

China's Foreign Policy Comes of Age

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China's continuing rise has brought it to a new stage in its engagement with the outside world. China's growing economic and diplomatic weight has made it an influential player in all parts of the world and it is seeking to consolidate its image as a responsible major player within its own region and in the wider world. The Olympic Games to be held in Beijing next year will offer a major opportunity to show that China has come of age as a modern power. China is reaching a point where the extent and depth of its international interests are not only increasing its stake in the global system, but are also allowing it to begin to make its mark as a potential rule-maker in world affairs. This is particularly noticeable in Africa, where it is successfully challenging the approach of international organisations and Western governments which have made aid and certain other economic exchanges and arms sales conditional on improving the governance of relevant states. China's "model of development", which combines rapid economic growth with authoritarian rule, is gaining approval by certain third world governments as a viable alternative to the so-called "Washington consensus", which emphasises liberal economics and democratic politics.

However, like all other major powers, China is beginning to find that its enhanced status and its growing impact on different parts of the world entail new obligations and new problems. Thus Chinese foreign policymakers are starting to experience difficulties in coordinating the different dimensions of their foreign relations. Additionally, as China's relations with others become more interconnected and complex in a more globalised world, China is finding it more difficult to separate the conduct of its domestic and external affairs, with the result that different domestic organisations are affecting foreign policy almost independently of the Ministry of Foreign Affairs.¹ As one Chinese scholar told me in Beijing in October 2006, "if the Western countries have a division of powers, China has a division of labour". The rapid growth and extent of China's trade and the resulting interdependence is producing new problems both at home and abroad. The enormity of Chinese penetration of Western markets has stirred a

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¹ Zweig, *Internationalizing China*.

trend there towards protectionism and has caused Western governments to press the Chinese government to reform still further its domestic economic practices and financial institutions to facilitate Western exports. Similarly, Western governments not only demand of China better laws to protect intellectual property, but are also increasingly concerned about poor law enforcement.

Now that China has embraced multilateralism within its region and more broadly in the world at large and that its conduct is more in keeping with prevailing international norms, attention is focusing on how far its emphasis on cooperation and dialogue is adequately addressing the security concerns of neighbours and the extent to which its emphasis on non-interference as the defining characteristic of sovereignty can be reconciled with the right of humanitarian intervention as recognised by much of the Western world.² In broader security terms, as China seeks to avoid confrontations with the United States and as the two institutionalise their dialogue on economic and security affairs, questions arise as to how their different interests and alignments in East Asia can be truly realigned. Finally, the Chinese government is finding that its domestic order is increasingly being challenged by the outside world in dealing with the new transnational security threats of infectious disease, international crime, environmental degradation and climate change.

This article will discuss these new developments in China's foreign policy, which may be seen as the product of China's successful rise. Indeed it is that success and its impact on the world that has led to the emergence of a new agenda related to normative concerns, regional security, the consequences of economic interdependence, and finally, non-traditional security.

Normative concerns and the imperative of regime survival

In comparison to its recent past, China has made great strides in adhering to the norms and practices of the international community. China has become a proactive member of the key international organisations and has joined the main multilateral institutions in its region. It has even played a major part in establishing new ones (the Shanghai Cooperation Organisation and the Bo'ao Forum). China is increasingly seen in the West as an essential and cooperative partner in addressing global problems, including not only economic and environmental issues, but even such security sensitive matters as non-proliferation and arms control.³ The new diplomacy is seen as serving China's national interests and the importance of these has led to a considerable erosion of its traditionally almost absolute definition of sovereignty, especially in economic affairs, where the government has welcomed what it calls "economic globalisation".

² For an account of China's multilateralism in Asia, see Yahuda, "The Evolving Asian Order", 347–61.

³ See, for example, Gill, *Rising Star*, 74–103.

Nevertheless it is important to note that China's foreign policy is ultimately shaped by the domestic agenda of its communist leadership, even as the country is marked by greater economic interdependence with the outside world and by deeper engagement with international society. It is only within the framework of maintaining the monopoly of power of the Communist Party that China's leaders have sought to continue to pursue high economic growth and the maintenance of social stability.⁴

There is a widespread view in the United States and Western Europe that China's engagement with the international economy, its growing reliance on market mechanisms and the emergence of an urban middle class of several hundred million people will lead sooner or later to liberalisation and democracy. For example, after a visit to China in 2005, British Prime Minister Tony Blair said that democracy there was "unstoppable".⁵ But the available evidence suggests that the Communist Party has been singularly effective in retaining its hold on power and that, far from facing pressure for liberalisation by the nascent middle class, the Party has been very effective in recruiting or co-opting members of that class.⁶ Premier Wen Jiabao indicated in a recent speech that China's leaders expect to maintain the fundamentals of the current system at least until the end of the 21st century.⁷

That system has allowed the lifting of direct state control over many aspects of social life, but not those that the Party regards as crucial for maintaining its monopoly on power, such as information and organisation. It has allowed the development of laws and a legal system designed to help to carry out state policies and to provide citizens with a degree of redress from the arbitrary exercise of power by local officials, but not to the extent of challenging Party authority. As the top leader of public security and member of the Standing Committee of the Political Bureau, Luo Gan, recently argued, "enemy forces" are seeking to use the Chinese legal system to Westernise and divide the country and the Communist Party must fend them off by maintaining its dominance over lawyers, judges and prosecutors. He conceded that, as part of the global community, consideration had to be given to "international factors" when making judicial decisions, but "there is no question about where legal departments should stand. The correct political stand is where the party stands."⁸ To be sure his hard-line position is being challenged in practice in the courts, where those with grievances against local officials seek redress – and not without some instances of success despite the absence of judicial independence. But the bottom line

⁴ For an argument that the conduct of Chinese foreign policy is conditioned by the fears of leaders of social instability, see Shirk, *China, Fragile Superpower*.

⁵ Bloomberg News Service, 6 September 2005. For an account and a critique of this Western view, see Mann, *The China Fantasy*.

⁶ Dickson, *Red Capitalists*.

⁷ Wen Jiabao, "A number of issues regarding the historic tasks in the initial stage of socialism and China's foreign policy", *Xinhua*, 26 February 2007.

⁸ Article in the Party journal *Seek Truth (QiuShi)*, 2 February 2007.

is that the Party in general and its leaders in particular do not accept that they should be accountable to the courts and they will be resolute and merciless in striking down those whom they perceive as a challenge to their hold on power.

Non-interference as the core of sovereignty

Regime survival may be seen as the source of China's reassertion of the Five Principles of Peaceful Co-existence (FPPC) in more recent years.⁹ Originally proclaimed in 1954 as part of the agreement between China and India, it was seen in the 1950s and 1960s as useful to overcome differences among third world countries and to resist pressures from the West. The resurrection of the FPPC in the era of globalisation serves a very different purpose. It is currently used to provide justification for China's adherence to a strict view of sovereignty which rejects interference in the internal affairs of a country in the name of human rights or humanitarian intervention as has been advocated by many Western governments and even by Kofi Annan in his speech of 20 September 1999 to the 54th Session UN General Assembly. The doctrine of non-interference is seen by the Chinese as the pillar of international order and the core meaning of sovereignty. As Jiang Zemin argued at the UN in 2000, "without sovereignty, there would be no human rights to speak of."¹⁰ Accordingly, it is used to avert international attempts to question one-party rule in China and to provide legitimacy for Chinese rulers' support for dictators elsewhere who are resisting external pressure to democratise. Thus figures such as Akimov in Uzbekistan and Mugabe in Zimbabwe, who have been condemned by the international community for their ruthless oppression of their own people, have been feted in Beijing.

It is true that since the mid-1990s China has emerged as a major supporter of key international institutions such as the United Nations and the World Trade Organisation. China, which used to oppose UN peacekeeping on principle, currently contributes 1,820 military and police to UNPK, ranking 13th out of 115 national contributors.¹¹ It is also true that China has become an active member of nearly all the multilateral international and regional organisations and associations. Indeed, as many recent analyses of Chinese foreign policy have concluded, China is increasingly carrying out a wide range of policies that converge with international norms and expectations.¹² But it should be recognised that China's leaders and diplomats carry out these policies because they accord with what they regard as China's national interest and not because they have been won over to the liberal

⁹ The Five Principles are mutual respect for territorial integrity and sovereignty, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful coexistence.

¹⁰ <http://www.fmprc.gov.cn/english>. For further discussion, see Gill, *Rising Star*, 107–16.

¹¹ <http://www.un.org/depts/dpko/dpko>

¹² Medeiros and Taylor Fravel, "China's New Diplomacy", 22–35; Shambaugh, *Power Shift*; Carlson, *Unifying China*; Kim, *International Relations of Northeast Asia*.

principles that underlie institutions such as the UN and the WTO. When China's leaders call for the establishment of what they call a "just and democratic" world order, they do not mean that they hope to see an international community of states whose governments are democratically accountable to their people. What they mean is an international order where all states, no matter how dictatorial or oppressive their governments maybe, are treated with equal respect.

The implications of great power status

The issue of sovereignty has nevertheless become more complex for Chinese foreign policymakers as they have come to see their country increasingly as a great power. They accept that intervention, within certain limitations, has a role to play in promoting regional peace and security, in dealing with so-called failed states such as Cambodia, East Timor and Afghanistan within China's region. As with other items on which China's leaders claim to adopt principled positions, the key test is how they assess Chinese interests, paramount among which is regime survival.¹³

Nevertheless the Chinese view of non-intervention does still have clear foreign policy consequences. One recent example in which differences with Western countries have emerged is China's relationship with African countries. Friction arises perhaps less from the competition for resources – including energy – than from the manner of China's pursuit of resources and economic relations. While Europeans and Americans tend to demand of their African partners adherence to better forms of governance and measures to reduce corruption, Chinese make no such demands, professing to see them as interference in the domestic affairs of states.

A particular source of concern is China's relations with the Sudan and the protection China offers its government at the UN, where China has persistently thwarted attempts to send in UN peacekeepers to try to stop the bloodletting in the Darfur region, which many see as genocide. China has become the oil exporting country's largest economic partner and China's leaders clearly see this as a matter of pursuing the national interest. Nevertheless, conscious of the risk to China's standing and prestige, President Hu Jintao publicly raised the question of Darfur with Sudanese leaders, albeit in a non-confrontational way by pushing them publicly to cooperate with the UN during his visit on 2 February 2007.¹⁴ Chinese leaders now want their country to be seen as a "responsible great power" that supports the *status quo*.

In sum, China's approach is conditioned more by its leaders' views of China's national interest than by abstract principle. They have demonstrated more convergence to international norms as China's weight and standing in international affairs has grown. As a great power, China has come to recognise that it has a

¹³ Carlson, *Unifying China*.

¹⁴ Wen Xian (senior editor), "China aims at an overall situation on Darfur issue", *People's Daily Online*, 7 February 2007, http://english.people.com.cn/200702/07/print20070207_348266.html

greater stake in the system. But the overarching objective remains regime survival and territorial integrity.

Regional security and the domestic context

Notwithstanding China's growing global reach, security issues are primarily located within China's own region, especially as this includes the United States – the predominant power in the Asia-Pacific. The handling of security issues, too, has been marked by great change in the last ten years. China has settled nearly all the outstanding territorial (if not yet maritime) border disputes that bedevilled relations previously, often making significant concessions to the other side.¹⁵ It has evolved a new security concept that emphasises cooperation and dialogue as a means of resolving disputes. China's more positive role is evident from the way it has hosted the Six-Party Talks about North Korea's nuclear programme. Nevertheless new questions have emerged regarding the implications of its continued high military spending and the modernisation of its armed forces; the management of the Korean problem; and the two so-called triangles with the United States involving Japan and Taiwan, respectively. Finally, questions arise about the all important longer term relationship with the United States.

The genesis of China's new foreign policy may be traced to the judgement of Deng Xiaoping about the prospects for war and peace when he initiated the policies of economic development nearly thirty years ago. In turning China away from Mao's politics of class struggle, the state-controlled economy and his preparedness for war, Deng Xiaoping argued nearly thirty years ago that there was little prospect of a new world war – let alone a nuclear war – in the foreseeable future and that the main trend in international affairs was peaceful economic development. This is a theme that it is still current in Chinese official thinking in which, allowing for the possibility of the outbreak of small local wars and manifestations of terrorism, the prospect of relative calm for the next two or three decades is seen as a "strategic opportunity" to focus on economic development at home.¹⁶

The rise of nationalism and patriotism

Again, the domestic context may be seen as central to the development of foreign policy because of the significance of nationalism and patriotism to the survival of the regime. Since socialism has lost what remaining appeal it once had, nationalism or patriotism has become the only means of generating a sense of national unity. After the Tiananmen disaster and the disintegration of the Soviet Union, China's leaders in 1993 began a campaign of "patriotic education" which in particular

¹⁵ Taylor Fravel, "Regime Insecurity and International Cooperation", 45–83.

¹⁶ See, for example, "China's views on the current international situation", 18 September 2003 on the website of the Chinese Ministry of Foreign Affairs, <http://www.fmprc.gov.cn/eng/wjdt/wjzc/t24882.htm>

encouraged the young under Party leadership, “to boost the nation’s spirit, enhance its cohesion, foster its self esteem and sense of pride . . . and help the motherland become unified, prosperous and strong.”¹⁷ Since the leadership was now attempting to reach out to the “compatriots” on Taiwan to unite peacefully with the Mainland, the Party changed its historic narrative which had legitimated its exercise of power. No longer did it present itself as the victor in the civil war over the Kuomintang (KMT), instead it claimed to have saved the Chinese nation from the last and most vicious of the foreign invaders – the Japanese. Interestingly, not one of the 20 odd museums in China devoted to the war with Japan had been built before the 1980s. The educated young, in particular, took to heart the anti-Japanese rhetoric of the new campaign in patriotism and the many demonstrations against Japan in the 1990s have culminated in the violent ones in Chinese cities in March 2005.

Over the last ten years, China has gradually developed a strategy to cope with its new situation after the conditions of the post-Cold War period became clearer. Jiang Zemin first publicly articulated what was called a “new defence concept”, which puts the emphasis on cooperation and dialogue as the desired mechanism to settle conflicts. At first this contained a bias against the United States, whose alliances were criticised as “relics of Cold War thinking”. But following adverse reactions from Southeast Asians, whom the Chinese sought to cultivate, and especially after a major internal debate in the wake of the US bombing of the Chinese embassy in Belgrade in 1999, when it was decided that, despite that incident, China could not afford to reverse direction and confront the US on a long-term basis, China’s leaders decided to drop their public objections to the American presence in the region. They began to recognise not only that they were not well placed to challenge US power, but also that the American presence in the region was beneficial in several ways. It provided the relative regional stability and the public goods that facilitated China’s rise, its presence gave the regional resident states the confidence to deepen their ties with China without fear of domination and, thirdly, the American alliance with Japan continued to keep the cork in the proverbial bottle of Japanese militarism. Indeed, it is currently argued in Beijing that one of Jiang Zemin’s important legacies was the establishment of good working relations with the United States.

Following the great surge in China’s export led growth after its entry into the World Trade Organisation in 2001, it was recognised in China that the country had reached a new benchmark in its process of economic development. It was time, it was argued, to move away from such an exclusive focus on high growth at all costs. The current leader, Hu Jintao, has underscored this view by arguing that the central government should address the inequalities, imbalances and injustices thrown up

¹⁷ A central directive cited in Suisheng, *A Nation State by Construction*, 219.

by the rapid development of the market-led economy by seeking to create a “harmonious society” at home, which should be mirrored by a “harmonious international order”.

The emphasis on harmony implied that the Chinese leaders believed that a new stage had been reached in the development of patriotism. No longer was China to be regarded as a victim of modern history with a set of grievances against those who had previously attacked and humiliated it. China had reached a level of relative comfort (*xiao kang*), which meant as far as foreign policy was concerned that the country would build on its new great power status to follow its national interest.¹⁸ This provided a framework within which Hu Jintao and Wen Jiabao could break with the previous harsh policy towards Japan associated with Jiang Zemin and reach out to Japan as the last major economic centre with which the Chinese had yet to establish a strategic partnership.¹⁹

Dealing with Japan, the other major Asian power

Indeed, one of the greatest challenges to China as a newly rising great power is the relationship with Japan – the other major power in East Asia. Japan too is seeking to play a more assertive political role in world affairs. The two have never before been great powers at the same time. Despite their massive economic and social exchanges²⁰ the political gap between the two is wide and is deepened by profound distrust.

The exchange of visits between the Japanese and Chinese prime ministers in October 2006 and April 2007 has changed the tone of the relationship. They have agreed to hold further high-level meetings and to enhance cooperation in the technology of energy conservation, but there remain several outstanding problems as seen from China, including disputes over energy exploration in the East China Sea, the sovereignty of some islands and the maritime border.

Perhaps the most important problem, as seen from the perspective of Chinese nationalism, is Japan’s failure to address properly its responsibilities for its past policy of aggression and its professed sympathy for democratic Taiwan, its former colony – touchstones for the highly nationalistic younger generation in China. In fact, a gap is emerging between that generation and the leadership and the

¹⁸ Elements of this were begun under Jiang Zemin’s leadership. See, Medeiros and Taylor Fravel, “China’s New Diplomacy”, 32–3.

¹⁹ This was the view of several leading Chinese scholars interviewed in Beijing in early October 2006. The Japanese embassy argued that the new approach became possible only after Hu Jintao had dismissed one of Jiang’s protégés, the Party secretary of Shanghai.

²⁰ According to Japanese government official websites, trade with China, at \$207 billion in 2005, exceeded trade with America. More than 30,000 Japanese firms are located in China, employing more than 10 million Chinese workers. There are more than 300 sister city arrangements with China. In 2005, the 86,000 Chinese students in Japanese universities accounted for more than two thirds of total foreign students and 20,000 Japanese students were studying in China. In that year, nearly 4 million Japanese tourists visited China and some 600,000 Chinese visited Japan.

expert elite who take a more moderate and pragmatic view,²¹ with the effect of constraining the degree to which Hu and Wen can forge new relations with Japan.

Again, it is Chinese nationalism and the question of Chinese unity that gives China's leaders little room for manoeuvre on Taiwan. Having long maintained that Taiwan is an inalienable part of China and that without it China cannot properly be considered to be unified and thus able to assume its rightful place as a great power, China's leaders have made the issue an intrinsic part of their claim to legitimacy. They state that they must develop and deploy sufficient military force to prevent any formal act of secession by Taiwan and indeed assert that it is only their willingness to use force at whatever cost that has prevented such an act.

The United States' mixed blessing

Although Taiwan is declared to be a domestic matter, in practice the Taiwan issue is very much an international one. The Chinese government monitors very closely how other countries treat Taiwan and it has been very active in seeking to restrict their relations with the island to strictly non-official contacts. But the key country continues to be the United States, which is bound by its own laws to sell arms to Taiwan to enable it to defend itself and to intervene militarily if it thought that the peace in the area were threatened. In practice, a complex triangular relationship has developed between Beijing, Taipei and Washington, where the latter acts to preserve the *status quo* by deterring unilateral acts by either side to change it. This tenuous position has lasted for the last 30 years.

The Taiwan factor has nevertheless proved to be a destabilising factor in regional stability. It was the perceived fear of its secession that prompted China to modernise its armed forces and acquire advanced weapons systems that would enable China to prevail in armed conflict with Taiwan and be able to deter a potential US intervention. That rapid military modernisation has led to American claims that Chinese military power exceeds what it would require to overcome Taiwan and, indeed, the US Department of Defense fears that China has long-term ambitions to control the sea lanes of Asia and to challenge American dominance.²² Japan, too, has similar concerns.

A similar triangle has arisen with Japan. The key to Japan's security and the lynchpin of American strategy in the Asia-Pacific is the Japan-US security alliance. From a Chinese perspective it is a mixed blessing. On the one hand, the American provision of Japan's security stops the Japanese from becoming a fully fledged independent military power with offensive weaponry and a nuclear capability. But on the other hand, the United States and a Japan that is assuming more military

²¹ See "Forum: Experts Discuss Whether China is a Major Power", *Shijie Zhishi* (World Knowledge), 1 January 2007: 16–27, where a distinction is drawn between "narrow nationalism", which leads to calls to boycott Japanese goods, and "patriotism", which sees where China's national interests lie.

²² US Defense Department, *Quadrennial Defense Review Report*, 8 February 2006.

responsibilities alongside the United States could be regarded as a formidable means of containing China.

In any event, China's growing military power also worries others neighbours of China, which have mostly adopted hedging strategies that also rely on the United States. Meanwhile, all concerned call for greater transparency in China's military dispositions and also in its relevant decision-making processes. Although some progress has been made in this regard, none of China's neighbours consider the current position satisfactory.

China, meanwhile, has gained much international credit for its diplomacy as the facilitator of the Six-Party Talks on Korea. Yet, even in this case of a small neighbouring dependency in the shape of North Korea, the Chinese side realises that any settlement will ultimately depend on a bilateral understanding between the United States and North Korea.

Nevertheless, the Chinese have been very active in the multilateral associations of East Asia and have gone out of their way to embrace the norms of these essentially voluntarist groupings that are mainly concerned with conflict avoidance (rather than conflict resolution) through dialogue, consultation and consensus. To a certain extent they are engaged in rivalry with Japan, but China has been credited with extending its influence through skilful diplomacy allied to its growing economic significance.

Economic interdependence

Until recently, China's experience of economic interdependence has been relatively cost free. China has had access to markets in the United States and the EU on a non-reciprocal basis in the sense that Chinese markets have not been as open. However, as the result of the rapidity and scale of the growth of Chinese exports, Western governments have come under increasing pressure from their own countries' manufacturers and exporters not only to protect their products from what they regard as unfair Chinese competition and remove many of the barriers in China that impede their exports, but also to take further steps to protect their intellectual property rights.

Take, for example, the EU. Its latest policy paper issued by the Commission in October and approved by the Council in December 2006 differs significantly from previous such papers by stating boldly on its first page that the "benefits of engagement must be fully realized in Europe" in order "to build and maintain political support for openness towards China". It further states that "China should open its own markets and ensure conditions of fair market competition."²³ Earlier policy

²³ http://ec.europa.eu/comm/external_relations/china/docs/06-10-24_final_com_pdf

papers, such as the previous one of 2003, focused much more on how the EU could assist China in its transition.²⁴

EU Commission Vice President Günter Verheugen, on a visit to China in April 2007, stated “we need to establish a level playing field between the EU and China. Chinese exporters are already benefiting, while imports of European products to China are still subject to a number of complicated procedures.” He rejected Chinese pressure to have the economy designated a “market economy” until steps are taken to eliminate export rebates, improve corporate governance, strengthen property rights and “reform the financial sector”.²⁵

Similar responses are evident in the United States where the administration, on 31 March 2007, after dissatisfaction with the results of quiet diplomacy, for the first time raised tariffs on imports (certain paper goods) from a non-market economy, namely China, on the grounds that they are subsidized. There are expectations that US manufacturers will soon press their claims.²⁶

In this new stage of deepened interdependency, the Chinese government is also encountering objections and resistance to what is regarded as excessive foreign penetration of the domestic economy and society. These are coming from bureaucracies at various levels and Chinese companies anxious to protect themselves from foreign competition. They have been an important obstacle to the implementation of many of the obligations the government undertook upon entry into the WTO, notably in the services and financial sectors. Perhaps most worrying for the government is the increasing nationalist tone that is evident in protests about alleged foreign encroachments.

One doubtless temporary but popular response by the government is to target foreign firms in China for meticulous observation of the array of legislation and rules on company conduct, many of which enacted in response to foreign pressure. For example, despite being grossly outnumbered by Chinese competitors, foreign firms find themselves under strict observation for carrying out rules concerning the quality of their products, safety provisions, workers rights, hygiene and so on.²⁷

For the longer term, the new stage of interdependence will lead to greater complexity in foreign policymaking as more domestic organisations and economic enterprises become caught up in foreign relations through their cross-border dealings with each other. The Chinese government, like its foreign counterparts, will have to pay attention to the domestic political developments in other countries so as to try and help (in the words of the key EU document of 2006 cited earlier) “to build and maintain political support for openness towards China”, while at the

²⁴ http://www.ec.europa.eu/comm./external_relations/china/com_03_533/com_533_en.pdf

²⁵ *EUbusiness*, “EU Industry Commissioner Geunter Verheugen urged China to establish a more transparent system. . .”, 3 April 2007, <http://www.eubusiness.com/China>

²⁶ R. McGregor, “Beijing’s uneasy trading deal with America”, *Financial Times*, 10 April 2007.

²⁷ “Foreign brands encounter a new form of patriotism”, *The Economist*, 29 March 2007, 76.

same trying to limit the forces of protectionism. Foreign governments will have to learn how to apply pressure in such ways as to help those who wish to go forward with reforms in China and to increase the costs of those who resist the reforms. For the EU, for example, this may entail not only taking tough measures against unfair dumping, but also trying to penalise the Chinese side for failure to honour legally bound commitments.

Non-traditional security

The complexities of interdependence also apply to the fields of non-traditional security such as terrorism, infectious diseases and organised crime, as well as to the management of global problems such as tackling environmental degradation and climate change. In principle, the Chinese government supports working with others to deal with these matters. But in practice the Chinese authorities often resist the kind of openness and cooperation with international organisations and foreign governments that is needed to address the matter properly. Such was the case with SARS in 2003, with HIV (AIDS) until very recently and, to a certain extent, with Avian Flu, where the established Chinese political practice of secrecy and lack of cross-bureaucratic coordination delayed matters and thereby intensified adverse consequences.

The Chinese are not alone in experiencing difficulties in facilitating cooperation between the different domestic security and related organisations and their equivalents elsewhere in dealing with terrorism, international crime, money laundering and so on. But clearly, if these many international and global problems are to be tackled effectively much better bureaucratic coordination and cooperation will be required, both within and between countries. China faces particular difficulties given its bureaucratic traditions and one-party rule.²⁸ The handling of foreign affairs extends well beyond the foreign ministry, but the ministry may yet have a role to play in seeking to ensure cohesion and coherence to the many facets of foreign policy in an interdependent world.

Conclusion

This article has argued that China has reached a new stage in its rise to great power status. It is one that has been reached through rapid economic growth. However that in turn has resulted in massive social and political problems at home and also in new challenges for the government abroad. The latter range from security to economic interdependence. But central to the argument advanced here is that

²⁸ For a background on difficulties of governance in China, see Saich, *Governance and Politics of China*.

foreign policy in China is very much a product of its domestic arena. This is as true of its normative concerns as it is of the need to try and provide an international environment that provides security and the public goods necessary for the country's continued economic development.

It could be argued that the main planks of this overall policy have been in place since the inception of the Dengist reforms more than thirty years ago – and that includes the policies of cultivating neighbours and other big powers. But what is new is, first, the weight of China in international affairs and, second, the degree to which its domestic society and economy is directly linked to those of others as a result of deepening interdependence.

These new developments are already leading to changes in Chinese approaches to the world and to the ways China is being treated. For example, China's handling of its domestic economy and trade is being held to a higher standard of accountability by its foreign partners. China's deepening integration into international society is surely to be welcomed, but the absorption of a newly emerging great power with a fifth of the world's population creates opportunities, challenges and problems, not least for China itself. The international community and the Western countries in particular are finding that the issue in dealing with China is not whether to engage, but how to engage it, while ensuring that the fruits of interdependence are distributed fairly – meaning to the satisfaction of their domestic societies.

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