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New Powers for Global Change

China's Role in the Emerging World Order

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Introduction: Until recently, China's role in the world has been perceived chiefly in economic terms. The author portrays emerging new perceptions of China's role in international affairs from Europe, but also China's often contrasting self-image and role definition. He analyses the motives and interests behind China's foreign policy on shaping the international order, identifies potential goal conflicts and outlines the focus of its strategies. Giessman observes a tendency in China for a more active, more multilateral and more outcome-oriented foreign policy. Developing closer relations with Europe (especially Germany and France) and strengthening and reforming the UN are ascribed to the strategic interest of China.

1 Perceptions of China's role in world politics

In the years since China's opening, the *picture of China's role in world politics* perceived by Germany/Europe has been defined chiefly by China's rise to the status of a major economic power. The fact that, for several years now, China has posted double-digit rates of economic growth has been perceived in Europe as a market opportunity; only gradually has it dawned on Europe that China's newfound role as a trade giant could, in the long term, be built on shifting sands. The perception of China as an important foreign-policy partner has emerged only recently in Europe. As far as its foreign policy is concerned, prior to 1989 China – compared with the Soviet Union – was viewed as a second-rate regional actor; following the events of 1989, the rigid domestic-policy course pursued by the Chinese leadership initially offered little scope for any closer political cooperation. Only since the late 1990s has Europe's interest grown in closer political cooperation, in seeing China assume a more active role in international affairs. This change has been motivated by

- the international influence China wields as an economic area and an economic power as well as by growing concern about the negative global impacts of any destabilization of China or the possibility that the country could embark on an egocentric course in economic and trade policy;
- the Chinese economy's rapidly rising consumption of raw materials and China's growingly assertive posture as a competitor for increasingly scarce resources (particularly fossil energies) that it sometimes perceived as threatening
- the deepening of imbalances and asymmetries in prosperity as well as – in this connection – a measure of uncertainty as to the ability of the country's political leadership to keep divergent political development processes under control over the long run;
- the aggravation of regional East Asian conflicts with a global dimension (North Korea, Taiwan), which are not accessible to de-escalation without Chinese involvement;
- the share of political responsibility borne by China as a permanent member of the UN Security Council for maintaining and reforming the international order; and

- the need to find multilateral approaches to coming to grips with global risks.

Despite the increased relative importance of China's shared responsibility for international affairs, however, Germany/Europe's view of China continues to be dominated by their perception of their Chinese partner as an economic power. For one thing, in many areas of international political cooperation Europe sees China as too passive to be taken wholly seriously as a partner when it comes to addressing issues of global scope. For another, mutual German/European-Chinese interests are particularly marked by economic interdependencies. Despite a number of difficult problems (protection of proprietary rights, compliance with environmental standards, price dumping, and so on) China continues to be seen above all as an economic opportunity. In view of the country's prospering economy and booming metropolises, though, the self-image China projects as a developing country is seen as posing a growing political credibility challenge. While it is possible to view China's – on average – low per capita growth rates as in line with the formal criteria defining what a developing country in fact is, the volume of the country's economic output and the technology-oriented growth centers in its coastal regions have sparked Western suspicions that the developing-country rhetoric to which China continues to subscribe merely serves to conceal an agenda keyed to reaping one-sided benefits and bandwagoning. It is the vantage point that changes the perspective. While China sees the low per capita income shares of some 1.3 billion of its citizens as hard evidence of its own weakness, from the European perspective, the fact that China is home to one quarter of the world's population is an additional sign that China is in the process of becoming a world power.

From the European perspective, China is, in many policy fields, already an important actor, one with rapidly growing significance beyond East Asia. Bolstered by a high saving rate and export capacity, China has – and this is unusual for a developing country – developed into an exporter of capital, and as far as its investments in the industrial and financial sectors are concerned, its position in the world bears more the earmarks of an industrialized than of a developing country. Viewed from the European perspective, this means that China is increasingly expected to assume more responsibility in working closely together with other capital-exporting and -importing countries to prevent and reduce global frictions. China has also

achieved worldwide significance in the fields of education and research. As far as its educational and research capacities are concerned, China is no longer simply a consumer of know-how; indeed, it is developing knowledge as a factor of production and transferring generated knowledge and technology to the world market. By seeking integration within the world economy, China is assuming the role of an attractive partner for a good number of countries, not least in the Southern Hemisphere. Here, China, unencumbered by a colonial legacy, could provide an effective contribution to promoting good governance, above all in its partner countries. On the other hand, though, there are fears in Europe that a Chinese *policy of noninterference*, i.e. a policy of political tolerance driven mainly by economic interests, above all in its cooperation with authoritarian regimes in resource-exporting countries (e.g. Sudan, Myanmar, Uzbekistan, Zimbabwe), could encourage these regimes to continue to cling to their poor governance practices. In any case, if these countries are able to use China as a means of securing their external economic needs (transfer of foreign exchange), this would reduce the options open to the international community to exert political pressure on authoritarian regimes.

The global role China is playing in environmental policy is due quite simply to the fact that the country, in connection with its strong, though on the whole largely extensive, economic growth, has become a major environmental polluter and thus an important source of anthropogenic environmental change. This makes it an important partner in coming to effective grips with the ongoing process of global climate change. It is, though, not only in this policy field that Europe expects China to embrace a more multilateral approach and hopes for a constructive Chinese engagement. Thus far economic considerations have held sway over misgivings in the field of environmental protection. Only recently there has been growing interest in China in a more active environment-related foreign policy. The motive behind this new policy course is the realization that any failure to pay due heed to economically induced environmental damage could well both pose a threat to economic growth and lead to domestic and external conflicts.

China *perceives itself* as a developing country just starting out on a long path toward assuming a greater measure of shared global responsibility. While China's accession to a good number of

international organizations may be seen as an essential precondition for its ability to become more involved at the global level, the view predominant in the country is that a passive foreign policy may help to avoid any unwanted entanglements in international conflicts and is therefore more in line with China's interests than any polarizing engagement. China sees its policy of noninterference not as a strategic deficit but as "China's own approach" to gaining increasing influence in a world community of sovereign states. The fact that in the recent past the Western countries – satisfied if China abstained on important decisions in the UN Security Council (if China did not "rock the boat") – did little to win over China for an active partnership in international politics, indeed offered China the argument it needed to keep out of critical conflicts.

Only since the beginning of the present century, some first changes have been observed in China's policy of reserve. The reasons for this must be sought in China's realization that a more active policy is called for to ward off from China any looming negative impacts of international developments. The risks identified include above all China's dependence on uninterrupted supplies of energy and raw materials and its concern over a possible large-scale conflict with the US. To these we may add some other problems, including in particular an altered security situation (terrorism, religious fundamentalism, and secessionist aspirations), the crisis facing the UN, a precipitous rise in bilateral tensions and regional conflicts, and China's growing vulnerability, an effect of increasing international (inter)dependencies. Finally, another factor is the growing international pressure on China to step up its engagement on international security issues. A Chinese attempt to define, in a policy document, a comprehensive set of foreign-policy interests and guidelines ended up in little more than generalized clichés: preservation of international law and the UN, strengthening of democratic rights of codetermination in international organizations, cooperation in fields involving global risks (health, the environment), contributions to resolving regional conflicts, and willingness to assume a share of responsibility in multilateral regional systems in East Asia (chiefly ARF, ASEAN+3) and Central Asia (SCO).

The discussion over the need to redefine some elements of China's foreign policy has not yet led to any clear-cut results. But in any case, passivity and noninterference have now, for the

first time, come to be seen as a potential risk for cases in which China had previously neglected to bring its own influence to bear. For the first time, policy-advice circles in China are calling for the development of a new understanding of the country's role in international affairs.

2 Motives and interests behind China's foreign policy

In China, foreign policy is seen as an instrument designed to safeguard the country's national sovereignty and territorial integrity and to advance economic and sociopolitical aims. Foreign policy is regarded as an extension of and backing for domestic policy. Its priorities are to secure a peaceful environment in which the national economy can grow, to support the country's political stability, to develop external resources and potentials, and to safeguard China's interests in international affairs. Although China does not regard its own military capacities as crucial to gaining broader international influence, it does see a need for a strong military deterrent potential. Pointing to the defensive nature of China's military policy, Chinese policy-makers note that external assessments of the country's military potential are exaggerated and that concerns over any armed expansion of China are unjustified. But one position that China uncompromisingly advocates is that use of military means to resolve the Taiwan issue is justified, and indeed may, under certain circumstances, even be unavoidable. This is even seen as including the risk of an armed confrontation with the US.

In recent years, energy-acquisition policy has become a central, if indeed not the key, field of interest of China's foreign policy. (Neo)mercantilist aspects figure prominently in China's intensified relations with a number of politically crucial producer countries in Africa, Central Asia, and the Middle East. China would be in a position to do justice to its global responsibility in the fields of energy and security policy and to make far better use than it has of the possibilities open to it to exert influence on some crucial actors – e.g. in Iran, Sudan, Zimbabwe, Venezuela – who, either at home or abroad, have not shown sufficient respect for universal legal norms. In the long run, its approach to dealing with these countries could well prove to be of great importance in gaining China recognition as a global strategic partner.

The debate in Chinese society on foreign-policy interests and priorities continues to be underdeveloped. In essence, it is restricted to the

party and state apparatus and organizations closely associated with it (policy-advice institutes, quasi-autonomous nongovernmental organizations). Debates over foreign policy are elite discourses. Strategic policy decisions are taken within a small political leadership circle, and the motives behind them are not made public. But what is new is the fact that, at the working level, those in positions of political responsibility no longer seek to avoid discussions over controversial viewpoints but even encourage discussion as a means of broadening the intellectual base on which decisions are reached on complex policy issues.

In China, the US has been identified as the most important disruption potential for China's external environment. The short-term Chinese concern centers on the possibility that a hegemonic and unilateral US policy might impair the international environment, making more difficult for China to safeguard its own interests; the long-term concern is the Chinese hunch that the US is preparing for a major conflict with China. On the one hand, China for this reason has an interest in supporting regimes that seem suited to help counter the US' perceived policy of unilateralism. On the other hand, China has set its sights on cooperation with potentially like-minded countries. In China, the most recent transatlantic tensions were seen as an opportunity to forge an axis against the hegemonic policy pursued by the US. It may be noted in summary that China's foreign policy has a marked neorealist bias that is careful to weigh off advantages against disadvantages and pays little heed to the internal makeup of other states.

Even though the growing intertwinement with international integration that China has experienced over the past decade has opened new political and economic perspectives for the country, the marked interdependencies this has entailed also harbor the risk that the country may soon find itself faced with emerging goal conflicts: Its energy-driven interest in close cooperation with Iran conflicts with its security-driven interest in doing nothing to further weaken the international nonproliferation (NPT) regime. China's wish for a swift resolution of the national question runs counter to concerns over a possible exacerbation of the Taiwan conflict. China's efforts to attract foreign direct investment is closely correlated with its concern about any increase in structural and regional economic asymmetries in the country that may have serious consequences for its political and

social stability. The list could go on. China is no longer able to take simple either/or foreign-policy decisions; it is now faced with the task of negotiating compromises between divergent, or indeed even competing, interests.

3 What foreign-policy strategies is China developing, and what are their focus?

In tendency, China's foreign policy is growing more active, more multilateral, and more outcome-oriented. This policy remains rooted in the notion of indivisible state sovereignty. The fact that China generally casts itself in the role of a "developing country" clearly indicates that it is interested both in gaining the political support of as many countries as possible and in forging close relations with developing countries in Africa, Asia, and Latin America that are well endowed with, and export, natural resources and raw materials.

China most important declared foreign policy goals are:

- Preservation of the peaceful environment it needs for continued economic growth and for the social prosperity of Chinese society;
- support for an economic development keyed to political stability both within China and on its periphery;
- guarantee of unhindered access to needed resources, in particular as regards the energy and raw-materials sectors;
- participation in all international institutions and regimes at levels that permit China to safeguard its national interests;
- strengthening of regional stability and cooperation;
- ability to ward off all threats facing China, in particular attempts to "interfere in China's internal affairs";
- preservation of the United Nations system and China's veto power in it.

The position held by China in the 1990s calling for a *multipolar* world – which implied a status of regional hegemony for the PR China – has been attenuated by China's perception of the hegemonic policy pursued by the US and replaced by the option of *multilateral* cooperation. This change in course must be seen not as a departure from the notion of geopolitical power centers but as a response to the insight that the present system of world

order has a number of hierarchical traits that potentially run counter to Chinese interests. The focus of China's assessment of the risks facing its international influence is squarely on the US. Based on this assessment, China is now seeking to build "strategic partnerships" with other countries as a counterweight to US power. In China, however, the European Union has an ambiguous reputation as a political partner. China prefers to cooperate directly with the EU's strong member states Germany and France, the reason being that in China's view common EU positions reached by consensus fall short of the policies pursued by individual member countries (arms embargo, China's status as a market economy, import quotas and tariffs). In addition, the EU's Common Foreign and Security Policy (CFSP) is perceived in China as weak and inefficient.

China is convinced that growing competition for shrinking markets will inevitably entail new trade conflicts with the US, but also with Europe. China has for this reason announced its unwavering interest in better coordinating efforts to come up with forms of functionally specialized cooperation with the EU with a view to finding a basis on which to ward off the risk of a trade war and to promote mutual export opportunities.

4 What does this mean for the international order?

It is in the development of economic relations with the countries of the West and in the country's growing (though "controlled") integration into the world economy that China sees the most important instrument of economic progress in China and the key means of consolidating China's influence on the international order. The focus of China's external perspective is largely on exports of goods, but also on exports of capital and jobs as well as of investments in the global raw-materials market. One factor of pronounced importance for China's internal perspective is the country's need to secure inflows of the foreign direct investment needed to sustain the country's growth and to counter the risks of social/political destabilization. Europe – and above all Germany – has an important place in this twofold strategy: One third of China's overall trade volume is transacted with the EU. Sino-German trade has an annual volume of US\$ 67 billion; China has now attracted a total 4,516 German investment projects and 1,700 German companies to the country; some 30.000 Chinese students are

presently enrolled at German universities and colleges.

Further developing its relations with Europe remains one of China's strategic goals. For a number of different reasons, the conditions appear to be favorable: corresponding positions on reform of the international order as a well-ordered system of states; preference for a global peace policy; respect for individual national development paths; common interests; and existing, diverse forms of institutionalized cooperation. In strategic terms, China sees Europe chiefly as a strong economic partner and potential ally in the global resistance to a US policy perceived as unilateral and hegemonic, a policy that works to China's detriment. In this connection China is unwilling to abandon, or even to soften, the traditional position it has defined for itself as a sovereign state, as a developing country, and as a natural representative of the "community" of developing nations.

Implicit to China's notion of a "harmonious world" is its interest in gaining benefits from its relations with *all* countries, i.e. without reference to their individual national constitutions. This approach may include concentration on particular interests or seek to steer clear of any risky interlinkages that might endanger such interests (e.g. in raw materials). Seen from the outside, China's foreign policy often appears less transparent and principle-bound than pragmatic and flexible. Traditional attempts to assign labels for given political features of China's foreign policy (balancing, hedging, bandwaggoning) work only in part, or only when viewed in highly diffuse terms. On the one hand, by forging different partnerships (e.g. with Europe/Germany, Russia, India, Iran, Nigeria, Mexico), China is seeking to develop a series of more or less strong counterbalances to the dominance of the US and at the same time to ensure that this principle finds application among its partners as well (based e.g. on "triangle relations"). On the other hand, China seeks to avoid any entanglement in conflicts or the need to come out in favor of third countries, at least to the extent that any move of this kind might endanger China's interests in the country in question. China also shows some signs of free-rider behaviors, particularly when the concern is – depending on the concrete situation,

purpose, and time involved – to keep the spectrum of foreign-policy options available to it as broad and variable as possible.

Looked at against the background of the pragmatism still prevalent in the country, China's newfound preference for multilateral mechanisms does not appear to be irreversible, and is quite likely to be influenced by tactical rationales. China continues to prefer bilateral intergovernmental agreements, one reason being that an intensification of multilateral cooperation entails the risk that the sovereignty of the states involved may find itself challenged, the other that China sees any commitment to multilateral solutions as a problem if this commitment means that China would be forced to abandon any of its unilateral options vis-à-vis uninvolved global competitors.

China is insisting on the need to strengthen and reform the United Nations. This course is in line with the prevalent Chinese view on the need to safeguard the community of sovereign states as the principle underlying the international order. But this course is also in keeping with China's goal of safeguarding a number of political and/or legal barriers to unilateralism. In addition, China sees the system of regulative law embodied in the United Nations as a shield behind which it is free to pursue its domestic interests without outside interference. One other reason why China sees itself as an advocate of the United Nations is that the UN offers it the privilege of permanent membership on the Security Council as well as veto power; and any attempt to abolish this privilege would be certain to have negative impacts on China's willingness to support UN reform. China will only be able to agree to and support reforms if these reforms a) open up new scopes of action and b) do not pose a threat to state sovereignty. In this sense China as a "new" power is more oriented to safeguarding vested rights and interests, indeed acts even more conservative, than many "old" powers.

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