

From Self-imposed Isolation to Global Cooperation: The Evolution of Chinese Foreign Policy Since the 1980s

Since the late 1970s and the early 1980s, especially since the end of the Cold War, China has made important adjustments in its foreign policy. China's foreign policy has been evolving from one of an inward-looking, reactive and system-challenging nature to one of an increasingly outward-looking, pro-active and system-identifying character. While the change is far from being complete and it may be still too early to preclude a slowdown and even a reversal under the influence of a whole array of factors, the process is continuing and deepening. Undoubtedly, the direction of change is in the interest of Asia and the world as well as in China's interest.

The adjustments

Like foreign policies in other countries, China's foreign policy has been under the influence of domestic and international developments and the evolution of official views of them. Such developments do not necessarily get reflected in changes of basic principles. For example, China has upheld the five principles of peaceful coexistence for the last forty years, but in practice patterns of change in Chinese foreign policy have emerged.

Broadly speaking, the year 1979 was a historical watershed in the history of China's foreign policy. During this year, China assigned priority to economic development and adopted a policy of reforms and openness. This adjustment of strategic priority had broad and far-reaching implications for China's foreign policy.

- ▶ It demanded that Chinese diplomacy serve economic development rather than just focusing on military security and international status.
- ▶ It generated a need for China to learn and understand the rest of the world objectively so that it could make the best use of the developmental opportunities the outside world has to offer.

- ▶ It initiated a process of conceptual change. From then on, China gradually learned to view its relations with the outside world as a non zero-sum game and became increasingly interested in international participation and cooperation.
- ▶ Finally, it expressed China's hope to cooperate with the international society in building a stable, just and mutually beneficial international order.

The significance of this adjustment was not obvious at the time. However, it gradually changed the form and substance of China's foreign policy with the passage of time.

Ideology

To begin with, China has made a deliberate decision not to allow communist ideology to determine its foreign policy and influence its foreign relations. Before 1979, the Chinese Government basically took a realist approach in dealing with China's foreign relations. That is to say that it attached primary importance to national interests such as territorial and sovereign integrity, international status and national security in its diplomatic behavior. However, ideological considerations did affect Chinese foreign policy and at times such as during the Cultural Revolution even came to dominate China's diplomacy.¹ Between the

1. Yang Gongsu, *Zhonghua renmin gongheguo waijiao lilun yu shijian* (Theory and practice of the diplomacy of the People's Republic of China) (Beijing: School of International Studies, Peking University, 1997), pp. 223-227; Jin Ge, »Zai waijiaobu »duoquan« qianhou« (What happened before and after the »seize of power« in the Ministry of Foreign Affairs) in An Jianshe ed., *Zhou Enlai de yuibou suiye: 1966-1976* (The last years of Zhou Enlai: 1966-1976) (Beijing: Zhongyang Wenxian Publishing House, 1996), pp. 207-243.

founding of the People's Republic of China (PRC) and the late 1970s, the ideological factor was responsible for China's adoption of such policies as allying with the Soviet Union, supporting national liberation movements in Asia, Africa and Latin America, and promoting world revolution etc. It also defined China's policy toward western countries. The decision to improve relations with the United States in the early 1970s was more a tactical maneuver than a deliberate attempt to downgrade ideology in Chinese diplomacy although that is just what happened. During the subsequent years, ideological radicals continued to press for their radical agenda on China's foreign policy through repeated assaults on the more pragmatic diplomatic efforts pursued by Zhou Enlai and Deng Xiaoping.

By the late 1970s, however, the Chinese leaders decided that if they wanted to develop a stable and peaceful international environment for China, they could not afford to let ideology shape their foreign policy agenda and should take a pragmatic approach to its foreign relations.² Accordingly, China gradually dropped ideological jargons such as »revolutionary struggle«, »American imperialism«, »Soviet social imperialism«, »revisionism« etc. from its diplomatic rhetoric. China did not only give up the ideological language, but also ideological affinity as a criterion for shaping its relations with other countries.³ As long as a country observes the five principles of peaceful coexistence, China became willing to develop good relations with it, irrespective of ideological differences. It is largely along this line that China has managed its foreign relations since the 1980s.

National interests

For a long time after the founding of the People's Republic of China, the Chinese Government rarely used the concept of national interests. Even when it was occasionally used, the term had quite different connotations from what is usually understood. To the Chinese leaders at the time national interests were nothing more than a rhetorical substitution for the interests of the ruling class. In practice, however, most scholars agree that the Chinese leaders still pursued national interests during this period. Examining the substance of

this pursuit, one finds three outstanding components:

- ▶ China's territorial and sovereign integrity,
- ▶ its national security, and
- ▶ its international recognition and status.

Since the early 1980s, some important changes began to take place in China's approach toward national interests. Firstly, the term »national interests« began to appear in diplomatic rhetoric.⁴ Chinese international relations specialists also started analyzing China's foreign relations with regard to them.⁵ In addition, as China adopted the term »national interests«, it also became more inclusive in its repertoire of national interests. National interests were no longer restricted to traditional items such as international prestige, national sovereignty, military security, economic growth and political stability, but came to include new elements such as environmental protection, fighting international crime, advancement of human rights etc.

China's priorities with regard to national interests also changed. For example, concerns over military security which were at the top of China's foreign policy agenda have been overtaken by concerns over economic growth. On the question of foreign trade, the traditional pursuit of economic independence has been replaced by international economic cooperation and integration; with regard to military security, the traditional preoccupation with national defense capabilities is being diffused by efforts to build regional and international security mechanisms.

2. *Deng Xiaoping wenxuan*, vol. 2 (Selected works of Deng Xiaoping), 2nd print, (Beijing: Renmin Publishing House, 1994), pp. 231-232.

3. *Deng Xiaoping wenxuan*, (Selected works of Deng Xiaoping), vol. 3, (Beijing: Renmin Publishing House, 1993), pp. 96-97; Tian Zengpei ed., *Gaige kaifang yilai de zhongguo waijiao* (Chinese foreign policy since the adoption of the policy of reforms and openness) (Beijing: Shijie Zhishi Publishing House, 1993), pp. 6-7.

4. *Deng Xiaoping wenxuan*, vol. 3, op.cit., pp. 103, 328-329 & 330; Tian Zengpei, op.cit., p. 3; Zhonghua renmin gongheguo waijiaobu zhengce yanjiushi (Policy Planning Department of the Ministry of Foreign Affairs of the People's Republic of China) ed., *Zhongguo waijiao* (Chinese diplomacy) (Beijing: Shijie Zhishi Publishing House, 1997), p. 12.

5. For instance, Yan Xuetong, *Zhongguo guojia liyi fenxi* (Analysis of China's national interests) (Tianjing: Tianjing Renmin Publishing House, 1996).

Territorial sovereignty

As ideological influence fades, China's approach toward the issue of territorial sovereignty has also undergone significant change. The sharp contrast between China's long history and glorious civilization and its painful experience of repeated foreign invasions and humiliation during the contemporary period beginning with the Opium War has contributed to the development of intense nationalist feelings among the Chinese. Under these circumstances, safeguarding territorial sovereignty has become one of the most sacred principles of China's foreign policy.

In the meantime, for historical reasons, the Chinese Government has inherited many territorial problems with its neighbors. Before the 1980s, China sought to resolve the problems through peaceful negotiations. In this spirit, it successfully settled its border issues with Burma, Nepal, Mongolia, Pakistan and Afghanistan.⁶ However, the success stopped there. At different times, China found itself compelled to use force. Such a situation greatly complicated and constrained China's foreign relations.

Beginning in the early 1980s, the Chinese leaders began to take a fresh look at the problem and decided that China should adopt a pragmatic and flexible approach. In April 1984, Deng Xiaoping said that one should be realistic about China's territorial problems and search for new ways to deal with them. For example, one could deal with some territorial disputes through joint exploration of the resources with the countries concerned while shelving the question of sovereignty for the time being.⁷ In the spirit of this new line of thinking, the Chinese Government adopted different measures to solve its territorial problems in the light of the characteristics of the specific issues involved.

On the question of Sino-Soviet border disputes, China decided to continue to acknowledge the existing borders that result from historical changes and seek only modest adjustments at certain specific localities. Concerning Taiwan, Hong Kong and Macao, the Chinese Government adopted a policy of »one country, two systems«, which emphasizes restoration of China's territorial sovereignty while maintaining the existing economic, social and political arrangements in those areas.

On the question of the South China Sea islands, part of which are also claimed by some Southeast Asian countries, and the Diaoyu Island, which is also claimed by Japan, China adopted a policy of joint exploration of the resources in and around those islands while shelving the sovereignty issue for future generations to resolve.⁸

Through these efforts, the Chinese Government has demonstrated to the world that even on such politically sensitive questions as territorial sovereignty China is willing to accommodate to the feelings and interests of the people in other countries and regions while upholding its principles. Granted that some of the territorial problems continued to surface and sometimes even led to military tensions such as those between China and Vietnam and between China and the Philippines, China's new approach has provided more room for compromise solutions as demonstrated by the recent joint announcement by China and Vietnam of their intentions to resolve their territorial disputes peacefully by the year 2000.

Security policy

Significant changes can also be seen in China's view on security. Before the 1980s, China took a pessimistic view of the international security environment with the strong belief that another world war was inevitable. By the mid-1980s, however, Chinese leaders began to accept the view that a world war was indeed »avoidable«.⁹ Subsequently, China's attitude toward activities of international disarmament and arms control underwent a subtle but important change. China began to see that »disarmament conferences are also conferences in search of peace«.¹⁰ It increased the scope and depth of its participation in various

6. Han Nianlong ed., *Diplomacy of Contemporary China* (Hong Kong: New Horizon Press, 1990), pp. 176-188.

7. *Deng Xiaoping wenxuan*, vol. 3, op.cit., p. 49.

8. Xie Yixian ed., *Zhongguo waijiao shi: zhonghua renmin gongheguo shiqi: 1979-1994* (China's diplomatic history: the period of the People's Republic of China: 1979-1994) (Henan: Hennan People's Publishing House, 1995), pp. 107-142.

9. *Ibid.*, p. 66.

10. *Renmin Ribao* (The people's daily), April 24, 1986.

international arms control and disarmament activities and made a series of proposals and suggestions on international disarmament.¹¹ It announced that military forces would be cut by one million and tried to keep a tight lid on the growth in its defense spending during the 1980s.¹²

Since the end of the 1980s, especially since the Gulf War, China has begun to attach more importance to defense modernization and increased its defense spending. But even though China's defense expenditure has grown rapidly in nominal terms since the late 1980s, if one takes into account the inflation factor and the sharp increase in the costs of maintaining troops during this period, the real growth is much slower than the figures suggest. Moreover, because of the rapid expansion of the Chinese economy, the share of defense expenditure in China's GDP has actually declined.¹³ In September 1997, the Chinese Government announced that it would cut its military forces by another half a million.¹⁴

The Chinese Government has also made increasing efforts to enhance cooperation with other countries on global and regional security matters. It has taken steps to increase the transparency of its security policy and engaged more actively in regional security dialogue mechanisms such as the ASEAN Regional Forum and the Council for Security Cooperation in the Asia-Pacific.¹⁵

Foreign economic relations

The changes in China's foreign economic policy are probably the most obvious ones. The traditional policy of »independence and self-reliance« adhered to prior to the 1980s has since been replaced by a policy of openness to and integration with the outside world. Promotion of exports, introduction of advanced foreign technologies, solicitation of foreign investments, enhancement of international economic and trade cooperation etc. have become important objectives of China's development strategy.¹⁶ In order to achieve these objectives, China has reformed its foreign economic and trade system, decentralized powers in the administration of foreign economic relations, formulated a whole range of laws and regulations to facilitate and protect foreign economic and

trade activities, and improved the quality of law enforcement.

In recent years, the Chinese Government further stepped up its efforts to liberalize its foreign economic relations and trade. Between 1993 and 1997, for example, it reduced China's overall import tariffs by 60%. And more recently it announced its commitment to reducing the current tariff level even further so that the overall tariffs on imported goods would be lowered to 15% by the year 2000 and 10% by 2005.¹⁷ Measures adopted in recent years to open China's financial, insurance and other service sectors gradually to the outside world have further deepened China's integration into the world economy. Thus, the promotion of economic and trade relations between China and

11. Tian Zengpei, op.cit., pp. 2-4.

12. Ibid., pp. 2-3.

13. Wang Shaoguang, »Estimating China's Defense Expenditure: Some Evidence From Chinese Sources«, *The China Quarterly*, September, 1996; Chen Fengjun, »Zhongguo zai yatai de zhanlue diwei« (China's Strategic Status in the Asia-Pacific Region), *Guoji Zhengzhi Yanjiu* (Studies of International Politics) (1995:2), pp. 53-54; Zheng Yushuo, »Jiushi niandai zhongqi de zhongguo duiwai guanxi« (China's foreign relations during the mid-1990s), *Zhongguo Yu Shijie* (China and the World), July 1997, p. 88.

14. Jiang Zemin, »Gaoju dengxiaoping lilun weida qizhi, ba jianshe you zhongguo tese shehuizhuyi shiye quanmian tuixiang 21 shiji: zai zhongguo gongchandang di shiwu ci quanguo daibiao dahui shang de baogao« (Uphold the great banner of Deng Xiaoping theory: report at the Fifteenth National Congress of the Chinese Communist Party), *Shiwuda baogao fudao duben* (Explanatory reader for the report at the Fifteenth National Congress of the Chinese Communist Party) (Beijing: Renmin Publishing House, 1998), p. 40.

15. The Information Office of the State Council of the People's Republic of China, *China: Arms Control and Disarmament*, November 1, 1995, pp. 4-5.

16. International Department of the Ministry of Foreign Economic Relations and Trade, »Zhongguo dui guanmao zongxieding diyueguo »guanyu zhongguo waimao zhidu de buchong wenjian« suo tichu de wenti de dafu« (China's replies to the questions raised in »Complementary documents on China's foreign trade system« by GATT signatory countries), *Jingji Ribao xinxi zhongxin* (Information center of the *Economics Daily*) ed., *Chongfan guanmao zongxieding: zhongguoren de jiyu, fengxian yu duice* (Returning to the GATT: challenges, risks and policies) (Beijing: Jingji Ribao Publishing House, 1992), pp. 325-350.

17. Yin-Ping Ho, »China Reforming Itself into a Trading Nation,« Joseph S. Cheng ed., *China Review: 1998* (Hong Kong: The Chinese University Press, 1998), p. 403.

other countries has assumed increasing importance in China's foreign policy.

As China becomes economically stronger and more integrated with the rest of the world, it has also found more leverage in using its economic influence to defend its perceived national interests. In particular, China has used its influence to discourage those countries which attempted to meddle with the Taiwan question.

Environment

For a long time, China considered environmental questions as of exclusive domestic concern and attached only modest importance to this issue at home. However, since the late 1970s, this has changed, as can be seen in the establishment of ever higher ranking institutions in China to deal with the issue and in the publication of official white papers on China's environmental efforts. The government has devoted increasing resources to deal with the mounting environmental problem and has given increasing priority to domestic legislation on the environment.¹⁸ At the same time, China began to take an increasingly favorable view of international cooperation on environmental protection and put its signature on at least nineteen international environmental treaties and agreements since 1989. While still trying to resist international imposition on its environmental agenda, China has become more and more supportive of international efforts of environmental protection¹⁹ and has repeatedly sought international assistance to deal with its own environmental problems.

China has now developed its first set of systematic principles on environmental protection: Economic development should be coordinated with environmental protection. Protection of the environment is the common task of humankind; however, developed countries have greater responsibilities in this area. International cooperation on the environment should not come at the expense of respect for national sovereignty. Protection of the environment and economic development are inseparable from international peace and stability. Efforts to protect the environment should take into account both the current and long-term interests of the world.²⁰

Human rights

Before the early 1980s, the human rights concept did not exist in China's political discourse. International debate on the human rights issue was generally regarded as Cold War verbiage and international concern over China's human rights practice was dismissed and resisted as unwanted external intervention in Chinese domestic affairs. The human rights issue was not regarded as a proper subject of international dialogue.

However, starting in the late 1980s, China's approach toward the human rights issue began to experience some subtle changes. First, the Chinese Government attached increasing importance to the study of the human rights issue. Human rights research centers and institutions were set up both in and outside the Government.²¹ Second, as the study went on, the Chinese Government began to be more receptive to intergovernmental human rights dialogues on the condition that such a dialogue be conducted on the basis of equality and mutual respect. Third, as the human right issue became better understood in China, gradually and especially in the last two years, the Chinese Government demonstrated increasing willingness to subscribe to international norms on human rights not only with regard to economic

18. The newly revised criminal code makes destruction of environmental resources a criminal offense. The first court case involved a paper mill in Shanxi and the mill's legal representative received a sentence of two years in jail as well as a heavy fine for causing serious damage to environmental resources. Liu Shaoren, »Shouli huanjing wuran an panjue« (Sentence on the first case of environmental pollution (since the introduction of the new criminal code)), *Renmin Ribao*, October 6, 1998, p. 11.

19. Hu Angang, »China's Environmental Issues«, in Stuart Harris & Gary Klintworth eds., *China As a Great Power: Myths, Realities and Challenges in the Asia-Pacific Region* (New York: St. Martin's Press, 1995), pp. 337-340.

20. Zhonghua renmin gongheguo guowuyuan xinwen bangongshi (The Information Office of the State Council of the People's Republic of China), *Zhongguo de huanjing baohu* (Environmental protection in China), June 1996, p. 34.

21. Originally some of the centers were set up merely for the purpose of developing arguments to refute foreign allegations against China's human rights violations. However, as time passed by, they also began to engage in more in-depth studies on various aspects of the human rights issue.

and social rights but also with regard to political and civil rights. This led to China's recent signing of the UN Covenant on Civil and Political Rights.²²

According to the Chinese Government, one should understand human rights in a comprehensive way rather than just concentrate on civil and political rights as some in the West have done. When evaluating a country's human rights record, consideration should be given to that country's level of economic development and cultural and historical background. While every country should protect human rights, each country has the right to determine how to do so in the light of its economic, social, political and cultural priorities. External concerns are understood; however, outside efforts to impose a specific practice of human rights are wrong and should be resisted.²³ The Chinese Government believes that protecting human rights is by no means inconsistent with its principles of government and that, although there is still much to be desired in China's human rights record, as a developing country, China has achieved tremendous progress in this respect and is going to do more in the days to come.²⁴

International Cooperation

When China first adopted the policy of reforms and openness in 1979, it was already a member of a number of international organizations. However, China's motivations to participate in these international organizations at the time were primarily two:

- ▶ to enhance China's international legitimacy through replacing the representatives of the Taiwan authorities in these organizations;
- ▶ to elevate China's international prestige.

China went to these organizations mostly to air its critical views of the international order with little expectation that such organizations would lead to a resolution of practical problems. This situation lasted into the early 1980s. Although China began to participate in disarmament and arms-control conferences from the early 1980s, it did not really believe that such conferences could in any way facilitate international peace and stability.

This changed in the course of the 1980s. China took international participation more and more serious. First, it joined more international organ-

izations and is now a member of most of the important ones among them. Second, China has become more active in its participation. Now it does not only observe and listen, but also develops its own proposals on a whole range of issues. Third, China has subscribed to an increasing number of binding international covenants including those of non-proliferation, test ban, and human rights protections. Between the founding of the PRC and the end of 1992, China joined 176 international covenants. Among these, 144 were signed after 1979.²⁵ Finally, China has been increasingly involved in regional dialogues on political, economic and security cooperation. It has been an active participant in such regional forums as the Asia-Pacific Economic Cooperation (APEC) and the ASEAN Regional Forum (ARF).

The Causes of the Adjustments

China's foreign policy adjustments outlined in the previous passages are attributable to fundamental domestic and international changes that have occurred over the years

- ▶ in China's domestic politics,
- ▶ in China's external security environment,
- ▶ in China's political and economic integration with the outside world,
- ▶ in China's view of its relations with the rest of the world.

Domestic politics

The most fundamental change in Chinese domestic politics since the late 1970s has been the progressive evolution of its policy of reforms and

22. *Renmin Ribao* (People's daily), October 16, 1998, p.1.

23. Zhonghua renmin gongheguo guowuyuan xinwen bangongshi (The Information Office of the State Council of the People's Republic of China), *Zhongguo de renquan zhuangkuang* (China's human rights situation), 1991, pp. 67-70.

24. Zhonghua renmin gongheguo guowuyuan xinwen bangongshi (The Information Office of the State Council of the People's Republic of China), *1996 nian zhongguo renquan shiye de jinzhan* (Progress in China's human rights cause in 1996), 1997, p. 22.

25. Tian Zengpei, op.cit., pp. 664-687.

openness. This is reflected in the three conceptual changes that have taken place since the late 1970s. To begin with, the Chinese Communist Party in November 1978 formally abandoned the radical policies of the late Mao period and adopted a developmental strategy placing priority on economic development. Second, Deng Xiaoping's southern tour in 1992 ushered a conceptual and policy breakthrough in the nagging debate on the political and social character of Chinese reforms and led to all-out efforts to develop a socialist market economy (as opposed to a centrally planned economy). Third, the Fifteenth Party Congress in 1997 resolved the intense debate within the Chinese ruling elite over the question of ownership and provided a policy foundation for developing a market economy wherein various forms of ownership can coexist.²⁶

These three successive changes reflect the political developments since the late 1970s and have had far-reaching implications for China's foreign policy. To begin with, the adoption of a strategy centered on economic development meant that the extreme practices of utopian socialism that had constrained Chinese foreign relations until the late 1970s were abandoned. By stressing economic development as a precondition for developing socialism, it laid a theoretical foundation for the policy of reforms and openness to the outside world. The economic reforms required a comprehensive improvement of China's foreign relations with other countries. This in turn made it imperative for China to downplay ideology in its foreign policy, reform its traditional foreign trade system, establish institutional mechanisms to induce foreign investment, and take interest and participate in world affairs.

Changes in the international strategic environment

The emergence of a strategic balance between the U.S. and the Soviet Union and the growth of the American anti-war movement during the late 1960s and early 1970s offered China an opportunity to adjust its relations with the United States. Subsequent Sino-American rapprochement substantially reduced the radical ideological influence over China's foreign policy, which had culminated during the late 1960s, and made it

possible for China to develop its foreign economic relations. The setback of the Soviet international offensive in the early 1980s contributed to overtures by the USSR to improve its relations with China, thus further improving China's international environment. In part because of this development, China abandoned its previously-held view that a third world war was inevitable and reconfirmed its resolve to concentrate its limited resources on economic development. It also paved the way for China to engage in substantial troops reductions.²⁷

The end of the Cold War brought new uncertainty to China's relations with the United States. However, it did not fundamentally change China's external security environment. On the contrary, the cooling of Russo-American relations contributed to the improvement of Sino-Russian relations. Altogether, China's external security environment actually improved as time went on.²⁸ While Taiwan's independence activities still pose a threat to China's external security, as demonstrated in the recent Taiwan Strait crisis, the problem has been brought under control since then.²⁹ Under the circumstances, China does not need to return to the pre-1979 developmental strategy centered around military security. It has been able to go on concentrating its energy and resources on economic development and engage in international economic relations as well as paying attention to other issues such as proliferation of weapons of mass destruction, international crime, illegal immigration, environmental degradation, and human rights violations.

26. Ma Licheng & Ling Zhijun, *Jiaofeng: dangdai zhongguo san ci jiefang sixiang shilu* (Crossfire: three rounds of ideological liberation in contemporary China) (Beijing: Jinri Zhongguo Publishing House, 1998).

27. In 1985, the Chinese Government announced its plan to reduce its armed forces by one million and more or less froze its defense spending for several years.

28. Xie Yixian, »Zhongguo dangqian wajiao de tedian he fanglue jiqi zhongyaoxing he changqixing« (The importance and long-term nature of the characteristics and strategies of current Chinese diplomacy), paper delivered at the »Conference on Chinese Diplomacy during the Post-Cold War Period« held in Hong Kong between July 21 and 22 1998, pp. 3-4.

29. A new understanding of the appropriate handling of the Taiwan Strait situation appears to have emerged among mainland China, Taiwan and the U.S. since the outbreak of the Taiwan Strait crisis in 1995 and 1996.

Political and economic integration with the outside world

Following China's rapprochement with the United States in the early 1970s, China established diplomatic relations with most countries in the world and joined most important international governmental organizations. Meanwhile, especially after 1979, China's economic relations with the outside world became ever more intense. The increasing political and economic linkages have given China normal channels to express its views, defend its legitimate interests, and promote reforms of the existing international order. This development has reduced the distrust and hostility China used to harbor toward that order as a result of its bitter experience in the first two decades of the People's Republic and has given it a sense of being part of the existing international order. As time wore on, China also developed the expertise and experience to take advantage of the opportunities offered by the existing international institutions to defend and promote China's interests and aspirations - including the reform of existing rules.

Finally, ever closer economic relations with the outside world have given China an ever larger stake in international stability and prosperity. In 1997, China became the world's 10th largest trading partner with a foreign trade volume of US\$ 325 billion.³⁰ It also attracted US\$ 45 billion in foreign direct investment, next only to the United States. At the end of 1997, China's foreign reserves stood at US\$ 140 billion, second only to those of Japan.³¹

The rise of China has attracted much international attention since 1993. Some have propagated the Chinese threat thesis. However, the immediate impact has been a harmonization of the interests of China and the rest of the world. To begin with, the rise of China is part and parcel of the process of China's integration into the international order. This process has given China an increasing stake in international stability and prosperity. In addition, the notion that the existing international system poses an obstacle to China's development and prosperity has lost appeal. On the contrary, the experience of the last decade has demonstrated that international stability is a precondition for China's further development. The maintenance of international stability is

now seen as essential to China's own interests. Although the existing international system is still being considered as unequal and unfair in several respects and hence in need of reform, China is inclined to make greater efforts to maintain the stability of that system.³²

Reconceptualization of China's relations with the world

As China's interactions with the rest of the world increased, her view of international relations has undergone three successive and broad changes:

- ▶ first, from viewing international relations in terms of Marxist ideology to viewing it in more conventional terms;
- ▶ second, from viewing international relations as a zero-sum game to viewing them as a positive-sum game;
- ▶ third, from suspicion and hostility toward the international system to identification with it.

These changes in attitude have in turn influenced China's way of dealing with the rest of the world as reflected in the foreign policy adjustments discussed in the previous passages.

From the Marxist point of view, the essence of international relations is the struggle between the proletariat and the bourgeoisie. The internal dynamics of capitalism would eventually and inevitably lead to international war and revolution and to the replacement of capitalism by communism. After communists take over power in some countries,

30. *Liang'an Jingmao Tongxun* (Bulletin of economic and trade relations across the Taiwan strait) (1998:6), p. 47.

31. »Zhu: zhongguo shi yazhou zuijia touzidi« (Zhu: China is the best investment place in Asia), *Wenhui bao* (Wenhui daily) (Hong Kong edition), April 7, 1998, p. A3.

32. After the end of the Cold War, the Chinese Government has made many efforts to maintain peace and stability in the world and the Asia-Pacific region, including its participation in the Cambodian peace-keeping operations, the cooperation with various parties in search of a peaceful solution of the Korean problem, the observation and promotion of the international non-proliferation regime, the joining of the nuclear test ban treaty, and various constructive measures to cope with the on-going Asian financial crisis. In addition, China has become a strong supporter of the United Nations system. See 1997: *Guoji xingshi nianjian* (1997: Yearbook on international situations) (Shanghai: Shanghai Jiaoyu Publishing House, 1997), p. 111.

the focal point of struggle in international relations becomes that between communist and capitalist countries. It is the historical mission of the communist countries to support proletarian struggles against bourgeois oppression and exploitation throughout the world. The ultimate goal of the communist countries is to overthrow the existing unequal and unfair capitalist system and proceed to communism.

In reality, however, the communists find international relations far more complicated than the concept of class struggle can capture. In a world of nation states caught in the middle of the irresistible process of globalization, they see people seeking their identity with nation states and/or interest groups as well as social classes. Often identity with the nation states and/or interest groups appears to be stronger than that with social classes. Moreover, after they come to power, communist leaders tend to be regarded by their own people and other national leaders as representatives of their nation state rather than as the vanguard of the working class. The same applies to the self-perception of communist governments.

Tensions between the ideological view of the world and the more conventional view complicated Chinese conduct of foreign relations from the very beginning of the People's Republic. Until the late 1970s, ideology appeared to be in the defining rhetoric. The first major shift in favor of the non-ideological view occurred in the early 1970s when out of sheer necessity the Chinese Government decided to embrace rapprochement with the United States.³³ Although the move was adopted for purely tactical reasons, it touched off a fundamental process of reconceptualization of China's relations with the rest of the world. From then on, Chinese leaders began to view international relations primarily in terms of power balance between states rather than of class struggle.

The ideological world view, however, did not lose its chance to come back in a final sense until Deng Xiaoping initiated the policy of reforms and openness in the late 1970s. Essentially what Deng did was to lower Chinese communists' ideological expectations. Rather than trying to support international revolution so as to bring about communism around the globe, China should concentrate on its own development and modernization. Only through building China into a modern and pros-

perous state could China persuade others as well as the Chinese people that communism is indeed a superior social system and could make a genuine contribution to the cause of communism. The transformation of China from a poor and backward country into a prosperous and modern one required the mobilization of all resources and opportunities including those offered by international trade and investment. That in turn required good foreign relations which could only be achieved by dropping all the ideological jargons and practices from China's diplomacy and adopting a more traditional diplomatic behavior. Incidentally, Deng Xiaoping's approach is more in line with the principles of Marxist historical materialism than the previous ideological approach because it attaches more importance to the development of material conditions, as opposed to voluntaristic human initiative, for progress towards communism.

The advance of the more conventional view of the world in the late 1970s and early 1980s contributed to the changes in China's view of the issue of war and peace. Until the early 1980s, the Chinese Government held the view that, due to the imperialistic logic of capitalism, world war was inevitable. This belief guided China's development strategy which devoted huge resources to heavy industry and national defense to prepare for such eventualities. By the early 1980s, however, Chinese leaders began to challenge this thesis from a realist perspective. They argued that the ever more destructive nuclear weapons as well as the growth of popular anti-war movement had made it possible to avoid another world war. This conceptual change allowed China to slow down defense modernization programs, concentrate resources on economic development, readjust development strategies, and promote international economic integration and cooperation.

Increasing economic interactions between China and the outside world contributed to another conceptual shift with regard to international relations: They were no longer seen as a zero-sum game but as a positive-sum game.

33. At the time, China was internationally isolated and domestically in turmoil. The Soviet invasion of Czechoslovakia in 1968 and Sino-Soviet border clashes in 1969 highlighted the prospect of an imminent Soviet military attack against China.

During the first twenty years of the PRC, U.S.-led efforts to contain and isolate China, the Sino-Soviet split beginning in the late 1950s, and political radicalization within China led to the prevalence of a zero-sum game view of the world within the Chinese leadership. Partly because of this view, China pursued a policy of economic and political autarchy.

Changes began during the early 1970s in the wake of the restoration of China's seat in the UN and of Sino-American rapprochement. However, the real shift did not come about until the late 1970s when Deng Xiaoping stressed the mutuality of interests of China and the outside world and even between Western capitalists and the Chinese proletariat.³⁴ According to the new logic, both China and the outside world and both foreign capitalists and the Chinese working class can benefit from economic relations. Foreign capitalists can have an interest in investing and doing business in China and socialist China can have an interest in welcoming them.

Such a positive-sum view of China's relations with the outside world was to affect other aspects in China's foreign relations such as arms control and disarmament, non-proliferation of weapons of mass destruction, environmental protection, as well as more recently the improvement of human rights.

Associated with de-ideologization and the gradual adoption of a positive-sum view of foreign relations is the shift in China's view of the international order and international norms. In part because of ideological reasons, China used to regard the existing international order and international norms as products of the capitalist mode of production and as instruments of imperialism to enslave the peoples of the world. American policy of containment and isolation of China during the first two decades of the People's Republic reinforced this view. Again, change came about following the restoration of China's seat in the UN and with the expansion of foreign contacts. While China is still critical of the existing international order and is advocating its reform, it supports those established international norms which attach primary importance to the principles of national sovereignty, territorial integrity, sovereign equality etc. China's position was clearly articulated in the following quote from the speech by Chinese Presi-

dent Jiang Zemin on October 24, 1997 on the occasion of the fiftieth anniversary of the founding of the UN: »As a founding member of the United Nations and a permanent member of the United Nations Security Council, China has always adhered to the goals and principles of the United Nations Charter and carefully performed its international responsibilities and obligations. China hopes that the United Nations play a more positive and effective role. We advocate necessary and appropriate reforms of the United Nations in the spirit of fairness, reasonableness and full consultation following careful deliberation and discussions. Such reforms should facilitate realization of the goals and principles of the United Nations Charter, accomplishment of the heavy tasks that our age has put on the United Nations, reflection of the principle of regional balance, and enhancement of the status and roles of the third world countries in the United Nations.«³⁵

Perspectives

Will China's foreign policy adjustments persist in the days to come? To answer this question one must have another look at the structural factors that have shaped the adjustments thus far. One very important condition is the direction of Chinese domestic politics, to be precise the fate of the current policy of reforms and openness. It should be clear to any observer that current political developments in China favor the policy of reforms and openness. The Fifteenth Party Congress of the Chinese Communist Party in 1997 just reconfirmed the party's determination to adhere to this policy. Despite frustration and discontent felt by those whose interests were compromised during the reform process, there has been no articulated strong alternative to such a policy in current Chinese political discourse. Chinese

34. *Deng Xiaoping wenxuan*, vol. 2, op.cit., p. 156.

35. Translation from the Chinese text by the author. Jiang Zemin, »Rang women gongtong diao yige geng meihao de shijie« (Let us build an even better world together), *Zhonghua renmin gongheguo waijiaobu zhengce yanjiushi* (The Research Division of the Ministry of Foreign Affairs of the People's Republic of China) ed., *Zhongguo waijiao* (China's diplomacy) (Beijing: Shijie Zhishi Publishing House, 1996), p. 709.

intellectuals who are supposed to offer such alternatives mostly support the official policy, especially in the light of what has happened in the former Soviet Union and in China since the early 1990s.

It is less clear whether the current political developments are irreversible or unchangeable. At the moment, there is no absolute guarantee for their continuation. China is in the middle of three fundamental transformations:

- ▶ modernization,
- ▶ systemic transformation from a centrally-planned economy to a market economy,
- ▶ transition from a generation of charismatic leaders to one of technocrats.

Both historical and comparative studies show that any single one of these three transformations is sufficient to cause serious social and political instability if not collapse. Moreover, China's reforms are entering a delicate stage when an increasing number of people's interests are affected and the old sense of justice is violated. The potential for social unrest should not be underestimated. On top of this, the Asian financial crisis is threatening China's economic growth. A significant slowdown in China's economic growth could exacerbate the already acute social and political tensions within Chinese society.

On balance, however, one can be cautiously optimistic that the current policy of reforms and openness will continue. After all, China has gone through much more difficult times before. The current leadership is better educated and better informed. And it has already demonstrated its ability to manage the complex task of governing China through its sophisticated handling of the relationships between political stability and economic growth, between social stability and economic reforms, between autonomous development and international integration, etc. Despite all the problems and difficulties it is facing, it has so far achieved some spectacular things. Finally, most educated Chinese consider current official policies as a whole as progressive and forward-looking. They find little reason to oppose them. Under the circumstances, more likely than not the current policy of reforms and openness is going to continue.

Another important aspect is China's external security environment. There are good reasons to expect that the relatively favorable external security

environment which has facilitated China's foreign policy adjustments will persist. China and Russia share a mutual interest in maintaining and improving their relations on a basis of mutual respect and non-alliance.³⁶ Although China and the U.S. have many problems in their relationship such as trade, human rights, Taiwan, arms sales etc., they also have a high stake in the maintenance of their relationship. They have proven their ability to master difficulties like those in the mid-1990s.³⁷ The re-armed Japan could turn into a new source of concern. But with the still prevailing pacific attitude of the Japanese population and the U.S.-Japan security arrangements, military tension, let alone conflicts, between Japan and China are at most a remote possibility. The Taiwan problem still poses a threat to China's security. However, the strong overlapping interests of China and other major powers in maintaining peace and stability in the Taiwan Strait are likely to continue to discourage Taiwan's political heavy weights and hopefuls from pushing for independence.

As an additional consideration, it is very likely that China will increase its political and economic integration with the outside world, because over the years it has benefited tremendously from that integration and has developed tremendous stakes in the process. Therefore, there is little reason to believe that China will reverse it.

Altogether, one should expect that China will continue and deepen its foreign policy adjustments in the foreseeable future. It is in China's interest to do so and in that of the rest of the world to facilitate and encourage this process. ◀

36. Zheng Yu, »Zhong'e zhanlue xiezuo de liyi jichu« (The interests basis of Sino-Russian strategic cooperation), *Wenhuibao*, September 14, 1998, p. A7.

37. Wang Jisi, »Kelindun fanghua de chengguo yu yingxiang« (The results and implications of Clinton's visit to China), *Wenhuibao*, September 14, 1998, p. A7.