

Research Paper

Tim Summers

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China's Global Personality



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Summary

China's global personality

China's 'global personality' – the interaction between its identity and foreign and security policy approaches – cannot be reduced to any single overriding concept. It is complex and dynamic, and features multiple layers. It is also in a period of flux, magnified by a sense (especially among Chinese elites) of global shifts in traditional economic balance and political power.

The ambiguity and evolution are reflected in debates in China around the implications of its rise for its traditional identity as a developing country, whether it should become more 'revisionist' in seeking to change international or regional order, and how assertive its foreign and security policy should be. There is also debate about the nature of China's complex and changing global environment.

China is not the only driver of change in its global personality. Perceptions and policy choices by other countries that are global actors are important, especially the United States and Japan. The United States remains the single most important of these, and discussion of its policy choices has so far dominated the (non-Chinese) literature about the 'rise of China'.

Influencing perceptions of and the discourse about China is part of Beijing's diplomatic challenge, but the spread overseas of Chinese commercial and individual interests makes this more difficult. Longer-term implications of China's rise depend on the interactions not just between strategic and tactical decisions made by the Chinese and other governments, but also arising from the global political and economic impact of Chinese non-state actors.

The underlying context is uncertainty about the extent and impact of the rise of China, which so far is greater at a regional than global level, China's economic size is not yet matched by its diplomatic and other influence, and its rapid but uneven development has created new domestic risks. Still, China's global influence has spread substantially. In the country itself, the idea that it has become a major power has become stronger.

Foreign and security policy under new leadership

The Chinese leadership in place since 2012 has introduced a number of innovations in foreign and security policy, including the idea of building a new type of major-power relationship with the United States and changes to the style of diplomacy. The establishment of a new National Security Commission is significant and not limited to foreign policy: it looks likely to strengthen policy coordination and integration across relevant domestic and external issues.

Engagement with the existing international order remains strong. But there is a growing element of gradual revisionism in Chinese policy-making towards elements of regional and international order. This involves an emphasis on the United Nations as the primary international institution for addressing global issues. China will continue to pursue a more active international role, such as through UN peacekeeping missions, but remains reluctant to offer support at the UN for intervention in problem areas around the world.

Summary

Geographically, China's primary policy focus will be on relations with the United States and in Asia. The new leadership has also emphasized strategic relations with Russia. Europe has been less of a priority, but is still considered a major power. China's 'omni-directional diplomacy' underpins its growing engagement across all continents.

The new type of major-power relationship with the United States is intended to avoid conflict between it and a rising China, and to develop into a relationship characterized by equality, including in Asia. It remains to be seen how feasible this is, which will depend partly on US responses and partly on how far the Chinese leadership chooses to test the United States' 'bottom line' (e.g. through the November 2013 announcement of an Air Defense Identification Zone (ADIZ) over the East China Sea).

This is related to the development of firmer or more assertive Chinese policy in Asia in recent years. However, current uncertainty in East Asia should be seen not simply as the result of China's rise and others' responses to it, but also as a consequence of the ongoing renegotiation of regional order by many regional actors.

China's relationship with Japan is likely to remain poor. However, it remains strategically important to China, though its precise objectives are unclear. The state of the relationship is also intimately linked to the renegotiation of regional order.

There is little prospect of significant change in policy towards the Korean peninsula. Southeast Asian countries have sought to ensure US security engagement and assurances, but they do not want to become entirely dependent on it and need to maintain good relations with China. Organizations such as the Association of Southeast Asian Nations (ASEAN) are important for these countries in ensuring their voice is heard in the region.

China will continue to engage in multilateral institutions, especially those with an economic focus. Regionally, there is a preference for institutions that are limited in scope to East Asia rather than the Asia-Pacific, although it is likely to remain engaged with the Asia-Pacific Economic Cooperation, East Asia Summit, ASEAN Regional Forum and ASEAN Defence Ministers Meeting Plus. China sees US-led initiatives such as the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership as efforts to renegotiate elements of international order, but it will seek to join the TPP in due course if the institution takes off.

International governance on cyber security is an interesting test case for Chinese policy, given that it is being developed at a time of China's rise. An important part of the Chinese approach is promoting the idea of 'sovereign virtual territory', and ideally seeking consensus on new rules under the United Nations.

Policy implications

The implications of China's rise will be affected by the choices made not just in the country, but elsewhere. Subject to the constraints of relative power and influence in the international system, there is therefore space for other countries to engage in shaping the future global and regional order.

Summary

The policy choices of the United States and Chinese responses to them will have the greatest impact. China has shown little interest in the idea that it might develop some sort of ‘G2’ structure with the United States for oversight of global affairs, and currently its main strategic aim for this relationship is to avoid a negative spiral. Other countries should also try to influence the direction of US–Chinese relations.

Different layers and ambiguity in China’s global personality imply different behaviours in different contexts. A coherent and logically consistent approach may not emerge across issues, meaning policy-makers will need to deal with each separately.

If strategic difficulties in the US–Chinese relationship continue, these could pose particular challenges for other countries whose strategic interests have been aligned closely with the United States, but for which the rise of China may offer as many opportunities as threats. Dealing with these dilemmas requires innovative assessments of national interest: at issue are relationships not just with China but with the United States, and questions of regional order and governance.

Introduction

This paper examines the drivers and implications of China's evolving 'global personality', understood as the interaction between its identity and foreign and security policy approaches. It identifies likely Chinese policy approaches to a number of specific issues, and then briefly outlines some possible scenarios, discussing the policy implications for developed countries outside the region (other than the United States).

The paper argues that China's global personality is complex and dynamic. It is currently in a period of flux, driven by debates within China that are magnified by a global context that is also characterized by a period of shifts in traditional economic balance and political power. The main debates are around the implications of China's rise for its traditional identity as a developing country, whether it should become more 'revisionist' in seeking to change the international and regional orders, and how assertive its foreign and security policy should be. There is also debate about how benign, or otherwise, China's changing and complex external environment is.

This period of flux not only creates ambiguity, but also opens up a range of possible scenarios for the development of Chinese approaches to global issues, reflecting a complex intertwining of economic, traditional and non-traditional security matters, and domestic politics. As a result, generalizations that are often used by various actors to describe Chinese approaches – such as 'assertive', 'peaceful', 'cooperative', 'disruptive' – do not do justice to the reality of Chinese policy-making. Instead Chinese behaviour varies across issues, so each one must be looked at on its own terms.

China is not the only actor or driver of change. Its global personality is partly the result of the way its behaviour is perceived, though these perceptions may not fully take into account the complex nature of its internal processes, actors and systems, which inform the behaviour that China displays on the international stage. Further, identity is relational, and the policy choices and behaviour of other regional powers – especially the United States and Japan – influence China's global personality and have direct implications for the evolution of regional order in East Asia. Indeed, viewing developments in Asia as part of an ongoing process of renegotiating regional order (rather than simply a question of China's rise and responses to it) provides a more fruitful framework to take account of change in others' approaches as well as in China's.

When it comes to policy implications, the dynamics of China's evolving global personality have the potential for creating ongoing difficulties in the US–Chinese relationship, and therefore posing particular challenges for other developed countries whose strategic interests have traditionally been close to those of the United States, but for which the growing economic and commercial clout of China may offer as many opportunities as threats. (This may also apply in some diplomatic and non-traditional security areas.) Dealing with these dilemmas requires innovative assessments of national interest on the part of these countries: identifying where the greatest threats to national security lie, what sort of 'alliances' are most beneficial in this changing world, and what sort of global governance structures these countries might aspire to be part of. At issue is their relationship not just with China but also with the United States, and questions of regional order and governance.

What is China's 'global personality'?

To draw out the value of the concept of 'global personality', this paper looks at the way in which a number of policy approaches interact with conceptions of China's identity, particularly self-identity. These cover the shaping of China's positions in multilateral forums, on international peace and security issues; its relations with other global and regional powers, in particular its relations with other BRICS countries (i.e. Brazil, Russia, India and South Africa) and the United States (including the meaning of 'new kind of great-power relationship'); and its positions on cyber issues.

However, a discussion of China's global personality should start by thinking about what is 'China' in this context. As the literature on China's rise makes clear, its global impact has not been solely the result of actions by the government or other official organs.¹ It is therefore necessary to draw a distinction between 'official' and 'unofficial' China. The impact of Chinese people and businesses on other societies has been increasingly significant, whether through overseas investment by companies, growth in tourism or student numbers overseas, with sometimes relatively limited official control.² These unofficial dynamics in China's global interactions have a clear impact on how its 'personality' might be conceived elsewhere. Perhaps because of assumptions that China's political system is monolithic and authoritarian, there is a tendency for all Chinese actors to be subsumed under the term 'China' (e.g. in newspaper headlines such as 'China buys xyz ...' to describe an acquisition by a Chinese company), conflating all of this activity into 'official China', at least by implication. Conceptually, therefore, the idea of China's global personality should cover a broad range of actors. This noted, given the policy focus here, this paper concentrates most of its analysis on 'official China'.

The idea of 'personality' is a powerful one, though International Relations studies tend to talk more about state 'behaviour' than 'personality'.³ An example is Suisheng Zhao's characterization of China's 'strategic personality' as 'pragmatic'.⁴ In contrast, Edward Luttwak applies a concept of 'great power autism' to China, using this to account for what he describes as 'a pronounced insensitivity to foreign sensitivities',⁵ a tendency that, he concludes, leads to greater tension, and maybe even conflict, between China and other countries, especially its neighbours. Others highlight changes in behaviour and how this feeds back into the structures that then inform future policy (this being the thinking behind the idea of 'socializing' states to international norms).⁶

¹ These official actors include the Chinese Communist Party, military and judicial organs, and arguably state-owned enterprises, as well as the government. For an outline of the political system, see Susan V. Lawrence and Michael F. Martin, 'Understanding China's Political System', Congressional Research Service, www.fas.org/sgp/crs/row/R41007.pdf.

² For example, David Shambaugh, *China Goes Global: The Partial Power* (New York: Oxford University Press, 2013). Linda Jakobson and Dean Knox look at the impact of various actors on foreign policy in *New Foreign Policy Actors in China*, SIPRI Policy Paper 26, September 2010.

³ The main types of behaviour include balancing, bandwagoning, appeasement, engagement, etc.

⁴ Zhao Suisheng, *Chinese Foreign Policy: Pragmatism and Strategic Behavior* (Armonk, NY: M.E.Sharpe, 2004). As Shaun Breslin also argues, 'pragmatism' is often identified as the most important feature of so-called China models'; see 'The "China Model" and the Global Crisis: from Friedrich List to a Chinese Mode of Governance?', *International Affairs*, Vol. 87, No. 6 (2011).

⁵ Edward Luttwak, *The Rise of China vs. the Logic of Strategy*, (Cambridge, MA and London: Harvard University Press, 2012), p. 12. Luttwak develops this concept in describing the behaviour of other 'great powers' (chapter 3).

⁶ Andrew J. Nathan and Andrew Scobell argue that 'Lamarckian evolution, long discredited in biology, functions with important effect in the world of policy. A change in behavior (such as deciding to join the WTO) induces a change in physiology (staffing up the bureaucracy with experts on WTO rules and procedures),

Beyond language of 'personality' and 'behaviour', though, questions of identity are central to the mainstream study of state behaviour in international relations. Behind this lies an ongoing debate about the nature of identity, with constructivists arguing against realists that that identity is not given, but is 'what states make of it'.⁷ This conceptual framework opens up analytical space not only for countries themselves (or different actors within them) to have conceptualizations of national identity that vary over time, but also for actors in other countries to have different perceptions of that country's identity (and interests). As Gilbert Rozman says, 'National identities are existential and relational.'⁸

Seeing national identity as relational, not 'essential', does not mean that identity is arbitrary or without historical roots. Elements of China's global personality are constructed on the basis of its elites' understanding of behaviour over the *longue durée* and the implications of the twentieth-century revolutions and their aftermath. These elements include a clear sense that China was historically a great power, a sense of victimhood resulting from imperial incursions and invasions from the mid-nineteenth century through the Second World War,⁹ and a 'post-colonial' sentiment in the People's Republic reflected, for example, in the 'five principles of peaceful coexistence' set out by Zhou Enlai in the 1950s.¹⁰ They also reflect the complex nature of its internal processes and systems. Some of these elements are highlighted further below.

The question of China's current identity is a complex, contested and dynamic one, with important implications for policy choices by the Chinese leadership and by others who deal with China.

Background

The directions of Chinese policy and its implications

Many Chinese official presentations on the country's foreign policy or approaches to international affairs begin with analysis of the global context. These tend to emphasize that:

- the global situation is complex, especially following the global financial crisis (with some ambiguity over whether the crisis has ended);
- global affairs and the international order are in a state of flux; and

which induces a change in DNA (those experts become a constituency with distinctive beliefs and values, who push a set of policies within the system).¹ Andrew J. Nathan and Andrew Scobell, *China's Search for Security* (New York: Columbia University Press, 2012), p. 52.

⁷ Alexander Wendt, 'Anarchy is what States Make of It: The Social Construction of Power Politics', *International Organization*, Vol. 46, No. 2 (1992).

⁸ Gilbert Rozman, 'Introduction: Conceptualizing National Identity Gaps within East Asia', in Gilbert Rozman (ed.), *National Identities and Bilateral Relations: Widening Gaps in East Asia and Chinese Demonization of the United States*, (Washington, DC, and Stanford, CA: Woodrow Wilson Center Press with Stanford University Press, 2013).

⁹ Reference to the role of victimhood in China's national identity is widespread (see, for example, Ming Wan, 'National Identities and Sino-Japanese Relations', in Rozman, *National Identities and Bilateral Relations*, p. 74). For an innovative re-evaluation of the implications, see William A. Callahan, *China: The Pessimist Nation* (Oxford: Oxford University Press, 2010).

¹⁰ These are mutual respect for territorial integrity and sovereignty, mutual non-aggression, non-interference in others' internal affairs, equality and mutual benefit, and peaceful coexistence.

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- one feature of this is the growth of a number of emerging powers, part of an 'inevitable' trend towards multipolarity.¹¹

As one former Chinese official put it, the world is in a period of 'substantial global change', with 'adjustment in international relations'.¹² While many identify this with changes in relative power between states, or between a 'rising south and falling north',¹³ others highlight the impact of non-state actors and non-traditional security challenges.¹⁴ Below the official level, there is important debate among Chinese experts about how benign, or otherwise, China's external environment is, and this analysis frames thinking on international affairs.

The global context is also relevant because, given strong worldwide interest in China, the regime itself is not always in control of how its 'personality' is perceived or constructed. One consequence of this is that Chinese policy-makers see the need to influence discourse about China as part of the diplomatic challenge they face.¹⁵ The rapid rise of China means that this dynamic is much more present in its case than in that of any other country. Part of the reason for the limited ability of the Chinese authorities to control how the country's personality is perceived is the growing impact of the global spread of Chinese corporate interests and individual travellers. Chinese companies are particularly perceived as representing China abroad, though often they are outside the control of China's officialdom.¹⁶

While it is change in China that has attracted most attention over recent decades, starting by thinking about the global context raises questions of agency by effectively placing the dynamism and source of change at the global level. A framework that allows us to incorporate change in the approaches of other actors, whether the US 'rebalance' to Asia, shifts in Japanese security policy,¹⁷ or changes at a regional or global level, is offered by Evelyn Goh.¹⁸ She argues that the period since the end of the Cold War has witnessed the establishment and ongoing transformation of US hegemony in East Asia, at the same time as and partly as the result of China's rise. For Goh, the key dynamic is an 'order transition', an ongoing renegotiation among states of the region's norms and institutions.¹⁹ She concludes that this has

11 For example Wang Yi, 'Gaige shijie, mengxiang Zhongguo: 2013 nian xinyijie dang zhongyang waijiao chenggong kaiju' ['Successful start to the new Party leadership's diplomacy in 2013'], *Qishi* 2014, Vol. 1, http://www.qstheory.cn/zxdk/2014/201401/201312/t20131230_307421.htm. It is not only Chinese accounts that stress the idea of flux in the international order; for example, a similar point was made by British Foreign Secretary William Hague in an April 2012 speech on Asia, delivered in Singapore, 'Britain in Asia', <https://www.gov.uk/government/speeches/britain-in-asia>.

12 Discussion with author, Beijing, December 2013.

13 Zhao Qinghai, 'New Changes in the International Pattern: A Balance of Power Comparison and the Intensifying Struggle for Rule and Order', in *The CIIS Blue Book on International Situation and China's Foreign Affairs* (China Institute of International Studies, World Affairs Press, 2013), p. 3.

14 Qin Yaqing, 'Power Shift, Governance Deficit and a Sustainable Global Order', *Economic and Political Studies*, Vol. 1, No. 1, January (2013).

15 As an example of the sensitivities to evolving discourse, one person interviewed for this paper said that the term 'Indo-Pacific', which has been used recently by numerous actors, 'peripheralizes China' – though it may be that this goes too far and thinking of this as diminishing China's relative regional impact is a better concept. Japanese Prime Minister Abe also used the term in his 22 February 2013 'Japan is Back' speech at the Center for Strategic and International Studies, http://www.mofa.go.jp/announce/pm/abe/us_20130222en.html.

16 There is a certain irony here in that there has been a tendency in China to associate non-state actors from other countries with their 'national' position (I am grateful to Shaun Breslin for this observation).

17 See John Swenson-Wright, *Is Japan Truly 'Back'? Prospects for a More Proactive Security Policy*, Chatham House Briefing Paper, June 2013, <http://www.chathamhouse.org/publications/papers/view/192477>.

18 Evelyn Goh, *The Struggle for Order: Hegemony, Hierarchy and Transition in Post-Cold War East Asia* (New York: Oxford University Press, 2013).

19 Following an 'English school' approach, Goh defines order as 'norm-governed interaction produced by a social compact among members of the regional society of states', p. 28.

resulted (for the moment at least) in a 'layered hierarchy' with the United States at its peak, followed by China. This emphasis on order is in contrast to a 'power transition', which focuses on the material capabilities of states, and it may explain the extent of uncertainty and apparent transformation in East Asia, even at a time when the majority of material indicators continue to show that the United States remains well ahead of China.

In contrast, much of the literature commenting on Chinese foreign and security policy implicitly or explicitly assumes a more constant regional order and US position in it, which policy-makers and scholars refer to as a regional 'status quo'. This concept may be deceptive and potentially dangerous for policy-makers,²⁰ but much of the literature reflects this assumption. In these dominant perspectives, regional change and challenge come from China's 'rise', effectively making it the agent of change.

Still, the most significant underlying phenomenon is China's emergence from the late twentieth century as a major force in global affairs, a process that has intensified over the last few years.²¹ A bald set of statistics can be cited to support this claim: in 2010 China became the second largest economy in the world in aggregate terms, it is the largest holder of foreign exchange reserves, it is the largest trader of goods as of 2013, and so on. A small number of commentators continue to see China's rise as some sort of mirage, supported by statistical sleight of hand, which will sooner or later lead to a coming collapse. At the other end of the spectrum is the idea of China inevitably emerging as the next global superpower, symbolized by its impending overtaking of the United States as the world's largest economy as measured by aggregate GDP, and possibly at some point to 'rule the world'. The assumption in this paper is short of this, but it assumes that, at the very least, the increase of China's share of world income (from 2.2 per cent in 1980 to 14.4 per cent in 2011)²² marks a major shift in the country's global weight. That China's rise has had a major global impact is a 'basic fact of today's world'.²³

Nevertheless, the actual extent and impact of this shift remain the subject of debate, and the literature identifies important limits to China's power and influence. These analyses fall into several broad schools, with overlap between them. First, there is the idea that China's rise to date is primarily as a regional power, not a global one. Second is the argument that China's economic influence may have increased substantially as its economy has grown, but that this has not been matched by diplomatic, cultural and soft power, and military influence. Third, there are accounts that emphasize the risks inherent in the way in which China's development has taken place, from political strains and challenges to social stability, to what Mel Gurtov calls the 'Achilles' heel' of environmental damage.²⁴

David Shambaugh draws on many of these themes to argue that the world has witnessed not so much the 'rise' of China as the 'spread' across the globe, but without much depth, of China's commercial,

²⁰ The changes in Chinese approach, Japanese policy (under Prime Minister Abe in particular), and the continued working through of the US 'rebalance' to Asia suggest that analytically the concept of a regional 'status quo' is increasingly untenable.

²¹ This paper talks about 'rise'. There are political implications whichever terminology is chosen ('emergence', 're-emergence', 'development', etc.). Within China itself, various terms are used, for example 'the increase in comprehensive national power' [*zonghe guoli tisheng*].

²² Jeffrey D. Sachs, 'If this isn't a world-altering economic shift, then what is?', letter to the *Financial Times*, 9 February 2012.

²³ Discussion with author, Beijing, January 2014.

²⁴ Mel Gurtov, *Will This Be China's Century? A Skeptic's View* (Boulder, CO and London: Lynne Rienner, 2013), p. 83.

social and political influence.²⁵ He concludes that China's power has often been dramatically overstated: it remains a 'partial power'. However, Shambaugh also shows how the debate about whether China is (yet) a 'great power' is reflected within China as well as outside the country, and he identifies a dominant Chinese discourse in which 'China is a major world power – or at least is well on the way to becoming one', arguing that the debate has since shifted to discuss 'what kind of major power China should be'.²⁶ The idea that, irrespective of judgments about the country's actual global influence, the debate within China about its global identity has moved into a new phase is an important one. Shaun Breslin comments that the sense of 'victimhood' that has long been an important part of contemporary Chinese identity is seen by some in China as diminishing while a sense of the country as a 'great power' becomes stronger.²⁷

A further, more recent, element in discussions of China's rise comes from English School approaches that inform Evelyn Goh's framework (see above). The argument here is that hegemonic succession is not just material, but encompasses norms and legitimacy. These have not (yet) been features of China's rise (hence perhaps the Chinese leadership's keenness on developing 'soft power').²⁸ Therefore a hegemonic transition, or succession, between the United States and China is highly unlikely at the moment. As Ian Clark puts it, 'any accretion of China's economic power, let alone a more general tendency towards multipolarity, does not even begin to translate into a hegemonic succession.'²⁹

This discussion is important analytically and for policy-makers in assessing the relative importance that should be accorded to China. While there are important limitations to China's rise, some words of caution are in order. If anything, there has been a tendency over recent decades – both from 'China watchers' and perhaps from elites in China, as demonstrated by the surprise at the way China was thrust into the driving seat of responses to the global financial crisis – to underestimate rather than overestimate the pace and impact of China's growth.³⁰ For example, an influential article by Gerald Segal published in 1999 in *Foreign Affairs*, which sought to offer a corrective to the 1990s narrative of China's rise by highlighting the challenges facing it, has since been shown to have been too pessimistic.³¹ If China's rise is conditional, therefore, it may simply be a case of 'not yet',³² and that 'not yet' may be short-lived.

²⁵ David Shambaugh, *China Goes Global: The Partial Power* (New York: Oxford University Press, 2013).

²⁶ *Ibid.*, p. 17 (emphasis in the original).

²⁷ Shaun Breslin, 'Understanding China's Regional Rise: Interpretations, Identities and Implications', *International Affairs*, Vol. 85, No. 4 (2009), p. 821. Elsewhere Breslin says, 'By the end of 2009 there seemed to be a general feeling within China that it was returning to its rightful place of centrality in the global order, and that its development model had been vindicated' (Breslin, 'The "China Model" and the Global Crisis', p. 1327). On the other hand, one Chinese scholar has warned of the dangers to China's Asia policy from 'triumphalism'. Shi Yinhong, 'Triumphalism and Decision Making in China's Asia Policy', *Economic and Political Studies*, No 1, (2013).

²⁸ Joseph Nye's concept of 'soft power' as encompassing the intangible aspects of power that make its holders attractive and able to persuade rather than coerce bears some similarity to the Gramscian notion of hegemony which Goh employs in her analysis.

²⁹ Ian Clark, 'China and the United States: a succession of hegemonies?', *International Affairs*, Vol. 87, No. 1 (2011), p. 25.

³⁰ This view was confirmed in a number of discussions carried out with Chinese experts in researching this paper.

³¹ Gerald Segal, 'Does China Matter?', *Foreign Affairs*, September/October 1999. See also the essays in Barry Buzan and Rosemary Foot (eds), *Does China Matter? A Reassessment* (London and New York: Routledge, 2004).

³² Shaun Breslin cites David Kang to this effect in 'China and the Global Order: Signalling Threat or Friendship?', *International Affairs*, Vol. 89, No. 3 (2013), p. 634.

The pace of this rise over recent years requires reconsideration of another long-standing question in analysis of China's international relations, namely whether it is a 'status quo' power, content with the international order and its rules, or a 'revisionist' power, anxious to change them. There is a broad consensus in the literature that by the 1990s there had been a clear shift in Chinese policy from the radical revisionism of much of the Mao era to acceptance of and engagement with the existing international order, symbolized by growing participation in UN peacekeeping operations, the application to join the World Trade Organization (WTO) and engagement with regional multilateral institutions such as the Association of Southeast Asian Nations (ASEAN).³³ Precise judgments over the extent to which China had become a status quo power vary, but by the early 2000s China was increasingly seen as one.³⁴ Over recent years, however, China's engagement with the existing system and institutions has increasingly been seen as falling short of a full embrace, with elements of gentle revisionism highlighted more. China has become more of what one Chinese scholar called a 'reform-minded status quo power'.³⁵ As Peter Ferdinand and Jue Wang show, for example, China has 'gradually accommodated itself to the norms of international financial governance [...] and has integrated itself into the IMF', but has more recently become 'a little more confident in expressing alternative positions openly'.³⁶

Others are more critical. Barry Naughton says that China 'seems perpetually dissatisfied with the global [economic] system, and determined to extract as many benefits as it can from the system without, however, making any constructive proposals to change the system'.³⁷ There are also those who argue that efforts in China to identify 'Chinese' sources of International Relations theory, including by looking back into history at models such as the imperial tributary systems, suggest a more radical revisionism on the part of Chinese scholars.³⁸ However, it should also be noted that one feature of the way such models are presented is to highlight the potential for a strong China to live peacefully with its neighbours.³⁹ These efforts to identify 'Chinese' approaches to international relations speak to a wider sense of the country going its own way, 'an emerging sense of "Chinese exceptionalism" – an idea that China is fundamentally different from other countries, with some sort of global duty and responsibility to promote an alternative to the dominant global order'.⁴⁰ It should also be noted that Chinese policy-makers have been aware of perceptions that China is revisionist, and attempted to 'construct an image of it as a "responsible great power"' to address this.⁴¹

33 Guoguang Wu and Helen Lansdowne (eds), *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2008).

34 An indication of the extent to which China had been seen as becoming a status quo power comes in Alastair Iain Johnston, 'Is China Status Quo Power?', *International Security*, Vol. 27, No. 4 (2003).

35 Ren Xiao, cited in Peter Ferdinand and Jue Wang, 'China and the IMF: From Mimicry towards Pragmatic International Institutional Pluralism', *International Affairs*, Vol. 89, No. 4 (2013), p. 904.

36 Ferdinand and Wang, 'China and the IMF'. Such case studies raise the possibility that the extent of China's status quo approaches is issue-dependent.

37 Cited in Nina Hachigian, *Debating China: The U.S.-China Relationship in Ten Conversations* (Oxford University Press, 2014), p. xiv.

38 Rozman suggests this process 'anticipated a newly assertive foreign policy in 2010'. Rozman, 'Introduction', p. 13. See also William A. Callahan and Elena Barabantseva (eds), *China Orders the World: Normative Soft Power and Foreign Policy* (Washington, DC: Woodrow Wilson Center Press, 2011).

39 This is spelt out in David Kang, *East Asia before the West: Five Centuries of Trade and Tribute* (New York: Columbia University Press, 2010).

40 Breslin, 'The "China Model" and the Global Crisis', p. 1324. See also p. 1338.

41 Breslin, 'Understanding China's Regional Rise', p. 822.

These points relate to a further question, particularly germane to devising policy responses, as to how China's rise should be characterized – 'peaceful', 'assertive', 'aggressive' – and how these characterizations might be changing. There is no simple consensus in the existing analysis, though there is a general sense that at some point after 2008 Chinese foreign policy became more assertive, or firmer (see below).⁴² At the same time, while the Chinese leadership's use of the term 'peaceful rise' has long bitten the dust,⁴³ Chinese diplomats continue to reiterate that China is 'committed to the path of peaceful development'.⁴⁴ Underlying this is a particular sense of China's own identity as a naturally 'peaceful power';⁴⁵ while remaining sceptical about the tendency this implies of reducing identity to a single 'essence', and mindful of the fact that China has engaged in brief military conflicts in earlier decades, this self-understanding should still be seen as a partial constraint on foreign and security policy.

In contrast, structural realists such as John Mearsheimer see an unfolding 'tragedy' of inevitable conflict between a rising and established power.⁴⁶ Others emphasize the response of those dominant in the existing order as a major variable in determining whether the emergence of a rising power will lead to conflict, bringing to the fore the importance of understanding how the United States and others respond to China's rise. Yet others see the development of institutions as something that will manage this process of change.⁴⁷

The conclusion here is that the world is not yet witnessing the beginnings of a global – or regional – transition from US material dominance to China, even if there is evident nervousness among some in the United States that a transition might come sooner than people think. This is even more so if we look for a transition in hegemony understood as encompassing norms and legitimacy, neither of which China is close to achieving. Nor is it clear that a transition in material power is inevitable; the United States has historically shown a capacity for renewal and reinvention, and in their recent discussion of US-Chinese scenarios, David Rapkin and William Thompson identify the possibility of a reversal of US relative decline.⁴⁸ Even if China were to overcome the limitations spelt out above and begin to match the United States, it should be noted that many power transitions do not end in conflict, but in renegotiation of order.⁴⁹ This is perhaps what is currently being witnessed, and the longer-term

42 One argument that this assertiveness is not as great as many claim can be found in Alastair Iain Johnston, 'How New and Assertive is China's New Assertiveness?', *International Security*, Vol. 37, No. 4 (2013).

43 Bonnie S. Glaser and Evan S. Medeiros, 'The Changing Ecology of Foreign Policy-Making in China: The Ascension and Demise of the Theory of "Peaceful Rise"', *The China Quarterly*, No. 190, June (2007).

44 For example, see Liu Xiaoming, (ambassador of China to the United Kingdom), 'Political and Security Challenges in Asia: A Chinese Perspective', talk at Chatham House, 5 February 2014, p. 11, <http://www.chathamhouse.org/publications/papers/view/197250>.

45 See Hu Jintao, 'Report at 18th Party Congress', *Xinhua*, 8 November 2012 (text issued on 17 November), http://news.xinhuanet.com/english/special/18cpcc/2012-11/17/c_131981259.htm.

46 John Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton, 2002).

47 G. John Ikenberry, *Liberal Leviathan: The Origins, Crisis, and Transformation of the American World Order* (Princeton and Oxford: Princeton University Press, 2011).

48 David P. Rapkin and William R. Thompson, *Transition Scenarios: China and the United States in the Twenty-First Century* (Chicago and London: University of Chicago Press, 2013).

49 This idea informs Goh's discussion of 'order transition'. There is much less discussion in the English-language literature about the implications of transition in the region between Japan and China as the largest economy in East Asia, though it seems that Japanese insecurity about China has grown markedly since 2010. This may say something about the nature of the literature, much of which – as noted in this paper – comes from the United States for US policy-makers.

implications of China's rise therefore depend not just on the interactions between strategic and tactical decisions made by the Chinese and other governments, but also on the political and economic impact of Chinese non-state actors as they spread their activities and influence across much of the globe.⁵⁰

All of these questions have implications for understanding China's 'identity' in the global context, as well as for its policy choices and those of other countries dealing with China. They form the basis for the analysis in the rest of this paper, beginning with findings about China's identity in international affairs.

Drivers of Chinese foreign and security policy

Foreign policy under new leadership

Since the new leadership took over at the top of the Chinese Communist Party in November 2012, followed by state appointments in March 2013 – including Xi Jinping as president and Li Keqiang as premier – foreign-policy officials and party-guided media have made a number of statements about the authorities' approaches to international affairs.⁵¹ A short article published on 1 January 2014 by Foreign Minister Wang Yi gives a recent official summary of the main concerns, and a presentation (for domestic consumption) of Chinese approaches to diplomacy.⁵² Its main points are listed below.

- The context is one of global flux: global economic transformation, change in the international system, adjustment in the world situation including a move towards multipolarity, and deep evolution in China's relations with the rest of the world.
- New concepts in Chinese diplomacy: the Chinese dream, peaceful development, building a new type of major-power relationship with the United States (see below), clarifying the direction of neighbourhood diplomacy, and promoting *yiliguan* (which could be translated as 'viewpoint of values and interests').⁵³
- Innovations in Chinese diplomatic activity: making progress amid stable relations with big powers (Russia, the United States, Europe), forging ahead in neighbourhood diplomacy, promoting comprehensive diplomacy (from Africa to the Caribbean, etc.), engaging in multilateral diplomacy with the BRICS, the G20, the Asia-Pacific Economic Cooperation (APEC), and taking a proactive approach to diplomatic hot spots such as North Korea, Syria, Iran and the Palestine.

⁵⁰ One could almost extend this thinking to hypothesize that the organic impact of 'non-official' China is more revisionist than that of 'official' China.

⁵¹ For an earlier analysis of the new leadership's approaches, see Tim Summers, *China's New Leadership: Approaches to International Affairs*, Chatham House Briefing Paper, April 2013, <http://www.chathamhouse.org/publications/papers/view/191079>.

⁵² Wang Yi, 'Gaige shijie, mengxiang Zhongguo'. These themes are also present in an August 2013 article by the state counsellor responsible for foreign affairs, Yang Jiechi, 'Innovations in China's Diplomatic Theory and Practice Under New Conditions', Chinese Ministry of Foreign Affairs, <http://www.fmprc.gov.cn/eng/zxxx/t1066869.shtml>.

⁵³ This concept was described to the author by one Chinese academic as meaning that the Chinese government would not forget justice and morals in the pursuit of interests.

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- A new style of Chinese diplomacy, which includes persisting in maintaining the UN Charter and 'basic rules' of the international system as the Chinese authorities see them, seeking justice for developing countries, putting forward views on major international issues, promoting Chinese initiatives and concepts, fulfilling China's role, and developing the image of a responsible major power. This should be underpinned by internal discipline and 'strengthening the centralized and unified leadership of the Party in diplomatic work'.

This last point on style and approach, taken with brief glimpses of a more proactive approach to the Middle East⁵⁴ and Chinese approaches in East Asia, begins to give official support for a more proactive diplomacy in the future. In a 24 January interview with the *Financial Times* (and hence aimed at an international audience),⁵⁵ Foreign Minister Wang emphasized the role of development in Chinese foreign policy, reiterated the hope that the United States and China could work together in the Asia-Pacific,⁵⁶ and talked about challenges in relations with Japan in particular.

The new leadership has also introduced institutional changes in the management of national security. The Third Plenum of the Party's Central Committee, which met in November 2013, agreed to establish a National Security Commission (*guojia anquan weiyuanhui*), a body duly formed in late January 2014. It is chaired by Xi Jinping, with the numbers two and three in the party hierarchy, Li Keqiang and Zhang Dejiang, as vice chairs.⁵⁷ Xi Jinping's comments at the Third Plenum suggested the commission looked likely to cover internal and external security issues, to be comprehensive in scope and to play a key role in coordinating policy at the top.⁵⁸ Reports of the first meeting, on 15 April, talked about a 'comprehensive national security outlook' and suggested that the body's remit would cover 11 areas in the realm of national security: politics, territory (homeland security), military, economy, culture, society, science and technology, information, ecology, natural resources and nuclear security.⁵⁹

Although the establishment of this body seems to be partly in response to official concerns about inadequate coordination, against the background of commentary suggesting that the foreign policy process has become subject to a wider range of actors and voices,⁶⁰ some have underplayed the existence of multiple voices, and commented that foreign policy-making has remained very centralized.⁶¹ Whatever the assessment for the 2000s, following the 2012 leadership transition, it seems increasingly clear that Xi Jinping is coordinating policy across many areas, including foreign and

54 This took place around mid-2013 visits to China by both Israeli and Palestinian leaders, though it does not appear to have been followed up (publicly at least).

55 Transcript of interview with Wang Yi, *Financial Times*, 29 January, <http://www.ft.com/intl/cms/s/0/cob29fd8-88e2-11e3-bb5f-00144feab7de.html?siteedition=intl#axzz2tyQasKpN>.

56 This was the theme of an earlier speech. Wang Yi, 'Yatai ying cheng ZhongMei goujian xinxing guanxi shiyantian' ['Asia-Pacific should become the testing ground for building a new type of US-China relationship'], Brookings Institution, 21 September 2013.

57 'Xi Jinping to lead National Security Commission', Xinhua, 24 January 2014, http://news.xinhuanet.com/english/china/2014-01/24/c_133071876.htm.

58 As Wang Jisi comments, "'national security' in China is much more broadly defined than in America' (in Hachigian, *Debating China*, p. 19); the same could be said across much of Asia, where notions of 'comprehensive security' not only encompass non-traditional security, but also reflect the importance of regime security and domestic stability.

59 'National security matter of primary national importance', Xinhua, 15 April 2014, http://news.xinhuanet.com/english/china/2014-04/15/c_133264574.htm.

60 Jakobson and Knox, 'New Foreign Policy Actors in China'.

61 Discussion with author, Beijing, December 2013.

security policy, by chairing the National Security Commission and high-level leadership groups on military reform and cyber security. His foreign visits and meetings with visiting dignitaries mean that Xi is also being seen as China's 'chief diplomat'.⁶² All this gives him a higher level of personal accountability for the success or otherwise of Chinese foreign and security policy than was the case under the leadership of Hu Jintao, who played a lower-profile role in foreign affairs.

New type of major-power relations

Another self-proclaimed 'innovation' in Chinese diplomacy under the new leadership has been the idea of developing a 'new type of major power relations'.⁶³ This was first mentioned by Xi Jinping when he visited the United States as vice president in February 2012.⁶⁴ Since then various Chinese statements have fleshed out what is meant by the concept. The key concept here appears to be avoidance of conflict (or 'full-scale confrontation', as one Chinese scholar put it) between the United States as the existing hegemon and China as a rising power,⁶⁵ or in other words, 'no conflict, no confrontation, but mutual respect and win-win cooperation'.⁶⁶ Putting forward this concept is often cited as one of the main achievements of Chinese diplomacy over the last year, and it can be argued that it has – unusually – enabled Beijing to take more of a discursive lead in the US–Chinese relationship.⁶⁷ For the United States, though, 'rebalancing' to Asia remains the dominant policy concept.⁶⁸ This has been interpreted with some suspicion in China as something between an 'attempt to shape its peripheral environment'⁶⁹ and a new effort to 'contain' its rise. Whereas many in the United States see Chinese revisionism in Asia, many Chinese see US revisionism there.

Given this, the details of how a new type of relationship might be achieved are unclear, which has been one of the reasons for caution in US responses. However, in a speech in November 2013, National Security Advisor Susan Rice said that the United States sought 'to operationalize a new model of major power relations. That means managing inevitable competition while forging deeper cooperation on

62 Discussion with author, Shanghai, April 2014.

63 The 'new type' concept clearly applies to the US–Chinese relationship, though there is some ambiguity over whether it might also be used by the Chinese government to refer to relationships with other countries: Russia and the EU are also talked about as 'major powers'.

64 Yang Jiemin, Shao Yuqun and Wu Chunsi, 'Co-Exploring and Co-Evolving: Constructing a New Model of Major Power Relationship between China and the U.S.', *Global Review*, Fall (2013).

65 This has become known as the 'Thucydides Trap'. For a brief statement of one Chinese explanation of this point, see Peng Guangqian, 'Can China and the US Transcend Thucydides' Trap', *China-US Focus*, 9 January 2014, <http://www.chinausfocus.com/foreign-policy/can-china-and-the-us-transcend-thucydides-trap/>.

66 Interview with Chinese scholars, Beijing, January 2014.

67 This is unusual because in the past the dynamic has tended to be the other way: Beijing has needed to respond to agendas set by the United States or others, for example Robert Zoellick's 2005 concept of 'responsible stakeholder', or what Chinese analysts call the 'China threat theories' developed outside China. On the former concept, Amitai Etzioni argues that assessing whether China can be called a 'responsible stakeholder' depends on the expectations, and more account should be taken of the aspirational nature of these expectations; that account should be taken of China's history (including its sense of victimhood), its low level of development when measured by income per capita, and evidence of its improving contribution to the 'international community' over the last couple of decades; further, from Chinese perspectives, the apparent interests of the international community are often 'not as genuinely shared as they may seem' (Amitai Etzioni, 'Is China a Responsible Stakeholder?', *International Affairs*, Vol. 87, No. 3 (2011).

68 Reiterated most recently by Assistant Secretary of State Daniel R. Russel in testimony to the Senate Committee on Foreign Relations Subcommittee on Asia and the Pacific, 4 March 2014.

69 Qu Xing, 'Four Features of the International Situation in 2012', in *The CIIS Blue Book on International Situation and China's Foreign Affairs*, p. 22.

issues where our interests converge – in Asia and beyond'.⁷⁰ She cited the Korean peninsula (in some detail), the Iran nuclear issue, Afghanistan, Sudan and 'bolster[ing] peace and development in places like sub-Saharan Africa' as examples of these. Other comments by US officials have highlighted cooperation on the environment and climate change, and this has been one of the issues on which the two governments have announced substantive new cooperation following recent high-level visits and meetings.

The key question for the future is how feasible it might be for the United States and China to work cooperatively on regional or global issues, and whether the relationship is characterized by hierarchy or equality. There has been much debate about the need for 'trust', with two prominent scholars from the United States and China – Kenneth Lieberthal and Wang Jisi – suggesting in joint work that there is a lack of 'strategic trust', namely the 'failure to develop trust in the long-term intentions of each [the United States and China] toward the other'.⁷¹ This implies that, in spite of the popular persistence of the idea that the two countries might develop some sort of 'G2' structure for oversight of global affairs,⁷² there is little prospect of this happening in the near future. The main strategic aim for the relationship is to avoid a negative spiral.

China's identity: developed or developing?

As one Chinese academic argues, China is facing an 'identity crisis' in its foreign policy, in the form of a series of debates on which there is as yet no consensus. Is China a developed or developing country? Is it status quo or revisionist? Should it continue with a low-profile strategy (*taoguang yanghui*, attributed to Deng Xiaoping) or be more assertive?⁷³ These questions highlight the areas of potential flux in Chinese foreign policy at the moment.

The first part of this dilemma has been created in part by the nature of China's economic rise.⁷⁴ A huge increase in aggregate economic size has made its economy the second largest in the world, but although GDP per capita has also increased dramatically it remains around 100th in global league tables. This dilemma has been mentioned by one observer as a problem for Chinese diplomacy: judging solely by its economic size, China is a major country (*daguo*), but what standard of measurement should be used for this is open to debate.⁷⁵ And therefore the main challenges resulting from this are domestic and developmental, namely to raise the levels of GDP per capita, which reinforces the official position that national development remains the primary driver for Chinese diplomacy. While the official position of

⁷⁰ Susan E. Rice, 'Remarks at Georgetown University, Gaston Hall, Washington D.C.', 20 November 2013, <http://www.whitehouse.gov/the-press-office/2013/11/21/remarks-prepared-delivery-national-security-advisor-susan-e-rice>. Note the reference to 'inevitable competition', which seems to have a strong hold in the US policy community, which Chinese rhetoric has sought to counter, for example in Section XI of Hu Jintao's speech to the Communist Party's 18th National Congress on 8 November 2012, http://news.xinhuanet.com/english/special/18cpcnc/2012-11/17/c_131981259.htm.

⁷¹ Cited Hachigian, *Debating China*, p. 4.

⁷² For example, Jamil Anderlini, 'Lesser nations left in the cold as Xi embraces Group of Two', *Financial Times*, 5 June 2013.

⁷³ Discussion with author, Beijing, January 2014. See also Shambaugh, *China Goes Global*, chapter 2 and Breslin, 'China and the Global Order'; both set out more detailed analysis of these – and other – debates.

⁷⁴ Though one could argue that it has much deeper roots in Chinese experience of and debates about modernity and development, from the late Qing dynasty onwards.

⁷⁵ Discussion with author, Beijing, December 2013.

the government is that China remains a developing country, the same observer notes that, whether it was the United Kingdom or other European countries seeking investment from China, or African countries looking at China's growing influence, these countries did not (in these contexts at least) any longer see China as a developing country.⁷⁶

It has similarly been noted that many African countries in particular believe that China did not behave like a developing country, and that this was also the impression given when European officials travelled to Beijing seeking financial support.⁷⁷ In some cases, China's insistence on presenting itself as a developing country actually created new concerns elsewhere about the authorities' intentions, raising questions as to why they were so insistent on using this term given the extent of their country's global economic power. This sense that the Chinese authorities might be being deliberately deceptive is one which comes up frequently in discussions with policy-makers outside China.

Wang Jisi has broadened this dilemma away from economic aspects, commenting that

The depiction of China as the world's No 2 belies many facts. First, the European Union as a whole remains the world's largest economy, although it is undergoing a serious setback. The Europeans play a greater role than the Chinese in most international economic and political arenas. Second, by a few important measures, Russia is still militarily stronger than China. Finally, and more importantly, China still lags far behind the Western powers and Japan in terms of per capita income and technological innovation.⁷⁸

A sense of being squeezed or caught between developed and developing countries comes out in part of a November 2013 article by Vice Premier Wang Yang on China's economic openness. Discussing global economic governance, Wang said that

Some developed countries have ever-increasing demands on [China] on issues such as rebalancing the global economy, dealing with climate change, the RMB exchange rate, protecting intellectual property rights, market openness, etc; while some developing countries also have more and more expectations of [China].⁷⁹

However, Wang goes on to say that there has been no change in the position of China as being 'in the primary stage of socialism' and being 'the [world's] largest developing country'.⁸⁰ In other contexts Chinese policy-makers deploy the third category of 'emerging economies' into which China and a number of other countries fall. But in spite of discussion about the challenges in dealing with China's identity as either developed or developing, the official line on its status as a developing country remains unchanged.⁸¹ However, this underlines the ongoing challenge facing China, given the difficulty of influencing the perceptions of others or the wider discourse about it.

⁷⁶ In the case of the United Kingdom, for example, direct development assistance is no longer offered to China, being replaced by dialogue with the Chinese government on development assistance to third countries. The Canadian development programme for China was brought to a close in December 2013.

⁷⁷ Discussions with author, Shanghai, November 2013.

⁷⁸ In Hachigian, *Debating China*, p. 17.

⁷⁹ Wang Yang, 'Goujian kaifangxing jingji xin tizhi' ['Build a new system of economic openness'], *People's Daily*, 22 November 2013, <http://politics.people.com.cn/n/2013/1122/c1001-23620181.html>.

⁸⁰ The concept of 'primary stage of socialism' dates back to the 1980s.

⁸¹ This discussion also reveals the growing inadequacy at a global level of the categories of 'developing' and 'developed' economy.

How assertive?

The idea that Chinese regional policy has become more assertive in the years after 2008 has become generally accepted, even though there are differences of opinion over when this shift began and whether to characterize it as firm, assertive or aggressive. Discussion of the reasons for this shift fall into four broad camps, though these should not be seen as exclusive, and the policy shift is likely to be the result of more than one factor.⁸²

First, it is said to reflect domestic politics in China, in particular the 2012 leadership transition at the top of the Communist Party and the subsequent need of the new leaders to demonstrate their nationalist credentials and/or firmness with the military. Variations of this argument claim that factional infighting at the top of the party is pushing Xi Jinping to take a more assertive stance. Interestingly this sort of argument seems to be quite common among Japanese analysts, perhaps because it diverts attention from other explanations outlined below that have less comfortable implications for Japan. Without going into the issue of elite politics in China, it should be noted that planning for the leadership transition to Xi Jinping and Li Keqiang began as far back as 2007, that Xi Jinping took the top military post (chair of the Communist Party's Central Military Commission) in November 2012 at the same time as the top party job, and that these indicated a smooth transition to new leadership. This argument is therefore unlikely to have significant explanatory power.

The second explanation given is that China's greater assertiveness is a defensive response to some combination of the US 'pivot' or 'rebalance' to Asia (which has produced a sense in Chinese policy-making circles that the United States is increasing efforts to 'contain' China) and/or changes in Japanese policy (first the 'nationalization' of the Senkaku/Diaoyu islands, which – in Chinese eyes – reneged on the previous understanding between China and Japan, and subsequently a more forward security policy under Prime Minister Shinzo Abe). Those who are critical of the US approach to East Asia and of Japanese policy – or see a major strategic challenge coming from potential instability in the US–Japanese relationship – tend to be more attracted by this explanation. It also fits with an assessment of Chinese realism as being more defensive than offensive in nature, i.e. aiming to maximize security rather than power.

A third explanation is that China's behaviour represents tactical opportunism. The space for this was created by the 2008 global financial crisis, which spurred support for alternatives to the Washington Consensus, reinforced the idea of China as a responsible regional actor (and global actor since many developed economy governments beseeched it to boost global economic growth), and increased China's importance in Asia especially as a market and provider of finance.⁸³ At the same time, while China's formal positions on issues of sovereignty in relation to Japan or in the South China Sea have remained

⁸² The analysis here builds on, but is different from, that set out by Andrew Scobell and Scott W. Harold, who identify alternative explanations as 'premature triumphalism' (an overconfident response to an assessment that the 2008 economic crisis had shifted the global balance of power in China's favour); 'reactive insecurity' (a 'defensive reaction to moves by Washington [which China] perceived as threatening'); 'regime besieged' (domestic pressure and nationalism pushed the government to be more assertive); and 'bureaucratic pluralism' (a response to a growing number of voices in foreign and security policy, especially from the military). Andrew Scobell and Scott W. Harold, 'An "Assertive" China? Insights from Interviews', *Asian Security*, Vol. 9, No. 2 (2013).

⁸³ See Breslin, 'The "China Model" and the Global Crisis', pp. 833–34.

unchanged,⁸⁴ opportunities to assert these have arisen over the last few years, and the Chinese authorities have taken those opportunities. There are arguably historical precedents for this opportunism (China took the Paracels from South Vietnam's control in 1974, and Mischief Reef from the Philippines in 1995).

Fourth, while it is difficult to judge intentions beyond the public statements of Chinese officials, a further explanation is that there is a conscious strategy to change aspects of the regional order in East Asia and enhance China's power or influence relative to other regional powers and the United States. This is therefore more of a strategic than tactical development and reinforces the notion of flux in and renegotiation of the regional order.⁸⁵ This explanation would certainly fit the desire of elements in China advocating greater assertion of its global strength. On the other hand, it is less consistent with official statements, including following a high-profile October 2013 internal meeting chaired by Xi Jinping on 'neighbourhood diplomacy', which emphasized the importance of good relations with China's neighbours.

Finally, a self-described 'innovation' in China's diplomacy that might support this last interpretation is the idea of 'bottom line (*dixian*) diplomacy'. Although the idea has not featured much in public statements by Chinese diplomats, it is often mentioned as an important innovation under the new leadership. The idea is to test the 'bottom line' of other countries in dealing with China, including (although this was not made explicit) the United States and its 'commitment' in East Asia. This fits with another theme that was a public part of statements of Chinese diplomacy in reports of a January 2013 Politburo meeting on foreign policy under the new leadership, namely the upholding of 'core interests' (a phrase that appeared to expand in scope in 2010 to include sovereignty claims in the South China Sea).⁸⁶ This 'bottom line' concept could also explain the announcement in November 2013 of China's Air Defense Identification Zone (ADIZ) over the East China Sea, a step that otherwise looks incompatible with the emphasis on neighbourhood diplomacy (or needs to be explained by assuming institutional competition or dysfunction in the Chinese system, which are not persuasive).

Status quo or revisionist power?

Research for this paper confirmed the mainstream analysis identified in the literature, suggesting that there is an underlying dissatisfaction with certain aspects of the international system among Chinese policy elites, but that efforts to change this will be moderate and cooperative in nature, and that there is a preference for institutions composed of states. One observer emphasized that 'international consensus' is needed for any changes to international rules and it can therefore be expected that the

84 As a recent article by scholars associated with the State Oceanic Administration makes clear, the dominant Chinese position sees claims in the South China Sea stretching back well before the establishment of the People's Republic of China, though the statement of these positions has become clearer following an exchange of *notes verbales* at the UN from 2009 onwards. Zhiguo Gao and Bingbing Jia, 'The Nine-Dash Line in the South China Sea: History, Status, and Implications', *American Journal of International Law*, Vol. 107 (2013). Brantly Womack comments that 'China's claims have not changed'. Brantly Womack, 'Beyond Win-win: Rethinking China's International Relationships in an Era of Economic Uncertainty', *International Affairs*, Vol. 89, No. 4 (2013), p. 916.

85 Eric X. Li – whose commentaries have become controversial in many Western China-watching circles – reflects this in a recent article ('Party of the Century: How China is Reorganizing for the Future', *Foreign Affairs*, 10 January 2014, <http://www.foreignaffairs.com/articles/140645/eric-x-li/party-of-the-century>), though he goes further by suggesting that China has actually achieved change in the status quo without conflict in relation to both the Philippines and Japan.

86 Goh, *The Struggle for Order*, p. 106.

Chinese government will look for opportunities to engage in negotiation about these rules, but from within the system. Another argued that China will definitely look to influence and change the rules regarding global economic governance, many elements of which are not beneficial; as the second largest economy, China should have an impact here but many of its demands are also shared by other countries, especially the BRICS.⁸⁷ China's approach to international institutions has also been characterized as first accepting, then learning and then modifying (but not radically changing) them.⁸⁸ These conclusions align with analysis that 'the (official) aim is to reform the system not overthrow it, and to reform it responsibly from within'.⁸⁹

A related question is about Chinese views of the role of the United States in East Asia and the western Pacific. According to one analyst, the Chinese government 'absolutely does not' want to get rid of the United States in East Asia.⁹⁰ This is a view confirmed in discussions with different actors, including with Chinese diplomats, and has recently been restated by Foreign Minister Wang Yi.⁹¹ However, as discussion of Chinese approaches to relations with the United States shows, there is an ongoing debate – which perhaps is best characterized as a negotiation – as to what role China would ideally like to see the United States play in the region. The implication of a 'new type of major power relations' is that this should be different from what occurred in the past, and that the United States should not enjoy unchallenged primacy in Asia.⁹²

This line of thinking reinforces analyses that suggest there is an ongoing renegotiation of the order in East Asia. Further, Chinese experts frequently express the view that Japan is trying to change the regional order, following its 'nationalization' of the Senkaku/Diaoyu islands in 2012. On the other hand, Japanese analysts point the finger at China for having become more 'assertive' or 'aggressive' or seeking to change the regional order.

The idea of flux in the regional order also resonates with some Chinese academics. Chen Dongxiao describes the current period as the 'third round of rebuilding' of the Asia-Pacific order (the first two being in the Cold War and during the 1990s). His is a dynamic analysis that reflects the rise of Asia, not just China, and assumes that the United States 'is incapable of dominating the regional order as it used to'. Chen highlights a disconnect between economic cooperation and growth in security concerns and

⁸⁷ Discussions with author, Beijing, December 2013. A recent article highlights the possibility that both India and China could pose more challenges to US interests on global issues. George J. Gilboy and Eric Heginbotham, 'Double Trouble: A Realist View of Chinese and Indian Power', *The Washington Quarterly*, Vol. 36, No. 3 (2013).

⁸⁸ Discussion with author, Shanghai, November 2013.

⁸⁹ Breslin, 'China and the Global Order', p. 630.

⁹⁰ Discussion with author, Beijing, December 2013.

⁹¹ Wang Yi, 'Yatai ying cheng ZhongMei goujian xinxing guanxi shiyantian'.

⁹² This is the provocative theme of Hugh White's *The China Choice: Why We Should Share Power* (Oxford: Oxford University Press, 2012). Ken Lieberthal writes that the US 'vision of the world ten years from now bears strong resemblance to the world today [...] the US seeks to maintain its role as the world's indispensable nation' (in Hachigian, *Debating China*, p. 6). This compares to comments by Wang Jisi in the same exchange with Lieberthal: 'most Chinese observers believe that the United States is a declining power and will try hard to prevent China from catching up' (ibid., p. 10). However, the United States could hardly be said to have exercised unchallenged primacy in Asia during the Cold War, so arguably it has only been possible for a period since the early 1990s; and as Evelyn Goh points out, from US perspectives at least, this primacy has never felt secure.

'maritime' disputes. He hints at concern that a scenario where the security tensions undermine economic exchange might come to pass.⁹³

The precise Chinese objectives in a renegotiation of regional order are less clear. As noted above, they do not seem to include a region without the United States, though a change in the US role and influence is an aim. Occasional non-official Chinese comments to the effect that US alliances in East Asia might not contribute to regional stability (as opposed to the security of the US allies) may suggest some thinking that a recalibration of these alliances would be welcomed by China. More widely, while some have suggested that there is not a clear Chinese conception of alternatives to the existing international order, Shaun Breslin identifies several anti-unipolar elements to an alternative Chinese vision:

a commitment to multilateralism underpinned by the central role of the UN as the guarantor of global security; a commitment to consultation and dialogue rather than force as a means of settling disputes; a commitment to global economic development, with the developed world taking a greater share of the responsibility for promoting growth elsewhere; and a 'spirit of inclusiveness', recognizing all societies and cultures as coexistent and equal stakeholders in the global order.⁹⁴

This brings out some contradictions in Chinese thinking – even without looking at the complex relationships between official and non-official actors. On the one hand, officials talk about change and flux in the international order, and seem to be pushing 'bottom lines' of other regional players (see above). On the other hand, official statements make much of continuity in policy, including the references to 'peaceful development' driving the country's diplomacy (and indeed an assessment that peace and development are still the main trends of the times in the post-Cold War world).⁹⁵ Chinese policy-makers appear to see an opportunity in the flux of the international order, but what they say they want is something of a return to an imagined *status quo ante*: the UN charter and a system of non-intervention that predated post-Cold War policy shifts among other major powers that include the 'responsibility to protect', accommodating non-traditional security concerns and the impact of intensified post-Cold War globalization on international relations.

Implications: identity and policy approaches

This analysis implies that Chinese assertiveness in the region is carefully calibrated, and should be characterized as bargaining, rather than something more dramatic such as a prelude to the use of military force.⁹⁶ If this is the case, then key to understanding the implications of this shift is looking at the way it has been intertwined with the evolving policy positions of other regional players, including the United States and its ongoing 'rebalance' to Asia. It is clear that these responses have varied over

93 Chen Dongxiao, 'Strategic and Regional Setting of the Asia-Pacific in the Next Five Years: Driving Forces and Prospects', *Global Review*, Fall (2013).

94 Breslin, 'Understanding China's Regional Rise', p. 825. Breslin later identified three 'limited reformist goals', namely reform of international financial institutions, the United Nations as the 'only legitimate decision-making body [for global problems]', and to 'promote and defend the norm of state sovereignty'; see Breslin, 'China and the Global Order', p. 631.

95 For example, see 'China's Peaceful Development', White Paper issued by the Information Office of the State Council, September 2011, http://english.gov.cn/official/2011-09/06/content_1941354.htm.

96 Xi Jinping has made a number of publicly reported comments to the effect that China's military should prepare to fight. While this has generally been interpreted as part of a more assertive security policy stance, it can also be seen in the context of his anti-corruption campaign and reports of systemic corruption in the military; the message is therefore that the military is there for national defence, not property deals.

time, between Northeast and Southeast Asia, and among countries. From 2010, many Southeast Asian countries sought to balance China's growing influence by encouraging greater US engagement and seeking assurances of US intentions to act to maintain regional security. Of these, the Philippines moved particularly close to the United States, while Vietnam's response has been more nuanced. At the same time as seeking closer defence ties with the United States, Vietnam has also strengthened military dialogue with China. Evelyn Goh suggests that the United States' stronger focus on the South China Sea issue from 2010 appeared 'to intensify the security dilemma', and this may have contributed to subsequent efforts by Southeast Asian states to (re)balance both the United States and China – what Goh calls 'most ASEAN states' imperative of autonomy: to restrain China without making it impossible to live with, to borrow US deterrence without becoming entirely dependent upon it, and to safeguard ASEAN's relevance and role in regional conflict management'.⁹⁷

In Northeast Asia, the dynamic has been different, with debate dominated by the deterioration in Sino-Japanese relations, particularly since autumn 2012. At the same time, South Korea has sought to balance its relationships between China, Japan and the United States, with a particular dynamic resulting from historical issues between Japan and Korea, and an apparent cooling in relations under new leadership in both Japan and South Korea. Throughout this period US officials have stressed that the United States is not about 'to abandon allies' in East Asia, and if Washington is open to renegotiating the regional order (or even attempting to do so itself, in contrast to its statements on maintaining the status quo), then the 'rebalance' policy, strengthening existing military alliances, and pushing forward the Trans-Pacific Partnership (TPP) seem to be the ways in which Washington has decided to promote change in East Asia.

The debate and contestation around China's identity also bring implications for policy. 'Layers of national identities'⁹⁸ provide a range of resources for policy-makers to call on in relation to different issues, or at different points in time. Analysis by Wei Zonglei and Fu Yu neatly summarizes some of the themes by suggesting that China has four simultaneous identities: as a developing country, as an emerging power, through its position as a permanent member of the UN Security Council as a state that has 'both global power and global responsibility', and as a 'quasi-superpower', of which expectations are higher than for other countries.⁹⁹ David Shambaugh concludes that 'China possesses *multiple* international identities and is a conflicted country in its international persona'.¹⁰⁰ China's global personality is therefore complex and dynamic, and in a process of flux, driven by debates within the country, and magnified by a global context characterized by a period of shifts in traditional economic balance and political power.

⁹⁷ Goh, *The Struggle for Order*, p. 113; chapter 3 has an account of these developments.

⁹⁸ Ming Wan, 'National Identities', p. 88.

⁹⁹ Cited in Breslin, 'China and the Global Order', p. 617. Breslin adds a fifth, China's identity as a regional power.

¹⁰⁰ Shambaugh, *China Goes Global*, p. 43.

Shaping Chinese positions by issue

On the basis of this analysis about different layers of identity, and some of the ambiguities and contradictions in Chinese approaches to the regional and international order, one should expect to see different behaviour by China in different contexts, rather than a coherent, logically consistent approach across issues (as is the case with most other countries). Therefore a number of key points or indicators in the shaping of China's positions on the specific issues selected for this research are identified here.

International peace and security

Geographically, China's primary focus will remain on relations with the United States and in Asia.¹⁰¹ At the same time, its foreign policy is self-consciously 'global' or 'omni-directional' (*quanfangwei*), envisaging engagement across all continents. This will be increasingly important given the growing global spread of Chinese economic and commercial interests in particular, and proactive engagement across all continents is to be expected.

More widely, China will continue to push for gradual shifts in the regional and international order that are favourable to its interests but without engaging in radical revisionism. It will call for long-term reform instead of immediate revision.

Notwithstanding its opposition to expansion of the Security Council, China will continue to emphasize the United Nations as the primary international institution for addressing global issues, pointing back to the UN framework. This will be supported by continued involvement in UN peacekeeping operations: if anything, this engagement will grow as it provides a politically neutral way of enhancing China's global experience, as well as of addressing concerns that increasingly have an impact on its interests as these become more global. China will continue to face dilemmas over UN voting on intervention in problem areas around the world, such as with Syria and Ukraine.¹⁰²

There will also be a gradually more proactive approach to a number of important international security issues outside the immediate Asian region. China's brief high-profile diplomacy on the Middle East peace process in mid-2013 was an example of this. Wang Yi has also highlighted Chinese involvement in Syria and the issue of Iran's nuclear programme, among others (though this is often not how it looks from the outside).

Relations with other global and regional powers, especially BRICS and the United States

As set out above, China has outlined what it calls a new approach to the US–Chinese relationship: the 'new type of major power relations'. This remains the relationship with the greatest potential to have a

¹⁰¹ This refers in particular to immediate neighbours, though as Nathan and Scobell point out in *China's Search for Security*, regional institutions that border China have a total of 45 states as members.

¹⁰² Regarding Syria, see Tim Summers, 'Syria Crisis: A Diplomatic Challenge for China', Chatham House Expert Comment, 20 September 2013, <http://www.chathamhouse.org/media/comment/view/194271>.

major impact across China's foreign and security policy, in particular the all-important relationships with its Asian neighbours.

China has sought to balance this by emphasizing relations with other major powers, in particular Russia. It has also left some ambiguity as to whether it might apply the 'new type' of relations to powers other than the United States. Up to the start of the crisis in Ukraine at least, Xi Jinping had made personal diplomacy with President Vladimir Putin a priority, calling him an 'old friend' in media interviews, meeting him four times in 2013, and attending the opening of the Sochi Winter Olympics. There are commonalities in Chinese and Russian approaches to a number of international issues (though not identical positions, including on Syria). However, underlying contradictions in the relationship remain, including Russia's concern about Chinese influence in its Far East, and the implications of China developing greater indigenous capacity to produce defence systems for which it had previously had to depend on Russia. Russia's annexation of Crimea has also posed a dilemma for Chinese foreign policy, which continues to emphasize non-interference in a country's internal affairs and is sensitive about applying notions of self-determination.

Europe and the EU did not feature so prominently in Chinese diplomacy during the first year of new leadership, although it was consistently referred to alongside Russia and the United States as a 'major power' in official statements. However, Xi Jinping's visit to Europe in April saw the first visit by a Chinese president to the European Commission, and highlighted an ongoing strategy of engagement at the level of the EU and its member states.

China has also given priority to relations with India, with reciprocal head-of-government visits in 2013 (the first time these have taken place in the same year since the 1950s). It has also developed economic relations with Pakistan. As for Afghanistan, there are signs of Chinese nervousness about the country's future. The Shanghai Cooperation Organisation (SCO) will continue to play an important role in China's regional diplomacy.

Chinese policy-makers see a 'rightist tendency' becoming more prominent in Japan, though some note that this is not new, pointing to the premiership of Junichiro Koizumi. Strategically, owing to its proximity and to economic ties, Japan remains important for China, and policy-makers continue to insist they want good relations, even as they highlight lingering historical problems.¹⁰³ On the Senkaku/Diaoyu islands, China wants Japan to acknowledge there is a dispute – though given developments since the pre-2012 'shelving' of the issue it is difficult to go back to that position. This perhaps suggests that the Chinese government does not have a very clear objective in its Japan policy.

On North Korea, in spite of evident Chinese dissatisfaction with the behaviour of the regime in Pyongyang, there is little prospect of significant change in its strategy of supporting the country's policy independence, opposing nuclearization of the Korean peninsula, and encouraging direct contacts between it and the United States.

¹⁰³ In the 'order transition' framework, these problems are less about history and more about ongoing renegotiation of a current collective memory regime that is closely tied to the relationship between order and justice in East Asia. See Goh, *The Struggle for Order*.

Policy engagement with other regions will also grow. For example, Latin America and the Caribbean are growing in importance to China as trading partners, sources of resources and investment destinations.¹⁰⁴ This is an example of a region for which China's continued self-identification as a 'developing country' raises some of the questions identified above.

Positions in multilateral forums

China's approach to multilateralism underwent a profound change in the 1990s, with a shift to engagement in regional and international institutions. The extent and nature of this engagement have been differentiated across institutions and issues – from ongoing reluctance to engage in multilateral discussion of the South China Sea to a quasi-leadership role in the Central Asia-focused SCO. In terms of global economic governance, engagement has been clearer and has grown.

There are small signs of change towards multilateral regional security institutions, contrasted with intensified engagement in regional economic institutions (as witnessed by announcements in late 2013 that China would seek to 'upgrade' the Chinese–ASEAN free trade agreement, develop a 'maritime Silk Road' with Southeast Asia, and construct a 'new Silk Road' with Central Asia).

There is likely to be more proactive engagement with international institutions dealing with trade, investment and economic issues, including the G20, which China would like to see remain at the centre of international consultations over the global economy. The September 2013 bid to join the WTO trade-in-services negotiations also marked an effort at more proactive engagement (though it is not clear whether others will accept China's participation). There is a sense in China that the United States operates in bad faith in these areas, as witnessed by a US desire to shift back from the G20 as the focal gathering and the fact that quota reform at the International Monetary Fund is being held up by the US Congress. China has so far kept mostly quiet on these points, but it could raise them more vocally in future.

China remains suspicious that US prioritization of the TPP and Transatlantic Trade and Investment Partnership agreements is at least partly targeted at making it more difficult for China to dominate Asian and transatlantic trade and investment. As one observer puts it, these trade negotiations 'seem to confront China'.¹⁰⁵ The Chinese response has shifted from hostility to engagement, however, using the challenge to feed momentum for domestic reform (as well as focusing on the East Asian Regional Comprehensive Economic Partnership). China's first aim will be the Bilateral Investment Treaty with the United States, which the two governments agreed in 2013 they would begin to negotiate. China will seek to join TPP in due course if the institution takes off.

There will be further talking up of institutions where China plays a key role. This includes the APEC summit to be held in Beijing this year. However, over the medium term Asian regional institutions that are limited in scope to countries in East Asia, rather than straddling the Asia-Pacific region, will remain more attractive to Chinese policy-makers. Although China is likely to remain engaged with the East Asia

¹⁰⁴ Nathan and Scobell, *China's Search for Security*, p. 180.

¹⁰⁵ Discussion with author, Shanghai, December 2013.

Summit, the ASEAN Regional Forum and the ASEAN Defence Ministers Meeting Plus, these will not be the main priorities.

There will also be more careful and proactive engagement with the BRICS (as an institution and in bilateral relations with its other members) as well as with other emerging powers such as Indonesia, Mexico and Turkey.¹⁰⁶ The aim will be to pursue common agendas where possible (for example on reforming aspects of the international system), but China is probably also aware of the need to avoid giving the impression of being overbearing.¹⁰⁷

Cyber issues

Cyber issues are looked at here from a political and policy perspective rather than a technical one, viewing cyberspace in a broader context. The potential for these issues to have a serious impact in Chinese diplomacy was seen in the summer of 2013 when US criticism of China for commercial and state 'cyber-espionage' reached fever pitch in the run-up to the informal summit between Xi Jinping and Barack Obama in California, before the Snowden revelations (which coincided with the summit) changed the global debate dramatically. There is little coverage of these issues – which have risen to prominence relatively recently – in most of the secondary literature reviewed for this paper, though one recent book by a US scholar covers briefly what it calls 'China's undeclared cyberwar against the United States and other countries'. It focuses on alleged Chinese economic espionage and claims that evidence of the complicity of Chinese government agencies is 'overwhelming'.¹⁰⁸ In turn, the Chinese authorities have said they too are the 'victim' of attacks, and have sometimes pointed the finger at the United States, though often in less explicit terms. Both have refuted the other's accusations.¹⁰⁹

From a broader perspective, international rule-making (i.e. between states) in the cyber world is an interesting test case for Chinese policy. This is a new venture at a time when China is seen as an important and influential player, in contrast to Chinese complaints that international rules in other areas were set at a time when it was not so influential. It is therefore worth watching closely to see how China approaches this, which other governments it works with, and how proactive its cyber diplomacy is.

Michael Swaine has looked recently at Chinese official and semi-official comments on cyber security in foreign relations.¹¹⁰ He shows that Chinese policy elites present this as an international issue and a common problem facing many countries. At the same time, they talk about 'sovereign virtual territory'

¹⁰⁶ The new institutional arrangement between Mexico, Indonesia, Turkey, South Korea and Australia (MITKA) does not yet feature prominently in Chinese foreign policy.

¹⁰⁷ China originally offered to fund a substantial proportion of the new BRICS investment bank, but the shares have ended up being more equal after other countries expressed disquiet at the possibility of China being too strong a voice.

¹⁰⁸ Denny Roy, *Return of the Dragon: Rising China and Regional Security* (New York: Columbia University Press, 2013), pp. 242–43. Roy does not cite sources other than one media report to back up these claims.

¹⁰⁹ Research for this paper did not reveal anything that would counter the received wisdom that the United States and China (and other countries) do engage in various forms of cyber espionage, though the author is not in a position to judge the extent and nature of those activities.

¹¹⁰ Michael Swaine, 'Chinese Views on Cybersecurity in Foreign Relations', *China Leadership Monitor*, No. 42, Hoover Institute, Stanford University, October (2013), <http://www.hoover.org/publications/china-leadership-monitor/article/158526>.

on the internet, as an area that needs to be policed by governments. This more 'state-centric orientation' is different from that of Western governments, such as those of the United States and Canada. In terms of addressing the cyber security challenge, Swaine shows that Chinese statements emphasize the need for 'constructive dialogue' to reach a common solution, and that the UN is 'the most appropriate forum' for setting rules.¹¹¹ What China wants to avoid is rules set by the US-led multi-stakeholder model – and underlying at least some Chinese analysis is the concern that the internet is a tool of US hegemony.

There is a different tone to relevant material from two Chinese policy institutes, both of which reiterate the point about China being a cyber victim. Comments in one paper highlighted 'infighting' and 'competition' between Western countries and emerging powers (China and Russia); while the former held that existing law was applicable and there was no need to develop new standards only to devise confidence-building measures to exchange information, the latter – according to this account – upheld the principle of sovereignty in relation to cyberspace.¹¹² Language in a report published by another institute is more conciliatory: it calls for coordination and consensus in international cyber governance, in the interests of global development.¹¹³ A recent joint US–Chinese policy report on developing a new type of major power relations also calls for greater cooperation in cyber security.¹¹⁴ This looks increasingly unlikely following the recent US charges for cyber crimes against Chinese individuals, in response to which China has cancelled the bilateral dialogue.

Scenarios and policy implications

Scenarios

This section first notes some scenarios set out in the existing literature, then comments on them briefly on the basis of the analysis above. It rejects determinist ways of thinking – whether of the type that suggests an inevitable 'tragedy' as a rising power confronts an established hegemon, or for that matter the assertions in the official Chinese position that the world is moving inexorably towards multipolarity. This is not to deny structural constraints placed on future scenarios, which have to be constructed on the basis of the legacies of the present and the past. But it does suggest that numerous future scenarios are possible, and that the decisions of the various global actors will be important in shaping the futures that emerge. In a sense this is the most important conclusion of this paper: that the implications of China's rise can be affected by the choices made not just in China and the United States, but elsewhere – though obviously subject to the constraints of relative power and influence in the international system.

¹¹¹ Swaine, 'Chinese Views on Cybersecurity in Foreign Relations', p. 11.

¹¹² Zhao, 'New Changes in the International Pattern', pp. 15–16.

¹¹³ *China's Diplomacy: Global Strategy (2013-2023)* (Shanghai Institutes for International Studies, 2013).

¹¹⁴ John Podesta, C. H. Tung, Samuel R. Berger, and Wang Jisi, 'Toward a New Model of Major Power Relations', *China-US Focus*, 21 February 2014, <http://www.chinausfocus.com/foreign-policy/towards-a-new-model-of-major-power-relations/>.

Broadly put, there have been two long-standing post-Cold War scenarios around China's rise, what Barry Buzan has called 'malign and benign'.¹¹⁵ The first sees China's rise accompanied by strengthening revisionist tendencies and an authoritarian and militaristic posture that follows from its non-democratic political system.¹¹⁶ The second is based on growing 'socialization', acceptance of the status quo and cooperation rather than confrontation. And within Asia, there are two broad ways of thinking about how to react to China's rise: either bandwagoning by other states, leading to China becoming like a hub (this could be seen as a reversion to the sort of tribute model which fell apart in the late Qing dynasty), or balancing as China's neighbours seek to balance its rise by sticking closer to the United States, leading to a deepening of divisions between Asian powers.

Consistent with these themes, Chen Dongxiao offers three scenarios for Asia.¹¹⁷ The first is an extension of the status quo, featuring cooperation and interdependence in economic fields, but not in political and security matters. The second envisages cooperation in political and security arenas as well as in economic interactions, while the third sees intensification of competition spreading to the economic sphere, even 'economic warfare'. David Rapkin and William Thompson's five scenarios for a possible US–Chinese transition explore the options in more detail. These range from 'more of the same' to 'Pax Americana II' (a US revival reverses its relative decline), 'Pax Sinica' (Chinese dominance), a 'transition war' (between China and the United States) and a 'liberal peace' (based on a liberal order). In this context, the value of Evelyn Goh's approach is to emphasize ongoing processes of renegotiation, moving beyond the various either/or features of most scenario analysis and integrating the intertwining of foreign and security policy formation between the various actors.

Policy-makers also need to consider some low-probability but high-impact developments. Rather than looking at triggers for such scenarios (for example, the accidental shooting down of an aircraft), consideration of such developments requires reversing some of the main assumptions about the drivers of China's global personality, without looking at possible major changes in the global context.¹¹⁸

The first of these potential developments is a shift to a strongly revisionist approach, which might stimulate China's withdrawal from regional or global institutions. This could result from growing nationalist influence on policy-making or from external changes that either give China the opportunity to capitalize on a revisionist approach, or provoke it into strong revisionism. Domestic change could come from turmoil such as weakening of the Communist Party in elite politics, from military

¹¹⁵ Barry Buzan, 'How and to Whom Does China Matter?', in Buzan and Foot, *Does China Matter?*.

¹¹⁶ All of these scenarios depend to some extent on domestic developments in the relevant states. There is relatively little comment on domestic scenarios relating to the United States (analysis from the US National Intelligence Council seems to assume continuity, for example). There is more when it comes to China, with the usual scenarios being democratic transformation, a strong authoritarian state, or some form of break-up.

¹¹⁷ Dongxiao, 'Strategic and Regional Setting of the Asia-Pacific in the Next Five Years'.

¹¹⁸ Major changes outside China could also have a high impact, for example turmoil in the United States or a decision by the United States to withdraw substantially from its global presence, a crisis in the US–Japanese alliance, substantial deterioration in Japanese–Korean relations that shifted the medium-term focus of risk away from China, Russian aggression in the Asia-Pacific, etc.

dominance in foreign and security policy, or arguably even from a democratic transformation (unlikely though this seems at the moment).¹¹⁹

Second, the emergence of transformative technologies in China that give it a breakthrough opportunity to overtake the United States as the leading global economy could presage a shift to a foreign and security policy that seeks to capitalize more on the country's economic strength. This could involve either compromises in the interests of better economic relationships with other countries, or assertiveness where markets are not opened up to China.

China turning in on itself, with a revival of Mao-era emphasis on 'self-reliance' in the face of a world perceived to be increasingly hostile to its development, is another potential low-probability, high-impact development. This would still require some external engagement by China to meet its resource needs, but would reverse the global 'omni-directional' nature of current policy.

A final development might be the serious curtailment of China's ability to project economic or military power by a non-traditional security crisis (for example, in the areas of water resources, infectious diseases, environmental degradation). China would then become much weaker relative to other countries (assuming these do not suffer equally from such a crisis).

Policy implications

The policy implications for other countries of China's rise appear to have been well studied. However, the majority of non-Chinese accounts have been written by individuals or institutions in the United States for a US audience. As Shaun Breslin says in looking at China's regional rise, a 'key problem is the near-impossibility of disentangling the study of China's regional relations from conceptions of US (in)security', with one result being that many studies *about* China are also *for* people in the United States.¹²⁰ One implication of this is that external perceptions of China's global personality have been unduly dominated by voices emanating from the United States, and therefore – consciously or subconsciously – have been influenced by questions of US policy-making and assessments of US interests. There is much at stake in these accounts too – as Brantly Womack writes, for example, 'China has become for the United States the symbol of a future in which its control is diminished'.¹²¹ This section of the paper therefore looks at the policy implications for developed countries other than the United States and that are not neighbours of China.¹²²

The above analysis has focused primarily on developments from Chinese perspectives to map out some of the ways in which China's 'global personality' might evolve. As should also be clear, however, the questions are not just about choices made or actions taken by Chinese actors (official or unofficial, inside or outside the country). The 'behaviour' of many other countries has implications for China's

119 With democracy, China may be more nationalistic. Nathan and Scobell are among those who have commented that 'a democratic China may in some respects be harder for foreign governments to deal with than the current regime'. Nathan and Scobell, *China's Search for Security*, p. 351.

120 Breslin, 'Understanding China's Regional Rise', pp. 828–29.

121 Womack, 'Beyond Win-win', p. 926. Wang Jisi comments that 'Chinese anxieties are more immediate and present, and American worries are based on projections of China's ascendance and its implications' (in Hachigian, *Debating China*, p. 11).

122 The issues for neighbours depend to a large degree on their particular circumstances.

global personality, intertwined with how that personality is perceived by those who deal with China. The United States remains the single most important of these countries, and as noted above, discussion of US policy choices dominates the non-Chinese literature about the 'rise of China'. In Asia, Japanese choices are particularly important, but so are those by the Koreans, Southeast Asian countries, India and others.

Often non-Chinese policy debates are about 'how to respond to the rise of China'.¹²³ But this may not be the right question to ask: as argued above, this places the agenda-setting primarily in China's hands, whereas it may be that other countries – or global and regional trends ('globalization', etc.) – are driving global and national social, economic and political change, and hence constitute the framework within which an assessment of the 'flux' in global affairs should be examined.¹²⁴ Questions of framework and agency are not just academic: if policy-makers assume that China is the only party whose behaviour matters (this might translate into China as being the only object of 'lobbying' attempts to influence developments in East Asia), then they will deny themselves a wider and potentially more useful range of tools to affect the evolution of regional order.

The alternative conceptual framework is based on the idea explored by Evelyn Goh of the renegotiation of regional order in East Asia in the context of a wider 'fundamental structural realignment of world politics'.¹²⁵ In this case, the question becomes who should be involved, and how. All major global economies have interests in the outcome, especially those with significant economic and trading relationships (a substantial proportion of Europe's imports come through the South China Sea, for example, meaning that there is a direct interest in the maintenance of stability and in genuine freedom of maritime access). This requires engagement with China, but also with other major regional actors – starting with the United States and Japan – as well as with multilateral and regional institutions. In sum, the response from countries outside Asia to the emergence of China should not just be a China policy, but one of regional engagement.

So far, there seems to have been relatively little discussion along these lines. One exception perhaps is François Godement's analysis of the implications of developments in Asia for Europe.¹²⁶ He argues that the EU should give up the idea that the sort of multilateral security institutions that worked for Europe should be promoted in Asia.¹²⁷ Instead, he suggests that Europe should take a more proactive approach to security issues in East Asia, utilizing the growth in Europe's arms sales to the region; and that the EU should learn from the United States' regional approach to trade agreements, and develop something to match the US promotion of the TPP.

123 One assumption of this paper is that other countries cannot fundamentally counter China's rise.

124 As one interviewee (Beijing, December 2013) commented, technology and productivity increases have had a significant impact on diplomacy too.

125 Doug Stokes and Richard G. Whitman, 'Transatlantic Triage? European and UK "Grand Strategy" after the US Rebalance to Asia', *International Affairs*, Vol. 89, No. 5 (2013), p. 1087.

126 Godement's conclusions are based on the identification of various risks in Asia, including from growing nationalism, limited engagement with international law (other than from Japan), Chinese policy that combines coercive action and self-control, and a continued need for the United States to guarantee security. See François Godement, 'Divided Asia: The Implications for Europe', European Council on Foreign Relations, November 2013, http://www.ecfr.eu/publications/summary/divided_asia_the_implications_for_europe301.

127 This is also an important conclusion of the literature on regionalism in Asia.

One key implication of this regional policy approach is that it also involves taking a view on what approach to Asia – and within this to China – others would like to see the United States take. There has been recent public debate around this issue in Australia, following President Obama's high-profile speech in Canberra in 2011, and more recently after the government strongly condemned China's establishment of an ADIZ, leading to a critical response from Beijing and debate in Australia as to whether this position had been in Australia's interests.¹²⁸ It has long been judged in much of the literature that other Asian countries (particularly those in Southeast Asia) would be concerned if the United States were to take a position too hostile to China – as suggested above, they do not want to have to choose between the United States and China.

Similar dilemmas may increasingly be applied to countries outside Asia. In the United Kingdom, for example, the government has found itself actively wooing investment from Chinese companies that have been identified in the United States as posing potential threats to national security. This may reflect a judgment that economic interests – to which should be added concerns about climate change, the environment, innovation and development, addressing 'non-traditional' transnational concerns – are strategically more important than traditional security concerns, especially in a region that does not appear to offer any immediate security risk. The issue this raises is whether and to what extent strategic interests of non-regional actors in East Asia are aligned with those of the United States. There has been a general assumption, arguably since the Second World War, that in terms of security this alignment has been foundational – though this is occasionally challenged in contexts that are not limited to Asia.¹²⁹ Is the ongoing negotiation of regional order in East Asia stimulated to a substantial degree by the rise of China, a process that is drawing the interests of countries outside the region further away from those of the United States? If so, what should the strategic response by such countries be?

The answer to the first question depends on the US–Chinese dynamic, which depends in turn partly on how the United States deals with flux in Asia. If, as advocated by Hugh White, it responds by choosing not to try to hold onto regional 'primacy', or – to use the terminology of the 'new type of major power relations' – it engages in more of a dialogue of equals with China (and indeed with other emerging and existing powers, including perhaps Japan too), then the dilemma for countries outside the region is less stark, and maybe even falls away. If, on the other hand, the United States decides that China represents a 'strategic threat' and makes a 'choice [...] for rivalry',¹³⁰ then the policy dilemmas for these countries are likely to grow. It is therefore in their interests to encourage the first type of US response. If the second scenario comes to pass, then there will need to be frank acknowledgment of different strategic interests in East Asia from those of the United States. This will give rise to a challenging process in deciding how to deal with them.

Engaging with Chinese policy-makers is also part of this response. Countries outside the region should at the same time encourage China to behave in ways that reduce tensions in its relationship with the United States and the risks involved in renegotiating regional order. Such lobbying seems to come more

¹²⁸ See Linda Jakobson, 'Australia's Relations with China in Turbulence', The Asan Forum, 25 January 2014, www.theasanforum.org/australias-relations-with-china-in-turbulence/.

¹²⁹ As debates around the Vietnam War showed, for example, there has been no easy, consistent assumption of strategic alignment.

¹³⁰ White, *The China Choice*, p. 8.

naturally to Western governments at least, and the important point here is that engagement is required with all parties concerned – not just China – to try to shape a regional future that minimizes the security risks and maximizes the attainment of economic, environmental and other objectives.

The current difficult and tense US–Chinese relationship at the strategic level looks likely to continue for some time (though note that the same was said in early 2001, before 9/11 changed the United States' calculus dramatically). If Western countries draw too close to the US position, this may create the risk of a hardening of dividing lines in Asia. Amitai Etzioni comments that in the framework of a multipolar world there is less reason to contain China as it becomes a regional power, whereas there is logic in containing China if one sees the need for the United States as a hegemon.¹³¹ It is worth reiterating that the US response is key: if Washington behaves in a way that responds to the multiple and complex nature of China's global personality, the prospects for hardening dividing lines recede somewhat, even if underlying tensions remain.

The dynamics of China's evolving global personality have the potential of creating ongoing difficulties in the US–Chinese relationship, and thus posing particular challenges for other developed countries whose strategic interests have traditionally been close to those of the United States, but for which the growing economic and commercial – and potentially even diplomatic – clout of China may offer more opportunities than threats, particularly in a world dominated by non-traditional challenges around resources, health or the environment. Dealing with these dilemmas requires innovative assessments of national interest: identifying where the greatest interests or threats to national security lie, what sort of 'alliances' or 'partnerships' are most beneficial in this changing world, and what sort of global governance structures these countries might aspire to be part of. At issue are relationships not just with China, but with the United States and across a range of institutions of global governance.

¹³¹ Etzioni, 'Is China a Responsible Stakeholder?'

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About the author

Dr Tim Summers works on the politics, policy, and international relations of contemporary China. As well as his work as a Senior Consulting Fellow on the Asia Programme at Chatham House, he teaches at the Centre for China Studies, the Chinese University of Hong Kong (CUHK), and consults commercially on China.

He is the author of *Yunnan – A Chinese Bridgehead to Asia* (Chandos 2013), which brings together his interests in China's regional political economy and international interactions. His previous career as a British diplomat culminated in a posting as Consul-General in Chongqing, southwest China, from 2004 to 2007. He holds a PhD in Chinese Studies from CUHK, and an MA from Queens' College, Cambridge.

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