the monarch and establish a people's republic. Amidst the gradual decline of the monarchy, such Maoist insurgency gradually gained strength. The irony was that, by this time, China had itself ideologically jettisoned any Maoist pretensions. Amid the final collapse of the monarchy, a new Maoist-led government took power in 2008. Such developments in Nepal presaged an external loosening of Nepal from its previous embrace with India. Nepali politicians could look north as well as south, and China could find avenues into Kathmandu. Chinese sensibilities over Tibet had already had an impact on Nepalese politicians, with anti-Chinese demonstrations curtailed in Nepal in the run-up to the 2008 Beijing Olympics. The Comprehensive Treaty signed between Nepal and China in March 2009 ensconced the PRC as Nepal's 'chief international backer', complete with extra financial assistance (Vela 2009). Hence Indian involvement in the fall of the Maoist-led government in May 2009. From India's point of view the strategic nightmare was, and remains, a link-up from north to south from Chinese-held Tibet through a Maoist-led Nepal into the Naxalite insurgency in northern India.

The other independent Himalayan state, Bhutan, has remained closely tied to India and relatively isolated from the PRC. Full diplomatic relations have not yet been established between Bhutan and the PRC, even though they have a shared frontier of around 470 km, but within which there is a PRC claim to 269 sq km. China claimed a vague suzerainty over Bhutan in the period just before the Chinese Revolution of 1911; but this soon lapsed after 1911 and was not reiterated by either the Republic of China or the PRC. Britain's suzerain position over Bhutan was inherited by India, and was reflected in the 1949 Treaty of Friendship, which included a clause in which Bhutan agreed to let India 'guide' its foreign policy, although this was dropped in the new India-Bhutan Treaty signed in 2007. Nevertheless, Bhutan remains closely within the Indian sphere.

Meanwhile, the PRC's advances into Tibet in 1950 reawakened Bhutanese fears about China, and led to Bhutan aligning more closely with India, and keeping its distance from China (Mansingh 1994). With an ambiguous unsettled border with China, and with Bhutan continuing to follow Indian foreign policy lines, Bhutanese fears over Chinese erosion of its sovereignty and disruption of its territory were re-ignited during Chinese troop 'incursions' in 2007 around the undelineated Chumbi Valley intersection.

The third member of this Himalayan trio, Sikkim, has enjoyed different strategic fortunes. It was treated as a suzerain princely state by British India, with this situation continued by the Republic of India after 1947. Conversely, PRC links with Sikkim were notional rather than actual, with no diplomatic or other links. Nevertheless, Sikkim's position as a small unit adjoining India's vulnerable Siliguri corridor gives it strategic significance for China. Consequently, India's absorption of Sikkim in 1975 was not officially recognized by the PRC. This lack of Chinese recognition of Indian absorption of Sikkim to some extent operated as a strategic chip, perhaps to be traded off against Indian recognition of Chinese control of

Aksai Chin, or perhaps to be traded off against Indian cession of Tawang in Arunachal Pradesh. In recent years China has given some signs of recognizing Indian incorporation of Sikkim, but these have been suggestive rather than definitive, implied rather than defined. This Chinese reluctance over India's incorporation of Sikkim has been an irritant within the wider role that India plays in China's strategic calculus.

India

Within South Asia, China's relationship with India, while not necessarily the closest, has been the most important component for the Chinese government. This strategic prominence of India in China's strategic calculations is not surprising in light of India's size, population and gross domestic product—all of which account for around three-quarters of the South Asian totals. For both China and India, their shared borderline (though disputed) of around 4,056 km is the longest land frontier that each has with any neighbouring state.

Initially the 1950s seemed dominated by a spirit of co-operation between China and India, the famous *Hindi–Chini Bhai–Bhai* 'India and China are brothers' rhetoric that flourished under Nehru. China and India stood together as fresh progressive anti-colonial states at the Bandung (Indonesia) Conference in 1955. India had pulled back from old British India privileges in Tibet when China reincorporated Tibet under central control in 1950. Within China's strategic calculus India could be seen as no particular enemy of China during the 1950s; however, India's non-alignment could be seen as vacillating and as much a statement of India's weakness as of strength, and Nehru could be seen and somewhat dismissed as a lightweight overblown bourgeois capitalist!

Nevertheless, the start of the 1960s saw China's relations with India dramatically collapse. Territorial disputes, left over from earlier events involving British India, slowly simmered during the late 1950s, coming to a head in 1962. India's 'forward policy', of encroachments and probes along a disputed frontier, could be seen by China as a prelude to China losing control not just of a disputed frontier line, but also of an unsettled Tibet itself. The ability of India to play a 'Tibet card' against China may have been overstated, but it seems that this was genuinely enough felt among Chinese strategists at the time. Such a potential Indian 'Tibet card' resurfaced during China's crackdown in Tibet in early 2008.

The result of the Sino-Indian war of 1962 had long-lasting effects, still evident almost half a century later 'locked in an (in)security complex' towards each other (Sidhu and Yuan 2003, 45). Clear-cut military victories saw China retaining its de facto grip on Aksai Chin on the westerly flanks of the Himalayas, while a similar grip was established on the North-East Frontier Agency on the easterly flanks of the Himalayas, where Indian forces were routed, although they were allowed to re-enter when China chose to withdraw its troops from that particular disputed territory. India has continued to claim China-held Aksai Chin (around 38,000 sq km, as well as the 5,200 sq km ceded by Pakistan to China in 1963); and China continues to reiterate its claims to the India-held Northeast Frontier Agency (around 96,000 sq km), consolidated by India as the state of Arunachal Pradesh in 1987.

How significant are such territorial disputes within Chinese strategy? On the one hand, China seems to have taken the decision to try to shape co-operation in other areas, with sovereignty disputes put to one side. Some Confidence Building Measures for these disputed border areas were agreed in 1993, 1996 and 2005. General, though somewhat vague, Principles and Parameters for a Future Territorial Settlement were also agreed in 2005. Given China's strategy of 'peaceful rise' and of consolidating economic modernization for the mid-century, renewed conflict with India is not something being sought by China, though

claims to Arunachal Pradesh have been reinvoked in greater strength. Sovereignty *de jure* claims are theoretically resolvable on existing de facto lines of control, with China retaining Aksai Chin and India retaining Arunachal Pradesh. Chinese negotiators have at various times seemed to point to this resolution. However, such a relatively tidy trade-off is complicated by China's extra special claims to Tawang in Arunachel Pradesh, a particular claim reiterated with greater strength in recent years, notionally on account of Tawang's Buddhist links with Tibet.

This disputed border area has become more strategically significant for China vis-à-vis India. On the one hand, the Chinese militarization of the Tibetan plateau gives China military leverage over the northern India heartland. In recent years significant infrastructure programmes for roads and railways have given China increased military projectile capacity up and from the border. During 2007–08 small-scale but recurring Chinese troop 'incursions' were noticeable across the disputed frontier, where no agreed Lines of Actual Control, let alone resolved sovereignty boundaries, exist. Here at the India–Bhutan–China intersect, India's narrow Siliguri Corridor is potentially vulnerable to future Chinese probes from the north, especially if in conjunction with pressure from Bangladesh to the south. From a military point of view, the redeployment by India of advanced Sukhoi SU-30 fighter aircraft to Assam state, and the reactivation by India of airfields facing Chinese-held Aksai Chin, was a new factor entering into China's strategic calculations during 2008 and 2009.

Up to the present China has enjoyed nuclear strategic superiority over India. China's medium-range nuclear missiles based on the Tibetan plateau have long been able to threaten the main centres across northern India, such as New Delhi and Calcutta, while India has had no similar capability against China. However, the successful testing of Agni-III medium-to-long range missiles in 2008 is starting to redress the balance, missiles that are not particularly relevant for shorter-range Pakistan operations, but which for the first time bring China's centres like Shanghai and Beijing within range of Indian missiles.

In China's strategic calculus it is bad enough that India sees China in a negative light. This was highlighted by Pew Global Attitudes survey findings in 2008, where 62% (versus 24%) of Indians sampled saw China's growing military power as a 'bad thing' for India, while unsurprisingly 61% (versus 9%) of Pakistanis saw China's growing military strength as a 'good thing' for Pakistan (Pew 2008, 43). Such general military distrust of China in India is compounded by India having increased its own military strength and pursued security convergence with Japan and, above all, the USA under the Bush Administration. This reflects a 'balance-of-threat' (Walt 1985) logic by India towards China.

Such developments mean that India is given more strategic credibility by China. Being 'on the verge of becoming a Great Power and the swing state', India is worth China engaging with (Raja Mohan 2006, 17). Chinese rhetoric has been to stress *win-win* co-operation with India, and their role as the major emerging Asian engines of growth in an 'Asian Century'. The 'Shared Vision for the 21st Century' signed by the two leaderships announced that, 'their bilateral relationship in this century will be of significant regional and global influence. The two sides will therefore continue to build their Strategic and Co-operative Partnership in a positive way' (FMPRC 2008).

Growing economic links are one positive feature of Sino-Indian relations. In 2002 trade stood at a relatively lowly US $4,900m.; by 2008 it had reached $51,700m. However, within this mushrooming trade volume, an asymmetric pattern emerged after 2006 of an increasing Chinese trade surplus with India, rising from $4,120m. in 2006, to $16,300m. in 2007–08, and China faced growing criticisms from India. The main direction of Sino-Indian trade is not along their land frontier along the Himalayas, but instead remains to and from

China's coastline. On land, Nathu La Pass, leading into Chinese-controlled Tibet, was reopened for trade in 2006, but with relatively low levels of trade emerging since the opening. Military engagement with India has been sought by the PRC, with some naval exercises carried out in 2005 in the Indian Ocean, followed by land exercises in 2008. However, these have been small, and far overshadowed by the greater substantive war exercises carried out between Indian and US forces in recent years. China's position on Kashmir has moved towards one of relative neutrality, despite the PRC's close links with Pakistan. The logic there seems to not permanently alienate India. India's moves towards nuclear treaty exemptions at the Nuclear Suppliers Group, and its attempts to gain a permanent UN Security Council seat initially attracted some Chinese resistance, which then abated.

However, the perception in India still remains of Chinese strategic encirclement by China across South Asia; in part through China's own presence on land in Tibet and at sea in the Indian Ocean, and in part through China's increasing diplomatic and strategic links with other South Asian neighbours like Bangladesh, Sri Lanka and, above all, Pakistan.

Bangladesh, Sri Lanka and the Indian Ocean

China's relations with Bangladesh were initially cool. Before 1971 China operated as a patron of Pakistan, against whom Bangladesh had carved out its independence. Emerging as a pro-Indian anti-Pakistan state, Bangladesh was on the opposite sides of the geopolitical fence to China.

However geopolitical and geoeconomic forces have subsequently pulled China and Bangladesh closer together. In political terms, the assassination of Sheikh Mujib Rahman in 1975 brought on military and increasingly Islamist penetration of Bangladesh. In itself, particularly with regard to Islamist currents, such developments did not endear this changing face of Bangladesh to China. However, it did bring about a cooling of relations between Bangladesh and India, and some rapprochement between Pakistan and Bangladesh. In geopolitical terms, Bangladesh and China almost touch each other, separated only by the narrow Siliguri corridor, which serves as the equally narrow connecting bridge, the chicken's neck, between the main part of India and its north-eastern provinces. In geoeconomic terms, there has been the discovery of natural gas reserves in Bangladeshi waters, amidst some territorial bickering by Bangladesh with India.

If all these factors are put together, then it is not too surprising to have seen growing links between China and Bangladesh, 'an opportunity it [the PRC] can scarcely afford to let go' (Kibria 2006). In part, these emerging links are economic, with China replacing India as Bangladesh's largest trade partner in 2006. China is particularly interested in greater access to Bangladesh's energy reserves, following agreements made in 1995, and in which some energy competition has been evident between China and India. In part, these emerging links are also politico-military, epitomised in the Bangladesh-China Defence Co-operation Agreement of 2002 (Kapila 2003). Amid the provision of training and military supplies to Bangladesh's armed forces, continuing speculation has arisen over Chinese base facilities at Chittagong, Bangladesh. However, China remains subject to the vagaries of shifting governments in South Asia, the pro-Indian Awami League coming back into power in Bangladesh in January 2009.

Sri Lanka has also in recent years become the scene for Chinese diplomacy. Traditionally, Sri Lanka has been within India's sphere of influence, the setting for the so-called 'Indira Doctrine' intervention in 1987 by India, as the senior power within South Asia. However, in recent years China has emerged as an alternative voice, as witnessed by its military

supplies agreement, drawn up in 2007 with Sri Lanka, which was a significant factor enabling the Sri Lankan government to achieve military victory over the Tamil Tigers in 2009. China's economic assistance multiplied by five in 2007, reaching just over US $1,000m., and displacing Japan as the largest overseas donor. China's presence in Sri Lanka has also focused on giving financial help to modernizing the port of Hambantota, to include oil refinery facilities, with the PRC providing 85% of the finance (Kumar 2006; Ramachandran 2008). On the one hand, such storage of oil points to China's ever-growing concerns for ensuring her own energy supplies from the Middle East, within which Sri Lanka is a mid-point port of call across the Indian Ocean.

China's dependence on growing oil imports since 1993, mostly from the Middle East, has become increasingly noticeable, the energy being needed to underpin China's industrialization-modernization process. Securing energy imports through the Indian Ocean Sea Lines of Communication has in turn been connected with China's so-called string of pearls policy, of establishing bases and facilities running from Hainan Island and the South China Sea through to Sittwe in the Union of Myanmar. From there, China's string of pearls continues via Chittagong (Bangladesh) and Hambantota (Sri Lanka) to Gwadar (Pakistan). Chinese military links with the Maldives have emerged, amidst speculation, since Zhu Rongji's 2001 visit (China Daily 2009). Alongside such littoral footholds around South Asia, has been China's drive since the 1990s for an ocean-going navy. Blocked by US reinforcement of American strength in the western Pacific, China's maritime horizons are turning southwards towards the Indian Ocean, which is bringing the Chinese navy into the Bay of Bengal and the Arabian Sea waters of South Asia (Holmes and Yoshihara 2008).

Regional organizations

China's involvement with South Asian regional bodies has been limited, in part because South Asian regional bodies have themselves been rudimentary. On the maritime front, China obtained dialogue status with the Indian Ocean Rim Association of Regional Co-operation in 2000 (though China was not invited to the Indian Ocean Naval Symposium when it was set up, under Indian aegis, in 2008). However, and perhaps more significantly, China obtained observer status with the South Asian Association for Regional Co-operation in 2005. On the one hand, it was significant that this was obtained over some Indian reluctance, but with the support of other smaller South Asian members. On the other hand, the observer status also granted to South Korea, Japan and the USA dilutes this Chinese advancement into South Asian regional structures.

The superpowers in South Asia

China has viewed South Asia as an arena for negative outside intervention by hostile superpowers. Initially this was the case with the USSR, when the signing of the Indo-Soviet Treaty of Friendship and Co-operation in 1971 made China see India as a partner of the USSR. In effect, the Chinese government saw this as opening up a hostile southern flank against China, as part of Soviet encirclement of China to the north and now south: 'the fear of a Soviet-Indian alliance to contain China led Beijing to fortify its relations with Pakistan.' (Ray 1986; Vertzberger 1985) The subsequent Soviet intervention in Afghanistan in 1979 reinforced this danger for China of outside superpower interference in South Asia.

Ironically, the collapse of the USSR in 1991 removed this Soviet role in South Asia. As Russia re-emerged in the late 1990s and reactivated the alliance with India, it was in the context of

an even stronger Russia-China strategic partnership, with both acting as counter-weights to US pre-eminence. India could potentially be seen by China as part of a Russia-China-India Asian triangle, counterbalancing the USA.

Meanwhile, South Asia has become the scene for Chinese concerns about the growing strategic presence of the USA. In the early 1950s Pakistan's alignment with the USA, and its participation in Cold War alliance systems caused concern to a revolutionary China. Although there has been substantial Chinese strategic convergence with Pakistan since the mid-1960s, as part of an anti-India logic, continuing US links with Pakistan cause some strategic concerns for China. Such dynamics were reinforced in the wake of 9/11, when the US presence in Pakistan, and strategic links with India, were strengthened, and US troops entered Afghanistan. It is the developing military relationship, sealed in 2005 and 2006, between India and the USA that particularly concerns China (Zhang, L. 2006).

A further nightmare scenario for the future would be the USA playing a Tibetan card from Indian soil, restarting the Cold War support that the CIA gave to Tibetan guerrilla operations across the Himalayas. At sea, US naval exercises with India in the Bay of Bengal in 2007 drew Chinese comments about being encircled and contained. Moreover, the danger for China in such links is that not only does this bring the USA into South Asia, but it also brings India out of South Asia into Southeast Asia, the South China Sea and the western Pacific, where India-USA links can cut across Chinese strategic aspirations.

Conclusions

The strategic importance of South Asia will continue to grow for China. In part this is because of the rise of India within the international system in general, and within Asia specifically. India's ability to project power not only from South Asia, but also into other regions of interest to China, such as the wider Indian Ocean, Central Asia, Southeast Asia and the western Pacific, make relations with India of growing importance to China. China will continue to 'hedge' against India (as will India vis-à-vis China), with continuing Chinese 'engagement' mixed with 'internal balancing' strengthening its forces vis-à-vis India, and with external 'softer balancing' against India through China's links with India's neighbours, headed by Pakistan. This will probably merely exacerbate Indian fears of encirclement by China in South Asia (Malik 2006). This will in turn generate further closer security 'softer balancing' by India with Japan and the USA against China. International relations 'security dilemma' dynamics may well continue to operate in mutual military build-ups, not only between Pakistan and India, but also between India and China (Garver 2002).

Sino-Indian trade looks set significantly to increase still further. Two uncertain factors will be whether the emergent trade imbalance in China's favour also continues to increase amidst global recession, in which both India's and China's growth rates have recovered quickly; and whether the Indian model of economic development proves more sustainable than China's in the longer-term. As China engages with India more, within this hedging package, Pakistan's role as a strategic balancer against India is likely to become less important, but its role as an energy corridor is likely to increase as China's need for secure oil imports continues to grow. Increasing energy considerations for China brings the prospect of increased PRC energy-related presence, not just in Pakistan, but also in Sri Lanka and Bangladesh. Water issues will also increase in importance, especially over any Chinese restriction of the Brahmaputra flow from Tibet into Northeastern India, and there will be a danger of 'water wars' breaking out (Chellaney 2007). A more noticeable presence of China in Afghanistan was an emergent feature in 2008–09, involving mineral resources, and this trend might

increase. A final trend is China's closer involvement with the South Asian Association for Regional Co-operation, with full membership a prospect at some point.

Less structural factors will also affect the situation between China and South Asia. From the South Asian side of things, if in India the Congress Party lost power to the Bharatiya Janata Party, or if Pakistan fell to the Islamist parties, then China's prospects and hopes would be affected, in those examples for the worse. From the PRC side of things, post-Dalai Lama dynamics could go in the direction of increased conflict or increased acceptance in Tibet. A democratic China would probably enjoy better relations with a democratic India, although any rampant populist Chinese 'Han' nationalism could have a negative outcome for relations.

Geopolitics continues to push for competition, 'Sino-Indian rivalry in southern Asia and the northern Indian Ocean may well be a dominant feature of future Asian geopolitics' (Malik 2001, 73). However, strategic rivalry will probably not be translated into direct military conflict. The final future consideration is that China, as India, is to some extent pursuing a peaceful rise strategy of transition designed to avert overt negative confrontations and instead get on with economic modernization and thus great power economic rise. This will remain paramount. Thus, during 2010–50 China's presence in South Asia will grow. What then, after 2050?

22 Looking south

China's Oceanic relations

Nicholas Thomas

This chapter explores China's relations with Oceania—a region not on China's immediate periphery, but one that nonetheless remains an important element in China's pursuit of its twin goals of economic development and national resilience. This chapter first broadly considers China's relations with its three partners in Oceania (Australia, New Zealand and the South Pacific islands). Of the three, China's relations with Australia are the most substantive and complex. Thus, due to space limitations, these ties will be examined chronologically before considering the comparatively less-developed Sino-New Zealand and China-South Pacific relations in terms of their main political, economic and socio-cultural aspects. It will be shown that China takes a different approach to each of these partners through the lens of its own national self-interest, and it will be demonstrated how these approaches are framed by the larger context of China's peripheral area engagement. This chapter will conclude with an analysis of the implications of these patterns for understanding Chinese foreign policy, as well as the significance of these regional ties for China's other relationships.

Sino-Australian relations

On 21 December 1972 China and Australia concluded diplomatic negotiations for mutual recognition. Although in China it was a decision that had been long awaited, in Australia it was a contentious decision, with a broad array of social and political forces in the country opposed to the move (Andrews 1985; Fung 1983). Historical fears of the 'yellow peril' had been superseded by contemporary fears of a rumbling Communist giant able to spread its influence throughout the region. At a time when Australia was beginning to take a keen interest in East Asia, such a power held the potential to interfere with Australian concerns. There were few indications then that the relationship would evolve into a keystone of its national foreign policy.

Nonetheless, throughout the first decade of the relationship, Chinese and Australian interests began to align (Woodard 1987). Politically, the election of the Whitlam Government moved Australia to reverse its anti-Communist stance away from China and back to the Union of Soviet Socialist Republics (USSR). Over foreign policy issues such as Vietnam and Cambodia, changes in both countries' interests meant that their goals moved into closer alignment. The two countries' economies were also complementary. China wanted to improve its capacity to meet the needs of its citizens as well as propel itself into the first tier of nation states, but lacked the materials and the knowledge to realize its plans, while Australia had the resources to assist China's modernization plans and was looking for new markets. Socially, more Australians began visiting China as tourists and students, although there were few places officially opened where foreigners could roam. Cultural exchanges also commenced in this period and drew significant interest from both peoples.

The 1980s was a decade of wildly contrasting views on the bilateral relationship. Under the Hawke-led Labour Government, China and Australia were declared 'lao pengyou'—old friends (Hayden 1984). Australian businesses began moving into Beijing, Shanghai and Guangdong, with corresponding transfers of Australian expatriates. Offerings in Mandarin and Chinese-related subjects were gradually growing in Australian universities, attracting larger numbers of students every year. More students began undertaking long-term in-country studies, while new areas were opened up in China for Australian tourists to visit. Across the spectrum, Australians' knowledge of China and Chinese affairs was rapidly increasing, and it seemed that the potential of the relationship was being realized. In 1989, the crackdown in Tiananmen Square placed a severe check on the relationship. Claims by Australian politicians and scholars that Australia had been misled by its 'old friends', heralded a sober re-examination of the relationship and its potential.

Over the following decade, bilateral relations were influenced by this reassessment. The potential was still seen to be there, but there was now an acknowledgement that China faced major internal challenges, and that these challenges would test Australia's ability to tap into that potential. Politically, Australian relations with China soon returned to their pre-Tiananmen highs, with regular visits by Chinese officials and ministers, as well as heads of state. Economically, deeper involvement with the Chinese market showed Australian companies that, although there could be solid returns on investment, problems remained with the regulation of business operations and the enforcement of good corporate practices. In both these areas, new bilateral as well as regional and global issues emerged to confront both sides.

The 1990s saw Australian and Chinese trade negotiators discussing China's entry into the World Trade Organization (WTO), an objective seen by Australian companies as finally enabling the potential gains from the Chinese market to be realized. The bilateral negotiations were concluded with relatively few serious disputes. Economically, the mid-1990s also witnessed the eruption of the Asian financial crisis. Australia and China were both affected by the fallout, and exchanged information concerning possible relief strategies. However, politically the two sides had several disagreements during this period that tested the strength of the relationship. Australian opposition to Chinese intimidation of Taiwan during the 1996 missile crisis, as well as an attempted Chinese interdiction of Australian naval vessels transiting the Taiwan Straits, placed strains on the bilateral ties. Similarly, Australian support for US military activities and programmes, seen by the Chinese as implicitly directed against their interests, created tensions between the governments in Beijing and Canberra.

In the first decade of the 21st century bilateral interests consolidated an increasingly strong relationship (Mackerras 2000). While positive political and economic relations have led efforts in developing the relationship, social connections are increasingly supporting the broad range of ties. Two-way exchanges of tourists, students, business people, scholars and politicians have surpassed the one million mark and continue to grow. Australia has an increasing array of politicians at the national and state levels fluent in Mandarin and other Chinese dialects. Children in kindergartens learn Cantonese, while business students have in-country work opportunities with Chinese firms in all parts of China.

The election of the Kevin Rudd-led Labour Government in Australia in November 2007 was seen as a high point by both sides; one that could enable the relationship to move forward in a more systematic manner. The new Mandarin-speaking Prime Minister was seen as a potential bridge, not only between the two countries, but also between China and other parts of the world (notably the USA). At the same time, the perceived strength of the bilateral relationship has caused some disquiet among other countries in the Asia-Pacific

region (Sheridan 2008). Since the 2007 election Sino-Australian ties have certainly taken on a new prominence, with new books regarding the Australian Prime Minister appearing in Chinese bookstores, while issues relating to bilateral political, trade and security relations have become more prominent in the Chinese and Australian media, with both sides seeking ways to upgrade the relationship—as can be seen with the ongoing negotiations over a free trade agreement (FTA) between the two countries. However, the new close ties have not been without controversy, with particular concerns growing in Australia over investments by Chinese firms, China's regional intentions and China's overall strategic intent.

One such example is the issue of Chinese state-owned enterprises seeking to buy Australian companies with large resources holdings, such as Chinalco's desired purchase of Rio Tinto. This long-running issue encompasses many of the contemporary hopes and fears of Sino-Australian ties. The growth in economic relations between the two has been largely driven by the commodities market, especially iron ore, alumina and natural gas. This commodities trade has been supported by the high prices that Rio Tinto and others have been able to extract from the Chinese market, as demand has outstripped supply in the last decade. Chinalco's attempts to buy a controlling stake in Rio Tinto was perceived by the Australian public and private sectors as an effort to control the commodities supply by ensuring lower prices for Chinese buyers. Even after Chinalco opted for a lower stake in the company, and with additional restrictions on its presence on Rio Tinto's internal committees (Chambers 2009), concerns still abounded that its involvement would allow the company—and by extension the Chinese government—to exert a disproportionate influence upon Rio Tinto (Callick 2009b). Given the importance of high-value commodities trade to the Australian economic model, this bid was seen as directly against the country's national interest and a possible (hostile) flexing of China's economic strength in the bilateral relationship (Coorey 2009). The ultimate failure of Chinalco's bid was not seen by China in commercial terms, but rather as an indication of the parameters of the broader political relationship, with Chinese officials describing the outcome as a result of anti-Chinese sentiment stemming from 'political deliberation' and 'Cold War thinking' (Sainsbury and Chambers 2009).

The contemporary political relationship is further complicated by Chinese attempts to develop its engagement with Australia and other Oceanic states on its own terms in the region, rather than as a genuine multifaceted partnership. A good example of this can be seen in China's stance towards Australia's (and New Zealand's and India's) attempts to join the East Asian Summit grouping in 2005. Even though Australia was the Association of Southeast Asian Nation's (ASEAN) first extra-regional dialogue partner and had a long history of deep engagement with Southeast and East Asia, China led a group of countries to oppose its engagement. In attempting to shut Australia out of a political and economic grouping in which it had a clear national interest, China acted directly against Australian interests and placed clear parameters on the possible future scope of the relationship. Thus, the renewed emphasis in the bilateral relationship has, in turn, rekindled an older debate: is China a threat or a peaceful partner in the region? In other parts of the Asia-Pacific, the answer to this question has moved clearly towards the latter view since the early years of the new millennium, but in Australia the question has been revived.

The most recent example of this debate can be seen in the release of the Australian Defence White Paper in May 2009, which identified the Chinese military build-up as a challenge to Australia's national security interests. However, the internal Australian army assessment of China's threat potential was far more serious, stating that China's military expansion held the 'potential to destabilise the region' (Stewart 2009). The military expansion of China will certainly be a source of concern for the bilateral relationship—both directly as

well as indirectly, in terms of both countries' regional ambitions. However, the true focus of the relationship remains non-military. As then Minister for Defence Joel Fitzgibbon stated, 'Australians are cautious but there was no palpable sense that China was emerging as a threat of strategic adversary. China was seen more in terms of being an economic partner' (Dorling 2009). Here, Australia has much in common with the other partners of China's Oceanic engagement, as will be seen next in the case of New Zealand.

Sino-New Zealand relations

New Zealand's decision to recognize the People's Republic of China came a day after Australia, on 22 December 1972. Interestingly, New Zealand adopted a more conservative position in the Joint Declaration on the question of Taiwan than Australia, choosing merely to acknowledge China's position. This degree of reserve is also mirrored in the comparative intensity of the early political relationship, with New Zealand being far less enthusiastically engaged with China than its trans-Tasman sibling. This reserve has gradually lessened as the need to safeguard and promote the economic aspect of the relationship has increased.

Strategically, neither side perceives the other as a threat. For China, New Zealand is simply too far away and too small. For New Zealand, there is no traditional military threat posed by China. The Chinese and New Zealand militaries have held meetings and strategic dialogues since 2007, as well as joint military exercises and hosting naval vessels in domestic ports (Palmer 2007). The two countries also co-operate in a variety of Track Two defence and intelligence fora, such as the Council for Security Co-operation in the Asia-Pacific. However, in the non-traditional security arena the relationship is more complex. Cyber attacks in 2007 against New Zealand government agencies were believed to come from China (Schouten 2007), while, on personal and political security issues (such as human rights and the question of Tibet), New Zealand has long viewed China as a less-than-ideal partner, although public criticism of such problems by officials remains muted.

Economic relations

The seal trade created the first outbound ties with China in the early 1790s, but it was the gold rush of the 1860s that first lured Chinese traders and settlers to New Zealand in large numbers (Watt 1992, 23–24). Today, the trade and investment relationship is more diversified, although it also partly mirrors the Sino-Australian experience with resources, education, travel and tourism sectors playing key roles. Although there is a significant size disparity in the relationship, China sees New Zealand as an important supplier of resources and foodstuffs.

New Zealand has also been very willing to engage with China economically in multilateral institutions and to support the further institutionalization of the trading relationship. New Zealand was the first country to conclude accession negotiations with China to the WTO in 1997. In 2004, New Zealand recognized China as a market economy system and also agreed not to apply the WTO's anti-dumping protocols on Chinese goods—a move that paved the way for China to commence negotiations with New Zealand on a bilateral FTA. The agreement, which took three years and 15 rounds of talks to negotiate, was China's first with a developed economy and was seen as a possible template for other bilateral FTAs (especially with Australia). It is also the first FTA signed by China that includes trade in goods and services and investment from the date of implementation (Bao and Li 2008).

China and the South Pacific

The South Pacific islands are the most heterogeneous and poorest of the three Oceanic partnerships that China is forging. Unlike Australia and New Zealand, which China views as developed countries—classically placed in the second world of China's foreign policy—the South Pacific is a less developed region (located in the third world category for China). Thus the mode and substance of China's engagement differs markedly in this area, with a far greater emphasis placed on South-South co-operation and aid programmes than on market access and global issues. However, this does not mean that it is unimportant to China. As Wesley-Smith (2007,1) has observed, 'the island states of Oceania play a small but increasingly significant role in China's foreign policy'. Moreover, the relatively lower socio-economic profile of this area also means that China can exert a greater influence for less money than in other parts of Oceania.

Political relations

Comprised of 14 states and territories, spread across 20,000–30,000 islands, the South Pacific is divided into three groupings—Melanesia, Micronesia and Polynesia. Within and across these groups are further divisions based on both recent and historical political-cultural tensions and disputes. All of this presents a far more complex foreign policy challenge for China than do its ties with either Australia or New Zealand. Nonetheless, an indicator of the strength of China's official ties with the region can be seen in the fact that 'it is now accepted routine that the first overseas visit by a new head of government from the region is made to Beijing, not to Canberra, Washington or Wellington' (Henderson and Reilly 2003).

Undoubtedly the biggest political challenge in China's relations with the South Pacific is that it is not the only China in the region; Taiwan also holds diplomatic relations with a number of island states. Of the 14 South Pacific states, seven currently recognize China and six Taiwan. Of these, six have switched recognition at least once in the last 30 years. Only Niue does not recognize either side, but retains good ties with China (Shie 2007). Hence, while China—as noted above—might be the first foreign destination for new regional leaders, the states represented by those leaders are by no means fixed, but are instead subject to an intense, continuous process of negotiation. It is a process that is not simply bilateral but also draws in Australia and New Zealand—both on account of their own China ties, as well as their role as the largest South Pacific states. When Vanuatu tried to change its diplomatic recognition from China to Taiwan in 2004, Chinese lobbying to reverse the decision was only successful after Australia called on the Vanuatu government (and other governments of the region) to support the 'One China' policy and threatened to withhold aid monies on the basis that there had been a decline in governance standards.

In addition to its bilateral engagement, China is also actively courting South Pacific states through a variety of subregional organizations and associations. The China-Pacific Islands Countries Economic Development and Co-operation Forum, a forum for promoting co-operation across a range of activities, was seen as a significant step forward in bilateral ties, though only held every four years. Such co-operation typically takes the form of China providing aid and training that meets China's Pacific aims, while supporting the lesser-developed regional economies. In total, US $517.5m. in loans was provided by China at the 2006 meeting to its South Pacific allies—an influential figure relative to the annual gross domestic product for most regional countries (Foley 2006). With this aid comes increased influence 'not only underwritten by trade and investment opportunities that China provides, but also by the appeal of the success of China's economic development model' (Zhang, Y.J. 2007).

Economic relations

> China is playing a greater role in the region that is more commensurate with its size and growing economic and military power. … It is looking for a longer-term relationship that goes beyond the Taiwan issue and it is trying to build positive ties with the states of the region. They, in turn, are making it in their economic interests to welcome that. (Kammerer 2006)

Given the economic disparities between the Chinese economy and the regional economies—both collectively and individually—most of the economic relations are heavily biased in favour of China. However, it is not always an immediate or direct monetary benefit that China derives from these relations. Improved access to resources (such as fisheries), loan deferment, infrastructure programmes that involve Chinese companies and workforces, and the economic negation of Taiwanese regional influence are all elements in China's economic relations with the South Pacific. Or, put another way, while Chinese aid, training and commercial relations are certainly of benefit to the countries involved, the clear distinction of providing assistance only to the countries that recognize China diplomatically demonstrates that its regional aid and development assistance is tied more to its understated political ambitions and less to its overt humanitarian objectives.

However, even as China has been developing bilateral economic and commercial ties, the indigenous response to these initiatives has not always been positive. In mid-May 2009, a number of attacks on Chinese-owned outlets culminated in full-scale anti-Chinese riots in Papua New Guinea. Similar disturbances had occurred in the Solomon Islands and Tonga in 2006. In the latter case, Chinese immigrants had managed to acquire control of 'more than 72 per cent of Tongan business in a decade', marginalizing largely indigenous small and medium-sized businesses in the process (Field 2006). While China has been active in courting ties with the governments and the élite of the South Pacific, unless such examples of domestic isolation are addressed, China's ability to develop long-term economic partnerships with the region will only be jeopardized.

China is also willing to use its economic power to achieve greater political outcomes in the region. The example of China's actions in response to the 2009 coup in Fiji provides a graphic example of its economic *realpolitik*. While other regional states moved politically and economically to sanction Fiji, as well as to expel it from the Pacific Islands Forum, China made the decision to protect and strengthen its economic relationship with the island state. This action reflected a pattern of engagement that China had been following since the 2006 coup, and one that has allowed the Fijian government of Commodore Bainimarama to remain in office. That said, there is some indication that China does consider the impact of its support on other regional and international states (Callick 2009a)—but that consideration has not prevented China from massively increasing its bilateral trade and development assistance to Fiji since the 2006 coup (Hanson and Hayward-Jones 2009). Of course, this Chinese aid is unencumbered by the good governance and human rights conditionalities that are often attached to aid from major Western states. All of this makes China the key to Fiji's economic viability and, by extension, the main economic donor for the other regional economies that are in turn dependent on Fiji.

Social and cultural relations

The increased presence of China in South Pacific political and economic affairs has also generated new opportunities for closer socio-cultural ties as well. At present, the vast majority

of such opportunities come from increased numbers of Chinese tourists. In 2004–06, China rewarded its closer regional allies of the Cook Islands, Fiji, Tonga, Vanuatu, Papua New Guinea, Samoa and the Federated States of Micronesia by adding them to its list of approved tourist destinations. With direct flights from China expanding throughout the Pacific and increased Chinese investment in tourism infrastructure, the region is well-placed to develop a new stream of revenue, although with the Chinese tourists staying in Chinese-owned hotels and resorts, just how much of this revenue flows through to the local economies is still unclear. However, there is a dark side to closer ties and this can be observed in the higher numbers of irregular Chinese migrants who are arriving in the South Pacific—either as a transit or a destination target—for labour or sex work.

It is worth noting that, even in such a non-political area as tourism, the China–Taiwan dispute mars China's regional engagement. Taiwan's 2005 bid to join the South Pacific Island Tourism Organisation was rejected after the Chinese government publicly opposed the move, pointing to losses for the region in the shape of (the lack of) mainland Chinese tourists and assistance in tourist-related industries if Taiwan were allowed to join.

As the legal movement of Chinese persons to the South Pacific increases, so does their irregular movement. As Squires (2005) observed, 'Poor standards of governance, rampant corruption and lax border controls have made Pacific nations such as Fiji and Papua New Guinea a soft touch for well-organized crime syndicates. People smuggling, drug trafficking, illegal gambling rackets, identity theft and prostitution are on the rise, with South Pacific nations seen as stepping stones towards Australia and New Zealand'. In 2007 it was noted that (mainly southern) Chinese criminal networks had spread throughout the main islands in the region, with an estimated 20,000 illegal immigrants throughout the South Pacific (Windybank 2008). Due to the lax intra-regional border controls, not only can these Chinese immigrants remain in the Pacific country in which they first arrive, but many move around to different islands, with the ultimate aim of reaching Australia, New Zealand or other countries (Skehan 2005).

Hence, although socio-cultural relations are the least-developed aspect of China's relations with the South Pacific, they hold both promise and peril as they develop further. To maximize the former and minimize the latter, China may need to become more involved in this region than it had previously anticipated. However, as the earlier example of China's support for Fiji indicates, such actions would need to be framed outside the context of China's national self-interest if they were to be truly addressed in a 'win-win' format: something that may require a further evolution in China's Oceanic engagement.

Conclusions

China's peripheral relations are intended to maximize its own growth potential, while providing a degree of social and economic stability for its neighbours. While this is often framed within the context of a 'win-win' approach, it is clear that Chinese aims are always met, while those of their partners may be less successfully realized. Undoubtedly the growth of the Chinese economy since the mid-1990s has provided it with the capacity to achieve its ambitions. However, the ways in which this capacity is deployed vary according to the status of the Oceanic partner. With more economically developed partners, China relies upon a more sophisticated, multifaceted strategy of engagement. In relationships of greater economic imbalance, China appears less subtle, engaging in more overt, less conciliatory actions that raise questions as to the extent of its commitment to its stated foreign policy of sovereign respect and non-interference in the internal affairs of another country.

China's engagement with the Oceanic region is a complex undertaking, which highlights different aspects of its peripheral area diplomacy simultaneously. First and foremost among these aspects is the fostering of economic and commercial relations. These relations provide not only resources for China's development, but also political leverage. However, it is not a leverage that is without resistance. As examples from all three regional partners show, China's deepening ties are generating a backlash from actors in the private and public sectors, as well as members of civil society, who are either worried about the impact on their own national agendas, or feel disempowered by the disproportionate economic and commercial power that China wields. The second aspect is the fact that—as is the case in East Asia—China is now the largest single trading partner with the individual regional economies. With these ties have come additional economic and social prosperity for China's Oceanic partners, which only encourages deeper ties to be formed. The third aspect is that China's engagement meets other policy needs as well. The strength of China's regional ties has also allowed it further to marginalize Taiwan and ensure that it is the 'One China' to which an increasing number of regional countries look.

Looking to the future, it is worth observing that the Chinese Ministry of Foreign Affairs places Oceania and North America under the same department. At a time when Chinese officials and advisers are calling for a G2 (Group of Two) meeting between China and the USA, China's expansion of ties in Oceania has a clear relevance for its ongoing rise on the global stage. Furthermore, Oceania's strategic geographical location places it on the border with both East Asia and the Americas, two other zones of increased Chinese engagement. The enhancement of Chinese ties from Asia to Oceania to the Americas—and beyond to Africa, the Middle East and South Asia—gives it tremendous geo-political influence, as well as access to resources critical for the support of its domestic modernization agenda. The case of Oceania shows that the rise of China is neither an inherently threatening nor a necessarily benign process. Rather, it shows an evolving balance between China's needs and those of its Oceanic partners. Given the disproportionate influence that China brings to its regional ties, finding the correct balance for all concerned—and then maintaining it—will be a key as the 21st century progresses.

Bibliography

Acharya, A. (2004) *Jian Gou An Quan Gong Tong Ti (Constructing a Security Community)*, trans. Wang Z., Shanghai: Shanghai People's Press.

Adler, E. and Barnett, M. (1998) 'A Framework for the Study of Security Communities', in Adler, E. and Barnett, M. (eds.) *Security Communities*, New York: Cambridge University Press.

Ahrari, M. (2000) 'China, Pakistan, and the "Taliban Syndrome"', *Asian Survey*, 40 (4), 658–671.

Alden, C., Large, D. and de Olivera, S. (eds.) (2008) *China Returns to Africa. A Superpower and a Continent Embrace*, London: Hurst.

Algieri, F. (2008) 'It's the System that Matters: Institutionalization and Making EU Policy Towards China', in Shambaugh, D., Sandschneider, E. and Zhou, H. (eds.) *China-Europe Relations: Perceptions, Policies And Prospects*, London: Routledge.

Allen, K. (2001) 'Confidence-Building Measures and the People's Liberation Army', in Zhao, J. and Dickson, B. (eds.) *Remaking the Chinese State: Strategies, Society and Security*, London: Routledge.

Alterman, J. and Garver, J. (2008) *The Vital Triangle: China, the United States, and the Middle East*, Washington, DC: CSIS Press.

Andrews, E. (1985) 'Australia and China, 1949: The Failure to Recognise the PRC', *The Australian Journal of Chinese Affairs*, (13), 29–50.

Anshan, L. (2008) 'China and Africa: Policies and Challenges', in *China Security*, available at http://chinasecurity.us/index.php?option=com_content&view=article&id=105.

Antonenko, O. (2008) *The Shanghai Cooperation Organisation and Central Asia's Security Dilemmas*, London and New York: Routledge.

Ash, R. (2002) *China's Integration in Asia: Economic Security and Strategic Issues*, Richmond: Curzon.

—— (2008) 'Europe's commercial relations with China', in Shambaugh, D. L., Sandschneider, E. and Zhou, H. (eds.) *China-Europe Relations: Perceptions, Policies and Prospects*, London: Routledge.

Baigin, S. (2009) 'Russia Plays Tricky Game with US over Kyrgyz Base', *Reuters*, 4 February.

Bain, W. (2003) *Between Anarchy and Society: Trusteeship and the Obligations of Power*, Oxford: Oxford University Press.

Ban, K. (2008) 'On Responsible Sovereignty: International Cooperation for a Changed World', available at www.un.org/News/Press/docs/2008/sgsm11701.doc.htm>, accessed 9 January 2010.

Bao, Y. and Li, M. (2008) 'China and New Zealand Sign Free Trade Agreement', *New Capital Daily*, 8 April.

Barmé, G. (2005) 'Mirrors of History: On a Sino-Japanese Moment and Some Antecedents', *Japan Focus*, available at www.japanfocus.org/-Geremie-Barme/1713, accessed 23 September 2009.

—— (2009) 'China's Flat Earth: History and 8 August 2008', *The China Quarterly*, (197), 64–86.

Barmé, G. and Minford, J. (1989) *Seeds of Fire: Chinese Voices of Conscience*, Newcastle upon Tyne: Bloodaxe.

Barnett, A. (1981) *China's Economy in Global Perspective*, Washington, DC: Brookings.

Barysch, K., Grant, C. and Leonard, M. (2005) *Embracing the Dragon: The EU's Partnership with China*, London: Centre for European Reform.

Bayefsky, A. (2001) *The UN Human Rights Treaty System: Universality at the Crossroads*, Ardsley, NY: Transnational Publishers.

Bell, D. (2008) *China's New Confucianism: Politics and Everyday Life in a Changing Society*, Princeton: Princeton University Press.

Beng, P. and Li, V. (2005) 'China's Energy Dependence on the Middle East: Boon or Bane for Asian Security?', *The China And Eurasia Forum Quarterly*, 3 (3), 19–26.

Bernier, J. (2003) 'China's Strategic Proxies', *Orbis*, 47 (4), 629.

Bernstein, R. and Munro, R. (1997) 'The Coming Conflict with America', *Foreign Affairs*, 72 (2), 18–32.

Bi, J. (2002) 'The Role of the Military in the PRC Taiwan Policymaking: a Case Study of the Taiwan Strait Crisis of 1995–96', *Journal of Contemporary China*, 11 (32), 539–572.

Blazquez-Lidoy, J., Rodríguez, J. and Santiso, J. (2007) *Angel or Devil? China's Trade Impact on Latin American Emerging Markets*, Paris: OECD.

Blum, S. (2003) 'Chinese Views of US Hegemony', *Journal of Contemporary China*, 12 (35), 239–264.

Blustein, P. (2001) *The Chastening: Inside the Crisis That Rocked the Global Financial System and Humbled the IMF*, New York: Public Affairs.

Booth, K. and Trood, R. (eds.) (1999), *Strategic Cultures in the Asia-Pacific Region*, New York: St. Martin's Press.

Boutros-Ghali, B. (1992) 'An Agenda for Peace', New York: UN, Document A/47/277, 17 June.

Brady, A. (2003) *Making the Foreign Serve China: Managing Foreigners in the People's Republic*, Lanham: Rowman and Littlefield.

Breslin, S. (1996) 'China: Developmental State or Dysfunctional Development?', *Third World Quarterly*, 17 (4), 689–707.

—— (2005) 'Power and Production: Rethinking China's Global Economic Role', *Review of International Studies*, 31 (4), 735–753.

—— (2006) 'Globalization, International Coalitions and Domestic Reform in China' in Rodan, G. and Hewison, K. (eds.) *Neoliberalism and Conflict in Asia After 9/11*, London: Routledge, 123–40.

—— (2007) *China and the Global Political Economy*, Basingstoke: Palgrave.

Breslin, S. and Taylor, I. (2008) 'Explaining the Rise of "Human Rights" in Analyses of Sino-African Relations', *Review of African Political Economy*, 35 (115), 59–71.

Brookings Panel (2007) *Darfur at a Crossroads: Global Public Opinion and the Responsibility to Protect*, Washington, DC: Brookings.

—— (2008) *Think Tanks in China: Growing Influence and Political Limitations*, Washington, DC: Thornton China Center.

Brooks, S. and Wohlforth, W. (2009) 'Reshaping the World Order. How Washington Should Reform International Institutions', *Foreign Affairs*, 88 (2), 49–63.

Brown, M., Lynn-Jones, S. and Miller, S. (eds.) (1996) *Debating the Democratic Peace*, Boston: MIT Press.

Bubalo, A. and Thirlwell, M. (2004) *Energy Insecurity: China, India and the Middle East Oil*, Sydney: Lowy Institute for International Policy.

Buckley, C. (2008) 'Elite China Think-tank Issues Political Reform Blueprint', *Reuters*, 19 February.

—— (2009) 'US Looks to China for Support on Afghanistan – Pentagon', *Reuters*, 28 February.

Bull, H. (1995) *The Anarchical Society: A Study of Order in World Politics*, Basingstoke: Macmillan.

Bush, R. (2009) *China-Japan Tensions, 1995–2006: Why They Happened, What To Do*, Washington, DC: Brookings.

Buzan, B. (2004) *The United States and the Great Powers: World Politics in the Twenty-First Century*, Cambridge: Polity Press.

Buzan, B. and Wæver, O. (2003) *Regions and Powers: The Structure of International Security*, Cambridge: Cambridge University Press.

Cabestan, J-P, (2004) 'The Chinese Factor: China Between Multipolarity and Bipolarity', in Boquérat, G. and Grare, F. (eds.) *India, China, Russia. Intricacies of an Asian Triangle*, New Delhi: India Research Press.

—— (2006) 'European Union-China Relations and the United States', *Asian Perspective*, 30 (4), 11–38.

—— (2007) 'La politique étrangère chinoise: Une Chine sans ennemis n'est pas forcément une Chine rassurante', *Hérodote*, 11–27.

—— (2009) 'China's Foreign and Security Policy Decision-making Processes Under Hu Jintao', *China Aktuell*, 38 (3), 63–97.

—— (2010) *La politique internationale de la Chine. Entre intégration et volonté du puissance*. Paris, Presses de Sciences Po.

Cabestan, J-P., Sébastien, C., Facon, I. and Meidan, M. (2008) *La Chine et la Russie: Entre Convergences et Méfiance*, Paris: Unicomm.

Cabestan, J-P. and Vermander, B. (2005) *La Chine en quête de ses frontières. La confrontation Chine-Taiwan*, Paris: Presses de Science-Po.

Callick, R. (2009a) 'Beijing gives Bainimarama cold comfort', *Weekend Australian*, 2 May.

—— (2009b) 'China and Rio in a Torrid Affair–Chinalco Challenge', *The Australian*, 13 May.

Cao, Z. and Sun, Y. (2006) 'Hu Jintao, Others Meet Participants of All-Army Armaments Work Meeting', *Xinhua*, 27 September.

Carlson, A. I. (2004) 'Helping to Keep the Peace (Albeit Reluctantly): China's Recent Stance on Sovereignty and Multilateral Intervention', *Pacific Affairs*, 77 (1), 9–27.

—— (2005) *Unifying China, Integrating with the World: Securing Chinese Sovereignty in the Reform Era*, Stanford: Stanford University Press.

—— (2006) 'More than Just Saying No: China's Evolving Approach to Sovereignty and Intervention', in Johnston, A. and Ross, R. S., (eds.) *New Directions in the Study of China's Foreign Policy*, Stanford: Stanford University Press.

Chambers, M. (2009) 'Chinalco Trims Rio Bond Deal', *The Australian*, 22 May.

Chan, G. (1999) *Chinese Perspectives on International Relations: A Framework for Analysis*, Basingstoke: Macmillan.

Chang, G. (2001) *The Coming Collapse of China*, London: Random House.

Chellaney, B. (2007) 'China Aims for Bigger Share of South Asia's Water Lifeline', *Japan Times*, 26 June.

Chen, D. (2003) *Constructing the Third Front: Developing the Western Region in Preparation for War*, Beijing: Central Party School Press.

Chen J. (1994) *China's Road to the Korean War*, New York: Columbia University Press.

—— (2001) *Mao's China and the Cold War*, Chapel Hill: The University of North Carolina Press.

Chen L. (1992) 'Guoji Hezuo yu Zhuquan' (International co-operation and sovereignty), *Shijie Zhishi (World Affairs)*, (5), 151–152.

Chen, R. (2003) 'China Perceives America: Perspectives of International Relations Experts', *Journal of Contemporary China*, 12 (35), 285–297.

Chen, S. (2008) 'Motivations behind China's Foreign Oil Quest: A Perspective from the Chinese Government and the Oil Companies', *Journal of Chinese Political Science*, 13 (1), 79–104.

Chen, Z. (2008) 'The Limits of EU as a Strategic Actor: The case of ending EU's Arms embargo on China' in Seidelmann, R. and Vasilache, A. (eds.) *European Union and Asia: A Dialogue on Regionalism and Interregional Cooperation*, Baden-Baden: Nomos.

Cheng, S. (2000) 'Guojia zhuquan yu guoji renquan de ruogan wenti (Several Issues Involving International Human Rights and State Sovereignty)', *Ouzhou*, (1), 31–37.

Cheng-Chwee, K. (2005) 'Multilateralism in China's ASEAN Policy: Its Evolution, Characteristics, and Aspiration', *Contemporary Southeast Asia*, 27 (1), 102–122.

Chesterman, S. (2004) *You, The People: The United Nations, Transnational Administration, and State-Building*, Oxford: Oxford University Press.

Cheung, T. (2009) *Fortifying China: The Struggle to Build a Modern Defense Economy*, Ithaca: Cornell University Press.

China Daily (2009) 'China Vows to Expand Military Cooperation With Maldives', *China Daily*, 19 February.

Chinese Ministry of Foreign Affairs (2006) 'Statement by Chinese Foreign Minister Li Zhaoxing at the 30th Annual Meeting of Ministers of Foreign Affairs of Group of 77', available at http://un.fmprc.gov.cn/eng/wjdt/zyjh/t273213.htm.

Chong, W. (2006) 'China and Russia: New "Axis" in the Making?', *The Straits Times*, 21 July.

Christensen, T. (1996) 'Chinese Realpolitik', *Foreign Affairs* 75/5 (September/October), 37–52.

Chung, C. (2004) 'The Shanghai Cooperation Organisation: China's Changing Influence in Central Asia', *The China Quarterly*, (180), 989–1009.

—— (2006) 'China and the Institutionalisation of the Shanghai Co-operation Organisation', *Problems of Post-Communism*, 53 (5), 3–14.
Chung, J. (2009) 'China's "Soft" Clash with Korea. The History War and Beyond', *Asian Survey*, 49 (3), 468–483.
Clark, I. (2005) *Legitimacy in International Society*, Oxford: Oxford University Press.
Clarke, M. (2008) 'China's "War on Terror" in Xinjiang: Human Security and the Causes of Violent Uighur Separatism', *Terrorism and Political Violence*, (20), 271–301.
Cliff, R., Burles, M., Chase, M., Eaton, D. and Pollpeter, K. (2007) *Entering the Dragon's Lair: Chinese Antiaccess Strategies and Their Implications for the United States*, Santa Monica: Rand.
Clinton, H. (2009a) 'Remarks with Reporters in the Correspondents' Room', Washington, DC: State Department, available at www.state.gov/secretary/rm/2009a/01/115450.htm, accessed 4 February 2009.
—— (2009b) 'Secretary of State Hillary Rodham Clinton at the Asia Society', Washington, DC: State Department, available at www.state.gov, accessed 16 February 2009.
CNOOC (2008) *Contemporary China's Offshore Oil Industry*, Beijing: Contemporary China Press.
Cognato, M. H. (2008) 'Understanding China's New Sovereign Wealth Fund', *NBR Analysis*, 19 (1), 26.
Cohen, A. (2006) 'After the G-8 Summit: China and the Shanghai Cooperation Organisation', *China and Eurasia Forum Quarterly*, 4 (3), 51–64.
Collotti Pischel, E. (2002) *La Cina. La Politica Estera di un Paese Sovrano*, Milano: FrancoAngeli.
Cooper, R. (2003) *The Breaking of Nations: Order and Chaos in the Twenty-First Century*, London: Atlantic.
Coorey, P. (2009) 'Chinalco question not just about investment', *Sydney Morning Herald*, 18 May.
Crane, K. (2005) *Modernizing China's Military: Opportunities and Constraints*, Santa Monica: Rand.
Daalder, I. (2007) *Beyond Preemption: Force and Legitimacy in a Changing World Order*, Washington, DC, Brookings.
Daragahi, B. (2005) 'China Goes Beyond Oil in Forging Ties to Persian Gulf', *New York Times*, 13 January.
Davis, L. (2009) 'Ten Years of Anti-Dumping in the EU: Economic and Political Targeting', Brussels: *ECIPE Working Paper No. 2*.
Deng, S. (2008) 'FM: Policy Paper Shows China Values Latin American, Caribbean ties', *Xinhua*, 5 November.
Deng, Y. (2005) 'Better Than Power: "International Status" In Chinese Foreign Policy', in Deng, Y. and Wang, F. (eds.) *Better Than Power: 'International Status' In Chinese Foreign Policy*, Lanham: Rowman and Littlefield.
—— (2006) 'Reputation and the Security Dilemma: China Reacts to the China Threat Theory', in Johnston, A. and Ross, R. (eds.) *New Directions in the Study of China's Foreign Policy*, Stanford, Stanford University Press.
Deutsch, K. (1957) *Political Community and the North Atlantic Area. International Organization in the Light of Historical Experience*, Princeton: Princeton University Press.
Devlin, R. (2008) 'China's Economic Rise', in Roett, R. and Paz, G. (eds,) *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States*, Washington, DC: Brookings.
Diamond, L. (2008) 'The Democratic Rollback. The Resurgence of the Predatory State', *Foreign Affairs*, 87 (2), 36–48.
Dikötter, F. (2008) *The Age of Openness: China before Mao*, Berkeley: University of California Press.
Ding, S. and Saunders, R. (2006) 'Talking Up China: An Analysis of China's Rising Cultural Power and Global Promotion of the Chinese Language', *East Asia*, 23 (2), 3–33.
Ding, Y. (2006) *Meiguo Pipan (Criticize America)*, Beijing: Beijing University Press.
Dirlik, A. (2006) 'Beijing Consensus: Beijing "Gongshi". Who Recognizes Whom and to What End?': Mimeo.
Dittmer, L. (2006) 'Pitfalls of Charisma', *The China Journal*, (55), 119–127.
Doctoroff, T. (2005) *Billions: selling to the new Chinese consumer*, Basingstoke: Palgrave.
Dorling, P. (2009) 'No More Yellow Peril, but Caution Remains', *The Canberra Times*, 16 April.
Downs, E. (2000) *China's Quest for Energy Security*, Santa Monica: Rand.

Drezner, D. (2007) 'The New New World Order', *Foreign Affairs*, 86 (2), 34–46.
Drifte, R. (2003) *Japan's Security Relations with China Since 1989: From Balancing to Bandwagoning?*, London: Routledge/Curzon.
—— (2008a) 'Japanese-Chinese Territorial Disputes in the East China Sea – Between Military Confrontation and Economic Cooperation', London: Asia Research Centre, London School of Economics and Political Science Working Paper.
—— (2008b) 'The End of Japan's ODA Yen Loan Programme to China in 2008 and its Repercussions', *Japan aktuell – Journal of Current Japanese Affairs*, (1), 3–15.
Duara, P. (2005) 'The Legacy of Empires and Nations in East Asia', in Nyiri, P. and Breidenbach, J. (eds.) *China Inside Out: Contemporary Chinese Nationalism and Transnationalism*, Budapest: Central European University Press.
Dutta, S. (1998) 'China's Emerging Power and Military Role Implications for South Asia', in Pollack, J. and Yang, R. (eds.) *China's Shadow: Regional Perspectives on Chinese Foreign Policy and Military Development*, Santa Monica: Rand.
Duyvendak, J. (1949) *China's Discovery of Africa*, London: Probsthain.
Dzever, S. and Wang, Z. (1999) 'Industrial Distribution Channels in the People's Republic of China Market', in Dzever, S. and Jaussaud, J. (eds.) *China and India: Economic Performance and Business Strategies of Firms in the Mid-1990s*, Basingstoke: Macmillan.
Eisenman, J., Heginbotham, E. and Mitchell, D. (eds.) (2007) *China and the Developing World: Beijing's Strategy for the Twenty-First Century*, Armonk: Sharpe.
Erickson, A. and Yang, D. (2009) 'Using the Land to Control the Sea? Chinese Analysts Consider the Anti-ship Ballistic Missile', *Naval War College Review*, 62(4), 53–86.
Etzioni, A. (1975) *A Comparative Analysis of Complex Organizations: On Power, Involvement, and Their Correlates*, New York: Free Press.
European Commission (1995) *A Long Term Policy for China-Europe Relations*, Brussels: Communication of the Commission, Document No. Com (1995) 279/final.
—— (1998) *Building a Comprehensive Partnership with China*, Brussels: Communication of the Commission, Document No. Com (1998) 181/final.
—— (2003) *A Maturing Partnership – Shared Interests and Challenges in EU-China Relations*, Brussels: Communication of the Commission, Document No. Com (2003) 533/final.
—— (2006) *EU – China: Closer partners, growing responsibilities, Brussels: Communication of the Commission*, Document No. COM (2006) 631/final.
Evans, G. and Newnham, J. (1998) *The Penguin Dictionary of International Relations*, London: Penguin.
Evans, P. and Finnemore, M. (2001) 'Organizational Reform and the Expansion of the South's Voice at the Fund', Washington, DC: Paper prepared for the G-24 Technical Group meeting, 17–18 April, 2001.
Eykholt, M. (2000) 'Aggression, Victimization and Chinese Historiography of the Nanjing Massacre', in Fogel, J. (ed.). *The Nanjing Massacre in History and Historiography*, Berkeley: University of California Press.
Fairbank, J. (1942) 'Tributary Trade and China's Relations with the West', *The Far Eastern Quarterly*, 1 (2), 129–149.
Falk, R. (2003) 'What Future for the UN Charter System of War Prevention?', *The American Journal of International Law*, 97 (3), 590–598.
Fan, Y. (2000) *Xifang Guoji Zhengzhi Jingji Xue (Western International Political Economy)*, Shanghai: Shanghai People's Press.
Farah, P. (2006) 'Five Years of China's WTO Membership. EU and US Perspectives on China's Compliance with Transparency Commitments and the Transitional Review Mechanism', *Legal Issues of Economic Integration*, 33 (3), 263–304.
FCO (2009) *The UK and China: A Framework for Engagement* (London: HMSO).
Fei, X. (1983) *Congshi Shehui Xue Wushi Nian (Fifty Years as a Sociologist)*, Tianjin: Tianjin People's Press.
Fels, E. (2009) *Assessing Eurasia's Powerhouse: An Inquiry into the Nature of the Shanghai Cooperation Organisation*, Bochum: Verlag.
Feng, S., Pan, Z., Fan, J. and Lu L. (1994) *Guoji Guanxi Xin Lun (New Discussions on International Relations)*, Shanghai: Shanghai Academy of Social Science Press.

Feng T. (1988) *Dangdai Shijie Zhengzhi Jingji yu Guoji Guanxi (Contemporary International Politics, Economics, and International Relations)*, Beijing: Renmin University Press.

Ferdinand, P. (2007) 'China and Russia: Converging Responses to Globalization', *International Affairs*, 83 (4), 655–680.

—— (2007) 'Sunset, Sunrise: China and Russia Construct a New Relationship', *International Affairs*, 83 (5), 841–867.

Ferguson, N. (2008) 'Team "Chimerica"', *Washington Post*, 17 November.

Fidler, D. (2001) 'The Return of the Standard of Civilization', *Chicago Journal of International Law*, 2 (1), 137–157.

Field, M. (2006) 'Violence May Drive Chinese Intervention', *The Dominion Post*, 20 November.

Findlay, T. (1996) 'The New Peacekeepers and the New Peacekeeping', Canberra: Department of International Relations, Australian National University Working Paper No. 1996/2.

Finkelstein, D. (2006) *China Reconsiders Its National Security: 'The Great Peace and Development Debate of 1999'*, Alexandria: The CNA Corporation.

Florcruz, J. (2009) 'Chinese furious over Laurent sale of treasures', available at http://edition.cnn.com/2009/WORLD/asiapcf/02/27/china.treasures.laurent.christies/ index.html, accessed 13 December 2009.

FMPRC (2000) *The Beijing Declaration of the Forum on China-Africa Co-operation*, Beijing: Foreign Ministry of the People's Republic of China, available at http://big5.fmprc.gov.cn/gate/big5/www.fmprc.gov.cn/zflt/eng/wjjh/hywj/t157833.htm, accessed 23 June 2007.

—— (2003a) 'China's EU Policy Paper', Beijing: Foreign Ministry of the People's Republic of China, available at www.fmprc.gov.cn/eng/topics/ceupp/t27708.htm, accessed 29 February 2009.

—— (2003b) *China's Stand on South-South Cooperation*, Beijing: Foreign Ministry of the People's Republic of China, available at www.fmprc.gov.cn/eng/wjdt/wjzc/t24884.htm, accessed 23 December 2006.

—— (2008) *A Shared Vision for the 21st Century of the People's Republic of China and the Republic of India*, Beijing: Foreign Ministry of the People's Republic of China, available at www.fmprc.gov.cn/eng/zxxx/t399545.htm, accessed 18 March 2009.

Foley, M. (2006) 'Asia-Pacific; China's Loans to Pacific Allies', *The Advertiser*, 6 April.

Foot, R. (2000) *Rights Beyond Borders: the Global Community and the Struggle over Human Rights in China*, Oxford: Oxford University Press.

—— (2003) 'The UN System's Contribution to Asia-Pacific Security Architecture', *The Pacific Review*, 16 (2), 207–230.

—— (2006) 'Chinese Strategies in a US-Hegemonic Global Order: Accommodating and Hedging', *International Affairs*, 82 (1), 77–94.

—— (2008) 'China and the Tian'anmen Bloodshed of June 1989', in Smith, S., Hadfield, A. and Dunne, T. (eds.) *Foreign Policy: Theories, Actors, Cases*, Oxford: Oxford University Press.

Fox, J. and Godement, F. (2009) *Power Audit of EU-China Relations*, available at http://ecfr.eu/page/-/documents/A_Power_Audit_of_EU_China_Relations.pdf, accessed 12 November 2009.

Fravel, M. (1996) 'China's Attitude toward UN Peacekeeping Operations since 1989', *Asian Survey*, 36 (11), 157–173.

—— (2008) *Strong Borders, Secure Nation: Cooperation and Conflict in China's Territorial Disputes*, Princeton: Princeton University Press.

Freedman, L. (2004) 'China as a Global Strategic Actor', in Buzan, B. and Foot, R. (eds.) *Does China Matter? A Reassessment: Essays in Memory of Gerald Segal*, Routledge: London.

French, H. (2004) 'China in Africa: All Trade, With No Political Baggage', *New York Times*, 8 August.

Freytag, A. (2008) 'That Chinese "Juggernaut" – Should Europe really worry about its trade Deficit with China?', Brussels: ECIPE Briefing Paper No. 2.

Fukuyama, F. (1992) *The End of History and the Last Man*, London: Penguin.

Fulghum, D. (2009) 'Officials Make Case For More F-22s', *Aviation Week and Space Technology*, 10 July.

Fung, E. (1983) 'Australia's China Policy in Tatters 1971–72', *The Australian Journal of Chinese Affairs*, (10), 39–59.

Garrett, B. (2001) 'China Faces, Debates, The Contradictions Of Globalization', *Asian Survey*, 41(3), 409–427.

Garver, J. (1991) 'China-India rivalry in Nepal: The Clash over Chinese Arms Sales', *Asian Survey*, 31 (10), 956–975.
—— (1993) *Foreign Relations of the People's Republic of China*, Englewood Cliffs: Prentice Hall.
—— (2001) *Protracted Contest: Sino-Indian Rivalry in the Twentieth Century*, Seattle: University of Washington Press.
—— (2002) 'Security Dilemma in Sino-Indian Relations', *India Review*, 1 (4), 1–38.
Geng, Y., Zhu, Q., Doberstein, B. and Fujita, T. (2008) 'Implementing China's circular economy concept at the regional level: A review of progress in Dalian, China', *Waste Management*, 29 (2), 996–1002.
Gertz, B. (2000) *The China Threat: How the People's Republic Targets America*, Washington, DC: Regnery.
Gill, B. (2001) 'Contrasting Visions: United States, China and World Order. Remarks Presented before the US-China Security Review Commission', Washington, DC.
—— (2007) *Rising Star; China's New Security Diplomacy*, Washington, DC, Brookings.
—— (2008) 'The United States and the China-Europe Relations', in Shambaugh, D., Sandschneider, E. and Zhou, H. (eds.) *China-Europe relations: perceptions, policies and prospects*, London: Routledge.
Gill, B. and Huang, Y. (2006) 'Sources and Limits of Chinese "Softpower"', *Survival*, 48 (2), 17–36.
Gill, B. and Mulvenon, J. (2002) 'Chinese Military-Related Think Tanks and Research Institutions', *The China Quarterly*, (171), 617–624.
Gill, B. and Reilly, J. (2000) 'Sovereignty, Intervention and Peacekeeping: The View from Beijing', *Survival*, 42 (3), 41–59.
Gilley, B. (2004) *China's Democratic Future: How It Will Happen and Where It Will Lead*, New York: Columbia University Press.
Gilpin, R. (1989) *Guoji Guanxi Zhengzhi Jingji Xue (The Political Economy of International Relations)*, trans. Yang, Y., Beijing: Economic Science Press.
Glaser, B. and Medeiros, E. (2007) 'The Changing Ecology of Foreign Policy-Making in China: The ascension and Demise of the Theory of "Peaceful Rise"', *The China Quarterly*, (190), 291–310.
Glaser, B. and Saunders, P. (2002) 'Chinese Civilian Foreign Policy Research Institutes: Evolving Roles and Increasing Influence', *The China Quarterly*, (171), 597–616.
Goldman, M. (2005) *From Comrade to Citizen: The Struggle for Political Rights in China*, Cambridge: Harvard University Press.
Goldstein, A. (2001) 'The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice', *The China Quarterly*, (168), 835–864.
—— (2005) *Rising to the Challenge: China's Grand Strategy and International Security*, Stanford: Stanford University Press.
Goldstein, M. (1999) *The Snow Lion and the Dragon: China, Tibet and the Dalai Lama*, Berkeley: University of California Press.
Gompert, D., Godement, F., Medeiros, E. and Mulvenon, J. (2005) *China on the move: A Franco-American analysis of emerging Chinese strategic policies and their consequences for Transatlantic relations*, Santa Monica: Rand.
Gong, G. (1984) *The Standard of 'Civilization' in International Society*, Oxford: Clarendon Press.
González, F. (2008) 'Latin America in the Economic Equation–Winners and Losers: What can Losers do?' in Roett, R. and Paz, G. (eds.) *China's Expansion into the Western Hemisphere*, Washington, DC: Brookings.
Government of the UK (2008) 'The National Security Strategy of the United Kingdom. Security in an Interdependent World', London: Cabinet Office.
Gowan, R. and Brantner, F. (2008) *A Global Force for Human Rights? An Audit of European Power at the UN*, London: European Council on Foreign Relations.
Grant, C. with Barysch, K. (2008) *Can Europe and China Shape a New World Order?*, London: Centre for European Reform.
Gries, P. (2004) *China's New Nationalism: Pride, Politics, and Diplomacy*, Berkeley: University of California Press.
—— (2005) 'China's "New Thinking" on Japan', *The China Quarterly*, (184): 831–850.
Grumbine, R. (2007) 'China's Emergence and the Prospects for Global Sustainability', *BioScience*, 57 (3), 249–255.

Gu, W. (1995) *Politics of Divided Nations: The Case of China and Korea*, Boulder: Westview.
Gu, X. (2005) 'China Returns to Africa', *Trends East Asia*, (9), 8.
Guo, S. (2005) *Oil Refining Business in China*, Tokyo: Japan Energy Economics Institute.
de Haas, M. (2008) 'The Shanghai Cooperation Organisation's Momentum towards a Mature Security Alliance', *Scientia Militaria*, 36 (1), 14–30.
Haas, P. (1992) 'Epistemic Communities and International Policy Coordination – Introduction', *International Organization*, 46 (1), 1–35.
Hagt, E. (2007) 'China's ASAT Test: Strategic Response', *China Security*, (Winter), 31–51.
Han, N. (1990) *Diplomacy of Contemporary China*, Beijing: New Horizon.
Hanson, F. and Hayward-Jones, J. (2009) 'China's Help May Harm Fiji', *The Australian*, 23 April 2009.
Harding, H. (ed.) (1984) *China's Foreign Relations in the 1980s*, New Haven: Yale University Press.
Hayden, B. (1984) 'Australia's China Policy Under Labor', *The Australian Journal of Chinese Affairs*, (11), 83–97.
He, B. (1997) *The Democratic Implications of Civil Society in China*, Basingstoke: Macmillan.
He, L. (2002) 'The Role of Think Tanks in Chinese Foreign Policy', *Problems of Post Communism*, (49), 33–43.
Henderson, J. and Reilly, B. (2003) 'Dragon in Paradise', *National Interest*, (72), 94–106.
Hevia, J. (2007) 'Remembering the Century of Humiliation: The Yuanming Gardens and Dagu Forts Museums', in Jager, S. and Mitter, R. (eds.) *Ruptured Histories: War, Memory and the Post-Cold War in Asia*, Cambridge: Harvard University Press.
Hirst, M. (2008) 'A South-South Perspective', in Roett, R. and Paz, G. (eds.) *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States*, Washington, DC: Brookings.
Hodgkinson, V. and Foley, M. (2003) *The Civil Society Reader*, Hanover: University Press of New England.
Holmes, J. and Yoshihara, T. (2008) 'China's Naval Ambitions in the Indian Ocean', *Journal of Strategic Studies*, 31 (3), 367–94.
Holslag, J. (2008) 'China's Next Security Strategy for Africa', Brussels: BICCS Asia Paper No. 3/6.
Hong, E. and Sun, L. (2006) 'Dynamics of Internationalization and Outward Investment: Chinese Corporations' Strategies', *The China Quarterly*, (187), 610–634.
Hu, J. (2005) 'Speech at the United Nations General Assembly', September, available at www.china-un.org/eng/zt/shnh60/t212915.htm, accessed 12 January 2007.
Huang, C. (2008) 'China's Evolving Perspective on Darfur: Significance and Policy Implications', PacNet No. 40, available at http://beta/csis/org, accessed 14 December 2009.
Huang, R. (1993) *Zhongguo Da Lishi (China: A Macro History)*, Taibei: Lianjing Press.
Huang, Y. (2008) *Capitalism with Chinese Characteristics: Entrepreneurship and the State*, Cambridge: Cambridge University Press.
Hughes, C. (2005) 'Interpreting Nationalist Texts: a Post-Structuralist Approach', *Journal of Contemporary China*, 14 (43), 247–267.
Hutchison, A. (1975) *China's African Revolution*, London: Hutchinson.
Ignatieff, M. (2002) 'Is the Human Rights Era Ending?' *The New York Times*, 5 February.
IHT (2007) 'China's Sinopec, Iran ink Yadavaran deal', *International Herald Tribune*, 10 December.
IISS (2005) *Strategic Survey 2004/5*, London, Routledge.
Ikenberry, J. (2001) *After Victory: Institutions, Strategic Restraint, and the Building of Order after Major Wars*, Princeton: Princeton University Press.
—— (2008) 'The rise of China and the Future of the West – Can the Liberal System Survive?', *Foreign Affairs*, 87 (1), 23–37.
Ikenberry, J. and Parsi, V.E. (eds.) (2001) *Manuale Di Relazioni Internazionali*, Roma-Bari: Laterza.
Interfax (2008) 'Shanghai Body Chief Hails Russian Polls as "Legitimate"', *BBC Monitoring*, 3 March.
International Crisis Group (2009) 'China's Growing Role in UN Peacekeeping', *Asia Report*, No. 166, 17 April.
Invest in China (2008) '1986–2007 Nian Ouzhou Lianment Touzi Qingkuang Yilian (An Overview of EU Investment, 1986–2007)', available at www.fdi.gov.cn/pub/FDI/wztj/lntjsj/wstzsj/2007nzgwztj/t20081110_99064.htm, accessed 16 December 2009.
IDB (2009) 'China Joins IDB in Ceremony at Bank Headquarters', Inter-American Development News Release, 12 January.

Jaffe, A. and Lewis, S. (2002) 'Beijing's Oil Diplomacy', *Survival*, 44 (1), 115–34.
Jane's Defence Weekly (2006) 'US Claims That China Has Used Lasers to Attack Satellites', *Jane's Defence Weekly*, 16 October.
Japan Times (2009) 'Foreign investors' MandA activity in Japan plunged 82% in 08', *Japan Times*, 7 January.
Jervis, R. (1976) *Perception and Misperception in International Politics*, Princeton: Princeton University Press.
Ji, W. (2004) 'Remove the Secret Curtain from "Governmental Think-tanks"', *People's Daily*, 10 April.
Jia, X. and Wang, M. (2001) *Lianan NGO Fazhan yu Xianzhuang Bijiao (A Comparative Study on the Development and Present Situation of NGOs in Mainland China and Taiwan)*, Beijing: Qinghua University.
Jiang, S. (2007) 'Three Factors in the Recent Development of Sino-Latin Relations', in Arnson, C., Mohr, M. and Roett, R., with Varat, J. (eds.) *Enter the Dragon? China's Presence in Latin America*, Washington, DC: Woodrow Wilson International Center for Scholars.
—— (2008) 'The Chinese Foreign Policy Perspective', in Roett, R. and Paz, G. (eds.) *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States*, Washington, DC: Brookings.
Jiang, W. (2007) 'China's Growing Energy Relations with the Middle East', *China Brief*, No. 7/14.
Jiang, Y. (2000) *Ziyouzhuyi, Minzuzhuyi yu Guojia Rentong (Liberalism, Nationalism and National Identity)*, Taibei: Yangzhi Wenhua.
Jiang, Z. (2002) 'Full Text of Jiang Zemin's Report at 16th Party Congress', Beijing, Xinhua, available at http://news.xinhuanet.com/english/2002–11/18/content_632571.htm, accessed 20 February 2009.
Jin, G. and Liu, Q. (1984) *Xingsheng yu Weiji: Lun Zhongguo Fengjian Shehui de Chao Wending Jiegou (Prosperity and Crisis)*, Changsha: Hunan People's Press.
Jin, L. (2005) 'Energy First: China and the Middle East', *Middle East Quarterly*, 12 (2), 3–10.
Jin, X. (2003) 'Guojia Zhuquan Rangdu zai WTO Zhengduan Jiejue Jizhi Zhong de Fazhan (Compromises on Sovereignty within the Development of the WTO's Dispute Settlement Mechanism)', *Zhengzhi yu Falu*, (2), 92–94.
Johnston, A. (2004) 'Chinese Middle Class Attitudes Towards International Affairs: Nascent Liberalization?', *The China Quarterly*, (179), 603–628.
—— (2008) *Social States: China in International Institutions, 1980–2000*, Princeton: Princeton University Press.
Johnston, A. and Ross, R. (eds.) (2006) *New Directions in the Study of China's Foreign Policy*, Stanford: Stanford University Press.
Kagan, R. (2008) 'The September 12 Paradigm. America, the World, and George W. Bush', *Foreign Affairs*, 87 (5), 25–39.
Kahler, M. (1990) 'The United States and the International Monetary Fund: Declining Influence or Declining Interest?', in Karns, M. and Mingst, K. (eds.) *The United States and the International Monetary Fund: Declining Influence or Declining Interest?*, London: Routledge.
Kahn, J. (2005) 'China's Leader, Ex-Rival at Side, Solidifies Power', *The New York Times*, 25 September.
Kammerer, P. (2006) 'Pacific Pawns', *South China Morning Post*, 27 April.
Kamphausen, R. and Scobell, A. (eds.) (2007) *Right Sizing the People's Liberation Army: Exploring the Contours of China's Military*, Carlisle: Strategic Studies Institute and US Army War College.
Kang, D. (2007) *China Rising: Peace, Power, and Order in East Asia*, New York: Columbia University Press.
Kang, W. and Storey, I. (2008) 'Energy Security in China's Capitalist Transition: Import Dependence, Oil Diplomacy, and Security Imperatives', in McNally, C. (ed.) *China's Emergent Political Economy: Capitalism in the Dragon's Lair*, London: Routledge.
Kapila, S. (2003) *Bangladesh-China Defence Cooperation Agreement's Strategic Implications*, South Asia Analysis Group, available at www.saag.org/common/uploaded_files/paper582.html accessed 29 March 2007.
Kapur, A. (2008) *The China-India-Pakistan Strategic Relationship*, London: Routledge.
Keffer, D., Nelson, M. and Schwartz, K. (2006) *Fueling the Dragon's Flam: How China's Energy Demands Affect its Relationships in the Middle East*, Washington, DC: US-China Economic and Security Review Commission.
Kent, A. (1999) *China, the United Nations, and Human Rights: the Limits of Compliance*, Philadelphia: University of Pennsylvania Press.
Keohane, R. (1990) 'Multilateralism: An Agenda for Research', *Intemational Joumal*, 45 (3), 731–764.

Kerr, D. and Liu, F. (eds.) (2007) *The International Politics of EU-China Relations*, Oxford: Oxford University Press.

Key, J. (2009) *New Zealand and China: Our Shared Economic Future*. Beijing: Peking University Press.

Kibria, R. (2006) 'Strategic Implications of Bangladesh-China Relations', *Daily Star (Dacca)*, 19 February.

Kim, S. (1979) *China, the United Nations and World Order*, Princeton: Princeton University Press.

—— (1993) 'Sovereignty in the Chinese Image of World Order', in Macdonald, R. (ed.) *Sovereignty in the Chinese Image of World Order*, Dordrecht: Kluwer Academic.

—— (ed.) (1994) *China and the World; Chinese Foreign Relations in the Post-Cold War Era*, Boulder: Westview.

—— (2003) 'China's Path to Great Power Status in the Globalization Era', *Asian Perspective*, 27 (1), 35–75.

—— (2004) 'China in World Politics', in Buzan, B. and Foot, R. (eds.) *Does China Matter? A Reassessment: Essays in Memory of Gerald Segal*, Routledge: London.

—— (2006) *The Two Koreas and the Great Powers*, New York: Cambridge University Press.

Kleine-Ahlbrandt, S. and Small, A. (2008) 'China's New Dictatorship Diplomacy', *Foreign Affairs*, 87 (1), 38–56.

Kraul, C. (2008) 'China Joins American Development Bank', *Los Angeles Times*, 24 October.

Krugman, P. (2009) 'China's Dollar Trap', *New York Times*, 2 April.

Kumar, A. (2006) *China's Growing Influence in Sri Lanka: Implications for India*, New Delhi: ICPS.

Kurlantzick, J. (2006) 'China's Charm: Implications of Chinese Soft Power', Carnegie Endowment Policy Brief No. 47.

—— (2007) *Charm Offensive: How China's Soft Power Is Transforming the World*, New Haven: Yale University Press.

LaFranchi, H. (2009) 'Clinton's First Destination as Secretary of State: A Rising Asia', *The Christian Science Monitor*, available at www.csmonitor.com/2009/0213/p02s01-usfp.html, accessed 14 February 2009.

Lagerkvist, J. (2005) 'The Rise of Online Public Opinion in the People's Republic of China', *China: An International Journal*, 3 (1), 119–130.

Lahti, L. (2000) *Diversity Annual Report – 1999*, Washington, DC: IMF.

Lai, Z. (2000), 'Weihe Xingdong yu Guojia Zhuquan (Peacekeeping Operations and State Sovereignty)', *Xian Zhengshi Xueyuan Xuebao*, 13 (3), 64–68.

Lake, D. (2001) 'Beyond Anarchy – the Importance of Security Institutions', *International Security*, 26 (1), 129–160.

Lampton, D. (2008) *The Three Faces of Chinese Power*, Berkeley: University of California Press.

Lanteigne, M. (2005) *China and International Institutions: Alternate Paths to Global Power*, London: Routledge.

—— (2006) 'In Medias Res: The Development of the Shanghai Cooperation Organization as a Security Community', *Pacific Affairs*, 79(4), 605–622.

—— (2008) 'The Developmentalism/Globalization Conundrum in Chinese Governance', in Laliberté, A. and Lanteigne, M. (eds.) *The Chinese Party-State in the 21st Century: Adaptation and the Reinvention of Legitimacy*, London: Routledge.

Le, S. (2004) 'Ziyou Zhuyi yu Minzu Zhuyi de Qiehedian Zai Nali (Where is the Point of Convergence of Liberalism and Nationalism)', in Le, S. (ed.) (2004) *Qianliu: Dui Xiaai Minzu Zhuyi de Pipan yu Fansi (Undercurrent: Critics and Reflections on Parochial Nationalism)*, Shanghai: Huadong Shifan Daxue Press.

Lee, H. and Shalmon, D (2007) 'Searching for Oil: China's Oil Initiatives in the Middle East', Harvard University Belfer Center for Science and International Affairs Discussion Paper.

Lee, P. (2005) 'China's Quest for Oil Security: Oil (Wars) in the Pipeline?', *Pacific Review*, 18 (2), 265–301.

Leggett, K. (2005) 'Staking a Claim: China Flexes Economic Muscle Throughout Burgeoning Africa; Beijing Forges Deep Alliances With War-Torn Nations, Countering US Influence; A Dam Gets Built on the Nile', *Wall Street Journal*, 29 March.

Legro, J. (2007) 'What China Will Want: The Future Intentions of a Rising Power', *Perspectives on Politics*, (September), 515–534.

Leonard, M. (2008) *What Does China Think?*, London: Fourth Estate.

Li, J. (2008) *Foreign Ministry Spokesperson Liu Jianchao's Regular Press Conference on September 25, 2008*, Beijing: Foreign Ministry of the People's Republic of China, available at www.china-embassy.org/eng/fyrth/t515158.htm, accessed 3 November 2009.

Li, R. (2009) *A Rising China and Security in East Asia: Identity Construction and Security Discourse*, London: Routledge.

Li, X. (1996) 'Democracy and Human Rights: China and the West', *Monthly Review*, No. 48/7.

Liang, S. (1994) *Guoji Zhengzhi Xue Gailun (Introduction to International Politics)*, Beijing: Central Compilation and Translation Press.

Liao, X. (2006) *Chinese Foreign Policy Think Tanks and China's Policy Towards Japan*, Hong Kong: Chinese University Press.

Liu, B. (2002) '"Shibai Guojia Lun" he "Xin Diguo Zhuyi Lun" (On "Failed States" and "New Imperialism")', *Guoji Guancha*, (5), 46–50.

Liu, J. (2005) 'On Correct Understanding of the Historical Issues between China and Japan', available at www.mfa.gov.cn/ce/ceun/eng/zt/af60/t219660.htm#, accessed 23 June 2008.

Liu, S. (2006) 'China's popular nationalism on the internet. Report on the 2005 anti-Japan network struggles', *Inter-Asia Cultural Studies*, 7 (1), 144–155.

Liu, W. (1999) 'Lun Guojifa Zhong de Zhuquan yu Renquan: Bo "Renquan Gaoyu Zhuquan" Miulun (Debating sovereignty and human rights in international law – refuting the fallacy that "human rights are more important than sovereignty")', *Waijiao Xueyuan Xuebao*, (3), 38–43.

Lo, B. (2004) 'The Long Sunset of Strategic Partnership: Russia's Evolving China Policy', *International Affairs*, 80 (2), 295–305.

—— (2008) *Axis of Convenience: Moscow, Beijing and the New Geopolitics*, London and Washington, DC: Chatham House and Brookings.

Lobel, J. and Ratner, M. (1999) 'Bypassing the Security Council: Ambiguous Authorizations to Use Force, Cease-Fires and the Iraqi Inspection Regime', *The American Journal of International Law*, 93 (1), 124–154.

Lovell, J. (2006) *The Politics of Cultural Capital: China's Quest for a Nobel Prize in Literature*, Honolulu: University of Hawaii Press.

Lowell, D. (2005) 'The Sino-Japanese-Russian Triangle', *Journal of Chinese Political Science*, 10 (1), 1–21.

Lowi, T. (1964) 'Review: American Business, Public Policy, Case-Studies, and Political Theory', *World Politics*, 16 (4), 677–715.

Lu, N. (2000) *The Dynamics of Foreign Policy Making in China*, Second edn, Boulder: Westview.

Lu, Y. (2002) *Dangdai Zhongguo Shehui Jiecen Yanjiu Baogao (A Study of Social Classes in Contemporary China)*, Beijing: Sheke Wenxian.

Luo, X. (2004) 'Farewell to Idealism: Mapping China's University Students of the 1990s', *Journal of Contemporary China*, 13 (41), 779–799.

Lynch, D. (2009) 'Chinese Thinking on the Future of International Relations: Realism as the *Ti*, Rationalism as the *Yong*?', *The China Quarterly* (197): 87–107.

Mackerras, C. (2000) 'Australia-China Relations at the End of the Twentieth Century', *Australian Journal Of International Affairs*, 54 (2), 185–200.

Malik, J. (2001) 'South Asia in China's Foreign Relations', *Pacifica Review: Peace, Security and Global Change*, 13 (1), 73–90.

Malik, M. (2006) 'China's Strategy of Containing India', available at www.worldproutassembly.org/archives/2006/02/chinas_strategy.html, accessed 23 November 2009.

Mansingh, S. (1994) 'China-Bhutan Relations', *China Report*, 30 (2), 175–186.

Mao, Z. (1966) 'Zhongguo Ge Jiezeng De Fengxi (An Analysis on Various Social Classes in China), In Mao, Z., *Mao Zedong Xuanji (Selected Works of Mao Zedong)*', Vol. 1, Beijing: People's Press.

Marketos, T. (2008) *China's Energy Geopolitics: The Shanghai Co-operation Organization and Central Asia*, London: Routledge.

Martin, M. (2008) *CRS Report for Congress: China's Sovereign Wealth Funds*, Washington, DC: Congress Publication Service.

Matsushita, M. (2005) 'Interest of Developing Countries in the WTO Dispute Settlement', in Gao, H. and Lewis, D. (eds.) *Interest of Developing Countries in the WTO Dispute Settlement*, London: Cameron.

Mawdsley, E. (2007) 'China and Africa: Emerging Challenges to the Geographies of Power', *Geography Compass*, 1 (3), 405–421.

McGann, J. (2009a) 'The Think Tank Index: It's no accident that Barack Obama plucked his transition chief from a think tank', *Foreign Policy*, (170), 82–85.

—— (2009b) 'The global "go-to think tanks": the leading public policy research organizations in the world, 2008', available at www.sas.upenn.edu/irp/documents/2008_Global_Go_To_Think_Tanks.pdf, accessed 25 March 2009.

Medeiros, E. (2007) *Reluctant Restraint. The Evolution of China's Nonproliferation Policies and Practices, 1980–2004*, Stanford: Stanford University Press.

Medeiros, E. and Fravel, M. (2003) 'China's New Diplomacy', *Foreign Affairs*, 82 (6), 22–35.

— (2004) 'China's New Diplomacy', in Liu, G. (ed.) *China's Foreign Policy in Transition*, New York: Aldsen de Gruyter.

Meidan, M. (2006) 'China's Africa Policy: Business Now, Politics Later', *Asian Perspectives*, 30 (4), 69–93.

Metzger, T. A. (1998) *The Western Concept of the Civil Society in the Context of Chinese History*, Stanford: Hoover Institution on War, Revolution and Peace.

Milner, H. (2002) 'Reflections on the Field of International Political Economy', in Brecher, M, and Harvey, F. (eds.) *Millennial Reflections on International Studies*, Ann Arbor: University of Michigan Press.

Misra, K. (2003) 'Neo-Left and Neo-Right in Post-Tiananmen China', *Asian Survey*, 43 (5), 717–744.

Mitter, R. (2003) 'Old Ghosts, New Memories: China's Changing War History in the Era of Post-Mao Politics', *Journal of Contemporary History* 38 (1), 117–31.

—— (2004) *A Bitter Revolution: China's Struggle with the Modern World*, Oxford: Oxford University Press.

MOC (2008) *2007 Statistical Bulletin of China's Outward Foreign Direct Investment*, Beijing: Ministry of Commerce.

Mochizuki, M. (2005) 'China-Japan Relations: Downward Spiral or a New Equilibrium?', in Shambaugh, D. (ed.) *Power Shift: China and Asia's New Dynamics*, Berkeley: University of California Press.

MOFA (2005) 'Overview of Official Development Assistance to China', Japanese Ministry of Foreign Affairs, available at www.mofa.go.jp/POLICY/oda/region/e_asia/china/index.html, accessed 14 December 2009.

Mohammed, A. (2009) 'Clinton Says US And China Are in the Same Economic Boat', *Reuters*, 22 February.

Mooney, P. (2005) 'Internet Fans Flame of Chinese Nationalism', *YaleGlobal*, 4 April.

Moore, G. (1999/2007) *Human Rights and United States Policy Toward China from a Christian Perspective*, St. Davids: Crossroads/Booksurge Publishing.

—— (2008) 'How North Korea Threatens China's Interests: Understanding Chinese "Duplicity" on the North Korean Nuclear Issue', *International Relations of the Asia-Pacific*, 8 (1), 1–29.

—— (2009a) 'From "Friends" to "Enemies": June 4 and the End of the Sino-American "Tacit Alliance"': Mimeo.

—— (2009b) 'Not Very Material but Hardly Immaterial: China's Bombed Embassy and Sino-American Relations.' Paper presented at the Renmin University (Beijing) – Association of Chinese Political Studies Conference, Beijing, 4–5 July.

—— (2009c) 'China's Strategic Posture in the Asia-Pacific Region under the Leadership of Hu Jintao', in Shen, S. (ed.) *China's Multi-dimensional Diplomacy after 9–11*, Lanham: Lexington Books/Rowman and Littlefield.

Morrison, W. and Labonte, M. (2009) *China's Holdings of U.S. Securities: Implications for the U.S. Economy*, Washington, DC: Congressional Research Service.

Mosher, S. (2000) *Hegemon: China's Plan to Dominate Asia and the World*, New York: Encounter.

Mwega, F. (2007) 'China, India and Africa: Prospects and Challenges', revised version of a paper earlier presented at the AERC-AFDB International Conference on 'Accelerating Africa's Development Five Years into the Twenty-First Century', 22–24 November, Tunis, Tunisia.

Naidu, S. and Davies, M. (2006) 'China Fuels its Future with Africa's Riches', *South African Journal of International Affairs*, 13 (2), 69–83.

Narlikar, A. and Tussie, D. (2004) 'The G20 at the Cancun Ministerial: Developing Countries and Their Evolving Coalitions in the WTO', *The World Economy*, 27 (7), 947–966.

Nathan, A. (2003) 'Authoritarian Resilience', *Journal of Democracy*, 14 (1), 6–17.

Naughton, B. (1988) 'The 3rd Front Defense Industrialization in the Chinese Interior', *The China Quarterly*, (115), 351–386.
—— (2002) 'China's Economic Think Tanks: Their Changing Role in the 1990s', *The China Quarterly*, 171 (1), 625–635.
NBS (2009) *China, Statistical Communiqué of the People's Republic of China on the 2008 National Economic and Social Development*, Beijing: National Bureau of Statistics.
Niazi, T. (2005a) 'China, India and the Future of South Asia', *Asia-Pacific Journal: Japan Focus*, 21 August.
—— (2005b) 'Gwadar: China's Naval Outpost on the Indian Ocean', *China Brief*, No. 5/4.
—— (2006) 'The Ecology of Strategic Interests: China's Quest for Energy Security from the Indian Ocean and the South China Sea to the Caspian Sea Basin', *China and Eurasia Forum Quarterly*, 4 (4), 97–116.
Nixon, R. (1967) 'Asia after Viet Nam', *Foreign Affairs*, 46 (1), 111–125.
NYRB (2009) 'China's Charter 08', *New York Review of Books*, 15 January.
NYT (2003) 'China Oil Giant Dealt a Setback', *New York Times*, 13 May, C9.
O'Brien, D. (1997) 'Mightier than the Sword', *Harvard International Review*, 19 (1), 8–13.
O'Brien, K. and Li, L. (2006) *Rightful Resistance in Rural China*, New York: Cambridge University Press.
Obiorah, N. (2007) 'Who's Afraid of China in Africa?', in Manji, F. and Marks, S. (eds.) *African Perspectives on China in Africa*, Cape Town: Fahamu.
Observer (1999) 'The Chinese Embassy Bombing: the Truth behind America's Raid on Belgrade', *The Observer*, 28 November, available at www.guardian.co.uk/Archive/Article/0,4273,3935955,00.html, accessed 18 June 2009.
Office of the High Commissioner for Human Rights (2009) 'Human Rights Council – Universal Periodic Review', 9 February, available at www.ohchr.org/EN?HRBodies/UPR/Pages/Highlights 9February 2009am.aspx, accessed 9 March 2009.
Office of the Secretary of Defense (2008) Annual Report to Congress, *Military Power of the People's Republic of China 2008*, Washington, DC: US Department of Defense.
—— (2009) *Military Power of the People's Republic of China 2009: Annual Report to Congress*, Washington, DC: U.S. Department of Defense.
Ong, R. (2002) *China's Security Interests in the Post-Cold War Era*, Richmond: Curzon.
—— (2006) *China's Security Interests in the 21st Century*, London: Routledge.
—— (2007) '"Peaceful Evolution", "Regime Change" and China's Political Security', *Journal of Contemporary China*, 16 (53), 717–727.
Palacios, L. (2008) 'Latin America as China's Energy Supplier', in Roett, R. and Paz, G. (eds.) *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States*, Washington, DC: Brookings.
Palmer, R. (2007) 'Flying the flag in China', *The Dominion Post*, 15 October.
Paltiel, J. (2007) *The Empire's New Clothes. Cultural Particularism and Universal Values in China's Quest for Global Power*, New York: Palgrave.
Pan, L (2006) 'Peaceful Development of China and Common Prosperity of the World', *People's Daily*, 6 April.
Pang, Z. (2008) 'China: Partner—or Ward?', *Internationale Politik*, (Fall), 42–47.
Paris, R. (2002) 'International Peacebuilding and the "Mission Civilisatrice"', *Review of International Studies*, 28 (4), 637–656.
—— (2004) *At War's End: Building Peace After Civil Conflict*, Cambridge: Cambridge University Press.
Park, C. and Cohen, J. (1975) 'Politics of China's Oil Weapon', *Foreign Policy*, (20), 28–49.
Paz, G. (2006) 'Rising China's "Offensive" in Latin America and the U.S. Reaction', *Asian Perspective*, 30 (4), 95–112.
Pei, M. (2006) *China's Trapped Transition: The Limits of Developmental Autocracy*, Cambridge: Harvard University Press.
People's Daily (1999) 'Hu Jintao Put Emphasis on "Three Stresses" Education', *People's Daily*, 2 September.
—— (2001) '"On the Three Represents" Published', *People's Daily*, 9 August.
—— (2005a) 'Boost All-weather Partnership Between China, Pakistan', *People's Daily*, 5 April.
—— (2005b) 'Foreign Minister Reviews China's Diplomacy in 2005: Interview', *People's Daily*, 20 December.

—— (2009a) 'Global Think Tank Summit Wraps up in Beijing', *People's Daily*, 4 July.
—— (2009b) 'China Becomes the World's Largest Energy Producer', *People's Daily*, 27 September.
Percival, B. (2007) *The Dragon Looks South: China and Southeast Asia in the New Century*, Westport: Praeger.
Pew (2008) *Global Attitudes Project, 2008*, Washington, DC: Pew Research Center.
Pillsbury, M. (2000) *China Debates the Future Security Environment*, Washington, DC: National Defense University Press.
Po, Y., Cohn, D. and Qing, J. (1992) *The Ugly Chinaman and the Crisis of Chinese Culture*, Sydney: Allen and Unwin.
PRC Permanent Mission at the UN (2005) 'Position Paper of the People's Republic of China on the United Nations Reforms', available at www.china-un.org/eng/zt/gaige/t199101.htm, accessed 12 September 2007.
PRC State Council (1989) 'Shehui Tuanti Dengji Guanli Tiaoli (Social Groups Registration and Management Ordinance)', October revised.
Puchala, D. (1970) 'International Transactions and Regional Integration', *International Organization*, 24 (4), 732–763.
Qian, Q. (2005) *Ten Episodes in China's Diplomacy*, New York: HarperCollins.
Qin, G. (2005) 'Foreign Ministry Spokesman Qin Gang's Press Conference on 27 December 2005', available at www.fmprc.gov.cn/eng/xwfw/s2510/2511/t228431.htm, accessed 14 February 2007.
Qin, Y. (2007) 'Why is There no Chinese International Relations Theory?', *International Relations of the Asia-Pacific*, 7 (3), 313–340.
Qing, S. (2007) *From Allies to Enemies: Visions of Modernity, Identity, and U.S.-China Diplomacy, 1945–1960*, Cambridge: Harvard University Press.
Qu, X. (2004) *Zhongguo Shehui Zhong De Richang Quanwei (Omnipotent Authorities in Chinese Society)*, Beijing: Shehui Kexue Wenxian Press.
Radyuhin, V. (2008) 'BRIC Played Crucial Role at G-20 Summit', *The Hindu*, 18 November, available at www.thehindu.com/2008/11/18/stories/2008111860611300.html, accessed on 6 February 2009.
Rahman, F. (2007) 'Prospects of Pakistan becoming a Trade and Energy Corridor for China', *Strategic Studies*, available at www.issi.org.pk/journal/2007_files/no_2/article/a3.htm, accessed 19 June 2008.
Raja Mohan, C. (2006) 'The Rise of India – India and the Balance of Power', *Foreign Affairs*., 85 (4), 17.
Ramachandran, S. (2008) 'India Chases the Dragon in Sri Lanka', *Asia Times,* 10 July.
Ramo, J. (2004) 'The Beijing Consensus', London: The Foreign Policy Centre.
—— (2007) 'Brand China', London: The Foreign Policy Centre.
Rashid, A. (2002) *Jihad: The Rise of Militant Islam in Central Asia*, New Haven: Yale University Press.
Rawnsley, G. (2005) 'Old Wine in New Bottles: China-Taiwan Computer-Based "Information Warfare" and Propaganda', *International Affairs*, 81(5), 1061–1078
Ray, H. (1986) *Sino-Soviet Conflict Over India: An Analysis of the Causes of Conflict between Moscow and Beijing over India since 1949*, New Delhi: Abhinav Publications.
Reilly, J. (2006) 'China's History Activism and Sino-Japanese Relations', *China: An International Journal*, 4 (2), 189–216.
Rice, S. (2009) 'Statement by Ambassador Susan E. Rice, U.S. Permanent Representative, after Presentation of Credentials to the Secretary General, at the United Nations Stakeout', New York: USMUN.
Ringmar, E. (2002) 'The Recognition Game: Soviet Russia Against the West', *Cooperation and Conflict*, 37(2), 115–36.
Roberts, A. and Zaum, D. (2008) *War and the United Nations Security Council Since 1945*, London: International Institute of Strategic Studies, Adelphi Paper No. 395.
Roett, R. and Paz, G. (2008) 'Introduction: Assessing the Implications of China's Growing Presence in the Western Hemisphere', in Roett, R. and Paz, G. (eds.) *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States*, Washington, Brookings.
Rogin, J. (2009) 'A Giant, Armed for Cyberwarfare', *CQ Weekly*, 2 May.
Romberg, A. (2009) 'Cross-Strait Relations: "Ascend the Heights and Take a Long-term Perspective"', *China Leadership Monitor*, No. 27.

Ross, R. and Jiang, C. (eds.) (2001), *Reexamining the Cold War*, Cambridge: Harvard University Press.
Rotberg, R. (2008) 'China's Quest for Resources, Opportunities and Influence in Africa', in Rotberg, R. (ed.) *China Into Africa: Trade, Aid, and Influence*, Washington, DC: Brookings.
Rousseau, J. and Cole, G. (1988) *The Social Contract, Great Books in Philosophy*, Buffalo: Prometheus.
Rozman, G. (1987) *The Chinese Debate about Soviet Socialism, 1978–1985*, Princeton: Princeton University Press.
—— (2004) 'China's Quest for Great Power Identity', in Liu. G. (ed.) *China's Foreign Policy in Transition*, New York: Aldsen de Gruyter.
Russell, R. (2005) 'China's WMD Foot in the Greater Middle East's Door', *Middle East Review of International Affairs*, 9 (3) 65–92.
Russett, B. (1993) *Grasping the Democratic Peace: Principles for a Post-Cold War World*, Princeton: Princeton University Press.
Rutwich, J. (2004) 'China Orders Journal Closed Over North Korea Story', *Reuters*, 21 September.
Sainsbury, M. and Chambers, M. (2009) 'Beijing Fires up at Anti-China "Prejudice"', *The Australian*, 11 June.
Saint-Mézard, I. and Chin, J. (eds.) (2005) *China and India: Political and Strategic Perspectives*, Hong Kong: Hong Kong University Centre of Asian Studies.
Sanger, D., Markoff, J. and Shanker, T. (2009) 'U.S. Steps Up Effort on Digital Defenses', *New York Times*, 28 April.
Santiso, J. (2007) *China: A Helping Hand for Latin America?*, Paris: OECD.
Saunders, P. (2006) 'China Global Activism: Strategies, Drivers, and Tools', Washington, DC: Institute for National Strategic Studies, Occasional Paper No. 4.
Saunders, P. and Quam, E. (2007) 'China's Air Force Modernization', *Joint Forces Quarterly*, (4), 28–33.
SCDRC (2003) *National Energy Strategies and Policies*, Beijing: State Council Development Research Center.
Schell, O. (1985) *To Get Rich is Glorious: China in the 80s*, New York: Pantheon Books.
—— (2008) 'China: Humiliation and the Olympics', *The New York Review of Books* 55 (13), available at www.nybooks.com/articles/21715, accessed 12 December 2009.
Schouten, H. (2007) 'China Denies Role in NZ Cyber Attack; Accusations Against Army Groundless, Says Embassy', *The Dominion Post*, 12 September.
Schwartz, F. (2003) 'What Is Civil Society', in Schwartz, F. and Pharr, S. (eds.) *The State of Civil Society in Japan*, New York: Cambridge University Press.
Schwartz, F. and Pharr, S. (eds.) (2003) *The State of Civil Society in Japan*, New York: Cambridge University Press.
Scott, D. (2007) *China Stands Up: The PRC and the International System*, London: Routledge.
—— (2008) 'The Great Power "Great Game" Between India and China: The Logic of Geography', *Geopolitics*, 13 (1), 1–26.
Seelbach, J. (2009) 'Chinese Man Sabotages Christie's Auction', available at www.pbs.org/wnet/wideangle/blog/chinese-man-sabotages-christies-auction/4284, accessed 23 November 2009.
Setser, B. and Pandey, A. (2009) 'China's $1.7 Trillion Bet: China's External Portfolio and Dollar Reserves', New York: Council on Foreign Relations.
Shambaugh, D. (1991) *Beautiful Imperialist: China Perceives America, 1972–1990*, Princeton: Princeton University Press.
—— (2002) 'China's International Relations Think Tanks: Evolving Structure and Process', *The China Quarterly*, 171 (1), 575–596.
—— (2004) 'China and Europe: The Emerging Axis', *Current History*, 103 (674), 243–248.
—— (2005a) 'Return to the Middle Kingdom? China and Asia in the Early Twenty-First Century', in Shambaugh, D. (ed.) *Power Shift: China and Asia's New Dynamics*, Berkeley: University of California Press.
—— (2005b) 'The New Strategic Triangle: U.S. and European Reactions to China's Rise', *Washington Quarterly*, 28 (3), 7–25.
—— (2008) *China's Communist Party: Atrophy and Adaptation*, Berkeley: University of California Press.
Shambaugh, D., Sandschneider, E. and Zhou, H. (2008) 'From Honeymoon to Marriage: Prospects for the China-Europe Relationship', in Shambaugh, D., Sandschneider, E. and Zhou, H. (eds.) *China-Europe Relations: Perceptions, Policies and Prospects*, London; Routledge.

Shanker, T. and Sanger, D. (2005) 'U.S. Lawmakers Warn Europe on Arms Sales to China', *New York Times*, 2 March.

Sharma, B. (1968) *The Pakistan-China Axis*, London: Asia Publishing.

Sheives, K. (2006) 'China Turns West: Beijing's Contemporary Strategy Towards Central Asia', *Pacific Affairs*, 79 (2), 205–224.

Shen, S. (2007) *Redefining Nationalism in Modern China: Sino-American Relations and the Emergence of Chinese Public Opinion in the 21st Century*, London: Palgrave.

Sheng, B. (2002) *Zhongguo Dui Wai Maoyi Zhengce de Zhengzhi Jingji Fenxi (Political Economy of China's Foreign Trade Policy)*, Shanghai: San Lian Press.

Sheng, H. (2006) *Lianheguo Weichi Heping Xingdong Falü Wenti Yanjiu (Research on Legal Questions of UN Peace Keeping Operations)*, Beijing: Shishi Press.

Sheridan, G. (2008) 'Region notices bias for Beijing', *The Australian*, 3 May.

Shichor, Y. (1979) *The Middle East in China's Foreign Policy, 1949–1977*, Cambridge: Cambridge University Press.

—— (2006) 'Competence and Incompetence: The Political Economy of China's Relations with the Middle East', *Asian Perspective*, 30 (4), 39–67.

—— (2007) 'China Means Business in Iraq', *China Brief*, No. 7/21.

Shie, T. (2007) 'Rising Chinese Influence in the South Pacific: Beijing's "Island Fever"', *Asian Survey*, 47 (2), 307–326.

Shirk, S. (2007) *China: Fragile Superpower, How China's Internal Politics Could Derail its Peaceful Rise*, New York: Oxford University Press.

Sidhu, W. and Yuan, J. (2003) *China and India: Cooperation or Conflict?*, Boulder: Lynne Rienner.

Simpfendorfer, B. (2009) *The New Silk Road. How a Rising Arab World is Turning Away from the West and Rediscovering China*, Basingstoke: Palgrave.

Simpson, G. (2004) *Great Powers and Outlaw States: Unequal Sovereigns in the International Legal Order*, Cambridge: Cambridge University Press.

Singh, S. (2007) *China-Pakistan Strategic Cooperation: Indian Perspectives*, New Delhi: Manohar.

Skehan, C. (2005) 'Crime Fears Follow Trail of Migrants', *Sydney Morning Herald*, 18 February.

Smith, C. and Koottungal, L. (2008) 'Global Pipeline Plans Expand', *Oil and Gas Journal*, 106 (7), 46–57.

Snow, P. (1988) *The Star Raft: China's Encounter with Africa*, London: Weidenfeld and Nicholson.

Snyder, S. (2009) *China's Rise and the Two Koreas: Politics, Economics, Security*, Boulder: Lynne Rienner.

Solinger, D. (1991) 'China's Transients and the State: A Form of Civil Society?', Hong Kong: Hong Kong Institute of Asia-Pacific Studies, Chinese University of Hong Kong Seminar series No. 1.

Solomon, R. (1999) *Chinese Negotiating Behavior. Pursuing Interests Through 'Old Friends'*, Washington, DC: United States Institute of Peace Press.

Song, D. and Liu, J. (2007) 'Guoji Tixi Zhong de "Shibai Guojia" Xilun (Discussion of "Failed States" in the International System)', *Xiandai Guoji Guanxi*, (2), 28–35.

Song, Q., Qiao, B., Caiwang, N., Xia, J. and Liu, H. (1997) *Disidairen De Jingshen: Xiandai Zhongguoren De Jiushi Qingjie (The Spirit of the Fourth Generation: the Saviour Complex of Modern Chinese)*, Lanzhou: Gansu Wenhua Press.

Song, Q., Zhang, Z. and Qiao, B. (1996) *Zhongguo Keyi Shuo Bu (China Can say No)*, Beijing: Zhonghua Gongshang Lianhe Press.

Song, X., Huang J., Wang, X., Liu, Y. and Song, Q. (2009) *Zhongguo Bu Gaoxing: Da Shidai, Da Mubiao ji Women de Neiyou Waihui (Unhappy China: the Great Time, Grand Vision and our Challenges)*, Nanjing: Jiangsu People's Press.

Song, X. N. (1999a) *Guoji Zhengzhi Jingji yu Zhongguo Dui Wai Guanxi (IPE and China's Foreign Economic Relations)*, Hong Kong: Social Sciences Press.

—— (1999b) *Guoji Zhengzhi Jingji Xue Gailun (Introduction to International Political Economy)*, Beijing: Renmin University Press.

Squires, N. (2005) 'South Pacific islands seen as a soft touch by Chinese gangsters', *South China Morning Post*, 26 February.

State Council (2005) 'White Paper on China's Peaceful Development Road', Beijing, available at http://english.gov.cn/links/whitepapers.htm, accessed 18 April 2006.
—— (2006a) 'Guidelines for the Implementation of the National Medium and Long-Term Programme for Science and Technology Development (2006–2020)', Beijing: State Council Information Office.
—— (2006b) *China's National Defence in 2006*, Beijing: State Council Information Office.
—— (2008) *China's Policy Paper on Latin America and the Caribbean*, Beijing: State Council Information Office.
—— (2009) 'China's National Defense in 2008', Beijing: State Council Information Office.
Stewart, C. (2009) 'China, India "May Stir up Regional War"', *Weekend Australian*, 9 May.
Strange, S. (1990) *Guojia yu Shichang: Guoji Zhengzhi Jingji Xue Daolun (State and Market: An Introduction to the International Political Economy)*, trans. Yang Y., Beijing: Economic Science Press.
Strauss, J. (2009) 'The Past in the Present: Historical and Rhetorical Lineages in China's Relations with Africa' *The China Quarterly*, (199), 777–795.
Subacchi, P. (2008) 'New Power Centres and New Power Brokers: Are They Shaping a New Economic Order?', *International Affairs*, 84 (3), 485–498.
Suettinger, R. (2003) *Beyond Tiananmen: the Politics of U.S.-China Relations 1989–2000*, Washington, DC: Brookings.
Sullivan, M. (1999) 'Developmentalism and China's Human Rights Policy', in Van Ness, P. (ed.) *Debating Human Rights: Critical Essays from the United States and Asia*, New York: Routledge.
Sutter, R. (2005) *China's Rise in Asia. Promises and Perils*, Lanham: Rowman and Littlefield.
—— (2008) *Chinese Foreign Relations: Power and Policy Since the Cold War*, Lanham: Rowman and Littlefield.
—— (2009) 'Cross-Strait Moderation and the United States – Policy Adjustments Needed', *PacNet*, 17 (5), available at http://csis.org/files/media/csis/pubs/pac0917.pdf, accessed 12 December 2009.
Suzuki, S. (2008) 'Seeking "Legitimate" Great Power Status in Post-Cold War International Society: China's and Japan's Participation in UNPKO', *International Relations*, 22 (1), 45–63.
—— (2009) *Civilization and Empire: China and Japan's Encounter with European International Society*, London, Routledge.
Swanström, N. (2004) 'The Prospects for Multilateral Conflict Prevention and Regional Cooperation in Central Asia', *Central Asian Survey*, 23 (1), 41–53.
Sweeney, J., Holsoe, J. and Vulliamy, E (1999) 'NATO bombed Chinese deliberately', *The Observer*, 17 October, available at www.guardianunlimited.co.uk/Archive/Article/0,4273,3913246,00.html, accessed 18 June 18.
Tang, Y. (2002) 'Zhongguo yu Lianheguo Weihe Xingdong (China and UN Peace Keeping Operations)', *Shijie Jingji yu Zhengzhi*, (9), 39–44.
Tanner, M. (2002) 'Changing Windows on a Changing China: The Evolving "Think Tank System and the Case of the Public Security Sector"', *The China Quarterly*, (171), 559–574.
Taylor, I. (1997) 'China's Foreign Policy Towards Southern Africa in the "Socialist Modernisation" Period', Johannesburg: University of the Witwatersrand East Asia Project, Working Paper No. 18.
—— (1998) 'China's Foreign Policy Towards Africa in the 1990s', *Journal of Modern African Studies*, 36 (3), 443–460.
—— (2004) 'The "All-weather Friend"? Sino-African Interaction in the Twenty-first Century', in Taylor. I. and Williams, P. (eds.) *Africa in International Politics: External Involvement on the Continent*, London: Routledge.
—— (2006a) *China and Africa: Engagement and Compromise*, London: Routledge.
—— (2006b) 'China's Oil Diplomacy in Africa', *International Affairs*, 82 (5), 937–959.
—— (2009) *China's New Role in Africa*, Boulder: Lynne Rienner.
Teitt, S. (2008) 'China and the Responsibility to Protect', Brisbane: Asia-Pacific Centre for the Responsibility to Protect, available at www.responsibilitytoprotect.org/files/China_and_R2P%5B1%5D.pdf, accessed 21 November 2009.
—— (2009) 'Assessing Polemics, Principles and Practices: China and the Responsibility to Protect', *Global Responsibility to Protect*, 1 (2), 208–236.
Thaxton, R. (2008) *Catastrophe and Contention in Rural China: Mao's Great Leap Forward Famine and the Origins of Righteous Resistance in Da Fo Village*, Cambridge: Cambridge University Press.

Thomas, N. (2009) 'China's Regional Governance: Developing Norms and Institutions', in Thomas, N. (ed.) *Governance and Regionalism in Asia*, London: Routledge/Curzon.

Tian, C. (2001) 'Analysis of Oil Import and Export in 2000', *International Petroleum Economic*, (March), 6.

Tkacik, J. (2004) 'China's "SandM" Journal Goes Too Far on Korea', *The Asia Times*, 2 September.

Tobias, B. and Dickie, M. (2004) 'EU refuses to recognise China as Market Economy', *Financial Times*, 28 June.

Tow, W. and Yen, C. (2007) 'Australia-Taiwan Relations: The Evolving Geopolitical Setting', *Australian Journal of International Affairs*, 61 (3), 330–350.

UN (1992) 'Note by President of the Security Council concerning the Responsibility of the Security Council in the Maintenance of International Peace and Security', New York: UN, Document S/23500, 31 January.

—— (2003) 'Resolution 1509', New York: UN, Document S/RES/1509, 19 September.

—— (2004) 'Resolution 1528', New York: UN, Document S/RES/1528, 27 February.

—— (2005) 'World Summit Outcome', New York: UN Document A/RES/60/1, 24 October.

UN Reform (2005) 'Position Paper of the People's Republic of China on the United Nations Reforms', 9 June, available at http://na.china-embassy.org/eng/xwdt/t199361.htm, accessed 8 September 2008.

Unger, J. (1996) '"Bridges": Private Business, the Chinese Government and the Rise of New Associations', *The China Quarterly*, (147), 795–819.

US-Japan SCC (2005) *U.S.-Japan Alliance: Transformation and Realignment for the Future*, US-Japan Security Consultative Committee, available at www.mofa.go.jp/region/n-america/us/security/scc/doc0510.html, accessed 14 February 2007.

Van Ness, P. (1993) 'China as a Third World State: Foreign Policy and Official National Identity', in Dittmer, L. and Kim, S. (eds.) *China's Quest for National Identity*, Ithaca: Cornell University Press.

Vela, J. (2009) 'China-Nepal Ties Reach New Heights', *Asia Times*, 17 March.

Vertzberger, Y. (1985) *China's Southwestern Strategy: Encirclement and Counterencirclement*, Westport: Praeger.

Wade, A. (2008) 'Africa-China Trade 2008: Time for the West to Practise what it Preaches', *Financial Times*, 24 January.

Walt, S. (1985) 'Alliance Formation and the Balance of World Power', *International Security*, 9 (4), 3–43.

Wang, C. (ed.) (2003) *One China, Many Paths*, London: Verso.

Wang, H. (2003) *China's New Order: Society, Politics and Economy in Transition*, Cambridge: Harvard University Press.

Wang, J. (2007) 'What Drives China's Growing Role in Africa?' Washington, DC: International Monetary Fund Working Paper No. 07/211.

Wang, J.S. (1994) 'International Relations Theory and the Study of Chinese Foreign Policy: a Chinese Perspective', in Robinson, T. and Shambaugh, D. (eds.) *Chinese Foreign Policy: Theory and Practice*, Oxford: Clarendon.

—— (ed.) (1995) *Wenming yu Guoji Zhengzhi (Civilization and International Politics)*, Shanghai: Shanghai People's Press.

Wang, J.W. and Wu, X. (1998) *Against Us or with Us? The Chinese Perspective of America's Alliances with Japan and Korea*, Stanford: Stanford University Asia Pacific Research Center.

Wang, S. (1991) 'Gongmin Shehui de Fanyi (Some Reflections on Civil Society)', *Ershiyi Shiji (Twenty-First Century)*, (8), 102–114.

—— (1996) 'Guojia Zhuquan yu Renquan (State Sovereignty and Human Rights)', *Shanghai Shehui Kexueyanjiu Xueshu Jikan*, (1), 65–72.

Wang, Y. (2008) *Guoji Maoyi Zhengzhi Jingji Xue (Political Economy of International Trade)*, Beijing: China Market Press.

Wang, Y.Z. (1993) 'Dangdai Guoji Zhengzhi Beijing Xia de Guojia Zhuquan Wenti (State Sovereignty Under Contemporary International Political Conditions)', Ouzhou, (6), 6–16.

—— (1998) *Xifang Guoji Zhengzhi Xue: Lishi yu Lilun (Western International Politics: History and Theory)*, Shanghai: Shanghai People's Press.

—— (2001) 'Zhuquan Fanchou Zai Sikao (Rethinking Conceptions of Sovereignty)', in Yang C. and Wu M. (eds.) *Xintiaozhan: Guoji Guanxi Zhong de 'Rendao Zhuyi Ganyu' (New Challenges: Humanitarian Intervention in International Relations)*, Beijing: China Youth Press.

Wang, Z. (1998) '*Inherit or Transfer: A Dilemma in Reconstructing Chinese Social Reality*', *Review*, 21 (3), 327–383.

—— (2000) *Shijie Tixi Lun yu Zhongguo (World System and China)*, Beijing: The Commercial Press.

—— (2003) *Guo Ji Zheng Zhi Jing Ji Xue: Li Lun Fan Shi Yu Xian Shi Jing Yan Yan Jiu, (International Political Economy: Paradigms and Realities)*, Beijing: The Commercial Press.

—— (2004) 'Conceptualizing Economic Security and Governance: China Confronts Globalization', *Pacific Review*, 17 (4), 523–545.

—— (2005) 'Liaojie Zhongguo Zhuanxing: Guojia Zhanlue Mubiao, Zhidu Tiaozheng he Guoji Liliang (Understanding China's Transition: National Strategy, Institutional Adjustment and International Forces)', *World Economics and Politics*, (6).

Wang, Z. and Qu, B. (2006) 'Political Economy of Foreign Exchange Rate Policy Choice: Comparison of Three Theoretical Approaches', *Jilin University Journal*, (5).

Watt, L. (1992) *New Zealand and China towards 2000*, Wellington: Institute of Policy Studies.

Watts, J. (2009) 'China's Climate Pledge is more Terminology than Substance', *The Guardian*, 22 September.

Wayne, M. (2007) 'Al-Qaeda's China Problem', *Asia Times*, 27 February.

Weatherley, R. (1999) *The Discourse of Human Rights in China: Historical and Ideological Perspectives*, London: Macmillan.

Wei, G. (2008) 'Politicization and De-politicization of History: The Evolution of International Studies of the Nanjing Massacre', *The Chinese Historical Review*, 15 (2), 242–295.

Weisman, S. (2005) 'US to Broaden India's Access to Nuclear-Power Technology', *New York Times*, 19 July.

Weiss, T. (2009) *What's Wrong with the United Nations and How to Fix It*, Cambridge: Polity Press.

Weitz, R. (2006) 'Averting a New Great Game in Central Asia', *Washington Quarterly*, 29 (3), 155–167.

Welsh, J. (2008) 'The Security Council and Humanitarian Intervention', in Lowe, V., Roberts, A., Welsh, J. and Zaum, D. (eds.) *The United Nations Security Council and War*, Oxford: Oxford University Press.

Wen, J. (2009) 'Strengthen Confidence and Work Together for a New Round of World Economic Growth', speech at the World Economic Forum Annual Meeting, Davos, available at http://english.sina.com/china/2009/0128/214624.html, accessed 24 February 2009.

Wendt, A. (2000) *Guoji Zhengzhi de Shehui Lilun (Social Theory of International Politics)*, trans. Qin, Y., Shanghai: Shanghai People's Press.

Wesley-Smith, T. (2007) *China in Oceania: New Forces in Pacific Politics*, Hawaii: East-West Center.

Wheeler, N. (2004) 'The Humanitarian Responsibilities of Sovereignty: Explaining the Development of a New Norm of Military Intervention for Humanitarian Purposes in International Society', in Welsh, J. (ed.) *Humanitarian Intervention and International Relations*, Oxford: Oxford University Press.

White, G., Howell, J. and Shang, X. (1996) *In search of Civil Society: Market Reform and Social Change in Contemporary China*, Oxford: Clarendon.

White House (2009) 'Foreign Policy', available at www.whitehouse.gov/agenda/foreign_policy, accessed 15 December 2009.

Windybank, S. (2008) 'The Illegal Pacific, Part 1-Organised Crime', *Policy*, 24 (1), 32–38.

Wishnick, E. (2001a) 'Russia and China – Brothers Again?', *Asian Survey*, 41 (5), 797–821.

—— (2001b) *Mending Fences. The Evolution of Moscow's China Policy from Brezhnev to Yeltsin*, Seattle: University of Washington Press.

—— (2009) *Russia, China, and the United States in Central Asia: Prospects for Great Power Competition and Cooperation in the Shadow of the Georgian Crisis*, Carlisle Barracks: US Army War College Strategic Studies Institute.

Woodard, G. (1987) 'Relations between Australia and the People's Republic of China: An Individual Perspective', *The Australian Journal of Chinese Affairs*, (17), 143–152.

World Bank (2003) *Issues Note: Enhancing the 'Voice' Of Developing and Transition Countries at the World Bank, Annex 1*, Washington, DC, World Bank.

World Public Opinion (2007) 'Publics Around the World Say UN Has Responsibility to Protect Against Genocide', available at www.worldpublicopinion.org/, accessed 28 June 2008.

WTO (2009) *China – Measures Affecting the Protection and Enforcement of Intellectual Property Rights. Report of the Panel*, Geneva: WTO.

Wu, G. (2007) *Peace: The Roots of the Cultural Tradition and Values of the Chinese People*, Beijing: Foreign Languages Press.

Wu, K. and Fesharaki, F. (2002) *Managing Asia Pacific's energy dependence on the Middle East: is there a role for Central Asia?*, Honolulu: East-West Center.

Wu, L. and Shen, Q. (2006) 'Will China Go to War Over Oil?', *Far Eastern Economic Review*, 169 (3), 38–40.

Wu, S. (2009) *A Bright Future for the China-Australia Economic and Trade Cooperation*, Canberra: China Chamber of Commerce in Australia.

Wu, Y. (2003) *China's Economic Growth: A Miracle with Chinese Characteristics* London: Routledge.

Wuthnow, J. (2008) 'The Concept of Soft Power in China's Strategic Discourse', *Issues and Studies*, 44 (2), 1–28.

Wysocki, B. and Schlesinger, J. (2005) 'For US, China Is a Replay of Japan; Washington Sees Parallels To "80s Battles With Tokyo, But Oil Changes the Stakes"', *Wall Street Journal*, 27 June.

Xia, M. (2000) *The Dual Development State: Development Strategy and Institutional Arrangements for China's Transition*. Aldershot, UK: Ashgate.

Xiao, G. (2003) 'Xinzuopai Yu Dangdai Zhongguo Zhishifenzi de Sixiang Fenhua (New Leftists and the Ideological Split of Contemporary Chinese Intellectuals)' in Gong, Y. (ed.) *Sichao – Zhongguo Xinzuopai ju qi Yingxiang (Ideological Trends – China's New Left and Their Influence)*, Beijing: China Social Sciences Press.

Xinhua (2006) 'Development Program of Science and Technology for National Defence for 2006 to 2020', *Xinhua*, 29 May.

—— (2009) 'China's Energy Efficiency Greatly Improved', *Xinhua*, 4 October.

Xu, X. (2004) 'Jiegou Minzu Zhuyi: Xuanli, Shehui Yundong, Yishixingtai He Jiazhi Guannian (Deconstructing Nationalism: Power, Social Movement, Ideology and Value)', in Le, S. (ed.) *Qianliu: Dui Xiaai Minzu Zhuyi De Pipan Yu Fansi (Undercurrent: Critics and Reflections on Parochial Nationalism)*, Shanghai: Huadong Shifan Daxue Press.

Xu, Y. (2003) 'Rediscovering Republicanism in China Beyond the Debate Between New Leftists and Liberals', *Contemporary Chinese Thought*, 34 (3), 7–11.

Xu, Z. (2005) *Aiguo Wuzui (Patriotism is Not a Crime)*, Hong Kong: TOM.

Yahuda, M. (1994) 'China and Europe: The significance of a Secondary Relationship', in Robinson, T. and Shambaugh, D. (eds.) *Chinese Foreign Policy: Theory and Practice, Oxford*: Clarendon.

—— (2003) 'Chinese Dilemmas in Thinking about Regional Security Architecture', *Pacific Review*, 16 (2), 189–206.

Yamashita, S. (2008) 'Transnational Migration in East Asia', *Senri Ethnological Reports*, (77), 3–13.

Yan, X. (1996) *Zhongguo Guojia Liyi Fenxi, (Analysis of China's national interest)*, Tianjin: Tianjin People's Press.

—— (2006) 'The Rise of China and its Power Status', *Chinese Journal of International Politics*, 1 (1), 5–33.

Yang, X. (2003) 'Rediscovering Republicanism in China: Beyond the Debate Between New Leftists and Liberals', *Contemporary Chinese Thought*, 34 (3), 18–34.

Yardley, J. (2008) 'After 30 Years, Economic Perils on China's Path', *The New York Times*, 19 December.

Yee, H. and Storey, I. (eds.) (2002) *The China Threat: Perceptions, Myths and Reality*, London: Routledge/Curzon.

Yetiv, S. and Lu, C. (2007) 'China, Global Energy, and the Middle East', *The Middle East Journal*, 61 (2), 199–218.

Yi, G. (2008) 'Statement by the Governor of the Fund for the People's Republic of China at the Joint Annual Discussion', Washington, DC: IMF.

Yi, Y. (2002) 'China Emphatically Sketches Giant Space Plan', *Liaowang*, 21 October.

Yomiuri Shimbun (2008) 'China to Make Foreign Firms Reveal Secret Info about Digital Products', *Yomiuri Shimbun*, 6 October.

Yoshihara, T. and Sokolsky, R. (2002) 'The United States and China in the Persian Gulf: challenges and opportunities', *The Fletcher Forum of World Affairs*, 26 (1), 69–75.

Yu, G. (1970) *China and Tanzania: A Study in Co-operation*, Berkeley: University of California Press.
—— (1975) *China's African Policy: A Study of Tanzania*, New York: Praeger.
Yu, J. (2004) *Bainian Zhongri Guanxi Chensilu (Contemplating a Century of Sino-Japanese Relations)*, Wuhan: Changjiang Wenyi Press.
—— (2005) *Riben Yige Aimei de Guodu (Japan: An Obscure Country)*, Hong Kong: Joint Publishing.
Yuan, J. (2005) 'China's Kashmir Policy', *The Jamestown Foundation*, available at www.asianresearch.org/articles/2740.html, accessed 9 June 1007.
Zaborowski, M. (2008) *EU-China Security Relations*, Paris: EU Institute for Security Studies.
Zardari, A. (2009) 'Sino Pakistan Relations Higher than Himalayas', *China Daily*, 23 February.
Zen, X. (2003) *A General History of China's Oil Industry: 1949–1978*, Beijing: China Shihua Press.
Zeng L. (1998) 'Lun Lengzhan Hou Shidai de Guojia Zhuquan (On State Sovereignty in the Post Cold War Era)', *Zhongguo faxue*, (1), 109–120.
Zha, D. (2005a) *Zhongguo Shiyou Anquan de Guoji Zhengzhi Jingji Xue Fenxi, (International Political Economy of China's Oil Security)*, Beijing: Contemporary World Press.
—— (2005b) 'China's Energy Security and its International Relations', *The China And Eurasia Forum Quarterly*, 3 (3), 39–54.
—— (2005c) 'Interdependence and China's Energy Supply Security', *World Economics and Politics*, (298), 5–21.
—— (2005d) 'Comment: Can China Rise?', *Review of International Studies*, 31 (4), 775–785.
—— (2006) 'China's Oil Interests in Africa: International Political Challenges', Research on International Politics, (102), 53–67.
Zha, D. and Hu, W. (eds.) (2007) *Building a Neighborly Community: China, Japan and Southeast Asia*, Manchester: Manchester University Press.
Zhang, H. (2008) *Huanjing yu Guoji Guanxi (Environment and International Relations)*, Shanghai: Shanghai People's Press.
Zhang, H.Y. (2004) 'Zhongguo dui Lianheguo Weihe Xingdong de Gongxian (China's Contribution to UN Peace Keeping Operations)', *Wujing xueyuan xuebao*, 20 (5), 30–32.
Zhang, J. (ed.) (1989) *Guoji Guanji Xue Gailun (Introduction to International Relations)*, Beijing: World Affairs Press.
Zhang, L. (2006) 'A Passage to South Asia', *Beijing Review*, March 16 2006.
Zhang, L.L. (1989) *Xiandai Guoji Guanxi Xue (Contemporary International Relations Studies)*, Chongqing: Chongqing Press.
Zhang, W. (2003) 'Zhongnanhai: Yong Meiyi Zhanzheng Yangai SARS Yiqing (Chinese Leadership: Using the US-Iraqi War to Cover up the Outbreak of SARS)', *The Epoch Times*, 5 April.
Zhang, Y.J. (2007) 'China and the Emerging Regional Order in the South Pacific', *Australian Journal of International Affairs*, 61 (3), 367–381.
Zhang Y.X. (2006) 'China Unveils Top Ten Think Tanks', available at www.china.org.cn/english/government/188434.htm, accessed 12 December 2009.
Zhao, D. (2002) 'An Angle on Nationalism in China Today: Attitudes Among Beijing Students after Belgrade 1999', *The China Quarterly*, (172), 885–905.
Zhao, Q. (1992) 'Domestic Factors of Chinese Foreign-Policy – From Vertical to Horizontal Authoritarianism', *Annals of the American Academy of Political and Social Science*, (519), 158–175.
—— (1996) *Interpreting Chinese Foreign Policy: The Micro-Macro Linkage Approach*, Oxford: Oxford University Press.
—— (2006) 'Moving Toward a Co-Management Approach: China's Policy Toward North Korea and Taiwan', *Asian Perspectives*, 30 (1), 39–78.
Zhao, S. (2004) *A Nation-State by Construction: Dynamics of Modern Chinese Nationalism*, Stanford: Stanford University Press.
Zheng, B. (2005) 'China's "Peaceful Rise" to Great-Power Status', *Foreign Affairs*, 84 (5), 18–24.
Zhong, K. (2007) 'An Institutional Response to Crisis in China: Anti-terrorism and Beyond', in Shen, S. (ed.) *China and Anti-terrorism*, New York: Nova Science.
Zhou, H. (2000) 'Development and Reconciliation under Peace: An Explanation of China's Policy Towards the European Union', in Bridges, B. and Neves, M. (eds.) *Europe, China and the Two SARS: Towards a New Era*, Basingstoke: Macmillan.

Zhou, H. and Wu, B. (2004) *Gongxing yu Chayi: Zhong-Ou Huoban Guanxi Pingxi (Possibilities and Limits: An Appraisal of the China-EU partnership)*, Beijing: China Social Science Press.

Zhou, Q. (2005) 'Xin Weihe Guanyu Zhongguo Guojia Liyi (New Views on Peacekeeping and China's National Interests)', *Qiusuo*, (3), 57–60.

Zhou, Y. (2002) 'Quanqiuxing Shidai de Renquan (Human Rights in an Era of Universalism)', *Jiangsu Shehui Kexue*, (3), 158–165.

Zhou, Y.M. (2005) 'Informed Nationalism: Military Websites in Chinese Cyberspace', *Journal of Contemporary China*, 14 (44), 543–562.

Zhu, R. (2000) *Strengthen Solidarity, Enhance Co-operation and Pursue Common Development*, Harare: Embassy of the People's Republic of China in the Republic of Zimbabwe.

Zhu, W. (2004) *Guoji Zhengzhi Jingji Xue (International Political Economy)*, Beijing: Peking University Press.

Zhu, X. (2009) 'The Influence of Think Tanks in the Chinese Policy Process: Different Ways and Mechanisms', *Asian Survey*, 49 (2), 333–357.

Zhu, X. and Teng, S. (2006) 'China's Think Tanks: Roles and Characteristics', Singapore: East Asian Institute, EAI Background Brief No. 306.

Zhu, X. and Xue, L. (2007) 'Think Tanks in Transitional China', *Public Administration and Development*, 27 (5), 452–464.

Zweig, D. and Bi, J. (2005) 'China's Global Hunt for Energy', *Foreign Affairs*, 84 (5), 25–38.

Index