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ANALYSIS

ABOUT

CHINA DEBATES ITS GLOBAL STRATEGY

Strategic culture, power balances and the analysis of geopolitical shifts are a long-standing Chinese obsession. Academic institutions, think tanks, journals and web-based debate are growing in number and quality. They work to give China's foreign policies breadth and depth.

China Analysis introduces European audiences to the debates inside China's expert and think-tank world, and helps the European policy community understand how China's leadership thinks about domestic and foreign policy issues. While freedom of expression and information remain restricted in China's media, these published sources and debates are the only available access we have to understand emerging trends within China.

China Analysis mainly draws on Chinese mainland sources, but also monitors content in Chinese-language publications from Hong Kong and Taiwan. Reports from Hong Kong and Taiwan reflect the diversity of Chinese thinking, with occasional news and analysis unpublished in the mainland.

Each issue of China Analysis in English is focused on a specific theme, and presents policy debates which are relevant to Europeans. It is available at www.ecfr.eu. A French version of China Analysis exists since 2005 and can be accessed at www.centreasia.org.

Introduction by François Godement

China's global peers were surprised by the country's robust assertion of its sovereignty claims and its less cooperative approach on issues ranging from climate change to the Korean peninsula in 2010. The ramifications of China's new stance were most clearly felt by China's Asian neighbours, but Europe and the United States have also found reasons to be concerned. The Copenhagen summit was a rude awakening for Europe, thwarting its aspirations towards climate change. And China's passive tolerance for unprecedently provocative North Korean behaviour in 2010 upset America's expectation of strategic cooperation, a central plank of its China policy.

The meaning of China's apparent change in direction is still unclear. Is this a fluke, a passing mood of superiority brought on by China's extraordinary resilience in the face of the global financial crisis? Has the Party state lost control of nationalist sentiment and of some of the actions of actors such as the PLA Navy and China's maritime administration? Are recent Chinese claims and definition of its "core interests" really new, or has the country simply acquired the means to back up long-standing claims and policies? Is there a deeper undercurrent of policy change, reflecting a perceived power shift in favour of China? Is there a line debate among experts and officials? Does that debate merely reflect increasingly diverse interests and bureaucratic processes? Or is there a rift forming at the top which could affect China's global strategy?

After ten years of stability, China has entered a period of transition in the run-up to the 18th Party Congress in the autumn of 2012. While most leaders are publicly saying little at the moment, they are likely jockeying for positions behind the scenes. But information is hard to come by, since the Chinese state has considerably tightened control on news about the leadership. The best window available into trends in policy circles can be found in relevant public debates, such as the roundtable organised in November 2010 by China's premier geopolitical think tank, the China Institutes of Contemporary International Relations (CICIR). CICIR regularly publishes summaries of roundtables on international relations, but they seldom focus so directly on China's own strategy and foreign policy. With its close links to the upper echelons of the Chinese administration, CICIR can be expected to provide a reliable insight into the thinking of China's top strategists.

The experts who contributed to the November roundtable share some common views, for example on the long-term power shift in China's favour and the need for prudence in evaluating American military power. But they also have their differences. Contentious areas include the wisdom of building military power, the extent to which China can and should be a provider of "public goods" to Asia, the risk of an anti-China coalition forming in the neighbourhood, and the foreign ministry's lack of control of foreign policy.

China seems to think that its foreign policy choices in 2010 could have been better. But these experts also display an unprecedented degree of confidence in the inevitability of China's rise. Whether ultimately justified or not, the current Chinese view seems to be that China's future on the world stage will be determined by its own choices rather than the international environment.

Debating China's global strategy

by François Godement

Sources:

Zhongguo duiwai zhanlue: xin wenti, xin renwu, xin silu (China's International Strategy: New Issues, New Tasks, New Thoughts), in *Xiandai guojiguanxi*, November 2010, pp.1-24, a roundtable held at the China Institutes of Contemporary International Relations (CICIR) on 9 November 2010, with contributions by:

Wang Xiangwen, Director, Centre for Strategic Affairs, Beijing Aeronautics and Astronautics University

Chen Yue, Assistant Director, College of International Relations, Beijing People's University

Li Yonghui, Director, College of International Relations, Beijing Foreign Studies University

Jin Canrong, Assistant Director, College of International Relations, Beijing People's University

Zhao Xiaochun, Professor, Beijing College of International Relations

Shi Yinhong, Professor, College of International Relations, Beijing People's University

Yuan Peng, Director, Centre for American Studies, CICIR
Gong Li, Director, Institute for Global Strategy, CCP Central Party School

Feng Zhongping, Director, Centre for European Studies, CICIR

Li Wei, Director, Centre for Military and Security Affairs, CICIR

Tang Yongsheng, Assistant Director, Centre for Strategic Studies, National Defence University

He Lan, Professor, Broadcasting Department, China Media University

Lin Limin, Research Fellow, CICIR

The China Institutes of Contemporary International Relations (CICIR), China's foremost geopolitical think tank, often brings together experts from Beijing University and the think tank community to debate international trends. But the roundtable hosted in November 2010, ostensibly to discuss the global strategic environment, marked an unusual and significant event in China's political circles. The real focus of the roundtable was China's own strategy – and considering the close links between CICIR and the Party and State, the remarkable range of opinions expressed provides an extraordinary insight into current Chinese thinking on the country's place in the world.

Power shifts East

The roundtable began and ended with statements on the decline of the West. Wang Xiangwen from the Beijing Aeronautics and Astronautics University, an institution sponsored by the Chinese military, believes a second global financial crisis is imminent. He compared the 2010

G20 summit to the 1933 London Economic Conference, which dissolved in recriminations and dragged the world into self-defeating commercial warfare. Wang cited Karl Polanyi's classic 1941 study describing the fall of the liberal world order after 1918, when the liberal powers failed to meet the challenge of planned economies. He said that the world was entering a similar phase.¹ China's rise takes place at a dangerous moment. The Cold War built up major tensions that are now seeking release. Among these potential flashpoints are spheres of influence in the South China Sea, Japan-China relations and the Diaoyutai islands,² as well as China's economic relationship with the United States and the hegemony of the dollar. Wang says China's past modernisations floundered because the country did not have enough geopolitical and military clout to face down Japan or the West. His implication is that China can succeed only from a position of strength.

Lin Limin, the editor of the CICIR journal, ends the debate with some of the same arguments, although without Wang's warning of a coming global conflict. Lin said the next five to ten years would see the biggest change in the balance of power for over a century. Non-Western countries are rising and the international system is in transition. The West's economic development is capped, and China is about to move from latecomer to leader in the global race. It will pass the United States by 2025.

Military power is not the answer

Wang speaks out against "triumphalism" and notes the danger of "seeing enemies everywhere". But his comments on China's historical military weakness sound like a request for more defence spending – which is not surprising, given his institutional affiliation. Lin, on the other hand, says that the United States will remain the world's military superpower, with the capacity to impede China's "peaceful development", even after its economy has been surpassed by China's. He points out that the world is moving away from the idea of "always bigger, always more" in defence spending. If France and the United Kingdom are rethinking their joint development of an aircraft carrier, it is not primarily because of cost – they are also changing strategy because military competition is moving away from traditional deployments towards outer space and cyber-warfare.

Lin's was the closing argument of the roundtable, and his potshot at aircraft carriers runs close to the bone, since the Chinese navy is said to be working on its own carrier. His statements seem to exemplify the debate's underlying theme of support for peaceful progress. The roundtable opened with dire predictions from Wang, who is linked to the military. Experts from different institutions followed, voicing thinly veiled or openly stated reservations

¹ Karl Polanyi, *The Great Transformation – The Political and Economic Origins of Our Time*, (Beacon Press, 2001).

² Or, to Japan, the Senkaku islands.

about China's foreign policy and strategy in 2010. And finally, Lin Limin wound up with prescriptions that looked like warnings to "the younger generation" – or like a plain rebuttal to hotheads.

Europe and the economy

Shi Yinhong, a well-known geopolitician, holds the original but lonely view that, as the United States woos Asia away from China, China is having some success in wooing Europe. But any positive changes are overshadowed by the fact that, as Shi says, the only places with which China has improved its relations in 2010 are North Korea and Europe – and with Europe, improvement is "indirect and limited". Tang Yongsheng, from the National Defence University, includes Europe in China's "Go West" policy. As part of a wider Eurasian strategy, this includes ideas as varied as building a "structural triangle" between China-Russia-Europe, reaching out to NATO, and developing a Central Asia, Caspian, and Indochina strategy. China, Tang thinks, should pursue an "omnidirectional strategy" wherever oil can be found.

Feng Zhongping, the Director of the Centre of European Studies at CICIR, expresses what is probably China's bottom line on Europe. Europe is important to China, but Europe is busy with the search for a solution to its euro crisis. Its relationship with China is at base an economic one – the economy was at the heart of British Prime Minister David Cameron's visit to China, and the economy was the reason why French President Nicolas Sarkozy went to the airport to greet President Hu. The downside of this for Chinese diplomacy is that Europeans are getting more serious in expecting commercial results from their dealings with China. So, China should look for a "balance of interests": China has concerns about antidumping measures, state subsidies, and protectionism, while Europe wants a better trade balance, a higher renminbi, and greater access for its firms in China.

Feng thinks Europe needs to speed up its decision on market economy status since restrictions expire fairly soon anyway. He ascribes the growth of negative public opinion in Europe to ignorance of "different conditions throughout the world", and advises more second-track exchanges. He is puzzled by EU decision-making processes. Member states have their own interests and a strong say in their own affairs, and Europe has not agreed on a common foreign-policy strategy. But Brussels does matter, especially on trade issues, and it has achieved some harmonisation in the policies of member states.

Terrorism is a Western problem

CICIR's Li Wei thinks the West's involvement in South Asia and the Middle East has been detrimental to its counter-terrorism goals. Terrorism is on the rise across the world, and Li lists as particular areas of concern Yemen, Somalia,

Iraq, and Afghanistan-Pakistan. Yemen's poverty, weak central government, and the "more than 6 million weapons in private hands" are making Bin Laden's ancestral homeland an incubator for terrorism, and Somalia too is producing more and more radical elements. In every case, American and Western actions, especially those undertaken to fight terrorism, have only made things worse. In South Asia, the countryside is Talibanised, and Al Qaeda has generated spin-off groups all over the world, creating space for organisations like the Islamic Movement of Uzbekistan and the Eastern Turkestan movement. When the US army leaves a country, it becomes a training ground for terrorism.

Li has only vague solutions to offer. The world must strive to create "an international society more tolerant of all religions and races, stronger, more just, more benevolent, and of a higher order". The principles of the United Nations should be upheld, so as to "build cultural diversity, solve development issues, and strengthen harmony". Clearly, global terrorism is not an issue that Li Wei wants China to tackle directly – he hardly even mentioned the possibility of China itself being affected by terrorism.

China's strategic culture

Some of the experts try to frame Chinese strategy in the context of China's strategic and cultural traditions. Li Yonghui reaches back to Laozi and Mencius, but the most often quoted point is Deng Xiaoping's celebrated formula about "biding time and hiding one's talents" (*taoguang yanghui* 韬光养晦). Many of the authors say that the time has not yet come for China's rise to pre-eminence. Unilateralism and hegemony - former code words for the United States - are no longer mentioned, but the commentators have also stopped making disclaimers about future Chinese supremacy.

Several contributors debate Deng's formula, in a contemporary version of "waving the red flag to fight the red flag", as the saying went under Mao. Deng's phrase is not an excuse to shirk responsibilities and avoid action – but Li Yonghui alludes to the old Taoist *wuwei* (do nothing) wisdom and quotes Lao Zi: "the flow of water will always find a canal", and, "the peasant bent on his rice paddy can actually see the sky reflected, and as he moves backward the sky moves forward". With his elaborate quotation and flowery prose, Li Yonghui is trying to avoid taking a firm position. On one hand, the quotes can be construed as warnings against external adventures. But an informed reader cannot fail to remember that Chairman Mao also famously used a Taoist quote: in 1964, by comparing himself to "a lonely monk with a leaky umbrella", he gave the world the impression he was about to retire, when in fact the quote, read in context, meant that like the Emperor, the monk is directly and solely under Heaven. Li in fact suggests that China should increase its international contribution, citing a 1956 speech by Mao himself. By taking both sides of the argument,

Li has made himself unassailable from any angle – which is perhaps an example of the embarrassment of some academics at having to take a public stand on sensitive issues.

Li Yonghui and Lin Limin comment that American influence is based on the fact that it has provided the world with “public goods” since 1945. Lin sees this as an expression of the historical principle that great powers must control their regional environments. He thinks that China should supply public goods for its neighbours, even if it turns out to be costly. Providing public goods for the wider world seems to be still America’s responsibility.

Uneasy relations with America

The roundtable took place after a year of incidents and aggravations in China’s relations within the region and with the United States. Preparations were also under way for President Hu’s state visit to the United States in January 2011. So, much of the discussion hinged on China’s growing competition with the United States, America’s decline, and the limits of US power. The experts start by talking about America’s perceived comeback in Asia, often referring to Secretary Clinton’s speech of July 2009. They note the US’s astute exploitation of China’s various disagreements with its neighbours in 2009. The United States is considered to be aware of its own decline, and to be building counter-initiatives to combat it. But most of the experts downplay the overall level of conflict.

Jin Canrong points out that US-Asia trade is twice as important as US-EU trade, and says China is the only country in the world that can defy the US. Immigration from Asia, and even Barack Obama’s semi-Asian identity, are causing America to turn towards Asia. The process has been going on for some time; it was put on hold by the Iraq and Afghan wars, but it has now regained impetus and urgency. But Jin outlines important limits to America’s involvement in China’s regional sphere of influence. America and China’s maritime neighbours may have coinciding interests right now, but their strategic aims are not the same. The US is stoking regional fears, while neighbours “borrow force to use it” (*jieli dali*). It is a balancing game, but not a military alliance. “The spirit is willing but the flesh is weak” (*xin youyu er li buzu*): China’s neighbours are locked into close links with China because of their economic interests. However, Jin says that relations with America are at a critical juncture. His advice is tactical, not strategic – he says that China should help and guide the US to avoid the rise of extremism. Jin is probably implying that China should try to manage the transition of power from the United States to China rather than that China should reconsider its fundamental strategic direction.

Gong Li, the Party School’s director for global strategy, has similarly reassuring but somewhat more complacent views. America is struggling to deal with its own problems:

the economy, unemployment, Iraq, Afghanistan, Korea, and terrorism. Its leaders are not foolish enough to get into a confrontation with China. The two countries have common interests, including counter-terrorism, climate change, counter-proliferation, and the financial crisis. Any difficulties between the two countries are just a function of US internal politics and the 2010 mid-term elections results. Gong says the United States will pay in the long term for its mistakes, as China’s strength grows. But this is likely just a rhetorical stance; Gong’s main point is that China should remain cautious, because it is no match right now for the US “superpower”.

Redefining China’s self-image

Yuan Peng thinks China’s current strategy problems are caused by a trap that Chinacreated for itself. China is struggling to redefine its self-image in the face of its new economic realities. Although there are areas in which it lags behind other industrial powers, China has become much stronger, and it needs to put aside its insistence that it is still a “developing country”. The country is divided between pride, bolstered by the Olympic Games and successes in the financial crisis, and lingering self-deprecation – how can it reconcile 5,000 years of history and the “century of humiliation” with the last 30 years of reform? This disjunction makes it impossible for China to fulfil its international responsibilities, and so it seems selfish to other countries. China should be taking on the responsibilities of a great power, but instead it acts like a developing country. Instead of developing a global strategy, it continues to pursue a regional approach.

Patience brought China 30 years of success, but Yuan thinks China is now at risk of arrogance. He points out that American concerns and tactics are much different than they were during the Cold War. China’s trade interests do not need to conflict with those of the US or the EU or even of its neighbours: Vietnam, for example, has sovereignty and state interests very similar to China’s. Yuan concludes that China should draw “the lessons of the gains and losses of 2010” and return to its traditional cautiousness and focus on its own domestic issues – even though this seems to preclude China from taking on the global responsibilities that Yuan earlier advocated.

Downsizing China’s “core interests”

China’s definition of its “core interests” has been central to discussion of China’s foreign policy since the term was featured in the US-China Joint Statement of November 2009.³ The reported inclusion of the South China Sea among these core interests was key to the negative reaction of neighbouring Asian countries to China’s policies in 2010. Some contributors express reservations about defining

³ For a report tracing the history of the term, see Michael Swaine, “China’s assertive behaviour, part one: on China’s ‘core interests’”, China Leadership Monitor No. 34, Fall 2010, <http://www.hoover.org/publications/china-leadership-monitor>.

China's core interests too broadly. Chen Yue distinguishes between China's fixed core interests and interests that are created by the need to respond to a changing environment. Gong Li draws a distinction between fundamental, important, ordinary, and minor interests. But Gong's conception of core interests is still fairly wide: "on Taiwan, Tibet and this type of fundamental territorial and sovereignty interests, China must be very active, punch back for every blow, and not yield an inch". On less important issues, China must argue its case rationally, and on minor issues, China should either take its opportunities as they arise or else avoid getting drawn into discussion on them. Gong cautions that "in a sensitive period for Sino-American relations, it is unwise to stretch core interests too far". In the short term, China must limit its definition of its own "core interests"; how the country should pursue its interests in the long term is still up for debate.

Changing course on foreign policy?

For some contributors, 2010 was unequivocally a year of losses for China. Jin Canrong, Shi Yinhong, and Tang Yongsheng think that Russia has shifted towards the West. Jin classifies various countries as sympathetic, "ambiguous", or "hostile" to China. Lin Limin repeats without attribution a controversial phrase from Yang Jiechi, China's Foreign Affairs Minister: China is "a big country among small countries".⁴ But he warns against opposing several big countries at the same time, or unintentionally causing other countries to form a "united front" against China – which sounds like a repudiation of Yang's phrase.

Several participants are clear on the reason China's foreign policy has become so divisive: no one is in charge. The foreign policy process has become "fuzzy"; the foreign ministry is only one actor among many departments that have a say in developing policy. Interestingly, no one argues for the reinstatement of the foreign ministry as the main driver of foreign policy. Zhao Xiaochun calls for greater involvement from think tank experts and says foreign policy should become more "scientific".

The message from the roundtable is that China's foreign policy is being openly debated, and the main issue under discussion is the advisability of the confrontational approach China took with its Asian neighbours and the United States in 2010. China's diplomats appear to be so powerless that they are mentioned only for their loss of influence. But the participants in this debate try to avoid definitive statements – which suggests that they are not sure who is calling the shots, or in what direction.

Either the top leadership has let its attention drift away from foreign policy in 2010, or it is itself constrained by the risk of a major ideological and political "line debate" - the time-honoured way that the Chinese Communist Party resolves its factional conflicts. In

this situation, wise men who are not directly involved fall back on ambiguous statements and classical quotations. But the organisers clearly brought to the roundtable their own predetermined conclusion: they eschew military adventures and traditional military spending, and they advocate a real but "restrained and rational" competition with the United States.

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