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Table of contents

China's Developing Arctic Policies: Myths and Misconceptions

Su Ping and Marc Lanteigne[1]

Abstract: The Arctic and Far North regions of the world have grown in importance for China's international interests in recent years, and in 2013 China became an observer state in the Arctic Council. Beijing has sought to develop an Arctic policy based on scientific research and partnerships, including in the areas of environmental studies and climate change issues, as well as development and economic issues. As the Arctic gains more international attention due to the effects of ice melting and the possibility of the region becoming a new source of resources, concerns have been raised about a scramble for riches and economic advantages. China, as a rising political and economic power, has been subject to much scrutiny, especially from the West, about its emerging agenda in the Arctic region. Although China is not an Arctic state, the concerns are based on predictions that Beijing is seeking to play a stronger and perhaps even dominant role in the Arctic, and this has led to many misconceptions about China's Arctic policy. The result has been a "clash of identities" between Chinese and Western perceptions, and in order to understand why these diverging views have appeared, it is necessary to first examine the origins of "myths" about China's regional Arctic policies, and then examine their roles, using constructivist theory, before suggesting ways for both China and the international community to address this divergence.

Introduction[2]

Despite many decades of interest in the Arctic, only recently has Beijing sought to further enhance its Arctic policy. This is a result of polar ice melting, potential economic opportunities arising in the areas of raw material and energy development and increased use of Arctic maritime sea routes. Following years of negotiations, Beijing was also granted observer status in the Arctic Council in 2013 along with other Asian states, including India, Japan, Singapore and South Korea.[3]

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Compared to other non-Arctic states in Asia and elsewhere, Beijing has received much more international scrutiny, and occasional criticism, for its Arctic interests. The explanation may be a clash of identities, as described in the theory of constructivism, between China and Arctic governments, including the United States, concerning Beijing's longer-term interests and strategies. This has resulted in misunderstandings over several key aspects of China's emerging Arctic interests, as well as the sudden appearance of 'myths' surrounding Chinese diplomacy in the Far North. These misconceptions include issues surrounding China's diplomatic relationship with Iceland, its potential roles in developing energy and mining projects in the Arctic, including Greenland and its potential identities and policies as a new observer in the Arctic Council.

There is also the question of whether China views the Arctic as a strategic as well as an economic and diplomatic issue, especially in light of its evolving naval power projection capabilities, and its recent status (since about 2014) as the world's largest economy, specifically in terms of purchasing power parity (Fray, 2014; Wright, 2014). Also, there is the larger issue of how China has sought to build an Arctic identity while at the same time having to address the concerns of other states, including in the West, about what comprises Beijing's longer-term Arctic strategy. Greater communication between China and other Arctic and non-Arctic states, the writing of a Chinese government white paper on Arctic affairs, and the use of both governmental and non-government channels, are all potential avenues for China to further clarify its Arctic "identity".

Myths and Misconceptions

1) *China's "Super-Embassy" in Iceland*

Over the past five years, Beijing has increased its diplomatic ties with several Arctic states, recognizing the growing importance of developing links with Far North governments as one element of a greater Arctic strategy. For a variety of reasons, one of the most visible examples of this process has been the Sino-Icelandic relationship. In 2005, Beijing and Reykjavík signed a memorandum of understanding as a precursor to initiating talks on creating a free trade deal, the first such negotiations Beijing undertook with a European government. Since

[3] The eight member states in the Arctic Council are Canada, the Kingdom of Denmark (Faroe Islands / Greenland), Finland, Iceland, Norway, Sweden, Russian Federation and the United States. Also, six indigenous peoples' organisations are granted the status of "permanent participants". As of early 2015, observers within the Arctic Council are China, France, Germany, India, Italy, Japan, the Netherlands, Poland, Singapore, South Korea and Spain. The European Union and Switzerland are seeking formal observer status in 2015.

Iceland remains outside of the European Union, the negotiations provided Beijing the opportunity to sign a free trade agreement (FTA) with a European state while both avoiding EU bureaucracy and addressing considerable differences within the Union over how to approach liberalized trade with China. Iceland agreed to designate China as having achieved market economy status, which was an early prerequisite stipulated by Beijing to permit negotiations to begin. The EU declined to do the same, arguing that Beijing had not reached the level of economic reform necessary for market economy status to be granted (Lanteigne, 2010). As a result, China sought to develop European FTAs with non-EU European economies.

The FTA talks began in 2006, and despite a pause in the talks between 2009 and 2013 due to the Icelandic banking crisis and collapse of the Icelandic currency, as well as questions over whether Iceland would join the European Union (thus nullifying any bilateral FTAs signed) both sides expressed hopes that an agreement could be concluded. Also, in 2010 Beijing took the added step of agreeing to a currency swap with Reykjavík with a value of 3.5 million Yuan (US$570 million), an agreement renewed in 2013 (Du and Chen, 2013). The Sino-Icelandic free trade agreement was completed in April 2013 and both sides expressed enthusiasm for the further improvement of diplomatic and economic relations.

During the final stages of the FTA negotiations, plans were initiated to open a new Chinese embassy in Reykjavík to permit Beijing to better represent its interests in Iceland. However, the large size of the new Embassy began to fuel speculation as to the number of personnel its offices would house. Reports in the Icelandic and Western press began to circulate that the number of potential Embassy staff ranged from hundreds to as many as five hundred, far more than other embassies within a country of only 303,000 people (Tatlow, 2012; Trotman, 2013; *Eyjan.is*, 2012; Ford, 2013; Stein, 2015). However, the reality of the situation was much more mundane. From the website of the *Diplomatic and Consular List of Department of Protocol of Ministry for Foreign Affairs of Iceland* in June 2014, the latest version released (Iceland Protocol Department of Ministry for Foreign Affairs, 2014), eight staff members were listed, but four of the personnel were based at the Economic and Commercial Office of the PRC, which is located in a different part of Reykjavík, and the Embassy offices themselves have only four full-time staff listed.

Information from the Protocol Department regarding the staff of the Chinese embassy in Iceland is authoritative, as one of the main responsibilities of the Protocol Department of the Ministry for Foreign Affairs of Iceland is to issue identity cards and to publish the names

of diplomats and honorary consuls in Iceland on the Ministry website (Ibid.). A new Ambassador, Mr. Zhang Weidong, arrived in Iceland on 25 September 2014 and met with acting Permanent Secretary of State and Chief of Protocol of the Ministry for Foreign Affairs of Iceland, Mr. Jón Egill Egilsson, and presented his credentials one day later (Chinese Embassy of Iceland, 2014). Therefore, including the new ambassador, a total of five full-time staff maintains offices in this now well-known building.

Speculation about the supposed "super-embassy" China was allegedly seeking to open took place at a time of much debate about a controversial potential land purchase in Iceland by a Chinese entrepreneur, a deal which critics argued might have strategic implications for Iceland and the entire Arctic region. In 2011, Mr Huang Nubo, head of Beijing Zhongkun Investment Group (*Beijing Zhongkun touzi jituan* 北京中坤投资集团), sought to purchase approximately 30,000 hectares of land at Grímsstaðir in north-eastern Iceland in order to develop tourist facilities worth an estimated US$200 million. The bid was declined by the Icelandic government, amid much public concern, due to laws restricting land purchases by actors outside of the European Economic Area (EEA). The main concern was that the property in question could be used for potential military applications, an assertion flatly denied by Huang. However, the bid was reconstructed in 2012 as an application to lease a smaller amount of land for the same purposes (*BBC News*, 30 August 2011; Higgins, 2013). By the end of 2014, with the final decision on the proposed lease languishing in bureaucratic limbo, Huang began to look for investment prospects elsewhere in the Arctic region, including potentially in northern Norway and even in the islands of Svalbard (*AFP*, 17 August 2013; *Bloomberg*, 12 February 2014; Elliott, 2014).

2) *China's Relations with Greenland*

Although discussions about the Arctic's economic value have frequently included the region's potential supplies of oil and gas, there was also much attention placed on other raw materials which could become accessible as a result of the retreating ice. Both Canada and Russia were viewed as potential beneficiaries of expanded mining of metals and minerals, with international attention also focused on Greenland. Local ice erosion from Greenland's coastal areas, despite presenting serious environmental consequences, has opened up greater possibilities for the mining of copper, diamonds, gold, iron, platinum, rubies, titanium and zinc, along with many other metals and minerals. The potential for a future mining boom in Greenland, however, has been a divisive issue politically.

Adding to the complexity of the mining debate is that at some sites, including Kvanefjeld in southwest Greenland, there are deposits of "rare earth elements" (REEs) which, due to their distinctive composition, are essential for development of high technology products including "green technologies" designed for more efficient energy usage. Elements found in Greenland include cerium, lanthanum, neodymium and yttrium. China is very much a player in the global market for REEs, since over ninety percent of REEs extracted worldwide are mined there (Du, 2013), and this near-monopoly began to raise security concerns in the West due to the increasing value of these "elements" in developing and manufacturing advanced technologies. As a result, debate began, especially in Europe, about Greenland potentially becoming an alternative source to China for REEs once mining operations could be developed. While the political debates continued in Greenland, Chinese interests appeared to be preparing to propose joint mining ventures. In March 2014, the possibility for REE mining in Greenland involving China grew with a memorandum of understanding signed between Perth, Australia-based Greenland Minerals and Energy and Beijing-based China Non-Ferrous Metal Industry's Foreign Engineering and Construction Co. Ltd. (*Zhongguo yousejinshu jianshe gufenyouxiangongsi* 中国有色金属建设股份有限公司) to potentially extract REEs from Kvanefjeld (*Arctic Journal*, 24 March 2014). However, the start of the project remains unclear due to political uncertainty and the high start-up costs inherent in any mining operations.

China is only one of many countries, including Australia, India, Japan, South Korea, and the United Kingdom, expressing interest in joint ventures in Greenland to develop the island's mining capabilities. Beijing's potential involvement in Greenland mining has received by far the majority of attention from Denmark, the European Union, and the international community as a whole due to awareness of China's ongoing economic rise and resource diplomacy. China, with its overall economic power, has been considered one of the few countries in a position to provide all of these prerequisites. In 2009, two Chinese firms based in the Jiangxi province were engaged in prospecting in Greenland, including surveys for copper and gold and were the first Chinese mining interests to conduct such operations within the Arctic Circle (Pu, 2011; Pu, 2012).

Neither of these projects, however, received the same amount of international scrutiny as the potential iron mine at Isua, about 150km northeast of the capital, Nuuk. Despite no mining taking place, this project has been a prime example of China's economic interests in the Arctic being subjected to misinterpretation and occasional alarmism. The iron ore deposit

in question, measuring over one billion tonnes, of unusually high quality, about seventy percent "pure", was discovered in the mid-1960s but was considered too costly to develop. The rights to the site, valued at approximately US$2.35 billion, were frequently resold until the United Kingdom-based firm London Mining acquired the exploitation rights in 2005 and sought to take advantage of improved conditions due to ice erosion (*BBC News*, 24 October 2013).

What caused much controversy, however, was that in addition to the initial development costs, reports suggested London Mining would by necessity partner with a Chinese firm to provide extra material costs and labour, with one potential firm being the Sichuan Xinye Mining Investment Corporation (*Sichuan Xinye kuangye touzi youxiangongsi* 四川鑫业矿业投资有限公司) (Hickey, 2013; Areddy, 2013). The mining rights for Isua were granted to London Mining by the Greenlandic government in October 2013, allowing for a thirty-year licence, but the question of potential partner firms and the role of outside labour remained open for months afterwards. During 2012, media reports began to surface stating that the development of the Isua mine infrastructure would require an influx of between two and three thousand Chinese labourers, given the lack of qualified local workers in Greenland.

This led to questions and debates about immigration, minimum wage policies, the alteration of union regulations and the role of Denmark, if any, in a given potential agreement (*Arctic Journal*, 21 October 2013; Breum and Chimnitz, 2013). Some reports even went as far as to claim (in error) that "hundreds" of Chinese workers had already arrived in Greenland (Spillman, 2012). The debate began to be so visible internationally that in March 2013, a spokesperson for the Chinese Foreign Ministry, Hua Chunying, took the highly unusual step of formally addressing the controversy. Hua stated that many other foreign interests had also applied for fossil fuel exploration and mining permits in Greenland, and that no Chinese workers had yet been based there. She also criticised the "groundless hype about China 'marching toward Greenland'," and seeking to push other investors out of the region (Zhang 2013). What likely caused these assertions to spread, however, was the issue of China requiring an increasing number of raw materials in order to maintain its economic growth, and the requirement for imports has been a distinguishing factor in Beijing's diplomacy in other resource-rich areas such as Africa and the Middle East.

Furthermore, there was the problem of poor timing, as under the Hammond government there was much debate about Greenland independence, raising concerns that the island was seeking non-European partners, including China, to better leverage itself away

from Danish rule. In a March 2013 article in the *International Herald Tribune*, the then-international edition of the *New York Times*, Iceland's former Ambassador to the United States, Einar Benediktsson, and former U.S. Undersecretary of State, Thomas Pickering, painted a picture of China "reaching out for a position in the Arctic" by using Greenland as a stepping stone to a stronger economic role in Iceland as well. The article then called for appropriate countermeasures to be taken by the American government, suggesting a soft balance of power contest was already underway in that part of the Arctic (Benediktsson and Pickering, 2013). As one Western Arctic specialist commented about the entire China-Greenland question, "Political developments in the region are shaped not necessarily on facts and figures but on looser perceptions of what might happen- and perceptions are very volatile since so many factors in the Arctic change so rapidly" (Breum, 2013).

By 2014, much figurative cold water had been poured on both China's purported investment ambitions in Greenland, and on the entire concept of a mining bonanza there. London Mining's fortunes began to decline that year due to falling global iron prices caused by a market glut, decreasing demands from China, and the effects of a mass outbreak of the Ebola virus in West Africa on the firm's operations in Sierra Leone (Wilson, 2014; Martin, 2014). The company was in receivership by the end of the year and looking for a buyer, with no sign as to when or if any operations would begin at Isua.

In January 2015, the rights to the Isua site were sold again, this time to Hong Kong-based General Nice Group (*Jun An Jituan* 俊安集团), a deal which may lead to another round of speculation over Chinese interests there (Hornby *et al.*, 2015). This agreement was the first time an Arctic development project came under exclusive ownership of a Chinese firm. However, there remains the problem of a lack of infrastructure and labour at the Isua site, as well as ongoing depressed iron prices, due largely to decreased demand as a result of a construction slowdown in China itself (Els, 2015). These issues call into question the mine's viability, at least in the short term. Meanwhile, other mining ventures in Greenland have demonstrated greater progress including plans by True North Gems (Canada) to mine rubies and pink sapphires at Aappaluttoq on the west coast and south of Nuuk, and by Ironbark (Australia) to commence zinc mining operations at Citronen Fjord in the Greenlandic far north. These ventures have received far less notice in the international media.

3) *The Arctic in China's Maritime Strategy*

Shortly after the government of Hu Jintao took office in 2002-3, announcements were made concerning the modernization and expansion of China's naval power, in recognition of the country's growing overseas interests. For more than a decade, China has been developing stronger sea power with a greater "blue water" capability of operating further away from the country's shorelines. However, by 2009 the development of China's naval interests began to clash with some of Beijing's immediate neighbours, especially Japan, the Philippines and Vietnam over differing maritime boundaries in the East and South China Sea as well as islands in these regions claimed by China and other parties. Incidents involving Chinese and Philippine vessels in the disputed area of the Scarborough Shoal, also known as *Huangyan Dao* (黄岩岛), in the South China Sea during 2012 and the establishment of a Chinese oil rig in waters contested by Vietnam in the same waterway in mid-2014, led to increased international concerns about the expansion of Chinese naval interests possibly resulting in a deteriorating security situation in Southeast Asia (Perlez, 2014). Furthermore, a cooling of diplomatic relations between China and Japan after 2010 was partially caused by the revival of a dispute concerning the maritime demarcation line in the East China Sea and sovereignty over islands in the area referred to as the *Diaoyu dao* (钓鱼岛) in China and the Senkakus in Japan (Hirano, 2014).

These issues contributed to speculation that China, recognizing the Arctic as being of growing importance for its security and economic interests, is also seeking to develop a strategic and perhaps even a military presence in the Far North as a response to the region's growing potential value to the Chinese economy. The misconception, which has developed out of China's maritime security policies, is that China does not recognize the rights of the Arctic states and that Beijing considers the Arctic to be a strictly international space. The disputes in the East and South China Seas have been explained in the Western media as a product of China trying to circumvent (or even violate) international law including the UN Convention on the Law of the Sea (UNCLOS), and there is a perception that Beijing is conducting the same sorts of policies in the Arctic (Wright, 2011). One piece suggests that despite the emphasis which China has placed on developing scientific capabilities and partnerships in the Arctic, "Beijing is eager to camouflage its true interests in the region with environmental monitoring," (Guschin, 2014). Another article suggests that Beijing was preparing to engage in "lawfare", meaning the selective interpretation of international law in order to achieve a unilateral strategic goal, in the Arctic in order to compensate for its overall

weaker position in the region in relation to that of the Arctic states themselves (Rainwater, 2013).

These views, however, require much closer scrutiny. First, in the case of the East and South China Sea disputes, the problem is not that China is refusing to accept UNCLOS, but rather concerns over differing interpretations of UNCLOS between China and other claimants. Second, the East and South China Seas have been named by agencies in Beijing as constituting China's "core interests". Also, the issue of nationalism, which has affected the ability to address the disputes in both waterways, is not present in the Arctic neither from a Chinese viewpoint nor from the Arctic states themselves. In 2012, a comment from Rear Admiral Yin Zhuo of the People's Liberation Army (PLA) Navy caused diplomatic aftershocks when he reportedly described the Arctic as belonging "to all the peoples around the world", and not to any specific country. The full quote, however, was "According to UNCLOS, the North Pole and its surrounding areas do not belong to any single country, and the common riches in the area belong to all the people in the world," (*China News Network*, 5 March 2010; Chang, 2010; Kai, 2014). Thus, this was a comment not about the whole of the Arctic Ocean but rather the central part of the region outside of the exclusive economic zones (EEZs) of the Arctic states.

The perception of the Arctic as a "global commons" was also voiced in 2009 by Hu Zhengyue, then-Assistant Foreign Affairs Minister, who noted that the Arctic region "occupies a unique position for all of us as humankind" (Kopra, 2013: 3). Both quotes were subsequently taken out of context, and since that time Beijing has attempted to place greater emphasis on developing regional scientific interests with the Chinese government remaining sensitive to suggestions that its far north interests are primarily resource-driven (*China Daily*, 1 February 2012). For example, at the first meeting of the China-Nordic Arctic Research Council (CNARC) in Shanghai in June 2013, Yang Huigen, head of the Polar Research Institute of China (PRIC), noted that on the subject of Arctic resources,

> we insist that those resources are not ours, and China's partnership with Arctic countries in the sector will come naturally as it is part of the widening economic cooperation among countries under the context of globalization (Wang, 2013).

Still another study suggested that Beijing "elbowed" its way into the Arctic Council (all observers, including China, require unanimous support from the eight members of the Council) and points to China's lone icebreaker, the *Snow Dragon* (*Xuelong* 雪龙) as potential

evidence of China's unilateral strategic aims in the Arctic (Kraska, 2011). However, while the *Xuelong*, purchased from Ukraine in 1993, has been active in the Far North for scientific studies, and a second, more modern icebreaker is to be deployed by China possibly in late 2015, it is important to note the number of icebreakers overseen by the Arctic states themselves, include more than forty such vessels (diesel and nuclear) operating in Russia, seven in Finland and five by the United States. Among non-Arctic states, Argentina, Australia, Estonia and South Africa maintain icebreakers as well as Japan and South Korea (USGC 2014).

Any discussion of unilateral military action by China in the Arctic also collides with the region's geographic realities. For example, one paper suggested that Beijing was preparing to deploy military vessels and submarines to the region under the guise of exercises, and would be actively seeking polar bases (Robinson, 2013). These views are problematic for a few reasons. First, China is dependent upon the Arctic states for any economic use of the region. For example, for China or any other nation to use the Northern Sea Route, the permission of Russia and the escort of a Russian icebreaker is required.

Second, despite talk of China wanting to avoid the use of the Malacca Straits in Southeast Asia because of its potential as a choke point for Chinese shipping, the Bering Strait separating Siberia and Alaska is also very constricted, with a distance of 82 kilometres at its narrowest, so for China to be assertive in that part of the Arctic would not benefit Beijing. In addition, any Chinese ships using the NSR would have to pass by Siberia's Kuril Islands and the Kamchatka Peninsula, which also belong to Russia and are heavily patrolled by the Russian Navy. China's People's Liberation Army (Navy) has had limited experience with out of area operations, despite missions which included participation in the counter-piracy operations in the Gulf of Aden and the assisting of the PLA(N) frigate *Xuzhou* (徐州) in the withdrawal of Chinese workers off the coast of Libya in February 2011 due to that country's civil war (Lanteigne, 2013). Third, Russia announced it would reopen military bases in the Arctic (*RT*, 21 October 2014), and although relations between China and Russia remain cordial, it is highly unlikely that Moscow is prepared to cede any of its Arctic sovereignty to another party, especially in light of increased international pressure on the Putin government in the wake of the 2014 Ukraine conflict. The current Sino-Russian partnership remains mainly economic, and Russia has been very concerned about international actors dominating the Arctic region. For example, Russia was originally very sceptical about allowing China into the Arctic Council as an observer.

Finally, even if China were to ignore the above restrictions and directly pursue unilateral military actions in the Arctic, the result would be a diplomatic cost to China far greater than any security benefit China would gain. According to interviews with Chinese, Russian and Norwegian scholars, China does not yet have an Arctic maritime strategy. Were China to send their ships to the Arctic, all Arctic states would become very concerned as China is constantly under scrutiny for its military strategy. In short, China's challenge in the Arctic is that since the country's power has risen so quickly, Beijing's foreign policy, including potential expansion of Arctic interests, is closely and constantly being observed, especially by the West.

4) *Is the Arctic a Priority of China?*

With the growing international visibility of China in the Arctic region, there is also the temptation to draw a conclusion that the Far North has become a Chinese priority in its overall foreign policy, especially as China expands its international interests under the government of Xi Jinping, who unlike his immediate predecessors has been more open and direct about China as a great power and developing a foreign policy to match its strength. He has even spoken widely about the concept of a "Chinese Dream" (*Zhongguo meng* 中国梦) which further suggested that the country was becoming more comfortable with great power status.

Thus, Beijing has been very active in regional affairs beyond the Asia-Pacific, including in Africa, Latin America and South Asia. The Russian Far East and other regions of the former Soviet Union are factoring into Beijing's plans to link East Asia and Europe, including a "one belt and one road" (*yidai yilu* 一带一路) strategy of developing new land and sea links with vital Western European markets. Central to these new links is the "Silk Road Economic Belt" (*silu jingjidai* 丝路经济带), via Central Asia and the Caucasus, with links to Russia and Northern Europe (Xi, 2014; Tang, 2013). These overland routes, similar to the trade routes between Imperial China and Europe first established during the Han Dynasty more than two millennia ago, would be accompanied by a "Maritime Silk Road" (*haishang silu* 海上丝路) (*Xinhua*, 16 April 2014; *Xinhua*, 16 September 2014). It is therefore tempting to suggest that China's Arctic policy, especially increased use of the NSR, would also factor into expanded Chinese trade policy and that the Arctic would rise in importance to China's overall strategic interests as a result (Humpert, 2013). In August-September 2013, Beijing celebrated the transit of the Chinese cargo vessel *Yongsheng* (永盛) owned by China Cosco Shipping

Group, between the ports of Dalian and Rotterdam in thirty-three days via the Arctic route, saving approximately two weeks of transit time (MacDonald-Gibson, 2013). Yet, the idea of an "Ice Silk Road" (*bing silu* 冰丝路), and a promotion of the Arctic in China's economic security thinking, both require sober reconsideration.

The reality is that China's foreign priorities have become very diverse, and there are several foreign policy objectives which are of greater importance than the Arctic. These include China's political stability, sovereign security, territorial integrity, national unification and China's sustainable economic and social development (Dai 2010). Furthermore, China spends approximately US$15 million on annual expeditions to the Antarctic and Arctic, in addition to National Social Science funding. The cost of base maintenance and running the Polar Research Institute of China and the China Arctic and Antarctic Administration (CAAA) brings Beijing's annual spending on polar affairs to approximately US$60 million. About twenty percent of its polar operations is allotted to the Arctic (the rest goes to the Antarctic, where China has four research bases and expects to open a fifth by 2017). The Arctic budget receives very little funding compared to China's budgeting elsewhere (Brady, 2012). As one study notes, the Arctic is not presently a priority of China's foreign policy officials and China's Arctic policies are still very much a work in progress as well (Jakobsen and Lee, 2013).

Another useful method of gauging the importance of the Arctic in China's expanded foreign policy would be to look at the role of international relations research in China. A cursory examination of the statistics of the China National Social Science Fund (*guojia sheke jijin* 国家社科基金), which is the most important funding agency on Social Sciences, suggests that the Chinese government funded between four and five thousand projects per year since 2011 ("National Social Science Funding of China", 2015). The types of projects that have been funded by this agency are strong indicators of Beijing's priorities in area studies. However, only a very small number of grants, between zero and five, have been given to Arctic projects thus far.

Year	Social science projects funded by NSSFC	Arctic projects funded by NSSFC
2014	4633	5
2013	5126	5
2012	4828	3
2011	4258	0
2010	3387	0
2009	2388	0
2008	2152	2

Source: the National Social Science Funding of China, 12 January 2015.

While the number of Arctic-related projects is likely to rise as more institutes and academics in China look towards the Arctic region as a source of research, it is sometimes lost in the discussion that China is still very much a newcomer to the region as well as in Arctic affairs as a whole. While China's scientific background in the Arctic has a long history, other areas, including sociology, economics and regional foreign policy, are still very much in development, both on a governmental and sub-governmental level in China.

Duelling Identities in the Arctic

Constructivism and identity theories are highly useful in exploring the reasons for the many myths and misconceptions about China's Arctic policy in relation to other non-Arctic states which have developed similar interests (scientific, economic and political) in the Arctic. While more traditional theories of international relations, realism and liberalism, concentrate on capabilities and preferences, respectively, constructivism is based on identity development from different sources (Moravcsik, 1997; Wendt, 1992). The identity of a given actor, such as a state, is constantly being created and changed not only by the actor itself (i.e., a given state seeks to create an identity in the international system), but also by other actors, such as other states, organisations and sub-state groups. For this case study, an "identity conflict" has persisted between Beijing's attempts to build its Arctic identities and Western perceptions of Chinese interests in that region. These examples of "identity disconnect" have been the main contributors to the misconceptions of China's Arctic policy as opposed to China's rise in power on the international level.

Using constructivist theory, it is argued that identities are necessary to ensure a framework of predictability and order within international politics and discourse.

Expectations of actions between states normally require "inter-subjective" identities that are sufficiently stable to ensure predictable patterns of behaviour. A world without identities is therefore viewed as a world of chaos and pervasive and irremediable uncertainty; a world much more dangerous than simply anarchy. As one study argued, identities perform three necessary functions in a society: they tell you who you are, tell others who you are and they tell you who others are. In telling you who you are, identities strongly imply a particular set of interests or preferences with respect to choices of action in particular domains, and with respect to particular actors (Hopf, 1998). Self-help systems, such as the international level where there is no global government to restrain state behaviour, evolve from cycles of interaction, in which each party acts in ways that the "other" views as threatening, creating expectations that the other is not to be trusted.

Competitive or egoistic identities are often caused by such insecurity since if the "other" is threatening, the self is forced to respond, sometimes by "mirroring" such behaviour in its conception of the self's relationship to that other (Wendt, 1992). Identity comes from a variety of sources, but in the case of a given state, there is one process whereby the state seeks to build its identity in the international system, while at the same time a country is also "branded" with aspects of an identity from other actors (such as other states, organisations, and other groups). This process is very much in evidence as Beijing seeks to develop an Arctic identity, while having to address international concerns about China's motivations. Two sets of identities, often with little in common, are in competition.

For example, in order not to be excluded from Arctic development and governance, and to be accepted as an observer on the Arctic Council, China wished to establish its identity as a "near-Arctic state" (*jin beiji guojia* 近北极国家) and an "Arctic stakeholder" (*beiji lihaiguanxguo* 北极利害关系国). China expressed a desire to be involved in the evolution of Arctic affairs through cooperation with Arctic and non-Arctic states in the areas of scientific and economic cooperation as explained in the previous section. As a result, Chinese media reports and studies on the country's Arctic interests have sought to brand China's developing Arctic policies, and identity, using these two labels (Zhang, 2013; Yang *et al*., 2013; Wang, 2013, Xia, 2011). China's rationale for developing an identity of a "near-Arctic state" was largely based on the argument that boreal climate change was having a specific set of effects on China's environment, ecosystem, agriculture and flooding threats. Ma Deyi, the chief scientist on China's fifth Arctic expedition in 2012, suggested that the increase of melting ice in September 2007 caused an unusually harsh storm in southern China with freezing

temperatures in early 2008, according to relevant research (Ma, 2011). In that extreme weather case, many people died and thousands of train passengers were stranded on the way home for the Spring Festival, normally one of the busiest travel times of the year in China. In July 2012, Beijing was hit with record rainfall which then created massive flooding (BBC News, 23 July 2012). Radical climate shifts have the potential to cause social unrest, and therefore China sought greater legitimacy to strengthen its capacity to prepare appropriate responses to these effects through increased involvement in Arctic affairs (Jakobsen and Peng, 2012).

However, there has been a tendency in Western reporting and analysis to paint China's developing Arctic interests as revisionist, meaning that despite the country's non-Arctic geography, China is seeking to challenge the status quo and unilaterally include itself in Arctic politics and regional relations. The term "near-Arctic state" received much attention in the Western press, and at times the term was offered as another piece of evidence that Beijing was seeking to "gate-crash" the Arctic Council despite its lack of an Arctic border. In other words, the term was used as an excuse for Beijing to gain legitimacy in the Arctic for improper reasons and to challenge the role of Arctic states (Rosenthal, 2012; Economy, 2014; Vanderklippe, 2014; Blank and Kim, 2013). As one analyst noted, China's arguments that its Arctic interests are still developing have divided some observers, with one group taking a conservative approach while another, including the so-called "Calgary School", suggesting that Beijing is seeking to mask its more revisionist intentions towards the Arctic (Chen, 2012; Lackenbauer and Manicom, 2013: 4). Thus, two separate identities have begun to form and compete with each other.

Source: authors' own chart.

The idea of Beijing as a revisionist power in the Arctic and in the Arctic Council, however, does not take into account the current structure of the region's governance and regimes. For example, China, as with any potential candidate for observer status in the Council, had to first accept the "Nuuk Criteria" defined by the eight Council members, which included abiding by the rules and goals of the organisation, agreeing to recognise the Arctic states' "sovereignty, sovereign rights and jurisdiction in the Arctic" as well as the Law of the Sea and the cultures and interests of regional indigenous peoples (Arctic Council, 2011). China, in its bid for observer status, agreed to these requirements. Further, holders of formal observer status have the right to submit policy statements and put forward new agenda items, and to contribute to the Council's Working Groups (Hough, 2013).

Therefore, to gain observer status would augment China's Arctic interests and allow Beijing to play a more visible role in crafting Arctic policy, but with the caveat that Beijing, like other observers, could not vote. Although there was much reporting in international media about China gaining "permanent" observer status in the Council (*Telegraph / AFP*, 15 May 2013; McGrath, 2013; Mroczkowski, 2012), suggesting a perpetual situation, the reality is that the status of "permanent observer" does not exist within the Arctic Council rules, and any given observer can be asked to withdraw if it is decided by the eight members that said observer is in violation of rules or protocols. An observer can only retain that status as long as there is consensus among the eight member states, and every four years a given observer must specifically make a request to retain that status (Arctic Council Rules of Procedure).

It is noteworthy that China was hardly alone in seeking to develop an Arctic identity through the use of "branding". Several other observers on the Arctic Council, including France, Germany, Japan, Singapore and South Korea, have also made extensive use of Arctic sub-governmental meetings and in some cases have prepared policy papers to educate domestic and international communities about their interests in the Arctic region. The most visible example of this phenomenon is arguably not China but rather the United Kingdom. When the UK government released its Arctic White Paper in 2013, its introduction included the idea that the country "is not an Arctic State, but we are the Arctic's nearest neighbour" (UK Government, 2013). Technically, this is correct, given that the Shetland Islands of Scotland lie at 60° North, and are only about 640 kilometres from the Arctic Circle. However, the term "Arctic's nearest neighbour" has been used in a similar way as China's "near Arctic state" concept. During the October 2014 Arctic Circle conference in Reykjavík, Britain was represented by members of the UK Parliament, despite the annual event being largely a

research and business forum, and the phrase was often used by British representatives. It is telling that the UK concept did not have the same impact on international thinking.

In international practice, a given state understands others according to the identities it attributes to them, while simultaneously developing and re-developing its own identity through daily social practices on the international level. The crucial observation here is that the producer of the identity is not always in control of what it ultimately "means" to others, and the inter-subjective structure is the final arbiter of the meaning and in turn, the overall identity of a state (Hopf, 1998). In observing the branding processes of China and the United Kingdom, the biggest difference between their developing Arctic policies is the "structure" affecting their Arctic identity formation. Both non-Arctic states seek to identify themselves conceding their distance from the Arctic but also via their dedication to Arctic governance, development and understanding. Yet Beijing is often identified as the "challenger" due both to its rising power status and to international perceptions that it is seeking to counter the status quo in the Arctic.

Therefore, China's Arctic identity has been challenged in the international system more than that of Britain. Beijing is viewed as wanting to change international norms, unilaterally if necessary, to better promote its interests, just like previous great powers such as the United States and the Soviet Union. That perception of a "great power agenda" can be, and often has been, carried over to China's foreign policy interest in the Arctic. Therefore, many current and future developments in China's Arctic policy could be interpreted as a challenge or threat, and could be a factor in an increase in the number of myths and misconceptions about the country's Arctic interests. The question therefore is how best can Beijing address these misconceptions and more effectively put forward an alternative identity?

Conclusions and Recommendations

With China's soft and hard power in the international system continuing to develop, it is becoming more difficult for China in comparison with other non-Arctic states, to be viewed as a regulation follower and partner in the Arctic itself. Beijing's actions in the Arctic, unlike those of other regions, can be easily regarded as challenging the status quo and engaging in norm revisionism. However, there are still methods by which the misconceptions may be addressed.

For example, although China is a newcomer in the Arctic Council, the country has had a long history of cooperating with Arctic institutions. For instance, Beijing became a

signatory to the Spitsbergen (Svalbard) Treaty in 1925, authorizing Chinese vessels to engage in fishing and commercial activities in the high Arctic region, although Chinese commercial and scientific endeavours in the region occurred only decades later (Gao, 2012). China opened its Yellow River Station (*Huanghe zhan* 黄河站) for scientific research at Ny-Ålesund on the Norwegian islands of Svalbard in July 2004 (*China Daily*, 29 July 2004). Then, the China Nordic Arctic Research Center (CNARC) was founded in 2013 acting as a bridge among Nordic institutions and universities and their Chinese counterparts for natural and social science exchange and cooperation.

China needs to develop an Arctic white paper in the short term to elaborate upon the country's current and future interests and policies in the region. Some of the other observer states, such as Germany and the UK have released such papers, while papers of other governments such as those of France, Japan and the Netherlands are in various stages of preparation. A polar or Arctic white paper from Beijing would provide two benefits. First, this would bring together the interests of many different organizations in China which address the Arctic. Secondly, the white paper would be useful to educate the international community on China's developing Arctic interests. A Chinese Arctic white paper would contribute to removing some of the misconceptions about China's goals.

Also, China must continue to build a presence at Track Two (as well as semi-governmental, "Track 1.5"), networks and organizations, both to share information with Arctic and non-Arctic actors and also to stress its interest in becoming an Arctic partner rather than a competitor. Chinese representatives are already active at some of the major Track Two Arctic events, including the Arctic Circle conference in Reykjavík and the Arctic Frontiers panels in Tromsø. CNARC has created an effective platform for academic cooperation to increase awareness, understanding and knowledge of the Arctic and its global impacts; and promote cooperation for sustainable development of the Nordic Arctic and coherent development of China in a global context. Arctic researchers and specialists should continue to engage Track Two / "1.5" cooperation networks, ideally including four modes of activities: carrying out joint research projects, developing Arctic research networks and frontiers by providing opportunities for Chinese and Western scholars to conduct Arctic research through fellowships and scholarships, regularly convening the Arctic Cooperation Symposium and other workshops and facilitating information sharing and cultural exchange between China and Western countries on Arctic issues.

Using constructivist theory and the politics of identity, this article argues that a "clash of identities" has developed and persisted between China and the West over Beijing's role in the Arctic. In order to address this problem, both sides must increase communications concerning Arctic affairs, and Western actors need to better separate the myths about China's Arctic policies from the realities. At the same time, Beijing should continue to engage the West in mutual Arctic concerns, including scientific interests, and consider the development of a governmental "white paper" to further clarify Chinese Arctic interests for the benefit of both the growing Chinese policy community studying the various aspects of the Arctic, and for the international community.

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Sino-Latin American Relations: A Comparison of Expert and Educated Youth Views of Latin America

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Abstract: In this study we explore Chinese views of their country's rapidly growing ties with Latin America. We adopt a dual approach in this project. First, we examine the Chinese expert's views of Latin America. Our analysis indicates that China's overwhelming focus is on the country's economic relationships with Latin America, while seeking to avoid overt political entanglements. Trade and investment opportunities appear to dominate published accounts of this relationship. Second, we conducted an original survey of educated youth in a relatively large city in Eastern China. In general, we find educated youth also place great emphasis on economic relations, though as expected experts are far more engaged in Sino-Latin American relations. Educated youth positively evaluate relations, but express greater caution and skepticism. Both experts and educated youth value large and/or growing trading partners far more than small/stagnant relationships or trading rivals.

Introduction

Traditionally, China occupies an important role as a regional power in Asian international relations. China's international relations focused on its immediate neighbors and bilateral relations with world powers like the United States and the European Union. However, China's rapid rise into a global economic power has led to a far more active, self-confident China. For the first time in the history of the People's Republic the government is showing a strong interest in and capabilities to move beyond Asian, U.S., and European relations. The government is using these newfound powers to engage in multiple regions and global challenges simultaneously, supplementing traditional bilateral diplomacy with multilateral approaches that adapt and adjust as necessary. However, the extant literature is only in its early stages of exploring China's new approach to international relations.

This lack of understanding is particularly evident when exploring China's embrace of regions that are distant and peripheral to the traditional Chinese diplomacy, but nevertheless critical to the construction of China's "new" diplomacy. Latin America represents a good case in point. Until recently, Latin America as a region seldom appeared on China's diplomatic radar screen, though a few countries in the region such as Cuba have enjoyed longstanding relationship with the country. This has changed rapidly given the region's increased economic significance to China, its attractiveness in cross-cultural exchanges, and

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as an object lesson in the dangers of the "middle income trap." However, developing stronger ties in regions such as Latin America poses a special challenge to China. What will guide relationships with few road maps? Will the Chinese public support the government's agendas in a region about which the public knows little? Is there a dominant narrative regarding China's growing ties with the region that sells both internally and externally?

In this paper we will explore how both experts and educated youth view Sino-Latin American relations, given the challenges mentioned above. Because of lack of precedents, road maps, and direct personal contacts at top levels, expert's views—especially quality analyses—are crucial in advising the Chinese government on the best course to take in dealing with Latin America and various countries in the region. Similarly, to develop a sustainable relationship with Latin America, China also needs a general public that understands the stakes involved, that is supportive of its initiatives, and that actively engages the region beyond official channels. Without either one, China's efforts to create a new brand of image and diplomacy using the window of opportunity presented itself in Latin America could be far more difficult than its leadership desires. We thus try to address three separate, but related issues in this paper: 1) the importance of Latin America and its countries in the eyes of Chinese specialists or experts on Latin America; 2) how China's educated youth view Latin America; and 3) what the implications of China's views of Latin America are for China's current and future relations with the region.

We will focus on three key areas of foreign policy of any major power: economics, politics, and culture. China's economic relationship with Latin America has expanded nearly exponentially over the last 15-20 years. China is now a leading destination for many of the region's major exports including foodstuffs and minerals, while Latin America represents a growing market for Chinese manufacturers. However, China's growth has had deleterious effects on some manufacturing sectors in Latin America. Similarly, state visits between Chinese and Latin American officials have captured headlines in recent years and China designated several countries in the region "strategic partners". The People's Republic also joined a number of regional organizations like the Inter-American Bank and the Organization of American States (observer status), while engaging in some military exchanges and arms purchases. Finally, China has encouraged cultural exchanges of students, opened Confucius Institutes, encouraged tourism, and sought closer ties with ethnic Chinese communities in Latin America. In our paper we examine how both Chinese experts and a sample of educated youth view this rapidly expanding, but still inchoate relationship.

The paper is organized as follows. First, we review the extant literature on the growth in interest and relations along our three areas of interest and develop expectations regarding elite and educated youth views of Latin America. Second, we present our analysis of Chinese experts' views of Latin America in general, as well as analysis of particular countries. Third, we discuss our original survey of educated youth and test our hypotheses regarding how Chinese view their country's relationship with Latin America, particularly comparing Latin America with China's neighbors, the United States, and Europe. We find the data largely support our predictions. Both experts and the educated youth view the region favorably, and that economics and politics dominate their understanding. However, there are considerable gaps in level of understanding and sophistication in views of the two groups. The educated youth express cautious optimism, but also far greater uncertainty than experts. The final section concludes and offers ideas for further research.

Literature Review

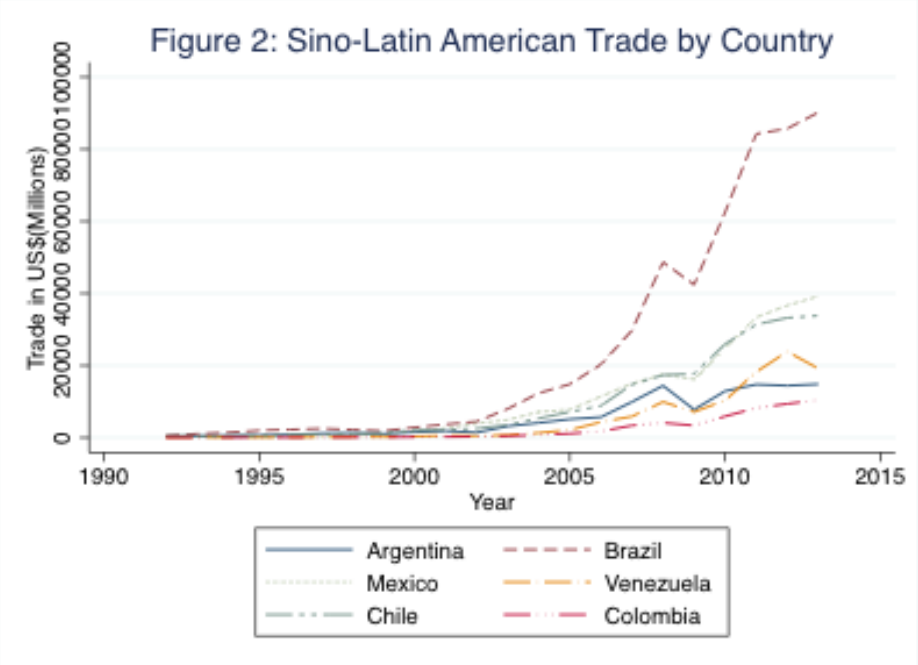
The growth in China's economic, political, and cultural relations with Latin America has been widely noted in the academic literature, popular press, and even in the halls of the United States Congress. Scholars in Latin America were particularly concerned with the relationship. China's economic fundamentals, namely its need for raw materials and new export markets, led to a rapid expansion of trade, and scholars argued whether this burgeoning relationship was good or bad for Latin America (Lora, 2007; Rosen, 2003; Blázquez-Lidoy, Rodríguez, and Santiso, 2006; Shambaugh and Murphy, 2012). Similarly, press stories focusing on Sino-Latin American relations also skyrocketed. *Latin American Regional Report* and the *Latin American Monitor* reported just 27 stories in 2002 and 2003, while this number grew to 71 by 2011 and 2012 (authors' count). Committees in the United States Senate and House held multiple hearings relating to Sino-Latin American relations, paying particular attention to China's expanded trade in the region and its focus on securing access to raw materials, especially oil (Johnson and Wasson, 2011). Hence, we see that scholars, the popular press, and others are paying close attention to Sino-Latin American relations.

While these relationships have drawn increased scrutiny, much of the extant literature focuses on these relationships from only three viewpoints. The Chinese government has largely focused on expanding trade and investment opportunities in Latin America, while downplaying or ignoring conflict with the United States (Ellis, 2009; China's Policy Paper on Latin America and the Caribbean, 2008). The Latin American literature focuses on whether

China's rise is good, bad, or mixed for the region's economies (Domínguez, 2006; Gonzalez-Vicente, 2012; Armony, 2012; Hillebrand, 2003; Mesquita Moreira, 2007). Similarly, the American literature focuses on whether China's presence in the region is good or bad for the United States and her national interests, not only her economic interests, but also her national security (Johnson, 2005; Johnson and Wasson, 2011; Paz, 2006). Unfortunately, relatively little of this work has systematically examined how experts and educated youth within China view these relationships.

The vast majority of the literature on Sino-Latin American relations focuses on the growing economic relationship (see Figures 1 and 2). Trade between the two regions skyrocketed during the 2000s, and much of this trade involved the export of primary products from Latin America to China, and the export of manufactured goods from China to Latin America. China is Brazil and Chile's largest export market and Argentina's second largest (Observatory of Economic Complexity, 2014). China imports increasing amounts of Venezuelan oil, Chilean copper, Peruvian fishmeal, and Colombian and Costa Rican coffee (Ellis, 2009). This led to high growth in commodities-based sectors throughout Latin America (Santiso, 2006). China has also sought to diversify its export markets, selling greater quantities of manufactured products ranging from textiles to electronics (Shambaugh and Murphy, 2012), sometimes at the expense of Latin American manufactures themselves (Gallagher, Moreno-Brid, and Porzecanski, 2008; Jenkins and de Freitas Barbosa, 2012; Mesquita Moreira, 2007). The most concrete sign of China's long-term plans are the Free Trade Agreements (FTAs) with Chile, Peru, and Costa Rica (Shambaugh and Murphy, 2012). By any measure Sino-Latin American trade increased markedly during the 2000s.

Source: United Nations Comtrade (2015).



Source: United Nations Comtrade (2015).

Table 1: Deepening Economic Ties between China and Latin America
Unit: million US$

Country	China's FDI to Latin America (2011)	FDI from China (Percent of Total, 2011)	Latin America's FDI to China (2011)	FDI from Latin America (Percent of Total, 2011)
Latin America	11,935	15.99	12,054	10.78
Brazil	126	5	43	0.06*
Mexico	41		45	
Argentina	185		7	
Venezuela	81		2	
Chile	13		17	
Colombia	33		0.01	
Virgin Island	6,208**		9,724***	
Caiman Islands	4,936**		2,241***	

Sources: *Yellow Book of Latin America and the Caribbean (2012-2013)*, Social Sciences Academic Press (China: Beijing), 2013.
* As % of Brazil investment overseas
** Investment from Chinese entities registered in the island(s).
***Investment from companies registered in the island(s).

While trade has been the central focus, the literature also discusses Chinese investment in the region (see Table 1). Latin American leaders excitedly anticipated a tsunami of Chinese investment after state visits from Chinese leaders and investment did increase. Almost half of China's Foreign Direct Investment (FDI) outflows in 2006 went to Latin America (OECD, 2008), while China accounted for about 10 percent of total foreign investment in Latin America by 2010 (Shambaugh and Murphy, 2012). Gonzalez-Vicente's (2012) case study of Chinese investment in Peruvian mining showed that markets, rather than political factors, determines Chinese investment strategies. Nevertheless, Chinese investments have been a point of some contention. Brazilian leaders in particular have complained about the relative lack of investment, going so far as to complain that Brazil had been "deceived" by Chinese promises (Johnson and Wasson, 2011). China has also been criticized for "phantom" investments, with Chinese companies hiding profits in Caribbean tax havens rather than investing in more productive economic sectors (He, 2008). Regardless, the literature's focus on the dynamic economic relations between China and Latin America occupy center stage in the extant literature.

While Sino-Latin American economic ties have grown substantially, the relative value of the region to China is still relatively small (Observatory of Economic Complexity, 2014). Given the relatively recent nature of the relationship and the fact that Latin America only accounts for about 7-8 percent of China's imports and exports, we expect experts and educated youth will be somewhat cautious when evaluating Latin America. In an innovative

study using Chinese netizens, or members of China's online community, Shen (2012) finds Latin America occupied a minor topic. In fact, he finds that China's regional rival Japan is addressed about 100 times more in online forums than Latin America is, even though he sampled forums around the time of top Chinese leaders such as Hu Jintau and Wu Bangguo's visits to Latin America. Surprisingly, many Chinese internet posters saw Latin America as nearly as poor as Africa, despite the fact that Latin America's per capita GNI of $9314 actually outstrips China ($6560) (World Bank, 2014). However, netizens correctly identified the enormous gap between rich and poor in Latin America, as well as the region's history of financial crisis. Taken together, the growth in economic ties combined with uneven knowledge of the region's economies will influence attitudes.[2] Namely, we expect Chinese experts to be relatively positive about Sino-Latin American economic relations, while the respondents in our planned survey will display cautious, yet positive attitudes. Furthermore, experts and our respondents will prioritize China's major trading partners, especially Brazil, when reflecting on relations with Latin America.

While the literature's primary focus has been Sino-Latin American economic relations, much of this discussion takes place in the shadow of changing political relations. Over 100 Latin American and Caribbean heads of state have visited China and multiple Chinese leaders have visited Latin America in recent years (Johnson and Wasson, 2011; Shambaugh and Murphy, 2012), including President Hu and President Xi. China was able to convince Costa Rica to switch its diplomatic recognition from the Republic of China to the People's Republic (Ellis, 2009) and other Central American and Caribbean states were likely to follow, at least until Taiwan's government and Chinese leaders tacitly agreed to table this competition. Many Latin American leaders see China's rise as an antidote to U.S. domination, though China has been very cautious on this front. China sought and gained observer status in the Organization of American States and the Latin American Parliament, as well as sponsoring exchanges between the CCP and parties in Latin America (Shambaugh and Murphy, 2012). The Chinese military has quietly increased military sales and education exchanges (Watson, 2010), but has maintained a relatively small footprint in the region.

Interestingly, this stands in sharp contrast to the desires of many nationalist sentiments found in China's online forums (Shen, 2012). These netizens tend to have a decidedly Realist world-view and see political and military links as an important

[2] A small, but growing literature examines whether public opinion, especially online posts, influences specific Chinese foreign policies. Early evidence suggests these online posts can shape government policy. See Wang (2012), Lei (2011) and Zhao (2014).

counterbalance to U.S. attempts to isolate China from its Asian neighbors. Furthermore, online forums mentioned the late Venezuelan president Hugo Chávez, longtime Cuban leader Fidel Castro, and famed revolutionary Che Guevara far more than any other Latin Americans. Consequently, we expect experts to largely follow the government's cautious, pragmatic attempts to expand political links with Latin America, while our respondents will likely adopt more Realist, or even aggressive nationalist attitudes toward expanded political relations with Latin America.

While economic and political relations dominate coverage of Sino-Latin American relations, some research also examines changing cultural links. Ethnic Chinese communities are found throughout Latin America, with approximately 1 percent of survey respondents self-identifying as "Asian" according to the Latinobarometer (Latinobarometer, Various Years). Not all who identify as "Asian" in these surveys are ethnic Chinese, yet ties between these China and Diaspora communities have been the focus of CCTV broadcasts (CCTV, 2013). China has opened a number of "Confucius Institutes" in Latin America and Chinese tourism and student exchanges have grown (Shambaugh and Murphy, 2012). Furthermore, the growing popularity of football (soccer) in China and the awarding of both the World Cup (hosted summer 2014) and Olympics to Brazil likely increased Chinese interest in and knowledge of Latin America. In short, we expect experts and educated youth to value increased cultural relations in addition to economic and political ties.

Chinese Experts

The lack of historical ties and the vast distances between China and most of Latin America mean Latin American experts are traditionally rare in China. However, just as Sino-Latin American economic relations rapidly expanded, a growing circle of research institutions and researchers focus on the country's relationships with Latin America. The two main research bodies, the Latin American Institute of China's Social Science Academy (CSSA) and the Latin American Institute of Research of Contemporary International Relations, and more than a dozen top universities research institutions on Latin America give ample opportunity to study Chinese expert views of Latin America. Furthermore, China's expanded economic ties with Latin America caused a number of central government ministries and large state-owned companies to establish their own research arms to assist policy analysis of the region. These experts provide frank assessments of the relationship—seeking to better understand not only trade and investment, but also the middle-income trap and the region's diversity.

Furthermore, these experts often have the ear of Chinese policy-makers (Ministry of Foreign Affairs of the People's Republic of China, 2012).

As expected based on the extant literature, experts examine the growing economic ties between Latin America as a region, as well as ties with particular countries. This is especially true of trade relationships (Wu, Liu, and Cai, 2011, 2012, 2013, 2014; Wu 2013). The Latin America Institute of the CSSA's *Yellow Book of Latin America* consistently details the relationship between China's overall strategy for international economic cooperation and Latin America. First, experts argue the government seeks to secure access to energy resources and raw materials. Second, they state that the government seeks to enhance the position of Chinese companies in the global value chain (Wu, 2013). The latter gained emphasis as the largest state-owned enterprises have become more competitive with Western multinationals. Third, these experts argue Latin America's continued growth during the late 2000s recession that gripped the United States and the European Union offered a new and expanding export market for Chinese wares (Economic Daily, 2012). In short, China's leading experts on Latin America view the region as important to sustaining China's economic growth and expanding its role in the global economy, calling the 2000s a "golden decade" in Sino-Latin American trade relations (China News Net, 2012).

In addition to their focus on the region as a whole, Chinese experts also emphasize bilateral trade relationships with key Latin American partners. As expected, experts paid attention to both the scope of economic ties, and to whether trade was expanding or contracting. For example, Brazil is China's leading economic partner, and predictably received the greatest attention by experts. Similarly, while Argentina's economy is nearly twice the size of Chile's, trade with Argentina stagnated over the last few years, while trade with Chile nearly doubled (China's Statistics Yearbook, 2013). Chinese researchers described the relationship with Argentina as "experiencing ups and downs" (Wu, Liu, and Cai, 2011: 189) or "steady" (Wu, Liu, and Cai, 2013: 169). Conversely, researchers characterized the relationship with Chile as "continuing enhancement" (Wu, Liu, and Cai, 2011: 241) and "moving up to the next level" given the expanded number of trade deals (Wu, Liu, and Cai, 2013: 222). Researchers positively noted rapidly expanding trade ties with Brazil, as well as a series of free trade agreements with Chile, Costa Rica, and Peru. However, they also worry about trade disputes in the WTO with Mexico and the perception that Mexico and China are competing over similar export profiles. This mirrors concerns fount in the Latin American-centered literature (Lora, 2007; Rosen, 2003; Shambaugh and Murphy, 2012). Both show that experts understand the implications of these economic variations on bilateral trade relations

across the region. In sum, Chinese expert opinions regarding trade largely fit the extant literature's expectations regarding bilateral relations.

While trade relations occupy experts' main focus, as we predicted, Chinese investment in the region also received substantial attention. The financial crisis of the late 2000s left global markets shaken. Many Chinese companies invested in infrastructure and large industrial projects throughout Latin America, offering generous terms endorsed at the highest level of government (CNTV News Network, 2013). However, experts note that treating Latin America as a top destination for Chinese investors is not without risk. Much of the investment is tied to "mega" projects that require huge financial commitments. With the vast majority of Chinese investment going to energy and infrastructure projects experts worry that the Latin American public rarely sees the benefits of Chinese investment in these projects (Li, 2012).

Experts tend to view investment in particular Latin American countries in the same fashion they view trade relationships. For example, experts perceived Brazil as instrumental in helping expand China's reach into regional financial institutions. Similarly, evaluations of Chile grew due to increased trade; investment deals boosted the importance of Chile in the eyes of China's experts (Wu, Liu, and Cai, 2013). Again, expert views of Chinese investment in Latin America largely track their views of trade, and both support our expectations based on the extant literature.

In addition to evaluations of economic relations, Chinese experts also address changing political relationships between China and Latin America in ways consistent with the extant literature. First, experts see Latin America as a testing ground for China's newfound international influence. The region allows the People's Republic to test an omni-directional policy far beyond China's traditional sphere of influence. Second, China's expanding trade with and investment in Latin America received far less political scrutiny and international backlash than similar moves in Africa (see Aklilu, 2014). Third, Chinese experts see expanding economic and political relationships as a way to shift international power to the Global South, as well as a way to contain Taiwan (Wu, 2013). Taken as a whole, experts argue expanded political ties offer China numerous opportunities to test the country's political muscle.

Nevertheless, Chinese experts also note the risks inherent in political engagement with Latin America. The electoral cycle in Latin America often causes substantial shifts in foreign policies, while internal instability also contributes to uncertainty about bilateral relations (Dong, 2013; Zhang, 2013). Similarly, researchers understand that Latin America's

economic and political diversity mean China cannot follow a "one-size fits all" foreign policy in the region. However, the lack of country experts inhibits the development of country-specific foreign policies (Wu, Liu, and Cai, 2012: 63). Finally, Chinese researchers argue China needs both an overall policy to engage with Latin America *and* strategies for engaging with individual states. This dual strategy is needed because unlike earlier times the Chinese government cannot expand into Latin America without being noticed (Wu, 2013).

Interestingly, Chinese experts focusing on Sino-Latin American relations pay almost no attention to cultural exchanges. Despite the government's move to open Confucius Institutes across Latin America, to encourage students from Latin America to study in China, and attempts to connect with Chinese Diaspora communities in the region, these moves generated little interest amongst scholars of Sino-Latin American relations.

To sum up, experts at China's leading research institutes on Latin America view the relationship much as the extant literature predicts. The vast majority of scholars focus on economic ties, with the majority of attention paid to trade relations, though investment also takes a prominent place in discussions. Scholars view these relations with cautious optimism, and pay close attention not only to the region, but also to variations in trade and investment opportunities across Latin America. Experts also view Sino-Latin American political relations in positive, yet cautious terms. The region provides a safe place for China to flex its international influence without provoking the backlash seen in other regions such as Africa. With the exception of a lack of attention to cultural exchanges, these patterns largely reflect our *a priori* expectations based on the literature outlined in the previous section.

Educated Youth

In order to examine individual Chinese attitudes, opinions, and beliefs about Latin America we conducted a survey in Eastern China during the summer of 2013 (see Appendix). We enlisted the help of research assistants to distribute the survey to approximately 600 undergraduate and graduate students, mid-level party officials, and academics living in a provincial capital city. This sample of convenience allows us to gain insights into how relatively well-educated, middle and upper-income Chinese view Sino-Latin American relations. The only previous survey on the topic that we are aware of was conducted in 2007-2008 by the Chinese Academy of Social Sciences (Liu, 2008). While this survey drew on a random sample of the Chinese public, it largely demonstrated that the average Chinese knows little about Latin America. Our sample has the advantage of tapping into individuals that are more likely to have knowledge and interest in China's foreign relations, and as such gives us

insights into how influential Chinese view the relationship (Blair, Czaja, and Blair, 2014). Furthermore, Wang (2014) and others have demonstrated the efficacy of surveying educated youth in order to understand Chinese views.

To gauge the most basic levels of knowledge we start our analysis with two simple questions. First, we simply asked whether respondents knew Brazil would host the 2016 Summer Olympics. We found over 90 percent of respondents were aware of this basic fact. Second, we asked interviewees to name a famous Latin American. Only 407 respondents, or about two-thirds, named a famous Latin American though some of the individuals named were not Latin Americans. Of the individuals named nearly 90 percent fell into just two categories of persons—athletes followed closely by political leaders (see Figure 6). Interestingly, the late Hugo Chávez was the most named Latin American, showing up on nearly 20 percent of surveys, while Fidel Castro and Che Guevara were both named on just fewer than 10 percent of the surveys. The results mirror Shen's (2012) findings regarding the focus on Latin America's leftist leaders. However, international football stars Messi and Ronaldo[3], FIFA Player of the Year winners, were named far more often than either Castro or Che. No other political leader is named more than a handful of times, including Simon Bolivar, while football legends Pele, Maradona, and near legend Kaká were all named repeatedly. Nobel Prize winning author Gabriel García Márquez was the only other individual named repeatedly. Regardless, these questions reveal limited understanding and focus on one of Latin America's chief exports—footballers.

[3] It was unclear whether respondents were referring to Ronaldo the former Brazilian superstar and second leading scorer in World Cup history, or Ronaldo the Portuguese superstar and leader of the famed *Real Madrid* football club. Most are probably referring to the Portuguese star that is currently playing (and not Latin American), though we cannot be certain.

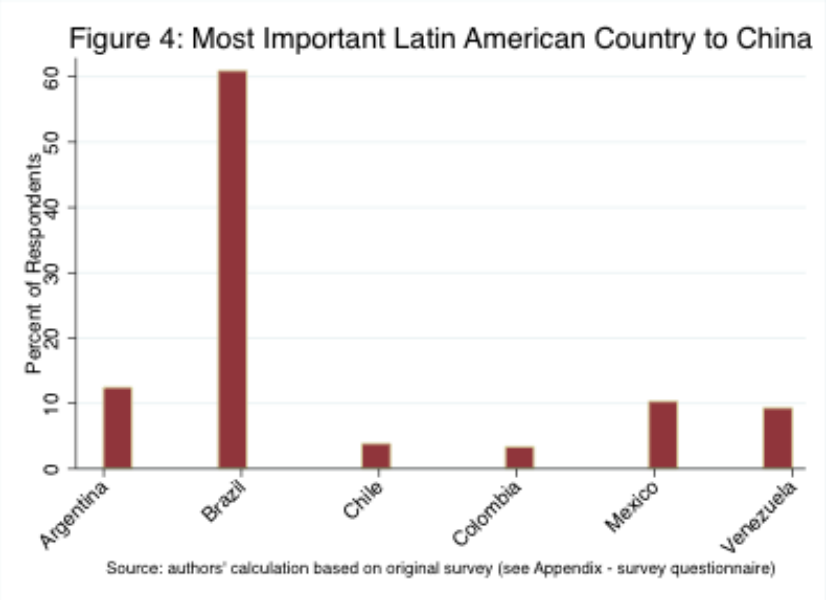
Figure 3: Famous Latin Americans Named According to Educated Youth

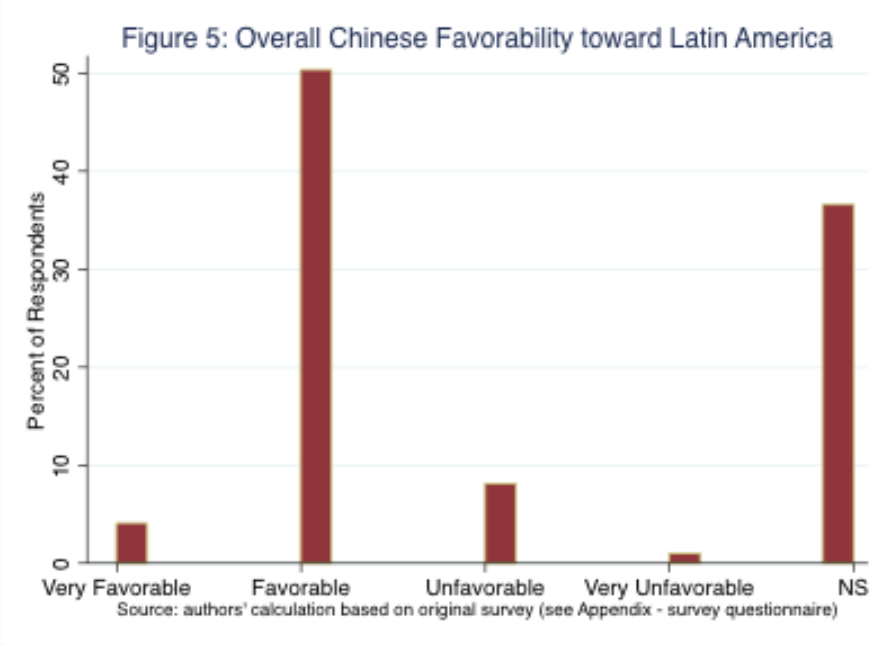
Source: Authors' calculation based on original survey
(See Appendix—survey questionnaire).

Moving on to gauge Chinese attitudes regarding overall Sino-Latin American relations, we asked two questions. First, we asked respondents to rank order the importance of Latin America to China when compared with nine other regions of interest including: the United States/North America, N.E. Asia, South Asia, Central Asia, Europe, Africa, Australia and Oceania, the Middle East, and S.E. Asia. Despite the rapid expansion of trade ties between China and Latin America, this relationship is recent. Consequently, we expected respondents to rank Latin America as much less important than the government or experts. Second, we asked respondents whether they had a favorable or unfavorable view of Latin America. Here we expected respondents to adopt a cautiously optimistic stance, given both the government's and the experts' views of Latin America.

In general, we find Chinese rank Sino-Latin American relations as relatively unimportant and hold mostly positive views of the region. On a ten-point scale, where 1 is the most important and 10 is the least important, our respondents ranked Latin America a 6.90 on average (see Figure 3). Respondents ranked relations with the United States (1.75), N.E. Asia (3.20), and Europe (3.76) as far more important to China, and only Australia and Oceania (7.17) was rated as less important on average. Similarly, about half of respondents viewed Latin America favorably, though with nearly 40 percent expressing uncertainty, respondents

are far less sure than the government or the experts (see Figure 4). In sum, Chinese in our sample see Latin America as less important compared with region experts, despite expanding economic ties.





While results offer key insights, we are also interested in how Chinese view individual countries in the region. China has nurtured ties throughout the region, but as mentioned in the literature review and in the section on expert views, Brazil occupies a central focus of Chinese foreign policy. Similarly, Argentina, Chile, and Venezuela provide key exports that help fuel Chinese growth, while Mexico and Central American states are in much greater economic competition regarding export markets (Johnson and Wasson, 2011). Given these

ties we expect respondents to view Brazil as the most important country in the region for China, and that favorability towards individual countries will track with trade relationships.

Here we find respondents' attitudes meet our *a priori* expectations. Over 60 percent of respondents ranked Sino-Brazilian relations as the most important, with Argentina, Mexico, and Venezuela each ranked as most important by only about 10 percent of respondents (see Figure 5). In our analysis of *negative* Chinese attitudes toward specific Latin American countries, we do find that trade links seem to affect attitudes with one key exception. Fewer than 7 percent of respondents held negative views of Brazil, and only about 10 percent held negative views of Argentina and Chile (see Table 2). Similarly, Mexico's export profile often puts it in direct competition with China and over 30 percent of respondents viewed Mexico unfavorably. Surprisingly, over 25 percent of respondents viewed Venezuela negatively despite increases in fuel imports and the late President Chávez's desire for closer ties. Taken in combination with our respondents' emphasis on Sino-United States relations, this puzzling finding makes more sense. Chávez had a famously rocky relationship with the United States, and while Chinese leaders were keen to gain access to Venezuelan oil, they were unlikely to support Chávez if it threatened relations with Washington, DC. This indicates that nationalism expressed in online forums (Shen 2012) may be outweighed by Realism within educated youth. In short, Chinese appear to view countries in Latin America largely in terms of strategic economic ties, but also appear to take politics into account.

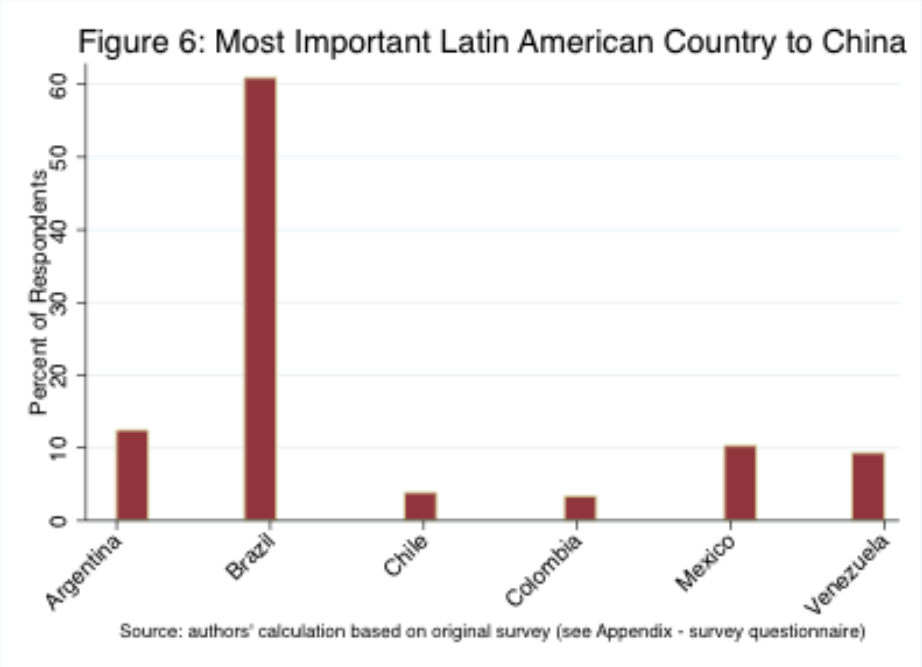


Table 3: Negative Chinese Attitudes toward Individual Countries in Latin America.

Country	Unfavorable	Very Unfavorable
Argentina	9.4	0.8
Brazil	5.5	0.9
Chile	9.3	2.1
Colombia	17.5	3.9
Mexico	26.7	6.1
Venezuela	21.4	4.9

Note: column totals represent the percentage of respondents holding negative views of a country (or respondents stating an opinion).
Source: authors' calculation based on original survey (see Appendix - survey questionnaire).

Conclusions

The growth in trade, investment, aid, state visits, and cultural exchanges between China and Latin America has led to an explosion in research on Sino-Latin American relations. China is now the leading trade partner with several Latin American countries, as the region's comparative advantage in the areas of foodstuffs and minerals has helped fuel Chinese economic expansion. The region is also increasingly a destination for a variety of manufactured goods and huge investment projects from China. Nevertheless, the recent rise in Sino-Latin American economic and political links leaves a number of questions about the scope and nature of the relationship unanswered.

The extant literature largely focuses on whether China's rise portends positive or negative economic outcomes for Latin America, or whether China threatens United States' interests in Latin America.[4] A smaller body of literature examines how Chinese officials view the relationship. While these avenues of research inform our own investigation, we set out to explore how Chinese outside of the government view the relationship. We expected economics and political consideration to largely shape attitudes toward Latin America, with the newness of the relationship resulting in cautious optimism by the Chinese.

Overall we found the data largely supported our expectations. Chinese experts and academics largely view the relationship in strategic economic and political terms, mirroring

[4] Several Chinese researchers recently noted the need for closer attention to the "soft-power" side of the relationship with Latin America. For examples, see Qi, (2011) or Sun (2014).

official government views. The respondents in our original survey also tend to view Sino-Latin American relations in economic and political terms, though with greater skepticism. We find that Chinese place a premium on relations with its near neighbors, the United States, and Europe when compared with Latin America. Respondents see Latin America in generally favorable, or at least neutral terms, though this varies significantly by country. Just as China has cultivated stronger ties Brazil, respondents have overwhelmingly favorable views of their fellow BRIC, while holding more negative evaluations of not only manufacturing rival Mexico, but also of erstwhile ally Venezuela. Culturally, we found that Latin America's football heroes are more famous than even the region's communist and socialist revolutionaries. Finally and perhaps most significantly, we found a large gap between the level of sophistication behind the views and perspectives of the researchers and policy analysts on Latin America and the generally lack of knowledge and understanding of Latin America among the well-educated youth included in our survey.

While the lack of emotional factors helped the Chinese researchers to reach frank and balanced views on Latin America more than they would have in writing about relations with other regions, for example, Japan, it created what we call a vacuum in Chinese public views of the region. The vacuum potentially breeds misunderstanding or misperceptions when crisis emerges in bilateral relations (for example, when the Mexican government first granted and then revoked a contract for a consortium backed by China to build Mexico's first high-speed railway). It may make China less prepared to handle the surging economic ties and growing political or even strategic relationships with Latin America. The problem was further compounded, as one Chinese expert pointed out, by the low level resources devoted to study of Latin America especially among Chinese companies doing business in the region. This tends to inhibit: 1) lasting and effective channels of communications, 2) coordination between government-funded research institutions and newly created research/study arms by universities and local governments, and 3) communication between well-qualified specialists and the general public (China.com.cn, 2013). Combined these issue may leave the government and the public ill prepared for the vastly expanded relationship with Latin America as a region and individual countries.

In future work we plan to further advance both the theory and methods used to study Sino-Latin American relations. The literature on foreign policy attitudes is somewhat underdeveloped in the field, but this is particularly true regarding Sino-Latin American relations. With the rapid pace of development in Sino-Latin American relationship, there is a need to do follow-up surveys as we did in 2013 to allow us do comparative studies in Chinese

perceptions of the Latin America over time. Though we are pleased that our survey results largely match our expectations based on the literature, we also plan to use advanced statistical methodologies to examine whether Chinese nationalism significantly influences attitudes toward Sino-Latin American relations. In conclusion, just as Sino-Latin American relations exploded over the last decade, we see ample opportunities to further explore how the government, experts, and the public view these burgeoning relationships.

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Appendix

Authors' Survey/Questionnaire

Latin America in the Eyes of Chinese Public

中国人眼中的拉美

Part I: Personal Data (please choose one)

1. Gender: a. Male b. Female

2. Age: a. under 18 b. 19-25 c. 26-55 d. over 56

3. Education: a. High school or under b. College
c. Master's degree d. Ph.D. degree

4. Occupation: a. Student b. Worker c. Civil Servants
d. Professionale. Businessman f. Teacher
g. Service sector h. Others

5. Has anyone (including you) in your family traveled abroad? a. Yes b. No

If yes, has him/her been to Latin America? a. Yes b. No

6. How will you describe your level of English? a. Fluent b. Not bad
c. A little d. None

7. Average family income (per year, Yuan): a. Under 50,000 b. 50,001-100,000
c. 100,001-200,000 d. 200,000-500,000
e. over 500,000

8. Do you (or your family) own more than one apartment or house? a. Yes b. No

9. Do you or your family own more than one car? a. Yes b. No

11. Is there anyone in your family or among your direct relatives who is currently studying or working abroad? a. Yes b. No

12. How informed are you of current world affairs?
a. Very informed b. Somewhat informed
c. Not very informed d. Not informed at all

13. How informed are you of Latin America

a. Very informed b. Somewhat informed
c. Not very informed d. Not informed at all

14. What is the most important source of information regarding world affairs?
a. Newspaper b. Website
c. Microblog d. Text message
e. Books/magazines f. TV program
g. Others _____

15.Do you watch CCTV *Xinwen Lianbo* every day, several times a week, occasionally, or almost never?
a. Every day
b. Several times a week
c. Occasionally
d. Almost never

16 Do you read *Global Times* every day, several times a week, occasionally, or almost never?
e. Every day
f. Several times a week
g. Occasionally
h. Almost never

Part Two: Survey Questions (please choose one)

1. After more than 30 years of reform and open-door policy, do you agree that the time is right for China to play a greater role in world affairs?

a. Strongly agree
b. Somewhat agree
c. Somewhat disagree
d. Strongly disagree
e. No opinion

2. Please rank the following areas in terms of importance to China (1 being the most important, 10 being the last important):

a. US and North America _____
b. Northeast Asia_____
c. Lain America_____
d. South Asia_____
e. Central Asia_____
f. Europe_____
g. Africa_____
h. Australia and Oceania_____
i. Middle East_____
j. Southeast Asia_____

3. How confident are you that China will become one of the superpowers in the next 10 years?

a. Very confident
b. Somewhat confident
c. Somewhat unconfident
d. Very unconfident
e. No opinion

4. Do you think that China is ready to become a global leader?

a. Ready
b. Not ready
c. No opinion

5. In your view, what is the most urgent task in China's relations with other countries?

a. Use economic ties such as trade to help China develop
b. Improve China's security
c. Secure China's energy supply
d. Expand China's global influence
e. Spread Chinese culture
f. Promote the "China model of development"

6. Are you satisfied with the current level of influence China has in world affairs?
a. Very satisfied
b. Somewhat satisfied
c. Somewhat unsatisfied
d. Very unsatisfied

7. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of the United States.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Difficult to tell

8. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Africa.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Difficult to tell

9. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of the Middle East.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable

d. Very unfavorable
e. Difficult to tell

10. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Latin America.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Difficult to tell

11. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Argentina.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Not sure

12. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Brazil.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Not sure

13. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Chile.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Not sure

14. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Colombia.
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Not sure

15. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Mexico?
a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Not sure

16. Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable overall opinion of Venezuela?

a. Very favorable
b. Somewhat favorable
c. Somewhat unfavorable
d. Very unfavorable
e. Not sure

17. Of the six countries in Latin America mentioned above, which country do you view as the most important to China?

a. Argentina
b. Brazil
c. Chile
d. Colombia
e. Mexico
f. Venezuela

18. In terms of Chinese policy toward Latin America, how important do you think each of the following is, very important, somewhat important, not too important, or not at all important:

a. Encouraging investment opportunities for Chinese business in Latin America
    1. Very important
    2. Somewhat important
    3. Somewhat unimportant
    4. Very unimportant

b. Promoting the export of Chinese goods to Latin America
    1. Very important
    2. Somewhat important
    3. Somewhat unimportant
    4. Very unimportant

c. Ensuring supply of raw materials, food, and energy to China
    1. Very important
    2. Somewhat important
    3. Somewhat unimportant
    4. Very unimportant

d. Promoting China's image and international standing in the Latin America
    1. Very important
    2. Somewhat important
    3. Somewhat unimportant
    4. Very unimportant

e. Countering the influence of the United States in Latin America
    1. Very important
    2. Somewhat important
    3. Somewhat unimportant

4. Very unimportant

f. Developing cultural and sporting links with Latin America
    1. Very important
    2. Somewhat important
    3. Somewhat unimportant
    4. Very unimportant

19. Please tell me if you completely agree, mostly agree, mostly disagree, or completely disagree with this statement: "It's necessary for the future of our country to be more active in Latin America."
a. Completely agree
b. Mostly agree
c. Mostly disagree
d. Completely disagree

20. What is the most important barrier to China in its relations with Latin America?
a. Language
b. Distance
c. Lack of knowledge of Latin America
d. Lack of interest in Latin America
e. Lack of common interests

21. In the next ten years, will Latin America as a region become more important to China than

a.	US and North America	Yes	No
b.	Northeast Asia	Yes	No
c.	South Asia	Yes	No
d.	Central Asia	Yes	No
e.	Europe	Yes	No
f.	Africa	Yes	No
g.	Middle East	Yes	No
h.	Australia and Oceania	Yes	No
i.	Southeast Asia	Yes	No

22. Which country will host the 2016 Summer Olympics

a. Russia
b. Mexico
c. Brazil
d. United States

When you think of famous Latin Americans, who is the first person that you think of? Please write that person's name in the space provided? _____

The Significance of Xi Jinping's "Chinese Dream" for Chinese Foreign Policy: From "Tao Guang Yang Hui" to "Fen Fa You Wei"

Camilla T. N. Sørensen[1]

Abstract: In order to gain a better understanding of the newer and more assertive features of Chinese foreign policy in recent years, this article examines Xi Jinping's "Chinese dream" for clues of how the Chinese leadership sees China's international role evolve. In their speeches and statements on the "Chinese dream", Chinese leaders generally promote it as a continuation of China's peaceful development strategy. However, looking more carefully there are some rather innovative elements, which support analyses from Chinese International Relations scholars that point to a gradual development of new thinking and a new approach in China's foreign policy strategy under Xi that indicate big changes in the way that China engages with the international system.

Introduction

Does Xi Jinping have his own ideas about how China's foreign policy strategy should further develop and is he strong enough to push them through? It appears so. For several years, there has been a fierce debate among Chinese International Relations scholars about the need for – and the content in – a new foreign policy strategy to replace "Tao Guang Yang Hui" (韬光养晦, "hide capabilities and keep a low profile") set in place by Deng Xiaoping in the early 1990s (Zhu, 2010; Wang, 2011). In China such fierce debate and pragmatic experiments in the conducted policy are often seen when one paradigm is out, but there is still not a new one to replace it. That is, in the search period (Dittmer, 2010). Now it seems the search is coming to a close. Through several speeches given recently, Xi and other Chinese foreign policy leaders have articulated a new strategic direction for Chinese foreign policy known as "Fen Fa You Wei" (奋发有为, "striving for achievement") (e.g. Xi, 2013g; Xinhua, 2013).[2] This "Fen Fa You Wei" concept is now also being promoted among Chinese International Relations scholars (e.g. Yan, 2014; Liu, 2013b).[3]

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[2] Cf. also the book titled *Interpretation on the New Philosophy of Chinese Diplomacy* published in 2014 by the State Council Information Office.

[3] As shown in the analysis below, Chinese leaders and International Relations scholars also use other Chinese phrases to highlight the turn to a more proactive foreign policy strategy, e.g. "Gengjia Jiji" (更加积极, "be more active"), "Gengjia Zhudong" (更加主动, "take greater initiative") and "Jiji Jinqu" (积极进取, "actively go in").

It therefore seems that Xi as the first Chinese leader since Deng is visionary and strong enough to push through a rethinking of China's foreign policy strategy. But what is his vision or "dream" in this regard? What does it actually mean in terms of Chinese foreign policy that China will strive for achievement? Are we to expect a more aggressive Chinese foreign policy behavior with e.g. declarations of more air defense identification zones and introductions of more oil drilling rigs and artificial islands in disputed territorial waters? Or are we to expect China to advance its own diplomatic concepts and initiatives such as the Asian Infrastructure Investment Bank (AIIB) and the BRICS-bank and thereby more proactively seek to shape the international system? Related to this, are we to expect China to take more global leadership and responsibility by e.g. continuing to present proposals on how to solve international security crises? This is for example seen in relation to the ongoing crisis in Ukraine, where Beijing early on put forward a three-point proposal on a political solution and in Afghanistan, where Beijing has taken up a kind of mediation role between the Afghan government and the Taliban. Are all such newer and more assertive developments in Chinese foreign policy included in or following from the "Fen Fa You Wei" guidelines?

Many interesting and important questions arise. The aim of this article is to provide a more qualified ground from which to answer some of these questions. By analyzing recent speeches and statements from Xi and other Chinese foreign policy leaders as well as articles from Chinese International Relations scholars, the significance – if any – of the "Chinese dream" for Chinese foreign policy is examined especially focusing on how to understand the movement in Chinese foreign policy strategy from "keeping a low profile" to "striving for achievement".

The structure is as follows. The first section gives further details about the background for and the content in Xi Jinping's "Chinese dream". The analytical approach and a few considerations about the methodological challenges of conducting an analysis of speeches and statements from Chinese leaders follow in the second section and then the analysis makes up the third section. In the first part of the analysis, the main task consists of searching for clues in Xi's and other Chinese foreign policy leaders' speeches and statements on the "Chinese dream" of how the Chinese leadership sees China's international role evolve. In the second part of the analysis follows a discussion of the new emerging concept of "Fen Fa You Wei" and what it seems to imply for Chinese foreign policy behavior. The fourth and last part makes up the conclusion, which also points to areas and questions where there is a strong need for further research.

The "Road to Revival"

Xi Jinping has been promoting the "Chinese dream" since he became the General Secretary of the Chinese Communist Party (CCP) at the 18th CCP Congress held in November 2012. Following the congress, he led the other six members of the newly formed Politburo Standing Committee in a highly publicized visit to the National Museum's "Road to Revival" exhibition. Tracing modern Chinese history from China's humiliating defeat by Great Britain in the mid-nineteenth century, Xi highlighted the "Chinese dream" as a unifying theme for the Chinese to achieve a great national revival.[4] A top-down political campaign followed throughout the party and the country promoting the dream, and the "Chinese dream" has been a main theme in the majority of Xi's public speeches ever since. It has also been taken up by the Chinese media and scholars where, by mid-2014, 8,249 articles with "China dream" (zhongguo meng, 中国梦) in the title had been published within China according to the CNKI China academic journals database (Wan, 2013: 3; Wang, 2014b: 1; Callahan, 2015). Although it is easy to dismiss such slogans as the "Chinese dream" coming from the Chinese leadership as pure propaganda and empty talk, they play an important role in organizing thought and action in Chinese politics as they often reflect new or changed priorities in the Chinese leadership.[5] Therefore such slogans have to be taken seriously and examined closely (Callahan, 2015).

The "Chinese dream" is presented as the vision for China's development over the next decades and the core concept is national "rejuvenation" (fuxing, 复兴) (Wang, 2014b). It is, however, difficult to get at the more specific content. In different speeches, Xi and other Chinese leaders adapt the overall focus of the "Chinese dream" on achieving a great national revival and the ever-present emphasis on unity and party leadership to the specific occasion.

[4] For Xi's speech at the exhibition see Xi (2012). The exhibition focuses on China's national experiences from the First Opium War until today, with particular emphasis on the history of the "century of humiliation" (bainian guochi, 百年国耻) where China was attacked and bullied by foreign imperialists. The period goes from the First Opium War (1939-1842) through the end of the Sino-Japanese War in 1945 – for more on the "century of humiliation" see e.g. Nathan & Scobell (2012: 18-27).

[5] The different generations of Chinese communist leaders have all presented their own theoretical or ideological contribution to the development of Chinese communism – to the development of "socialism with Chinese characteristics" – making it possible to adapt to the changing challenges and demands that the party has been facing, e.g. Jiang Zemin's "Sange Daibiao" (三个代表, "Three Represents") that started to allow private business people into the party, and Hu Jintao's "Kexue Fazhan Guan" (科学发展观, "Scientific Concept of Development") that was to open for a more sustainable – both in terms of ecological and social costs – economic growth model. However, the "Chinese dream" slogan seems to be on a different level and deliberately kept very broad also referring to longer historical roots. Xi's other slogan "Sige Quanmian" (四个全面, "Four Comprehensives") might eventually be further specified and developed into his theoretical or ideological contribution.

Hence, it is always emphasized that "socialism with Chinese characteristics" (zhongguo tese shehuizhuyi, 中国特色社会主义) is the only path to realize the "Chinese dream" (e.g. Liu, 2013a). Despite some ambiguity, especially when the Chinese leaders present the "Chinese dream" to an international audience, the core argumentation seems to be that the CCP should lead the Chinese nation in achieving the goal of national revival – "only the CCP can rejuvenate China" – and the Chinese should be patriotic and realize their individual dreams through the realization of the national dream. National identity centered on the party and the state is therefore promoted.[6] The more concrete agenda is the "two centenary goals" (liangge yibainian mubiao, 两个一百年目标) – that is to establish a "moderate well-off society" (xiaokang shehui, 小康社会) by 2021 when the CCP has existed for 100 years, and a "rich and strong socialist country" (fuqiang de shehuizhuyi guojia, 富强的社会主义国家) by 2049 when the PRC has existed for 100 years.

Why promote the "Chinese dream"? One thing is that Xi – as previous leaders of the party – wants to leave his own mark, but it also seems clear that the "Chinese dream" is part of the current Chinese leadership's effort to ensure domestic stability and maintain the control and their own legitimacy domestically. Public anger and protests are growing all over the country, and Xi's response is the anti-corruption and rectification campaigns to show resolve and clean-up the party – get back to "serving the people" – and the "Chinese dream" to rally or unite the Chinese people and get them to focus beyond the immediate challenges they are facing by presenting them with a vision for China's development over the next decades.[7] Seeing it this way it could be argued that Xi's overall aim in launching the "Chinese dream" is to ensure the pre-conditions for the continued, and now even more difficult, economic reforms and China's further modernization.

[6] Generally it makes a big difference if the speech is given to an international or a domestic audience. If it is to an international audience, the "Chinese dream" is mainly presented as a project of developing China into a peaceful "rich and powerful country" (guojia fuqiang, 国家富强) that also takes international responsibility, whereas if the audience is domestic, the "Chinese dream" is rather presented as a project of internal development and progress – of nation-building and nation-strengthening under the party. Cf. the comprehensive analysis of 15 of Xi Jinping's speeches on the "Chinese dream" given from November 2012 until December 2013 in Jensen (2014).

[7] Zheng Wang (2014b: 8) argues that the "Chinese dream" to some extent is meant to play the role of societal glue to unite people, and along the same lines Callahan (2015) argues that Xi is using the "Chinese dream" as a "broad church" in order to build a coalition of competing interests in China.

The "Chinese dream" as a concept was rarely mentioned before Xi took it up in November 2012.[8] An exception is Colonel Liu Mingfu's 2009 bestseller book titled *China Dream: The Great Power Thinking and Strategic Positioning in the Post-American Age*. The central argument in Liu's book is that China is entitled to lead the world because China is a superior nation tested through history. There is no way of knowing whether Xi was inspired by Liu's book or whether he agrees with Liu. As the analysis below shows, Xi's "Chinese dream" is not specific on the extent of the Chinese claims that will satisfy the quest for China's revival.

In the Western media Xi Jinping's "Chinese dream" has attracted much attention. It is often seen in a negative light and as carrying dangerous implications for international stability and security. The dominant interpretation thus is that the "Chinese dream" is a nationalistic doctrine, where the focus is on regaining – with military force if necessary – China's rightful great power status, dignity and respect. China finally stands up after the "century of humiliation" and Chinese leaders will let nothing stand in their way (The Economist, 2013; Wan, 2013: 4). Some even regard it as a dream of increased Chinese military dominance in the East and South China Sea and as a Chinese challenge to American military dominance in the region (e.g. Page, 2013). These interpretations fit into – and further reinforce – the perception growing in the Western academic and political debate and literature of a more assertive Chinese foreign policy since 2008/2009 and, therefore, also support voices that hold that this is only the beginning – as Chinese relative economic and military power continues to grow, China's foreign policy behavior will become even more assertive.[9]

Chinese Official Discourse Opening Different Paths for Chinese Foreign Policy

The theoretical basis for the analysis below is constructivism in the European variant where focus is on exploring the role of discourses in mediating and constructing social reality. The focus on how state identity, discourses and possible foreign policy behaviors are constitutively linked in an ongoing process is in contrast to the North American variant of

[8] The core concept of national "rejuvenation" has, however, been used – primarily as a mobilization tool – by many Chinese leaders going all the way back to Sun Yat-sen, and beginning in the early 1990s, Chinese leaders, starting with Jiang Zemin, used the phrase "the great rejuvenation of the Chinese nation" (zhongguo minzu de weida fuxing, 中国民族的伟大复兴) as the new mission of the CCP – cf. Wang (2014b: 2).

[9] For a detailed presentation and critical examination of the "assertive China" perception see Swaine (2010) and Johnston (2013).

constructivism, where focus is on uncovering deductive mechanisms and causal relationships following a positivist research ideal.[10]

The social reality explored is the Chinese leadership's thinking on developments in China's international role as it is presented in Xi's "Chinese dream". The content of this thinking, i.e. the main Chinese official discourse on the visions, challenges and opportunities for China in the international system, opens up different paths for Chinese foreign policy.[11] The underlying assumption here is that the way in which the Chinese leaders understand, contest and construct their role – their identity – in the international system is crucial for the development in Chinese foreign policy. As Qin Yaqing (2010: 265) argues, "a state's attitudes towards international society and its international behavior are rooted in its identity. States with different identities have different world-views, which, in turn, make different impacts upon its foreign policies and strategies".

Consequently, discourse analysis is the method used for identifying and analyzing the main Chinese official discourse. The material for the discourse analysis consists of speeches and statements from Xi and other Chinese foreign policy leaders and the analysis of these is supplemented with analyses from Chinese International Relations scholars.[12] Conducting an analysis of speeches and statements from Chinese leaders present some important methodological challenges. One is how to select the speeches and statements to analyze. I have focused on locating and analyzing speeches and statements on the "Chinese dream" from Xi and other Chinese foreign policy leaders, as I expect these to best present and reflect the thinking of the Chinese leadership on China's international role and foreign policy strategy. It is not possible to get documents and detailed information about the content of internal meetings or debates on these issues in the Chinese leadership. However, combining an analysis of speeches and statements with analyses from Chinese International Relations scholars makes it possible to identify and decode new approaches and concepts. The aim is therefore not to uncover the "real" meaning(s) of the "Chinese dream", which is an impossible task anyway.

[10] For more on the distinction between the European and the North American variant of constructivism see e.g. Checkel (2008: 72-73) and Finnemore & Sikkink (2001: 395).

[11] For studies applying constructivism as Foreign Policy Analysis (FPA) see e.g. Hansen (2006).

[12] Most speeches and statements or descriptions and transcripts of these have been located through the Chinese official news web (zhongguo wang, 中国网) (http://www.china.com.cn).

Understanding "Striving for Achievement" in Light of the "Chinese Dream"

Two overall questions are guiding the analysis. Firstly, in their speeches and statements on the "Chinese dream" what do Xi and other Chinese foreign policy leaders say about China's international role and developments herein? And secondly, what does the new emerging concept of "Fen Fa You Wei" seem to imply for Chinese foreign policy behavior?

Dreaming about China's Role in the International System

State Councilor Yang Jiechi's article titled "Implementing the Chinese dream" stands as one of very few attempts from Chinese foreign policy leaders to elaborate on the link between the "Chinese dream" and Chinese foreign policy. In this article, Yang stresses that "the "Chinese dream" requires a peaceful and stable international and neighboring environment and China is committed to realizing the dream through peaceful development". And Yang further points out that "since the "Chinese dream" is closely linked with the dreams of other peoples around the world, China is committed to helping other countries, developing countries and neighboring countries in particular" (Yang, 2013). Such statements indicate how the Chinese leadership seeks to promote the "Chinese dream" internationally as a continuation of China's peaceful development strategy. However, there are some rather innovative elements as well. One new concept often mentioned in the Chinese leaders' speeches and statements is "new type of international relations" (xinxing guoji guanxi, 新型国际关系) that China works for and that is based on win-win cooperation and the peaceful resolution of international and regional disputes. Cf. below, this could be seen as part of a growing Chinese effort to present a specific Chinese approach to inter-state relations. Generally there is much highlighting of "new type", "new approach", etc. in the speeches and statements from the Chinese leaders, especially in the statement titled "China at a new starting point" by Foreign Minister Wang Yi given at the UN General Assembly in September 2013 (Wang, 2013). Another example here is the concept of "a new model of major-country relationship" (xinxing daguo guanxi, 新型大国关系) seemingly developed to characterize relations between China and the US and presented as "a strategic choice made based on full review of the experience and lessons of history as well as being an inherent requirement of the "two centenary goals" and the overall strategy of peaceful development" (Yang, 2013). In an interview leading up to the summit between Xi and US President Obama in June 2013 in the US, Xi further elaborated on the concept of "a new model of major-country relationship" when he said,

> China and the US must walk a new road, different from the past where great powers inevitably displayed antagonism and conflict. We must walk a path where both sides must work hard to build a new kind of great power relationship of mutual respect and profit, in order to benefit the people of both nations and the people of the world. This is something that is important to pay attention to in international relations, because good cooperation between the US and China is the cornerstone of a stable world, and a tool for promoting world peace (Xi, 2013f).

Here Xi presents China as a great power – not a developing country as has previously been the preferred term used by Chinese leaders – and Xi's vision is clearly to have China stand and be respected as an equal power to the US.

By promoting the "Chinese dream" internationally as a continuation of China's peaceful development strategy, it also becomes part of the Chinese soft power campaign and hence of Chinese efforts to promote a positive image of itself internationally and thus to counter the "China threat" (zhongguo weixie, 中国威胁) discourse. Wang Yi states directly that "various versions of China threat have surfaced. However, what happened in the past cannot be applied indiscriminately to today's China. The outdated Cold-War mentality has no place in the new era of globalization", and he further reassures that "China would never seek hegemony in the world" (Wang, 2013).

In relation to the above mentioned point about the growing Chinese effort to present a specific Chinese approach to inter-state relations, several Chinese International Relations scholars highlight the "Chinese dream" as an effort from the Chinese leadership to increase international recognition of China's long held ideals and philosophies and, in this way, increase the international respect for China and certain Chinese values and international contributions. It is hence emphasized how the core elements of the "Chinese dream" are peace and harmony, which are ideals pursued by China over thousands of years (cf. e.g. Yue, 2013; Ji et. al., 2013).[13] Xi has also several times in his speeches on the "Chinese dream" stressed that China as a great power should have a correct view on and approach to upholding "justice" (yi, 义) and seeking "interests" (li, 利). It means that while pursuing one's own interests, it is important to take into account those of others, which at times might mean giving up one's own gains for the sake of justice and fairness (e.g. Xi, 2014b). According to Yang Jiechi, this further implies that China will accommodate other countries' interests rather than seek benefits at their expense, and he stresses that China's policy towards neighboring states

[13] See also the analyses by various Chinese International Relations scholars in the book titled *Interpretation on the New Philosophy of Chinese Diplomacy* (State Council Information Office, 2014).

should politically insist on the principles of justice, fairness, and morality rather than economic interests (Yang, 2013). The Chinese International Relations scholar Wang Yizhou (2014a: 8) argues that this increased importance of "correct viewpoint on justice and interests" (zhengque de guandian yi he li, 正确的观点义和利) as a guiding principle of Chinese foreign policy under Xi underlines his emphasis on how China should take increasing great power responsibility by e.g. providing more public goods and foreign aid. At the UN General Assembly meeting in September 2013, Wang Yi also touched on the question of how China wants to provide more public goods in the domain of global security. Wang hence stated that,

> China will participate in global affairs more actively and comprehensively, closely cooperating with all other countries, handling complex global challenges jointly with others and solving all kinds of difficult issues facing the human race. We will utter China's voice, contribute China's wisdom, put forward China's proposals, demonstrate China's role and work hard to provide more public goods for the international community (Wang, 2013).

Wang further stated that "China will become more active and constructive in participating in and in dealing with international and regional hot issues, in negotiating peace and ending conflicts and in safeguarding world's peace and stability" (Wang, 2013). Along the same lines, Yang Jiechi (2013) highlights innovation, new strategic ideas and new diplomatic initiatives in the development of a "diplomatic theory with Chinese characteristics" (zhongguo tese waijiao lilun, 中国特色外交理论) under Xi. He further states that China's diplomacy under Xi "display[s] such features as rich ideas, clear priorities, firm positions, flexible approaches and distinctive styles". Such statements clearly indicate that there is an ongoing movement away from "Tao Guang Yang Hui" as providing the central guidelines for Chinese foreign policy strategy.

In speeches and statements mentioning the "Chinese dream", Xi and other Chinese foreign policy leaders hence highlight China's peaceful intentions, stronger Chinese international contributions and Chinese aspirations to be a responsible and constructive power in the international system. The Chinese desire for a stable and peaceful world is emphasized several times as one of the cornerstones for the realization of the "Chinese dream", because, as Xi often argues, the two centenary goals, which are the primary goals of the "Chinese dream", cannot be achieved without a stable and peaceful external environment (e.g. Xi, 2013d). Again, there are also hints of how China has something special to offer in referring to long held Chinese ideals and philosophies, and how these, by guiding inter-state relations,

could contribute to ensuring a stable and peaceful development in the international system. Furthermore, strong emphasis is put on obtaining international respect and equality for China. In most if not all of Xi's speeches on the "Chinese dream", there is also a clear wish for increasing China's power internationally – to become a "rich and powerful country" (e.g. Xi, 2013e). According to several Chinese International Relations scholars, Xi expresses a long-held Chinese desire to re-establish China as a nation of admiration and importance as was the case during the Tang dynasty (618-907) when China was a cultural and economic center. China should attract – not force – other countries to follow it (e.g. Qin, 2010; Yue, 2013; Ji et. al., 2013).

The "Chinese dream" is, however, not all "peaceful development" and "win-win". A tougher and bolder Chinese approach in relation to safeguarding Chinese sovereignty and core interests is also visible in several of the speeches and statements. This is especially clear in the context of Xi's emphasis on China's rejuvenation presented as China regaining international status, rights and power (e.g. Xi, 2012). Yang Jiechi also stresses that China will always "keep the bottom-line in mind, working for the best, but preparing for the worst". He further highlights how Xi Jinping, while being "firmly committed to peaceful development, will never forsake the legitimate interests or compromise on China's core interests" (Yang, 2013). It is statements like these that lie behind the dominant interpretation in the Western media of Xi's "Chinese dream" as a nationalistic doctrine, and which make especially China's neighbors worry that it implies how China increasingly seeks to resolve disputes in its own way without compromise. The Chinese side, however, seems to consider the process of rejuvenation as a restoration of fairness instead of a gain of advantages over others (Dittmer, 2010; Qin, 2010). Contrary to how the recent Chinese actions in e.g. the South China Sea and in relation to the Diaoyu/Senkaku Islands dispute in the East China Sea are seen as aggressive by many Western observers, the Chinese leaders thus present these as reactive or defensive ways to try to protect territory that, based on history, are rightfully Chinese. However, there is also support in Xi's speeches and statements for the argument that Xi is a different kind of Chinese leader, and that he to a higher degree also wants to "shape" the international system. Here Beijing's declaration of the air defense identification zone (ADIZ) over the East China Sea in December 2013 could be seen as such more proactive effort from Xi to set China's own rules and hence "shape" the further development in the crisis. Related to this, at the "Asian Dynamics Conference" held in Copenhagen in October 2014, Professor Xin Qiang from Fudan University in Shanghai argued that Chinese behavior in relation to the maritime

territorial disputes in the region has developed from "restrained reactiveness" to "assertive reactiveness" under Xi. Arguably Xi's strong promotion of the three sub-regional economic communities – the new silk road with Central Asia, the maritime silk road with South East Asia, and the economic corridor through South Asia – as well as the Asian Infrastructure Investment Bank (AIIB) initiative could also been seen as Xi's efforts to try to "shape" the further development or integration in regional economics, politics and security. The same goes for his efforts to promote a "community of common destiny" (mingyun gontongti, 命运共同体) with neighboring states to deepen security cooperation in East Asia with China in the lead (e.g. Xi, 2013g). Xi has specifically argued for the establishment of a China-ASEAN community of common destiny. Here it is interesting how recent emphasis from Xi on a common destiny with East Asian states more clearly includes Chinese pressure for exclusion of the US from the region. The way that China under Xi has started to present its own ideas and maybe even alternatives to the established regional economic, political and security structure could be seen as Chinese efforts to counter-balance the American "rebalance to Asia" strategy. Such efforts are new. At a summit of the Conference on Confidence-Building Measures in Asia (CICA) held in Shanghai in May 2014, Xi outlined his thoughts on the future of security in Asia. He argued that stronger military alliances, e.g. the US military alliances, would be opposed and new security mechanisms would be established, and that China would play a more proactive role in this.[14] According to Xi, China would lead new regional security practices and mechanisms, including setting up a code of conduct for regional security and an "Asian security partnership program" (yazhou anquan hezuo huoban jihua, 亚洲安全合作伙伴计划). Xi also emphasized that Asian security is best dealt with by Asians, which is the first time since the end of the Cold War that a Chinese leader has so clearly criticized and questioned the US role in regional security (Xi, 2014b). This indicates the development of a more self-confident China that under Xi tries to take the initiative and set the rules. This is a new development that also comes with Chinese suggestions on how to solve or manage international security conflicts e.g. in Ukraine.

Besides the soft power and reassuring motive in relation to the international audience, there also seem to be several messages to the domestic audience in many of Xi's speeches and statements related to how Xi with the "Chinese dream" also seeks to promote pride and patriotism (aiguo zhuyi, 爱国主义) in the Chinese population with emphasis on looking to the

[14] Some Western scholars and journalists have highlighted Xi's speech as a warning to US allies in the region – see e.g. Heath (2014) and Ruwith (2014).

future and not only to the past. Xi's patriotism as presented in the "Chinese dream" is thus not only the narrow, aggressive and anti-foreign version that hinges on the "century of humiliation" discourse. Rather than on foreign invasion and exploitation, focus is on the positive elements and strengths in Chinese history and in Chinese ancient civilization with strong calls to revive and be proud of Chinese cultural values, strengths and achievements. In his speech at the first meeting of the 12th National People's Congress in March 2013, Xi hence stressed that,

> To achieve the China Dream, we must foster the Chinese spirit, that is, the national spirit centered on patriotism and the spirit of the times centered on reform and innovation. This spirit is the force that rallies the people and pools their strength and that makes the country prosperous and powerful (Xi, 2013a).[15]

In an interview with a BRICS media delegation, Xi also said,

> The Chinese people are patriotic. Yet we are also a people with a global vision and an international perspective. As its strength grows, China will assume more international responsibilities and obligations within the scope of its capabilities and make greater contribution to the noble cause of world peace and development (Xi, 2013b).

According to the Chinese International Relations scholar Wang Yizhou (2014a: 14), it is possible for Xi to seek to promote a more positive or "rational" nationalism because "current Chinese leaders are less weighed down by historical memories and more driven by future ambitions".

It therefore seems that the point for Xi is not to present China as a great country suffering from oppression nor as a developing country, but rather as a great power where multifaceted development is rapidly taking place and where ambitions and aspirations are growing. Whether Xi is actually trying to present a new narrative is too early and too difficult to say. As mentioned above, the "century of humiliation" narrative is a key element of the Chinese national identity and therefore any effort to create a new national story or master narrative is a huge and complex task. The "Chinese dream" is also still based on the humiliation narrative, but it does direct focus more on the future and presents a more positive

[15] For a detailed analysis and discussion of the effort to change the national story or master narrative from the "century of humiliation" focus, see e.g. Wang (2012).

attitude to China's relations with the international system.[16] Further in relation to this, Xi, in his speech held at the Moscow University of International Relations in March 2013, declared that,

> Because of the sufferings China endured due to foreign invasion and civil war, the Chinese truly know the value of peace, and more than anything need to carry out our national construction in a peaceful environment, so as to constantly improve the lives of the people. China will firmly keep on the path of peaceful development without straying, to devote ourselves to promoting an open development, a cooperative development, and a development of mutual benefit, while at the same time calling on all nations to jointly walk the path of peaceful development. China will from beginning to end pursue a defensive national defense policy, and not engage in arms races, and not pose a military threat towards any nation. What China's developmental expansion provides the world are more opportunities, and not threats of any kind. The "China dream" that we wish to realize not only benefits the Chinese people, but the people of all nations (Xi, 2013c).

To sum up, the main points to take away from Xi's and other Chinese foreign policy leaders' speeches and statements on the "Chinese dream" as they relate it to developments in China's international role and foreign policy strategy are, firstly, that China under Xi aims to take on more international responsibilities, but also to "shape" the international system to a higher degree and increasingly present Chinese ideas and solutions to international conflicts and crises. Secondly, that China wants respect and to be treated on equal footing, and, thirdly, that China will never compromise on China's sovereignty and core interests. In the statements and speeches on the "Chinese dream" new thinking on China's international role is clearly evident. It is, however, still too early to judge the degree to which Xi is actually seeking to reshape China's foreign policy strategy away from the cautious tone and guidelines promoted under Deng Xiaoping, but there is surely a movement away from "Tao Guang Yang Hui" as providing the central guidelines for Chinese foreign policy strategy. This leads to the discussion of the new emerging concept "Fen Fa You Wei".

Striving for What Kind of Achievement in Chinese Foreign Policy and How?

In October 2013 Xi hosted a conference on Chinese regional diplomacy where all members of the Standing Committee of the CCP attended. The goal of the conference was to guide

[16] As Callahan (2015) states, the "Chinese dream" is not just a positive expression of national aspirations, but it is also at the same time a negative remembrance that cultivates an anti-Western and anti-Japanese form of Chinese identity, and it therefore strengthens what he calls a "pessoptimistic nationalism" in China.

China's diplomatic work with neighboring countries in the new situation.[17] This was the highest level conference on foreign policy since the founding of the PRC in 1949. In Xi's speech at the conference, he strongly urged Chinese diplomats to adopt the principles or guidelines of "Fen Fa You Wei" (奋发有为, "strive for achievement"), "Gengjia Jiji" (更加积极, "be more active") and "Gengjia Zhudong" (更加主动, "take greater initiative") (Xi, 2013g; Glaser and Pal, 2014: 1-4). Wang Yi has used other Chinese phrases to highlight the turn to a more proactive foreign policy strategy, e.g. "Zhudong Jinqu" (主动进取, "take initiative"), "Jiji Jinqu" (积极进取, "actively go in"), "Jiji Waijiao" (积极外交, "active foreign policy").[18] Wang Yi has also stated that "last year the most distinctive feature of Chinese diplomacy is being very proactive" (Zhang, 2014; Zhai, 2014). Professor Zhai Kun (2014), the Director of the Institute of World Political Studies at China Institute of Contemporary International Relations (CICIR) – a think tank in Beijing closely related to the Ministry of State Security – argues that this proactivity is demonstrated in three aspects. Firstly, the establishment of the new national security commission. Secondly, the efforts to jointly use different instruments, e.g. economic, political, military and non-governmental, in a comprehensive and integrated way in Chinese foreign policy. Thirdly the efforts to combine strength and gentleness in relation to major hot spot issues and questions related to China's rights and interests. According to Zhai (2014), the overall purpose is to ensure that China can influence rules and shape developments and events in order to more effectively safeguard Chinese interests and to ensure international status and respect for China as a country that cannot be bullied or ignored.

While it is still not clear whether there have been any official sanctioned new overall guidelines for Chinese foreign policy, it hence seems clear that there is a movement away from Deng Xiaoping's guidelines.[19] Arguably if there is a change underway from "Tao Guang Yang Hui" to "Fen Fa You Wei" then a change in the overall official assessment of China's security environment (shi, 势) away from Deng's assessment of "peace and development"

[17] Specifically, Chinese media reported that the conference aimed to establish the strategic objectives, basic guidelines, and overall set-up of the peripheral diplomatic work in the next five to ten years, and define the line of thinking on work and the implementation plans for resolving major issues facing peripheral diplomacy (Xinhua, 2013).

[18] Professor Wang Yizhou (2014: 10) argues for a shift in China's diplomatic philosophy from "Tao Guang Yang Hui" to "Jiji Zuowei" (积极作为, "actively accomplish"). See also the analyses by various Chinese International Relations scholars in the book titled *Interpretation on the New Philosophy of Chinese Diplomacy* (State Council Information Office, 2014).

19 For Deng Xiaoping's "28 character guidelines" see e.g. Dittmer (2010: 52).

(heping yu fazhan, 和平与发展) is also underway.[20] The question is therefore also if this is the case? Is it no longer "peace and development"? Professor Yan Xuetong (2014) argues that the overall assessment in the Chinese leadership of China's security environment is changing. Instead of "peace and development", the dominant overall assessment is that the probability of conflict with other states is increasing, and therefore the general trend implies that China needs to confront rather than avoid the issue of conflict. Glaser & Pal (2014) also argue that Beijing has quietly discarded Deng Xiaoping's guidelines, and they support this by highlighting how several of their Chinese sources reveal that Deng's "Tao Guang Yang Hui" directive is no longer referenced in internal meetings and party documents.

So what does the "Fen Fa You Wei" concept imply for Chinese foreign policy strategy and behavior? According to Yan Xuetong, who has written extensively on the concept, it implies that China will begin to treat friends and enemies differently and use more instruments in its diplomacy, e.g. isolation, sanctions and alliances, in order to increase the dependence of China's neighbors on good relations with China, and in order to ensure that their interests are closely aligned with China's interests. It further implies that China will gradually move away from its non-alliance principle and start to provide security protection and economic benefits to selected states. Following Yan, the focus of China's relations with neighboring states will therefore change from ensuring economic relations with – and economic gains for – neighboring states to ensuring political and security relations and to setting up political goals rather than economic goals with the overall aim of increasing China's strategic credibility and of shaping a favorable international and regional environment for China national rejuvenation (Yan, 2014; Liu, 2013b). In other words, China will begin more actively to use China's stronger economic and military instruments in a kind of "carrot and stick" or "divide and conquer" diplomacy, where special emphasis is given to China's neighboring states encouraging them to align their interests with China's development or "rise". The states that support and play a constructive role in China's development will receive economic, security and other benefits, whereas the states that oppose and seek to prevent China's development will be ignored or punished. Yan (2014: 169) highlights that this is also where Xi's different silk road initiatives come in as an important part of China's new foreign policy strategy. These are to cover three strategic areas of focus – the new silk road with Central Asia, the maritime silk road with South East Asia, and the

20 For more on the ancient Chinese concept of "shi", which best translates into the configuration of power and the general trend/dynamic (in the international system), see Wang (1994) and Zhu (2010: 17-19, 21-37).

economic corridor through South Asia – and the states affected should expect to see much more willingness from China to reward support for China's development and interests. Yan (2014: 183-184) admits that the biggest risk of a strategy following the "Fen Fa You Wei" concept is misperception, where the strategy could easily be perceived as an aggressive strategy, which could further lead to military confrontation with some of China's neighbors especially Japan. China therefore needs to implement the strategy very delicately in order to avoid being seen as an aggressive power. Arguably with the growing perception in the Western academic and political debate and literature about a more assertive Chinese foreign policy since 2008/2009, the implementation of the strategy, which, according to Yan, has already started, has not been very successful in this regard so far.

To sum up, the main implications from the "Fen Fa You Wei" concept for Chinese foreign policy strategy are that Chinese foreign policy is no longer to focus on keeping a low profile but rather to start showing – and using – capabilities and claiming or "striving" for leadership, especially in the region. What does all this then say about future developments in Chinese foreign policy behavior? In recent years, China has become more assertive and aggressive on some issues and in some areas, especially in the region. Also, China under Xi has become more confident in promoting China's own ideals about the development in the international system and in China's role in this, and also in presenting its own diplomatic concepts and initiatives and more proactively seeking to "shape" events and developments. The analysis above indicates that such developments are to be expected to continue and even to a higher degree. The developments in the international system that China promotes are still within the existing international system, and Xi is not advocating any overthrow of the existing international system. There are, however, stronger Chinese demands under Xi for international respect, dignity and status as well as for treatment on equal footing with the US. Also, Xi seems less afraid than previous Chinese leaders to act on and talk openly about China's strengths – and the use of these – in the international system. In other areas of Chinese diplomacy and foreign policy there is more continuity and China still seeks to maintain a "low profile". So a kind of ad hoc approach and learning process or "crossing the river by feeling for the stones" (mozhe shitou guohe, 摸着石头过河) approach still seems to best characterize the overall development in Chinese foreign policy behavior rather than a new overall guiding strategy or master plan. However, as the analysis above indicates, this does not mean that such new overall guiding strategy or master plan is not being discussed and worked on in China today.

Conclusion

The above analysis is still very preliminary but it does support a gradual development of new thinking and a new approach in China's foreign policy strategy under Xi that point to big changes in the way that China engages with the international system. Further research is needed and it seems especially important to focus on the implications of the domestic focus in the Chinese leadership – that is their focus on meeting the growing domestic expectations to the role that China will play in the international system in the years to come. The more aggressive features of Chinese foreign policy in recent years clearly also relate to the need for Xi to meet growing domestic criticisms and stronger calls for a tougher foreign policy and for taking more action on sovereignty issues. This is, for example, the case in the South China Sea and in relation to the Diaoyu/Senkaku Islands dispute in the East China Sea, where Xi in several incidents apparently has yielded to the domestic pressures (Zhao, 2013). Another interesting and important question to look further into is whether there is a developing consensus in China – in the leadership and among Chinese International Relations scholars – on what China's visions and objectives at the international level should and could be (cf. e.g. Shambaugh, 2011). As mentioned above, it seems that Xi, as the first Chinese leader since Deng, is visionary and strong enough to push through a rethinking of China's foreign policy strategy – the increased use of concepts such as "Fen Fa You Wei" supports this. However, whether this is the case and what his visions and objective then might be and how they presently evolve require more research.

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China and ASEAN: The Evolution of Relationship under a Discursive Institutionalist Perspective

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Abstract: China's relationship with certain institutions is a popular topic in international relation studies. In this article I will adopt a discursive institutionalist perspective to present how the transformation of China's foreign ideas influences China's relationship with the ASEAN, the most institutionalized regional arrangement in Asia.

This article examines China's foreign policy ideas from Mao Zedong's time until the end of Hu Jintao's mandate, separated into different time spans with historical conjunctures. China's foreign policy ideas will be analyzed according to three different levels of generalities (philosophical level, paradigm level and policy level), and two types of ideas (cognitive and normative) as suggested by Discursive Institutionalism.

The relationship between China and ASEAN will be examined under the larger framework of China's foreign policy ideas, and I attempt to contribute to a deepened understanding of China's relationship with the ASEAN.

Introduction

China's foreign policy has undergone eminent transformations from 1949 until present. These transformations involve China's approaches, strategies and foreign policy ideas when dealing with the external world. There are many examples and perspectives that can help understand this transformation of China's foreign policy, and China's relationship with a certain institution is an interesting one. In this article, I would like to discuss the case of ASEAN through discursive institutionalism where ideas are emphasized as the main variable. China's relationship with ASEAN reflects how China's foreign policy ideas influence China's external relationship.

Why ASEAN?

Association of Southeast Asian Nations (ASEAN), founded in 1967 (founding members being Indonesia, Malaysia, the Philippines, Singapore and Thailand), is a multilateral institution that covers almost all South East Asian countries except East Timor (accession

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negotiation ongoing)[2]. From the perspective of research on China's foreign policy, ASEAN is a case that combines many distinct characters: first, ASEAN is a multilateral institution; second, ASEAN's member states are closely related with China: they are closely linked with China in history, ethnicity, languages, culture, commerce and conflicts, many of them share borders with China; third, ASEAN member states have diverse economic and political profiles. From all perspectives, ASEAN is an organization that China cannot ignore, and the change of China's relationship with ASEAN will contribute to an understanding of China's change in foreign policies. In this article, I will discuss the change of China's relationship with ASEAN starting from 1967, when ASEAN was founded, until year 2012.

Fig 1. Map of ASEAN.
Source: The official ASEAN site
(http://www.asean.org/asean/asean-member-states), accessed on March 3, 2015.

Theoretical Framework

"Ideas" can have many counterparts in the Chinese language. It might mean "thoughts" (xiang fa) or "concept" (guan nian). In research and discussions among Chinese scholars, ideas can correspond to "ideas of China's foreign policy philosophy" (zhongguo waijiao zhexue sixiang). According to the Central School of the Chinese Communist Party's foreign policy

[2] According to the official ASEAN official concerning East Timor's ongoing negotiation with the aim of accessing ASEAN: http://www.asean.org/news/asean-secretariat-news/item/timor-leste-remains-committed-to-join-asean

expert, Men Honghua defines "ideas of foreign policy philosophy" as the most influential soft power, which forms the base of a country's foreign policy philosophy and the context of decision-making. He adds that, "foreign policy philosophy" has been formed within a specific historical background, and these political philosophy ideas or values exert long term influences on foreign policy making and practices of diplomacy, and foreign policy ideas express more directly a country's dominant ideas concerning foreign affairs and its overall interests[3] (Men, 2013b: 2).

From Men's definition, we can see that Chinese scholars' understanding of foreign policy philosophy implies two important factors. First, cultural and historical contexts are given great attention in its formation. Second, values and norms are focal points and the goals of foreign diplomacy ideas.

Ideational Approach

After the discussion of the importance of ideas, it is now necessary to discuss the ideational approach that is applied in policy analysis. It is almost impossible to negate the fact that ideas have great influence on politics. Exactly as one of Telò's most important works, *L'Etat et l'Europe: Histoire des idées politiques et des institutions européennes*, has shown clearly: it is undeniable that human being's very first ideas of "state" and "Europe", followed by the discussions, reflections and debates concerning them, have greatly pushed the shaping of contemporary politics and Europe (Telò, 2005). Similarly, in this paper where we are going to discuss how ideas shape China's relationship with the ASEAN, I need to engage a methodological tool that emphasizes the role of ideas, i.e. the ideational approach.

The ideational approach tends to focus on "how behavior driven by ideas rather than self-interest determines policy-making outcomes" (Campbell, 2002: 21), and emphasizes that "what actors believe may be just as important as what they want" (Vanberg and Buchanan, 1989: 51). As early as in 1946, Marx Weber already made his famous dictum that "ideas have profound effects on the course of events, serving like switchmen who direct interest-based action down one track or another" (Webber, 1946: 280). However, the ideational approach has long been ignored due to two reasons pointed out by Berman: ideas are believed to be too

[3] "Wai Jiao Zhe Xue Si Xiang wu yi shi zui ju you shen ke ying xiang li de ruan shili ,gou cheng yi guo wai jiao de zhe xue si xiang jichu he xian shi pan duan beijing. Yi ban er yan, wai jiao zhe xue zhi de shi te ding li shi wen hua bei jing xia chan sheng de , dui wai jiao jue ce he wai jiao shi jian ju you chang qi zhi dao yi yi de zheng zhi zhe xue si xiang huo jia zhi guan nian ,er wai jiao si xiang ze geng jia zhi jie di dai biao yi ge guo jia zhan zhu dao di wei de dui wai yi tu he gai guo de zong ti li yi".

fuzzy to study and too epiphenomenal to be the center of research (Berman, 1998), and interests, which are more visible and measurable, remained the central point of study of pluralist, elite, neo-Marxist, historical institutionalism and rational choice theories, and have dominated the social sciences researches and shaped people's understanding of the world.

Thus, ideational explanations of political analysis have undergone a period of neglect, and even a little bit of hostility. Burstein complained about the insufficiency of literature discussing the relative importance of ideas for policy making (Burstein, 1991: 332–334), and a direct result of this neglect is that discussions on the role of ideas are poorly theorized (Friedland and Alford, 1991: 237).

The tide has begun to change as more attention has been drawn to ideas in response to the rise of rational choice theory (Jacobsen, 1995; Thelen and Steinmo, 1992). The founding assumption that all actors behave according to calculation and maximizing one's predetermined interests is itself filled with flaws: firstly, there is no clear explanation on how interests are formed. Secondly, there is no satisfactory explanation for changes in interests; something that has also been highly abstracted and thus does not do much with regard to empirically defined institutions (Schmidt, 2014: 113). In this context, attention towards ideas as important causal factors in policy making or policy changes has been widely engaged in research concerning European studies (Berman, 1998; Parsons, 2002), trade, monetary policy and developmentalism (Goldstein, 1993; McNamara, 1998; Sikkink, 1991), and most importantly social or foreign policy changes (Checkel, 1993; Goldstein and Keohane, 1993; Katzenstein, 1996; Kier, 1997). Among new theories developed in the ideational approach, discursive institutionalism is the most recent and comprehensive one.

Discursive Institutionalism

Discursive institutionalism, proposed by Vivian Schmidt, in an attempt to complement failures and loopholes of precedent approaches, would like to construct a whole new approach to presenting the role of ideas in the policy making process. Discursive institutionalism focuses on a political reality that is based on two elements: first are the ideas and discourses that are used to legitimate actors' political action in an institutional context; second is the process of the communication of ideas within the institutions (Schmidt, 2006: 2,8; Telò, 2010: 119–120).

The most distinct characteristics of Discursive Institutionalism is its "insight into the role ideas and discourse in politics while providing a more dynamic approach to institutional change than previous three new institutionalism", where "ideas are the substantive content of discourse" and "discourse is the interactive process of conveying ideas" (Schmidt, 2008: 303).

Classifications of Ideas in DI

In Discursive Institutionalism, ideas are classified into three different levels of generality, which are policies, programs, and philosophies. DI adds a new way of categorizing ideas by adding two types of ideas: normative ideas and cognitive ideas, which differentiate the function of ideas from the types of ideas.

Three Levels of Generality

The first generality, policies, concerns the specific policies or policy solutions proposed by policy makers; the second level, programs, encompasses the more general programs that underpin the policy ideas. Programs may be understood as "the underlying assumptions or organizing principles orienting policy" (Hall, 1993; Majone, 1989; Schmidt, 2002: 5), or as "frames of reference that enable policy actors to construct their visions of the world that allow them to situate themselves in the world" (Jobert, 1989; Muller, 1995). A more basic level concerns the worldviews that "undergird the policies and programs with organizing ideas, values, and principles of knowledge and society" (Campbell, 2004).

Two Types of Ideas

Besides three levels of generality, Schmidt believes it is important to differentiate between two types of ideas: cognitive ideas and normative ideas. Cognitive ideas answer questions of "what is and what to do", while normative ideas answers "what is good or bad about what is" in light of "what one ought to do" (Schmidt, 2008: 306).

As concluded by Schmidt, cognitive ideas "provide the recipes, guidelines, and maps for political action and serve to justify policies and programs by speaking to their interest-based logic and necessity" (Hall, 1993; Jobert, 1989; Schmidt, 2008), while Normative ideas instead attach values to political action and serve to legitimate the policies in a program through reference to their appropriateness (March and Olsen, 1989).

Cognitive ideas "elucidate 'what is and what to do', whereas normative ideas indicate 'what is good or bad about what is' in light of 'what one ought to do'"(Schmidt, 2008). As Jobert pointed out, "the cognitive one" is "the first dimension of policy-making", it implies "a drastic reduction of social complexity to a small number of significantly articulated variables" (Jobert, 1989).

Discourse in DI

After the discussion of idea types, how ideas are conveyed and transferred to policies, the discourse should be attended to. According to Schmidt, discourse is a "more versatile and overarching concept than ideas" since

> by using the term discourse, we can simultaneously indicate the ideas represented in the discourse (which may come in a variety of forms as well as content) and the interactive process by which ideas are conveyed (which may be carried by different agents in different spheres) (Schmidt, 2008: 309).

Hajer pointed out that a discourse may serve to articulate different levels of ideas (policy, programmatic and philosophical) (Hajer, 2003), while a discourse may bear different forms of ideas, be it narratives, myths, frames, collective memories, stories, scripts, scenarios, images (Schmidt, 2008).

Different Types of Discourses

Schmidt suggests mainly two different types of discourses: "coordinative discourse", and "communicative discourse". Coordinative discourse consists of "the individuals and groups at the center of policy construction who are involved in the creation, elaboration, and justification of policy and programmatic ideas". This is where

> civil servants, elected officials, experts, organized interests, and activists, among others---who seek to coordinate agreement among themselves on policy ideas, which scholars have shown they may do in a variety of ways in a wide range of venues (Schmidt, 2008: 310).

Another discourse suggested by Schmidt is named "communicative discourse", which suggests "individuals and groups involved in the presentation, deliberation, and legitimation of political ideas to the general public" (Schmidt, 2008: 310). These individuals form "policy

forums" of "informed publics" (Rein and Schön, 1994), "public of organized private persons" (Habermas, 1989), "strong publics" of opposition parties and political commentators (Eriksen and Fossum, 2003). However, communicative discourse is in "opinion sphere", as pointed out by Eriksen and Fossum, which can be relatively weak in nowadays China, especially in the foreign policy realm. This is a part that this paper will not focus on, instead we will focus mainly on coordinative discourse.

The Framework of China's Foreign Policy Ideas Since 1949

Following Schmidt's discursive institutionalism, I hereby try to provide a mechanism of China's foreign policy ideas from 1949 until 2012.

Schmidt's categorization of ideas provide a tool for analyzing China's foreign policy according to the questions they are meant to solve and values to which they are attached to. Beginning with the three levels of generality of ideas, I choose to present China's foreign policy ideas by answering three very simple but very fundamental questions, and the answers to these three questions reflect the transformation of China's foreign policy. For the philosophical level of ideas, which concerns the world view, we must ask "what is the world according to China?" The answer concerns China's perception of the world, and China's judgment about its situation. This answer generally includes two aspects: the first aspect concerns the cognitive ideas that define and judge the world in a given time, and the second aspect concerns the normative ideas, which present a world that China deems good and correct. There are certainly differences and distances between the two worlds: these are exactly the difference between the "what is" and "what should be".

The second level of ideas, the paradigm level, concerns organizing principles that orient toward policies. I argue here that these ideas seek to answer "what role does China play in the world?", which is recognized in the first question. In other words, it concerns China's self-recognition in a given context predefined by China's understanding of the world. Similarly with the philosophical level of ideas, paradigm level ideas also imply two aspects of suggestions: the first aspect is the judgment of China's actual position in the world in a given time (the cognitive idea); the second aspect is the role that China should take in order to realize the world that China deems appropriate (the normative idea).

The third level of ideas, the policy level, keeping China's position and role in mind, concerns specific policy solutions to bring the cognitive answer, "what the world is" closer to the normative answer "what the world should be". This level of ideas is less distinct in

differences between cognitive and normative ideas because they are already results of a combination of cognitive and normative judgment at the previous two levels. The following chart presents the three levels of generality ideas and two types of ideas and their corresponding questions.

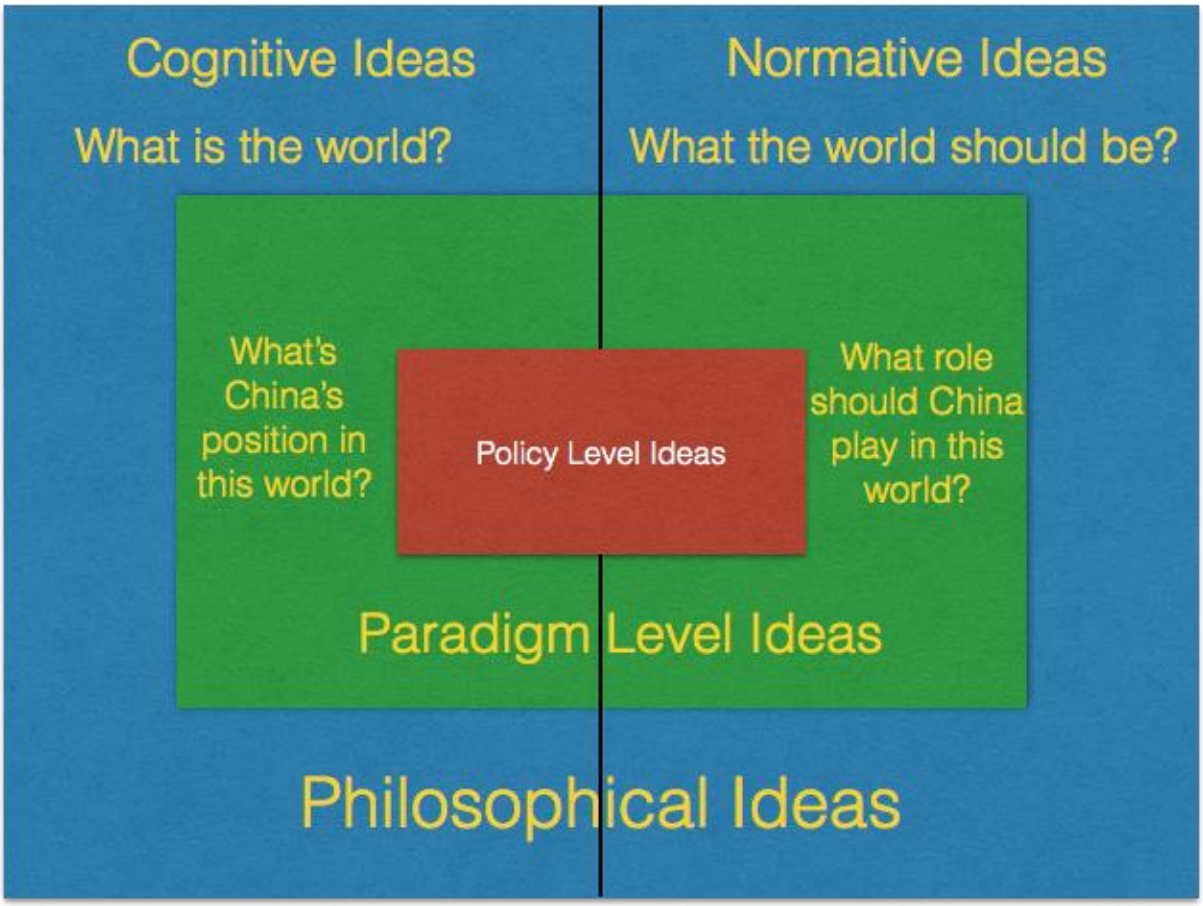

Fig 2: Ideational Analysis Framework according to Discursive Institutionalism.
Illustration by the author.

Certainly, the answers to these three questions vary, transform and enrich at different times. Here, I invite historical institutionalism in: historical conjunctures are the markers that indicate important points in the history where China's foreign policy ideas are changed.

Time Span Definition

Historical conjunctures, or critical junctures, are an essential conception in historical institutionalism. It is related with Path Dependency theory in historical institutionalism. They are critical because "they place institutional arrangements on paths or trajectories, which are

then very difficult to alter" (Pierson, 2004: 135). Thus, the choices made during these conjunctures in history have very long lasting impacts, and these junctures constitute the starting points for many path-dependent processes (Capoccia and Kelemen, 2007: 341–342). In the mechanism building part of this article, historical conjunctures in China are those relatively shorter periods within which decisions made have had a long lasting and visible impact on Chinese foreign policy ideas in the years following.

Following this definition, I identify three historical conjunctures in China's history after 1949: the first one is the Opening Up and Reform in 1978, the second one is the 1989 tragedy and the end of the Cold War in 1991, the third one is 2001-2002 when September 11 took place and China's power and influence increasingly grew. These three historical conjunctures separate China's foreign policy ideas into four phases: the first phase is from the establishment of the P. R. China in 1949 until the Opening Up in 1978; the second phase is from the Opening Up until the end of the Cold War (1991), and the third phase is from 1991 until 2002, a short transitional period after the Cold War; the fourth phrase is from 2002 to 2012 when Hu Jintao was China's president. In the following section, I will introduce these four phases and analyze them according to three levels of generality and two types of ideas.

First Phase: From 1949 until the Opening Up and Reform in China

In the first phase, from 1949 until the Opening Up, was a time when China reassumed peace and tried to reestablish internal order after having finished its war against Japanese invasion and civil war. It was also the time when the Cold War intensified and China's idea of foreign policy was influenced by the ideological perspective. China was weak, poor and fragile vis-à-vis the USSR and the US. China's foreign policy had transformed a lot during this period: from "leaning on one side" (Yi Bian Dao) to "middle routine" (Zhong Jian Lu Xian), until China's independence and non-alliance after its deteriorated relationship with the USSR in late 60s. Yet how does China see the world? How does China see its position and role in this world? And how does China want to achieve its role?

As for the first question, we should not ignore the fact that China's nationalism was nurtured by the invasion of foreign powers, from which it suffered much under colonialism and imperialism. Chinese leaders detest the involvement and interference of foreign powers, whether or not it is militaristic. From this perspective, the world after World War Two is a world divided by powers (no matter which ideology one follows), and dominated by US imperialism and the chauvinism of the USSR. The way that the US and the USSR dominate

the world is unfair and unjust, they are practicing ruling by force, "ba dao" instead of ruling by virtue, "wang dao". The judgment of ruling by force is China's cognitive idea in its foreign policy, and ruling by virtue is China's normative idea about how a world should operate. The distance from "ruling by force" to "ruling by virtue" plays a fundamental role in China's foreign policy starting from 1949. Following this idea, Mao considered China as the representative of those who suffer from this unfair world order, politically they are the oppressed, dominated; economically they are the exploited, impoverished, and culturally they are the contaminated.

This understanding of the world and China's position, or role in this world, has allowed China to develop ideas of "three worlds" and the strategy of "middle way". Countries in the world are categorized according to their distance from the super powers instead of their ideological choices, implying that China has many potential spaces to maneuver between these two seemingly cemented blocks. In order to answer how to act according to its role and position, and how to achieve this role, China had opted for the solution of providing as much aid and financial support to developing countries in Africa, Asia and Central Asia as possible, so as to preserve an amicable relationship with developing countries. China had also chosen the independent principle (Du Li Zi Zhu); that is, to stay independent from both the US and the USSR.

The Second Phase: From the Opening Up to the End of the Cold War

The death of Mao Zedong marks the end of Communist China's first generation of leadership, also the end of Mao's dictatorship. On the Third Plenary Session of the 11th Central Committee in 1977, CCP had decided, after the death of Mao Zedong, that China should focus on "the construction of socialism modernization", more specifically, concentrate on "economic development and technology revolution" and the goal is to make "Chinese economy develop rapidly and stably"[4]. The economic reform after 1978 was said to be "going far beyond anything being attempted in the Soviet Union or Eastern Europe" (Whyte, 1992). Reforms including rural de-collectivization, reduction of the role of the state sector and central planning, opening to foreign investment and tourism, setting up of special export processing zones and private enterprises were allowed. Kim called it "the rapid post-Mao shift

4 See the report of the Third Plenary Session of the 11th Central Committee: http://cpc.people.com.cn/GB/64162/64168/64563/65371/4441902.html

from the ideological superstructure (the "politics in command" model) to the economic base (the "modernization in command" model) (S. S. Kim, 1984: 183).

On the 12the National Congress of the Communist Party of China in 1982, Deng Xiaoping had proposed a very important idea of "socialism with Chinese characteristics":

> Our construction of modernization must start from China's reality. No matter whether it is about revolution or construction, we must learn from foreign countries. But to simply copy foreign countries' patterns and experiences could never work. We have learned our lessons. We should join the universal truth of Marxism with the reality of our country, find our own way, and construct socialism with Chinese characteristics[5].

This new idea provides CCP's ideological legitimacy, since it had begun to engage a road different from what the classical Marxism books told. Meanwhile, it also implied that CCP must keep its leading role. This reform after Mao's death marked the fact that China's rulers shifted from totalitarian dictatorship to authoritarian reformers, and "continued adaption of Communist revolution to the Chinese cultural context" (Oksenberg and Bush, 1982).

The Opening Up and Reform marks a new era for China: the understanding of communism, socialism and market economy has been renewed, and these renewals come from the renewal of China's understanding of the world, China's role and position in it, thus also how to play this goal.

First, at the philosophical level concerning how China looks at the world, Deng established two important ideas. The first idea is developmentalist thought that deems the world to be peaceful and the main theme of which is to seek economic development. I name the turn of ideas at Deng's era as "back to history": a return to Marx's materialist development idea. Deng Xiaoping emphasized that "the development of technology is undergoing a great revolution", "which will renew all aspects in production" (Deng, 1994: 87). This can be seen as a sharp turn from Mao's vision of exporting revolution towards the world that came only from Mao's own will.

The second important philosophical level idea brought on by Deng Xiaoping is the idea of seeking a better, fairer world, implying that the current world order is unfair and

5 Original words of Deng Xiaoping: "Wo men de xian dai hua jian she, bi xu cong zhong guo de shi ji chu fa. Wu lun shi ge ming hai shi jian she, dou yao zhu yi xue xi he jie jian wai guo jing yan. Dan shi, zhao chao zhao ban bie guo jing yan, bie guo mo shi, cong lai bu neng de dao cheng gong. Zhe fang mian women you guo bu shao jiao xun. Ba ma ke si zhu yi de pu bian zhen li tong wo guo de ju ti shi ji jie he qi lai , zou zi ji de dao lu, jian she you zhong guo te se de she hui zhu yi".

unreasonable. Deng Xiaoping inherited from Mao Zedong the spirit of refusing a world order provided by hegemony, and the victimhood nurtured by history. He believed that the era of hegemony had come to an end and traditional great powers could no longer control the world according to their wills, and it was the time to conceive a new idea about how the international community should function, and a multipolar world was considered as a possible tendency.

Deng's two philosophical ideas, or his two basic ideas about the world, have strong traces of China's traditional philosophy of dichotomy: the philosophical view that the world is composed of pairs of inter-dependent and interchangeable contradictions. The Chinese saw the world with a positive side; that it was relatively peaceful and marching towards prosperity. At the same time, they saw the world as unfair and in need of change. China has been seeking both balance and change in this world system since Deng's Opening Up.

At the paradigm level, China positions itself as a country that needs to maintain a peaceful development environment, which was crucial to the success of China's opening up and reform. The great reform led by Deng Xiaoping transformed the emphasis of China's governmental work from class struggle to construction of the economy. This means that China needed to pursue a developmentalist path, and avoid being involved in the fight of the hegemonic powers.

At policy level, China had chosen to stay independent and adopted a non-alliance policy at the third plenary session of the eleventh central committee. According to the conference meeting report, China was willing to establish friendly relationship with any country based on five principles of peaceful coexistence. At the same time, promotion of multi-polarization and a fairer economic world order were added. During this period, China had turned to slightly more active in participating in international affairs than in the precedent phase.

The Third Phase: From the End of Cold War to 2002

The 1989 tragedy and the collapse of the USSR did not change China's judgment about the world. Deng Xiaoping believes that peace and development remained the main theme of the world tide.

After the collapse of the USSR, Deng's judgment that the world would be moving forward towards a multi-polar one was added as a new element into China's world view. As Chen Zhimin and Pan Zhongqi point out, it is not difficult to understand why China champions multipolarity over unipolarity and bipolarity after the Cold War. First, a multipolar

world can restrain the development of hegemonism and unilateralism by dominant power. As China has turned to non-alliance strategy in the second phase, it is clear that China refuses any form of dominance from a hyper power. Thus, multipolarism would certainly provide China with more choices. Second, developing countries can share more freedom to pursue their economic and social development without being intervened by foreign powers, not forgetting that these interventions are often motivated by the intention to universalize "Western values and systems" (Chen and Pan, 2013).

At the pragmatic level, the shock brought by 1989 and the Western world's sanctions did change how China sees itself. China's attribute of being a "socialist country" was emphasized as a distinction, while the attributes of a developing country and a rising power were preserved. As Yu Jianjun pointed out, this is a period during which China's self-recognition was changed from "a socialist country", "a third world country" and a "country of sovereignty", and enriched into "a quasi-great power", "a nuclear power", "a developing country" and "a standing committee member of the UN security council" (Yu, 2009: 13). Men Honghua has elaborated China's identity recognition by pointing out that China is "the only socialist great power" (Men, 2013a). A multi-polar world implies that a world has different powers, and these powers do not necessarily have the same profile: a socialist power can coexist with capitalist powers. Following this logic, a multi-polarized world is favorable to the great revival of the Chinese nation (X. Zhang and Sun, 2007: 85). China defines itself as a rising power that carries the responsibility of making this world fairer by allowing different political systems to co-exist, not just by providing more fairness and equality in economic development opportunity. The idea of establishing "a responsible great power" has entered into China's core idea as new guidelines that coordinate China's foreign policy strategies, and has been elaborated more in Hu Jintao's time, which is to be discussed in the next part.

At the policy level, one can observe that China has gradually become increasingly active in participating in international affairs by accepting multilateral arrangements, prioritizing its neighboring countries and keeping the relationship with developing countries as fundamental in its foreign relations by setting its foreign affair guideline as "great powers are key factors, neighboring countries are the priorities, developing countries are fundamentals, and multilateral institutions are stages"[6].

[6] "Da guo shi guan jian, zhou bian shi shou yao, fa zhan zhong guo jia shi ji chu, duo bian shi wu tai".

The Fourth Phase: 2002-2012

China entered the new millennium with Hu Jintao's reign. The new century started with many global issues that involved every corner of the world. Starting with the September 11 tragedy, anti-terrorism has become one of the most urgent global issues. At the same time, China, at the doorstep of the 21st Century, is no longer in the same situation as it was at the beginning of the 20th Century. Under Hu Jintao's leadership, China's idea about the world and itself has developed and evolved on the basis of the previous generation. Accordingly, the policy level ideas also changed together with philosophical level and paradigm level ideas.

For Philosophy level ideas, or ideas about how China sees the world, Hu Jintao inherited the idea coming from Deng Xiaoping that sees that the world is multi-polarizing, and its orders are not fair and equal to developing countries. Hu Jintao introduced the conception of a "harmonious world" at the Asia-Africa Summit as Chinese government's new philosophical ideas:

> seek*(*ing*)* the convergence while accepting divergence. We promote the spirit of openness and comprehension, the respect to the diversity of civilization, religion and value, to respect the autonomy of each country in choosing their own social system and development mode; we promote friendly coexistence of different civilizations, dialogues on equal basis, the prosperity of development, in order to build a harmonious world[7].

At the paradigm level, China has begun to use "responsible great power" as its self-recognition. For policy level ideas about China's role in promoting a harmonious world, China after 2002 has provided many new ideas and concepts to explain its foreign policy system from a different level. First, there is the apparition of the "new security concept" which is different from Cold War thinking. Second, Hu insisted on mutually beneficial collaboration to promote mutual prosperity. Third, Hu responded to the "Cultural Clash" theory by proposing that each country has the autonomy of choosing its own social system and development mode, the international community should keep a spirit of equality and openness, to reserve cultural diversity and to promote democratization in international

[7] Original words of Hu Jintao: "Yao fa yang ya fei hui yi qiu tong cun yi de you liang chuan tong, chang dao kai fang bao rong jing shen, zun zhong wen ming, zong jiao, jia zhi guan de duo yang xing, zun zhong ge guo xuan ze she hui zhi de he fa zhan mo shi de zi zhu quan, tui dong bu tong wen ming you hao xiang chu, ping deng dui hua, fa zhan fan rong, gong tong gou jian yi ge he xie shi jie".

relations, and to build a harmonious world within which all cultures may coexist peacefully[8]. Hu emphasized the importance of multilateralism in realizing the goal of a harmonious world, especially in building multilateral security institutions and open, fair, non-discriminatory multilateral commerce institutions.

Thus I have presented a framework of China's foreign policy ideas according to Schmidt's category of ideas. In the following section, I will analyze China's relationship with the ASEAN by putting the Sino-ASEAN relationship in the analytical framework established by discursive institutionalism.

China and ASEAN: Under the Lens of Discursive Institutionalism

In the previous section, I have set up a framework of transformation of China's foreign policy ideas starting from 1949 until the end of the Hu Jintao government. In the following section, I will put the relationship between China and ASEAN into this framework with the hope of deepening the understanding of China's relationship with the ASEAN.

The Hostility (1967-1991)

When ASEAN was founded in 1967, the Southeast Asian region was not as united as it is today through an active multilateral institution, but divided into blocks of "six ASEAN countries", "three Indonesian countries" and "one Myanmar" due to the differences in ideology and political system patterns (Y. Ma, 2007: 52). Southeast Asia was one of the meeting points of the capitalist block and the socialist block, and was also considered as an important region to prevent further expansion of communism.

From the Chinese side, this period falls into the first phase of China's foreign policy ideas, when strong nationalism was elevated in responding to foreign powers' intervention (the USSR) and containment (the US). China's attitudes in fighting against the USSR and the US could be well presented from its relationship with ASEAN. The establishment of ASEAN was believed to be subjected to the US because its founding members are a non-communist country. Mao Zedong considered it as the "running dog of American imperialism" since it was designed to contain communism. China had no official contact with ASEAN, and cooperation was far from imaginable. After the normalization of the Sino-US relationship,

[8] Please refer to Hu Jintao's speech at the head summit of 60th anniversary of the UN, 15, September, 2005: http://news.xinhuanet.com/world/2005-09/16/content_3496858.htm

ASEAN had turned to a balance of great powers strategy instead of relying only on the US' support. But as China adopted a non-alliance policy, it avoided official contact with ASEAN but allowed bilateral relationship with its member states. Malaysia, the Philippines and Thailand had, respectively, established a diplomatic relationship with China in 1974 and 1975.

Despite its attitude towards the US, China was also working against the USSR's power reaching the Southeast Asia. Starting from the mid-70s, the Soviet Union had attempted to boost its influential power in Asia-Pacific after the weakening of the US' presence due to the Vietnam War. It had supported Vietnam's invasion of Cambodia, and also sent troops to Afghanistan. In 1985, Gorbachev proposed his idea for a solution to Asia's security problems, and supported Vietnam's accession to ASEAN, which by the Chinese was considered as merely a stalling strategy to buy more time in the arms race with the USA (Gill and Green, 2009; R. Zhu and Shan, 1987), and to try to establish an "Asian Security System" based on the Soviet Union Power[9] (Liao, 2010). In order to stop ASEAN turning to the Soviet Union, Deng Xiaoping visited Thailand, Malaysia and Singapore in November of 1978 to lobby against Vietnam's accession to ASEAN.

China and ASEAN: the Change of Attitude (from 1991 to 2002)

As Deng Xiaoping started the reform and the Opening Up, China entered into a new phase of foreign policy ideas. In the late 80s, although China had not had any real contact with ASEAN, China fully understood the strategic importance of ASEAN because it concerned Deng's conception of a multipolar world (Leng and Wang, 2004: 1024). The emergence of different regional institutions indicates cracks in the seemingly cemented Iron Curtain, and these institutions might develop into new power centers.

Thus, it is not difficult to understand that the China-ASEAN relationship has developed quite quickly after the Cold War. Immediately after the collapse of the USSR, the then Chinese Minister of Foreign affairs contacted ASEAN and expressed China's will to cooperate in May of 1991 and received positive responses from ASEAN. The end of bipolar contest has led to a subtle situation where there is neither full mutual trust, nor intensive contest between China and the US, thus allowing ASEAN to develop its relationship with

[9] When Deng Xiaoping met Alejandro Orfila, Secretary General of Organization of American States, on February 19, 1979, he said that "Vietnam's accession to ASEAN serves the promotion of Asia Security System Strategy of Soviet Union".

China without worrying about choosing sides (J. Ma, 2009). Starting from 1992, China has started its official relationship with ASEAN.

China and ASEAN: the Starting of Regionalization since 1997

Wang Yuzhu believes that before 1997, China did not have a clear vision of how to build its image among its neighboring countries, nor did China have a clear strategy with ASEAN. The turning point came in 1997 when Asian economy was heavily damaged by the financial crisis. Southeastern Asia needed new institutional solutions to their economic problems, and in the meantime, China promoted good neighborhood policy (Y. Wang, 2010: 5). Following this paradigm level idea, the relationship between China and ASEAN has developed in a new direction: China with great economic power combines the ASEAN with the great endeavor to nurture East Asia regional integration, and they two form into an accelerating power of East Asia regionalization (Xiao, 2005).

The strike of the financial crisis has not only proven the East Asian economies' interdependence, but also that common problems exist in the "East Asia" model. This has inspired ASEAN to propose "East Asian Regionalism", which attempts to include East Asia economic collaboration plans provided by Japan and Malaysia in the 1990s into this vision (Pang, 2001: 33). Thus, a new collaboration mechanism starts with a currency swap arrangement, the Chiang Mai Initiative has started under the new understanding of East Asian Regionalism and regional measures (Business ASEAN, 2000), by integrating China, Japan and South Korea into the plan. ASEAN+3 is the most important East Asian multilateral mechanism besides ASEAN+China, ASEAN+Japan and ASEAN+South Korea (10+1) and the ministerial meeting mechanism. In this case study, I will mainly focus on ASEAN+3.

The 1997 financial crisis took place at a time when China was attempting to construct an image of a responsible power, and had begun to gradually turn its strategic emphasis towards its own neighborhood. Seen from a global context, the 90s was when "new-regionalism" was germinated due to the end of the bi-polar world, the economic reform, the increasing importance of developing countries in the world economy and the non-tariff barriers in world trade (Fawcett, 1995; Wyatt-Walter, 1995). Chinese scholars believe that geographic and cultural closeness facilitates collaborations among countries that are in the same region; at the same time, smaller countries are also prone to stay united in order to become more competitive in the global economy (Li, 1999). Most importantly, this new round of regionalization is working in a spontaneous way (though largely led by

governments), and is totally different from "imposed regionalism" (tributary system, and da dong ya gong rong quan) and open door policy (R. Kim and Conroy, 1987).

As Pang Zhongying has pointed out, ASEAN+3 signifies that the international relationships in the East Asian region would adopt compromises and association as the new tendency; it means that political, social and security significances would be added into the East Asia which has been only a notion in an economic and geographical sense. More importantly, it is the first time that China and Japan are able to collaborate under the "East Asia" framework (Pang, 2001).

The tide of new regionalism is very strong and China is taking a positive attitude in involvement and promotion. This attitude is quite different from the time when China insisted on non-alliance and self-dependence. Though regionalization might cause worries about state-erosion and sovereignty problem, Zhu Feng has pointed out an important Chinese perspective to support regionalism: it regroups middle or middle-small sized countries through organization and institutionalization, and form a new power source or power center in international relationships. This would greatly change the power structure dominated by great power, thus facilitating multipolarization and democratization in international relationships (F. Zhu, 1997; 43). China's participation in the East Asia regionalization reflects a change of different levels of foreign policy ideas: at the philosophical level, China's foreign policy ideas are following the same cognitive judgment and normative principles: the world is unfair, and a multipolar world is good because it dilutes the powers concentrated in the hands of hegemons. Yet paradigm level ideas and policy level ideas have changed, i.e. ideas about how to achieve these goals have changed. As indicated in the fourth phase, China emerges as a regional power, and its interaction with the outside world means its national interests are closely connected with those of its neighboring countries, and vice versa.

In this context, China being active in East Asia is not only necessary, but also unavoidable. ASEAN+3 was formed at an appropriate time for China to join in and an accept of the multilateral arrangement set by the ASEAN. ASEAN+3 is significant in that it is a multilateral institution that is driven by smaller powers (Z. Zhang, 2004). Due to the competition between China and Japan, a dominant power has never been recognized in the contemporary history of the region. Put differently, there has been no country that is apt or capable of taking this role. For China, under Deng Xiaoping's guiding idea of "hide one's ability and bide one's time", China is not inclined to assume a leading role in the East Asian regionalization, which would only attract more suspicion about the Chinese threat; nor does

China have the capability to provide all regional public goods (Dai and Zhou, 2006). As for Japan, the historical burden has always been an obstacle for Japan to take the leading role of the East Asia regionalization because the "Greater East Asia Co-Prosperity Sphere" (Da Dong Ya Gong Rong Quan) was closely associated with Japan's invasion of its East Asian neighbors.

Thus, the acceptance of ASEAN playing the pilot role in the East Asian regionalization is a compromise among China, Japan and the South Korea. Sun Ge also argues that the debate and discussion of a country that assumes the leading role in East Asia itself shows that East Asia is a region constituted of countries that have difficulties in reaching homogeneity. East Asia would become a real region in a cultural, economic and political sense when there is no need to find a center for it (Sun, 2011: 17–24).

Deepening of Regional Integration: 2002-2012

During Hu Jintao's mandate, China has begun to participate in global governance more actively, and has proposed "harmonious world" as China's vision for a world "should be". China seeks collaboration with emerging powers, both state and non-state, because this conforms to China's normative ideas about the world after the Cold War: a multipolar world. China's collaboration with ASEAN is undoubtedly the most important one as its member states are both China's neighboring countries and developing countries. It is also an important platform for China to put into practice what they believe is a "harmonious world" and how should a "responsible power" should be. ASEAN-China FTA and the construction of East Asia Identity are two important projects during this time.

ASEAN-China FTA

ASEAN-FTA is the result of a series of negotiations between China and ASEAN member states. The agreement to build an ASEAN-China Free Trade Area was reached by the end of 2000, which plans to construct an FTA among China and older member states (Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand) of ASEAN in 2010, and then, in 2015, expand the FTA to ASEAN member states that joined later (Vietnam, Laos, Cambodia, Myanmar).

The ASEAN-China FTA includes not only zero tariff barriers for products and services, but also includes many important investments, developments and collaboration projects that

would promote ASEAN-China economic integration: this includes information technology conference institution, investment in Grand Mekong Sub-region Economic Collaboration and non-traditional security cooperation (Lin, 2003: 14). China also promised to offer the same treatments received by the most favored nations to all non-WTO member states in ASEAN.

Controversial opinions concerning the advantages and disadvantages of building an FTA between China and ASEAN have been many since negotiation started. On the one side, the elimination of tariff in FTA would boost trade among member states and promote Foreign Direct Investment (W. Xu and Li, 2005). On the other side, this FTA plan has many evident defaults. For example the similarity of product structure between China and most ASEAN members (Q. Wang, 2003: 10; W. Xu and Li, 2005), and the huge contrast in economy quantity between China and ASEAN members would also make some Southeast Asian countries doubt the advantages of doing business with China (Lin, 2003).

These practical difficulties soon became apparent through product negotiations. Due to the diversified profiles, China has opted for bilateral negotiations with ASEAN member states and designed the "Early Harvest" program. This is a strategy designed to allow a part of products to enjoy lower tariffs than others, and these tariffs would be lowered down gradually to zero until the FTA is fully established. The Early Harvest program works as a pilot test for the feasibility of a China-ASEAN FTA, which allows China and ASEAN member states to observe if the FTA really works.

Zhang Yunling believes that the China-ASEAN FTA is a very creative way for China to participate in economic regionalization, because it is a strategy that China adopted in order to integrate itself into the East Asian economy. Zhang points out that after China's accession to the WTO, it still could not fully enjoy the world market's benefits because it is divided by regional economic arrangement and bilateral agreements (Y. Zhang, 2010). In order to break through this exclusion, China needs to integrate and offer benefits to its neighbors, in order to ease the fear of Chinese goods dumped into the ASEAN market after China joins the WTO (Q. Wang, 2003: 2).

Seen from this point, ASEAN-China Free Trade Area is not just meaningful in an economic sense, but also a critical step for China's integration into the East Asian regionalization and putting an end to its isolation. This explains perfectly why China has ceded many profits in order to finalize the negotiation.

The ASEAN-China FTA is considered as one of the most successful cases of multilateral diplomacy since China's engagement of multilateralism. The success of the ASEAN-China FTA also signifies that ASEAN+China is the most developed collaboration in the three 10+1 mechanisms, and has set a positive example of feasibility of a regional FTA (Ruan, 2007).

At the same time, there are two defaults that one should not ignore in the ASEAN-China FTA. First, though this FTA has greatly boosted trade between China and ASEAN members, it does not mean that it would improve trade structure between China and ASEAN member states. According to two ADB working paper series' investigation on ASEAN-China FTA trade, due to tariff policies, the percentage of intermediate product exports from ASEAN to China is dropping and primary product exports are rising (Estrada et al. , 2012: 17; Sheng, Tang, and Xu, 2012: 12–24).

Second, due to many concerns (competition or fears), the ASEAN-China FTA attracted many competitors as soon as negotiations were launched. For example, Japan, India, Australia, New Zealand and South Korea all established their FTA with ASEAN as Dialogue Partners, and the US is also negotiating with ASEAN on an FTA. These FTAs in competition reflect from an economic perspective that suspicions and fears towards China's growing influences in the region remain high among China's neighbors. On the other hand, it also reflects that East Asian countries' economies are far from integrating, but remain fragmented. As the center that is able to unite Southeastern Asian countries, ASEAN is benefiting from its dialogue partners' competition, yet will all the ASEAN+X FTAs merge as a single huge FTA? The difficulties on all levels are many. These all lead to one deeper question concerning regionalization: that of East Asian identity building.

The Building of East Asia Community, the Construction of East Asia Identity: Soft Power Projection

Besides economic collaborations, the construction of East Asian identity has become increasingly important. There are two reasons that building an East Asia Identity is not only important but also necessary. First, the absence of a common identity has been identified as the core reason for unsuccessful political collaboration among East Asian countries (Ziltener 2013, 353). Second, the construction of a so-called East Asia Identity is a projection of soft power of different players in the region, and in this article, I am going to discuss only that of

China.

Chinese scholars have realized that whether an East Asian Identity can be established relates greatly to whether "East Asia" can become a "region" in the political, economic and social sense.

Yet it is important to note that China and ASEAN have very different understandings of East Asia. From China's perspective, China naturally belongs to East Asia, and the concept of East Asia is a historical and natural product of a tributary order whose center has been China. Thus, China's approaches to building the East Asia Identity are inevitably closely related to identifying and defining an "East Asian way" that has Confucianism as the central philosophy of it.

But this approach is far from justifiable from different angles. First, as Ziltener has questioned, can shared historical and cultural heritage work as a glue to combine several countries as a region? (Ziltener, 2013: 413). Second, as Sun Ge, one of the most distinct Chinese scholars in East Asia studies, has argued, adopting Confucianism to justify the ontology of "East Asia" is dangerous because it is totally impossible to explain why countries that followed Confucianism (assuming that China, Japan and South Korea are all homogeneous Confucian countries) have developed into socialist and capitalist countries (Sun, 2010, 2011: 17–24).

From the perspective of the Southeast Asian countries, the recognition as a part of East Asia is still a process of development. Historically, Southeast Asia has been on the periphery of the Chinese tributary order and open to non-Chinese influences, and certain Southeastern Asian countries were even in competition with China in a state-imperial relationship (Ziltener, 2013: 97–99). Southeast Asian countries share less Confucianism in their social structure, and they are also different from Northeastern Asian countries in language, history and ethnicity (Ziltener, 2013: 172). ASEAN has been more prone to emphasize the construction of the Southeast Asian identity, and East Asia was proposed by ASEAN, only during the financial crisis with the purpose of inviting Northeastern Asia in, to shoulder the economic crisis together.

As a previous center of the tributary system and also a huge socialist neighbor with rapidly growing speed, Southeastern Asian countries generally hold a feeling of mistrust towards China. Worries about China becoming the regional hegemon are widely shared and many Southeastern Asian countries pursue great power balance strategy in order to avoid being forced under China's influences without any alternatives.

The Cold War has divided East Asia in a new way by splitting the region into a capitalist block and a socialist block, and into countries that are prone to the West and those who are not. Mistrust towards China as a socialist power is also an important point confronting China: it involves doubts about whether China's development pattern and China's value system, or the Beijing consensus, can be a possible alternative to Washington consensus.

For China, the construction of the East Asian identity is also of strategic importance, which lies in its function to differentiate between East Asian and non-East Asian members. Undoubtedly, the US has played an important role in East Asia's order after World War Two (Keohane, 2004: 182), and it still keeps a strong presence in the region. As I indicated in China's philosophical ideas, the US, which by China is considered as adopting "ruling by force" instead of "ruling by virtue", is an intruder from outside who imposes its order over East Asia. Thus, constructing an East Asian identity with its origins from East Asian culture and history conforms to China's foreign policy ideas' normative judgment.

These huge differences, from diverse aspects, demand an innovation in East Asian Identity building. East Asian countries' collaboration used to adopt a constructionalist view, believing that economic collaboration and interdependence will naturally turn into political issues and help to conceive a common identity. But the reality is not as promising as it is believed: Regional recognition remains low in East Asia, nationalism remains high and is nurtured by territorial conflicts with China.

From China's perspective, an East Asian Identity is not possible if East Asian countries keep a mistrustful attitude towards China. Xu Liping points out that it is urgent to change the situation: neighboring countries are close to China "geographically" but not "sentimentally" (L. Xu, 2014). After the 5th generation of CCP leaders took power in 2012, China has placed much emphasis on expanding bilateral and multilateral people-to-people exchange mechanisms in order to demonstrate China's soft power and amicability (Yang, 2012).

Though its existence has been proven necessary, the East Asian Identity is still a concept in development. There has not yet been a concrete and widely accepted system of values related to and definition of the "East Asia Identity". China's involvement in shaping the East Asian Identity is also a process of competing with Western values. Challenges that China encounters in building a more integrated East Asia community reflects challenges and questions confronting China globally: how to clarify China's role in the world and how to erase doubts towards China. These require further discussion and new positions about China's foreign policy ideas in the new era.

Conclusion

In this article, we have examined China's relationship with the ASEAN under the perspective of China's foreign policy ideas. I adopt Vivien Schmidt's discursive institutionalism to categorize China's foreign policy ideas in different time spans divided by prominent historical conjunctures. China's understanding of the world, China's understanding of itself and how to manage its position in the world constitute China's foreign policy idea system at a given time. We can see that the three levels of ideas evolve and transform in different time spans, and also in different degrees. China's judgment about the world varies very little, and it expresses China's deepest philosophical understanding of the current world.

Through this analytical tool, I try to outline how China's foreign policy ideas act as important factors that influence the China-ASEAN relationship. Of course, China's foreign ideas are not the sole factors that lead to these changes, but I try to use an ideational approach to offer a different angle to deepen the understanding of China's foreign policy.

From China's aloofness towards ASEAN to the first contact, and to China's deepening involvement in East Asian regionalism, China's relationship with ASEAN becomes more deepened and complicated. As shown in China's foreign policy idea form, China's foreign policy ideas, especially in policy levels, have greatly complicated, indicating that China has more and more policies to realize its strategic-level ideas and philosophical level ideas.

Current East Asian regionalism is a process that demonstrates this point well: current East Asian collaboration is following a unique mechanism: ASEAN, as an association of small and developing countries is piloting the East Asian regionalism. China's acceptance of ASEAN's position involves many considerations from philosophical level ideas to policy level ideas. In terms of philosophical ideas, China supports East Asian regionalism because it conforms to China's idea of establishing a fairer world, and in the current world China believes that the best way to do this is to promote a multipolar world. Making East Asia, to which China belongs, one of the poles in the world conforms to China's understanding and normative judgment. In practice, detailed arrangements are decided by China's need to maintain a peaceful development environment, to maintain a good relationship with neighboring countries, to erase fears against a fast growing China and to exclude influences from powers that are external to East Asia, especially influences from the West.

Above mentioned considerations can be found in China's actual policies in East Asian regionalism: settling down the ASEAN-China FTA by compromising and ceding profits in negotiations; investment in people-to-people exchange mechanisms with ASEAN,

construction of the East Asian Identity by emphasizing Confucianism and historical connections and excluding Western factors.

The development of China's foreign policy ideas and China's relation with ASEAN show that China's foreign policy keeps diversifying from Mao's time till Hu Jintao's mandate. China's attitude towards multilateral institutions turned from rejection to acceptance, from passive collaboration to positive participation. Now multilateralism is considered as a way of discourse for China's foreign policy ideas, and China's relationship with multilateral institutions, the ASEAN for example, has become an indispensable part in China's great strategy to push the world into a multipolar one.

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China's Approach to International Development: A Study of Southeast Asia

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Abstract: China is establishing itself as a new international aid donor. This study explains China's emerging approach to international development assistance. The paper addresses the question of how far China's understanding of "development" is an appropriate basis for genuinely "win-win" relationships? The paper explores this question by examining China's relationship with Southeast Asia. China is re-emphasising its commitment and partnership credentials with neighbouring states, some of whom have many people living in poverty and as countries are in need of development assistance. The paper identifies key facets of China's approach to international development, examines economic, political and strategic factors underpinning China's approach in Southeast Asia. Adopting a Human Security perspective, it assesses China's development contribution with reference to Cambodia, Laos and Myanmar and highlights popular opposition. The study finds that Chinese trade and investment are making a significant contribution to the region's economic growth. However, the analysis identifies two problems in China's approach, an over-reliance on the level of state-to-state relations and too narrow a domain of engagement centred upon economic cooperation. China needs to incorporate a societal engagement strategy highlighting transparency and accountability of Chinese corporate behaviour. It also needs to re-balance its approach by emphasising human capital capability and capacity-building across the non-economic social and cultural domains. China's approach to international development is a rapid learning process and is emerging, but still has further to go.

Introduction
Examining China's International Development Approach

> China is the world's largest developing country, with a large population, a poor foundation and uneven economic development. As development remains an arduous and long-standing task, China's foreign aid falls into the category of South-South cooperation and is mutual help between developing countries.
> **(***China's Foreign Aid (2011). State Council of the PRC.* April, 2011: 4)

China is now the world's second largest economy. In the past decade, China's trade, capital and corporations have "gone global", reaching across every continent. The country is now establishing itself as a new international aid donor, presenting an alternative source of support, "without strings", to those of the "traditional" donor countries and international institutions. But what does this mean for China's international development relationships?

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The aim of this paper is to examine and explain China's approach to Southeast Asian sustainable development. The paper addresses the central question of how far China's understanding of "development" is an appropriate and effective means to ensure that relationships are *mutually* beneficial and "win-win"? What of its character, rather than helping to assist regional development in the interest of South-South cooperation, does China's approach to international development actually pose the risk of under-developing its partners by distorting their socio-economic structures?

The paper explores these issues and questions by examining China's relationship with Southeast Asia. After years of relative diplomatic neglect, recently China has revived its interest in Southeast Asia. China is presenting itself as a reliable and empathetic development partner for many of the region's poorer countries. This is a region of strong post-2008 overall economic growth with a number of high-income economies, on the cusp of launching a new phase of regional integration through the ASEAN Economic Community (AEC). The region is the focus of renewed financial, economic, political and strategic competition for influence between the USA and China. Despite its economic strengths and progress in meeting many of the Millennium Development Goals (MDG), this is also a region with low-income developing states, poverty, growing inequality, inadequate infrastructure and facing continuing human security challenges in education, health, gender, the environment and political governance (ESCAP, 2013).

Southeast Asia

Taken as a group, the Southeast Asian economies, as we have noted above, are strong in global terms. The Least-Developed Countries of Lao PDR and Cambodia have made major strides to exceed the Millennium Development Goal of halving poverty by 2015. Since the transition to civilian rule in 2011, Myanmar has been in the midst of profound economic and political reforms designed to rebuild its economy, cut poverty and end inter-ethnic conflicts.

Yet, major development challenges remain, GDP per capita ranges from US$1,300 in Myanmar to over US$4,000 in Singapore and Brunei (OECD, 2014). A number of the region's countries still face significant human security challenges in terms of their 2012 Human Development Index rankings; economic, transport, communications, health, and educational infrastructure, conflict and displacement. Thailand, Cambodia, Lao P.R., the Philippines and Vietnam are all ranked as states in Medium Development, as indeed is China,

and Myanmar is classified as in Low Development (UNDP, 2013). They need major investment, knowledge and skills transfers, access to value-added roles in regional and global value-chains. In September 2014, Li Yao, Chief Executive of the China-ASEAN Investment Cooperation Fund, commented, "Without infrastructure no country can achieve sustainable growth … Infrastructure is the key for an economy to achieve efficiency" (China Daily, 2014). One estimate is that East Asia, including ASEAN, needs an extra US$600bn in infrastructure investment (China Daily, 2014).

China in Southeast Asia

After a number of years of relative passivity in China's relations with Southeast Asia, there has been a revived interest in the region under the leadership of President Xi Jinping. The Chinese leader used the November 2013 Asia-Pacific Economic Cooperation (APEC) Summit in Bali to re-state China's commitment to contributing to the further development of its regional partners. This Chinese commitment to regional development was reinforced in the President's speech to the April 2015 Asian-African Summit and Bandung Commemoration in Jakarta in which he proposed carrying-forward the 1955 Bandung Spirit through closer inter-regional Asia-Africa relations, South-South and South-North Dialogue (Xinhuanet, 2015).

China already has a major economic, strategic and political stake in the Southeast Asian region, yet projects run by Chinese firms and backed by the Chinese Government provoke significant opposition. Southeast Asia (SEA) contains some of the wealthiest states in Asia, even the world, with aggregate regional GDP growth of 5.2% for 2014 and the ASEAN (Association of Southeast Asian Nations) "5" (Thailand, the Philippines, Indonesia, Malaysia and Vietnam) economies anticipated to record 5.5% for 2014 (Bangkok Post, 2013). Geo-political realities alone dictate that China would have centuries-old relations with this region. Today, Chinese firms and investment agencies are embedded in infrastructural, energy, mineral and forestry resource projects throughout SEA. But these firms are subject to significant criticism, protest and opposition, often in the very states of the region the Chinese Government argues it is seeking to help most, other developing countries such as Cambodia, Laos, Myanmar, Thailand and Vietnam. Question marks remain across the region over the equity of their economic relationship with China and about China's interests and intent. Beijing is trying to address these concerns in its recent development diplomacy, for example through promoting "people-to-people" relations, but has made limited progress to date.

Debate and Argument

The existing literature is centred upon the debate over the character, intentions and impact of China's development assistance or "foreign aid" *per se* and largely examined in respect to Africa, with virtually nothing on Southeast Asia. China's emerging role in international development has attracted substantial interest. The literature focuses upon topics ranging from the character of China's own engagement as a recipient of foreign aid, to the question of whether China is presenting an alternative "model" of development to that of traditional donors and international community, concern with issues of "conditionality" or "non-interference" and human rights, or writings are tailored towards examination of China's involvement on particular continents with Africa featuring most prominently and interest too on China's aid and South-South Cooperation and Dialogue.

There are two strong overview critiques of China's international development role. One is an International Development Research Centre study of China as an emerging donor, *Emerging Donors in International Development Assistance: The China Case* (IDRC, 2007). The second, more recent collection of analyses, is *China and International Development: Challenges and Opportunities* (Gu *et.al.*, 2014). As one might anticipate, assessments across the literature differ, ranging across the spectrum of outright criticism and cynicism of China's motives and practices in the name of development (Manji and Marks, 2007), through those challenging orthodoxies surrounding the "emerging" Powers (Watson, 2014), through those adopting a more balanced position (Paulo and Reisen, 2010) to those who argue that China's role and contribution is positive and constructive (Moyo, 2009; Shimomura and Ohasi, 2013; Zimmermann and Smith, 2011).

The present study begins the process of filling this surprising lacuna. Based on the author's data collection in China and Southeast Asian countries over the past five years[2], the paper argues that China's approach centres on promotion of commercial trade and investment as the principal drivers of economic change. This takes China's development contribution only so far. Popular antipathy towards China and criticism of its corporate practices in some countries indicates a need for a more balanced and holistic development approach to be

[2] Data collection of Chinese language primary documents was undertaken by the author in Kunming and Beijing in October 2012 and Beijing in May 2013 and in non-attributable background discussions with senior Government officials, academics and civil associations. Additional research was conducted in Thailand (Bangkok and Chiang Mai) in October 2012 and Vietnam in 2011. The author acknowledges Departmental fieldwork funding support for his fieldwork in Thailand and Vietnam.

adopted by Beijing. This entails incorporating a more robust Chinese commitment to corporate social responsibility and to working with host communities and civil societies for greater transparency and accountability and to work towards greater understanding of local needs and expectations. This is not straightforward, as it draws upon China's own domestic experience and the complexities of China's domestic political and social cultures. But it does relate to the need recognised in successive Chinese National Five-Year Plans and the current reform agenda set in 2013 to respond to societal concerns over the costs of growth in China and the steady emergence of the civil society domain.

Conceptual Approach

The study adopts a Human Security perspective. Human development and human security are mutually-reinforcing concepts. A decade ago, explicitly linked development, security and human rights to ensure freedom from fear and want and freedom to live in dignity, Kofi Annan's report to world leaders defined the concept in the following way:

> Human security in its broadest sense embraces far more than the absence of violent conflict. It embraces human rights, good governance, access to education and health care and ensuring that each individual has opportunities and choices to fulfill his or her own potential. (2005)

A decade before Annan's report, the 1994 Human Development Report emphasised the need to move away from a purely state-centred view of development and security, arguing for a greater emphasis upon "the legitimate concerns of ordinary people who sought security in their daily lives" (1994: 22). The idea of "security centred on people" received international attention in two reports. The Report by the International Commission on Intervention and State Sovereignty (2001) defined human security as "the security of people—their physical safety, their economic and social well-being, respect for their dignity and worth and human beings, and their protection of their human rights and fundamental freedoms" (ICISS, 2001). In 2003, the Report of the Independent Commission on Human Security defined human security as including human rights (ICHS).

As a framework for analysis, Human Security reflects the influences of Amartya Sen (1999). It centres upon the overcoming of economic, social, political and cultural obstacles to the realisation of human potential and aspiration. In so doing, it has a framework comprised of vertical and horizontal components. Vertically, it moves beyond a singular concern with

the state *per se* to have multiple levels of analysis above at the supra-state level, and below the state to societal and individual levels of experience. Horizontally, it specifies a range of categories of factors constraining human capabilities, or tabulated indices as in the UNDP's Human Development Index. Following Sen, these are located within a range of mutually-constitutive domains: economic, political, social and cultural. This focus and analytical frame makes it an appropriate instrument with which to investigate and evaluate China's approach to international development in the present study, correlating a complexity of levels and domains.

China's Approach to International Development

China, as a global economic powerhouse and as an exemplar of the struggle to overcome fundamental development challenges during its Reform era, can help its neighbours. It has a story to tell and an experience to share. It is committed to doing so. What are the central features of its understanding of development?

China, in its post-1949 reincarnation as the People's Republic of China, has long provided technical and financial assistance to other developing countries (Xinhuanet, 2011: 4). In the three decades between revolutionary victory and the start of Deng Xiaoping's reform era, such support was driven by Mao's "politics first, economics second" ideology. This was pro-independence, infused with anti-imperialist solidarity and influenced by the overarching Cold War ideational and geo-political contest. The iconic, foundational document for China's "guiding principles" for "foreign aid" to the present day is the *Eight Principles for Economic Aid and Technical Assistance to Other Countries* set out during Premier Chou En-lai's Africa tour December 1963 - February 1964. It is here we find the essential discursive attributes: practise "self-reliance"; "Imposing no political conditions"; "Equality, mutual benefit and common development"; "Remaining realistic while striving for the best"; "Keeping pace with the times and paying attention to reform and innovation" (Xinhuanet, 2011: 4). The post-1979 reform era reversed Mao's dictum, placing "market socialism" at the heart of China's own development trajectory and shifting the emphasis of China's overseas development assistance to "economic cooperation", its own national developmental needs and its emerging commercial interests. Nonetheless, as the language of President Xi's speech to the April 2015 Asia-Asia Summit demonstrated, the *Eight Principles* remain totemic in China's international development discourse and practice (Xinhuanet, 2015).

Drawing upon the author's data collection in China, published official Chinese documents such as its 2011and 2014 "White Papers" "China's Foreign Aid" (Xinhuanet, 2011; 2014) and annual reports of the Foreign Ministry and Commerce Ministry, as well as academic and policy reports in English and Mandarin, it is possible to identify key features in China's understanding of what it terms International Development Assistance (IDA) or Foreign Aid.

1. China's approach to International "development" in the current international system is a learning experience. It is establishing its first Development Studies Centre as well as working with organisations such as the UK's Department for International Development (DfID) in the Africa-Britain-China development ("A-B-C") initiative and the Organisation for Economic Cooperation and Development's Development Assistance Committee (OECD-DAC) in defining its approach. The Chinese Government published its first of its two *Foreign Aid* White Papers in 2011 in response to international calls for greater clarity and transparency in China's approach. The "traditional" donors' terms are re-defined in China's political culture. For example, economic development aid is subsumed by the overarching concept of "economic cooperation". This term is intended to account for the whole spectrum of economic and non-economic activity and includes, therefore, development aid, loans, technical assistance, and state-sponsored investments;

2. China's development discourse keeps faith with its foundational guiding principles embedded in the "Five Principles of Peaceful Coexistence" (1955) and "Eight Principles for Foreign Aid to Developing Countries" (1964). As President Xi emphasised in his April 2015 address to the Africa-Asia 60th Anniversary Commemoration Summit in Jakarta, China remains committed to the principles set out by the 1955 Bandung Conference and advancing them further through inter-regional dialogue (Xinhuanet, 2015). The most controversial of this corpus of foundational principles for China's current role as a "new" or "non-traditional" donor is, perhaps most obviously, that of "non-interference" in the sovereign affairs of other states, including those states in receipt of Chinese development assistance with questionable human rights and transparency records;

3. Governments working with China as development partners must first commit themselves to Beijing's "One China" policy, disavowing Taiwan, before assistance will be provided. Cambodia, for example, ended its relationship with Taipei in 2004 and closed the ROC's representative office whilst accepting a sizeable development loan from the Mainland;

4. Related to China's "non-interference" principle, and equally controversial internationally, China's "cooperation" is often non-conditional in terms of requisite reforms intended to improve the partner's quality of governance. China is often criticised as "soft" on its interest rates and repayment schedules and for encouraging a "binging on debt", thereby working against the best efforts of the traditional donors. Nevertheless, there are still cooperation "conditions". These are usually "tied" to the use of Chinese suppliers and materials, imported Chinese workers and technical expertise;

5. China has tended to prefer bilateral relationships in its foreign policy, but has demonstrated an increased willingness to engage in global and regional multilateral organisations and processes. In the Southeast Asian context, China's multilateral engagement is both Southeast Asia-specific—the principal driver here clearly being its strengthening relationship with ASEAN— and overlapping with the range of pan-Asia-Pacific agencies including APEC (Asia-Pacific Economic Cooperation).

Human Security focuses on the overcoming of obstacles ("unfreedoms" as Sen terms them) of want and fear and provision of dignity in people's daily lives. In evaluating the central features of China's international development approach from this perspective, these aims are to be achieved by working with governments of other developing states in a top-down process through narrowly-defined channels of cooperation. This is centred on promoting growth through targeted debt relief, strengthening bilateral trade and direct investment buttressed by major infrastructure projects, social welfare provision and humanitarian aid. In terms of freedom from fear, if this is taken to refer to the various armed conflicts in Southeast Asia, with the exception of a brief and unsuccessful attempt in 2013 to mediate in Myanmar's Kachin independence dispute, China has not sought to engage directly with these conflicts, although it has expressed its support for peace processes. For China, its own experience tells it that lasting peace comes from a strong central state, societal stability and order and especially from economic growth and improved living conditions for citizens and it carries this message into its approach to international development.

China's approach is oriented towards state-to-state *level* partnership relationships, with ancillary engagement with regional inter-governmental organisations. The primary *domain*, the essential driver of China's approach, is that of economics-trade and direct investment as the critical instruments to contribute to infrastructure provision. Further "development" contribution from China relates to "technical" cooperation, not only critical

transport and communications infrastructure or social welfare provision of health centres, hospitals, schools and public buildings, but also improved production in sectors such as agriculture technical cooperation where China has a strong profile in developing countries (Scoones *et.al.*, 2013; Xinhuanet, 2014). Contrary to conventional portraits, the *structures* and *agencies* of delivery are not simply and solely directed by the Chinese state. Today, they are highly diverse, ranging from the various central government ministries such as Commerce (MOFCOM) and Foreign Affairs (the two ministries sharing responsibility for international development policy), state-backed financial organisations such as the China EXIM Bank, a myriad of business councils and semi-governmental bilateral friendship associations, State-owned Enterprises (SoEs) and Chinese private enterprises (Gu, 2014). A key feature of this burgeoning development environment has been the increased importance of the sub-national level of the Chinese state as provincial governments and agencies along with their provincial SoEs and private firms. This has been evident in Sino-African development cooperation, but also in Southeast Asia (Summers, 2013). The consequence of this evolution is a more complicated, complex policy-formulation and implementation landscape.

China and Southeast Asia's Development

The countries and peoples of Southeast Asia have formed an important part of China's trading, cultural and demographic outlook (Stuart-Fox, 2003; Tagliacozzo and Chang, 2011). However altruistic China's commitment to South-South Cooperation may be, China is in Southeast Asia primarily for its national economic, political and strategic interests; each of which is important in its own right to Beijing's definition of its core national self-interests. In Beijing's perspective, this is not inconsistent with mutuality and development. On the contrary, it is held to contribute to the economic growth of China's partners and the human development and human security needs of their citizens. In the Chinese *Weltanschaung*, its businesses and state assistance bring investment, knowledge, skills, jobs and incomes and access to Chinese corporate value chains and markets; thereby generating revenues and state capacity to use, if it so determines, for poverty reduction and social equity and welfare programmes. This focus is evident if we examine, in turn, the respective domains of economics, politics, culture and strategy.

Economically, ensuring "freedom from want" is about alleviating immediate needs through humanitarian help but, clearly, the objective is to help create the conditions that help people

lift themselves out of poverty ("self-reliance") permanently through sustainable economic growth driven by increased trade and investment. Southeast Asia can meet this criterion. The region is an important source of raw materials such as timber. Quite apart from the illegal timber exports, the legitimate trade is booming on the back of rising Chinese consumer demand. According to official Vietnamese statistics wood exports totalled US$5.37bn in 2013, a 15.2% increase over 2012. In the past 10 years, the Vietnamese wood industry has expanded rapidly, with an average export growth rate of 15.5% every year. The main destinations were the US, China and South Korea (ihb, 2014). But this is a double-edged sword for Vietnam, producers could not keep up with demand, running out of domestic sources of raw materials and having to import wood at high cost; adding to regional competition for raw timber, inflating prices and costs of production with potential implications for comparative advantage, value-chain position, market competitiveness and sales volume.

Southeast Asia is also an increasingly critical oil and gas supply line for supplies drawn from the Middle East through the Straits of Hormuz, Malacca and the Indian Ocean. According to Michael Richardson,

> China now imports 55 per cent of its oil consumption, a ratio that is set to increase. Natural gas, the least polluting of fossil fuels, is on a similar trend line. By 2020, China's gas imports by pipeline and sea will make up nearly 33 per cent of demand, up from around 20 per cent now and none in early 2006, when China ceased to be self-sufficient in gas (2012).

Southeast Asia also offers Chinese manufacturers relocating their production platforms to the region cheaper labour and production costs and preferential land provision by Government's such as that of Vietnam (China Daily, 2012).

Southeast Asia presents a market of over 600 million people for its goods and emerging service and financial industries. This is a major draw for Chinese business and investors. But it is the expectations of the market that provide the driving force. For Chinese firms and the phalanx of supporting quasi-governmental financial agencies such as the EXIM Bank, the anticipated growth in the numbers and spending power of Asia's new middle class presents a huge magnet. The Asian Development Bank (ADB) estimates that, by 2030, Asia (East and South) will add 2.5 billion people to the world's middle classes, increasing their spending by 9% each year (Drysdale, 2011).

China's leadership has made it clear that it sees China's future growth coming from a strengthening of the domestic market. In this scenario, regional development follows a Chinese economic engine fuelled by strengthening Chinese consumption. This could give an extra spurt for ASEAN and other East Asian exports and investment opportunities as the AEC scheduled for 2015/2016 eventually comes into being, not least through the tariff exemptions provided through the China-ASEAN Free Trade Area (CAFTA) set up in 2010.

Southeast Asia's GDP growth rates are projected to average 5.4% each year between 2014-18 (OECD, 2014). China is ASEAN's biggest trading partner, and ASEAN is China's third biggest partner after the US and the European Union. The volume of two-way China-ASEAN trade was worth USD 350.5bn in 2013, accounting for 14% of ASEAN's total trade and representing an increase of 9.7% over 2012 (ASEAN, 2014). China's foreign direct investment (FDI) into ASEAN was almost US$19bn in 2012. At the 10th China-ASEAN Expo and China-ASEAN Business Investment Summit held in Nanning in 2013, Premier Li Keqiang called for the next decade to be a "diamond decade" of good Sino-ASEAN relations (Xinhuanet, 2013).

China has also established an infrastructure investment fund to promote inter-connectivity in the region, the China-ASEAN Investment Cooperation Fund (CAF), with a promised US$10bn to be available (CAF, 2015). The stated aim being to promote Chinese infrastructure investment throughout the Southeast Asia to strengthen connections in roads, railways, water transport, telecommunications, and energy. As in Africa, there are worries that China's growing impact will have a structurally distorting effect on local production and trade; a factor compounded in the eyes of critics by CAFTA. The more recent consolidation of ASEAN and development of the ASEAN Economic Community (AEC) presents, not only an economic opportunity for China, but also a significant political-strategic relationship, one steadily built-up over many decades, but particularly after Myanmar was shunned by Western states and sanctions imposed.

Politically, China's modern diplomatic relationships with some of the region's states date back to the bridge-building of Chou En-lai at the 1955 Bandung Conference (Myanmar, Cambodia, Indonesia, Laos, South Vietnam, Thailand, the Philippines and the Democratic Republic of Vietnam). The Cold War's ideological competition and the Indochinese war split the region with China portrayed as the "Red Menace" threatening to sweep down through the region as the dominoes fell one-by-one, eventually threatening the shores of northern

Australia. The region's post-war economic renaissance, formation of the Association of South-East Asian Nations (ASEAN) in 1967 and China's dramatic shift to market socialism under Deng Xiaoping after 1979 and subsequent rise to become the world's largest economy in October 2014, contributed to steady rapprochement.

This movement is reified in China's institutional involvement in ASEAN. China has steadily become embedded in the institutional fabric of Southeast Asia. China's diplomatic opening with ASEAN began in early years of the 1990s with it becoming a full Dialogue Partner in 1996. Today's relationship dates back to the signing of the ASEAN-China Strategic Partnership agreement in 2003. The institutionalised architecture is formalised in a series of forums: ASEAN Plus Three (APT), the East Asia Summit (EAS), and ASEAN Regional Forum (ARF) and ASEAN Defence Ministers Meeting Plus (ADMM Plus). Reciprocal diplomatic missions have been established and the ASEAN-China Centre operates in Beijing.

Cooperation has been framed through a series of joint statements and two Action Plans—for 2005-2010 and currently 2011-2015. There are 11 agreed priority areas for their cooperation: agriculture, information and communication technology, human resource development, Mekong Basin Development, investment, energy, transport, culture, public health, tourism and environment. Economically, the headline event was their establishment of the 2010 ASEAN-China Free Trade Area (ACFTA). Given their territorial disputes in the South China Sea, the flagship, yet nonetheless impotent, agreement is the Declaration on the Conducts of Parties in the South China Sea (DOC) signed in November 2002, with implementation Guidelines agreed in July 2011.

Beyond the formalities, tensions remain. For example, relations between China and the Philippines are at their lowest point for decades, marked controversially by the relative paucity of Beijing's humanitarian assistance in the wake of typhoon Haiyan (NYT, 2013). The maritime clashes surrounding the positioning of China's US$1bn oil rig into contested waters, accompanied by a flotilla of naval, coastguard and civilian ships, plunged Sino-Vietnamese relations into bitter exchanges and the anti-Chinese riots noted above (BBC, 2014a).

Culturally, there is one significant factor in China's relationship with Southeast Asia—the ethnic Chinese diaspora and the discrimination, resentment, animosity or violence Chinese communities have experienced over the centuries. In 1947, the number of ethnic Chinese in Southeast Asia was put at 7 million or around 5% of the region's population (Vandenbosch,

1947). In 1956 it was estimated that there were 10 million ethnic Chinese in this region. By 2001, the figures had risen to around 20 million ethnic Chinese; one-third of the 60 million overseas Chinese (BBC, 2001). Most recent estimates suggest the number is around 33 million (Malaysian Chinese News, 2014). Ethnic tensions litter the region. These including latent anti-Chinese sentiment driven by perceptions of closed Chinese communities and businesses and resentment at supposed relative affluence of these communities. These tensions flare-up periodically; most recently in anti-Chinese riots in Vietnam in mid-May 2014. Following these riots, 60,000 local workers became jobless as many foreign-invested factories were forced to shut down for an indefinite date" (Du, 2014).

Strategically, for the US, clearly the region holds bitter-sweet memories with the historical memories of its Indochinese war with Vietnam that drew in both Cambodia and Laos. But time moves on and the US now has diplomatic relations with these states and, after decades of a relative treading of water, the Obama Administration re-prioritised the region and its involvement with the Asia-Pacific. The Obama Administration's 2012 "Pivot to East Asia" regional strategy flowed from Hillary Clinton's November 2011 article, "America's Pacific Century", published in *Foreign Policy* emphasising the importance of the Asia-Pacific region to US national interests (Clinton, 2011).

The intent behind the US's regional interest is clear enough, to reinvigorate its diplomatic presence and alliance relationships, maximise its economic position and counter Chinese strategic expansion. This was spelt out by US Assistant Secretary at the Bureau of East Asian and Pacific Affairs, Daniel Russel, who stated in mid-July 2013 that:

> We are in an extraordinary period of growth and prosperity in the Asia Pacific region, and promoting that growth, facilitating it, sustaining it, and harnessing it, frankly, is central to America's economic and strategic interest (Aljazeera, 2013).

The US strategy itself received mixed reactions from the Southeast Asian states (Bush, 2012). However, the US' "re-balancing" towards the Asia-Pacific is widely viewed as a response to the US's long-standing interests, the region's economic dynamism, China's growing presence and the turbulence in its territorial disputes (Campbell and Andrews, 2013). These latter tensions received additional impetus as China unilaterally imposed a new *East China Sea Air Defence Identification Zone*, ostensibly a fishing exclusion zone. This zone came into force in January 2014 and covers 2 million square kilometres in the South China Sea and is

administered by China's Hainan Province. It provoked an ASEAN Foreign Ministers' statement of concern, citing the breech of international agreements (Asia Pacific Defence Forum, 2014) and is ignored by transiting US vessels.

In many respects, China's development collaboration with Southeast Asian states has already been significant. This is evident by looking briefly at Cambodia, Laos and Myanmar.

Cambodia. China has invested US$9.1bn dollars into Cambodia since 1994 and this looks set to continue, particularly with the ACFTA in force. For example, in 2013, Chinese textile giant Hodo Group announced its intention to invest US$320 million in Sihanoukville Autonomous Port in Cambodia. The principal focus, however, has been energy, mining and infrastructure. Recent projects include a 2013 agreement to build a US$1.67bn oil refinery and a December 2012 agreement for two Chinese firms to undertake a US$11.2bn iron ore mining and rail project in northern Cambodia (Aljazeera, 2013). Chinese firms are heavily involved in energy infrastructure projects. In Cambodia, the Lower Sesan II Dam is scheduled to be built in the Stung Treng Province, beginning in 2014. The project involves the dam itself and a 1302 mile reservoir, the latter requiring the resettlement of around 5,000 local people. The majority share of the project is held by a subsidiary of the Chinese state-owned enterprise, the Huaneng Group (Liu, 2014).

Laos. Laos is a strategic partner for China. Already, China is a key trading partner with Laos and their annual trade volume has been increasing on a year-on-year basis. In 2012 bilateral trade volume was worth US$1.73bn. In the first five months of 2013, bilateral trade stood at US$794 million, and China's non-financial direct investment in Laos reached US$339mn (Government of China, 2014c). Laos is also attracting Chinese infrastructural and construction investment and corporate involvement. China is among the largest foreign investors in Laos, mainly in the hydropower, mining, agriculture and forestry sectors. The most recent example of this engagement was in 2013 with the signing of six bilateral economic and technical cooperation agreements for Chinese grant aid reportedly valued at US$16.4mn to resurface the major northern transport artery Road No.13 North and construction of an International Convention Centre (Thai PBS, 2013; The Nation, 2013).

Myanmar/Myanmar. The transfer to civilian Government in 2011 was a seismic shock to the country and international community. After decades of often brutal military rule, the new

leadership embarked on a major legal, political, economic and social reform programme whilst seeking to end conflict through a new peace process. The rapid dismantlement of non-military international sanctions brought a procession of international leaders to Myanmar, including two visits by US President Barak Obama. Perhaps even more politically galling for Beijing, was the visit in 2012 by Japanese Prime Minister Shinzo Abe. Abe committed Japan to providing US$500 million in development assistance whilst writing-off US$3.7bn in existing debt owed to Japan. Additional funding of US$96 million was provided in 2013. International enterprises began to trade, invest and some re-locate to Myanmar.

Myanmar is important to China for economic and strategic reasons. China is Myanmar's largest trading partner. In 2013, China's exports totalled US$7.34bn. But it is China's imports from Myanmar that are noteworthy for 2013, recording a rise of 116.5% over the previous year to take the value to US$2.81bn. The volume of trade between China and Myanmar in 2013 was US$10.15bn, an increase of 45.6% over the previous year (Government of China, 2014a). China's neighbour is also a vital strategic importance to China with major pipelines conveying oil and gas from Myanmar's west coast to the eastern border with China's Yunnan Province. Chinese SoEs and private firms are extensively engaged in Myanmar's natural gas and raw materials sectors. The World Bank estimates that Myanmar's economy would grow at 6.8% during 2014. Unfortunately, Myanmar is also one of the most impoverished societies in the world, with a GDP *per capita* of US$1,400 in 2013. Its pressing needs are clear - the country lacks infrastructure, sustainable agricultural and industrial employment, basic health services and educational facilities.

In addition to its commercial and state-backed projects, China's development cooperation with Myanmar are: grant aid, interest free loans, and concessional loans, technical assistance, and debt relief. China provides assistance through concessional loans and grants in the key areas: agriculture, natural resource exploration, infrastructure, telecommunications, human resource management and industrial processing. China also provided humanitarian assistance to Myanmar for purpose of disaster relief, drugs control, education, medical and health. For example, China promised US$4.3 million in aid in addition to an initial US$1 million in the aftermath of the 2008 Cyclone Nargis.

Infrastructure is the critical capacity-building need for many developing economies. China is involved in all aspects of this in Myanmar. The agenda is extensive with new airports, dams, bridges, rail and port facilities all under construction. China Communications Construction (CCC) has been constructing the US$100 million airport in the new capital

Naypyidaw, financed on reportedly generous terms by a China EXIM Bank loan. In hydropower, the massive 7,110 MW Tasang Dam on the Salween River in Shan State, costing at least US$6 billion, is majority owned and constructed by the SoE, China Gezhouba. Sinohydro, China's largest dam builder, has built a number of hydropower stations in Myanmar, including the Yeywa hydropower station on-stream in October 2011 (Myanmar Business Network, 2011).

Protests and Opposition

The grounds for the mounting protest and opposition to Chinese operations in Southeast Asia form a lengthy list. Critics claim that Chinese firms display a blatant disregard for the environment, import Chinese workers and suppliers rather than employing locals, jealously conceal their technical and production know-how and intellectual property, transfer little in the ways of skills, repatriate substantial amount of earnings, evade tax, acquiesce or at least ignore corrupt practices, and distort the local economic structure and export capacity by undermining local manufacturers whilst the "resources trap" of exporting raw materials and importing high value manufactures helps keep these economies structurally weak.

The Cambodian dam project noted is a case in point. The Chinese firm behind the Cambodian Lower Sesan II Dam and reservoir has provoked local and international protest and opposition. Protesters claim that the construction work is damaging the local environment with questions raised over illegal logging, labour practices and deteriorating water quality downstream. The mass resettlement is said by villagers to have a flawed consultation process and will result in forced relocation by eviction. In response, 15 non-governmental organisations from Cambodia, Vietnam and Thailand submitted a petition in May 2014 to Huaneng Group and Chinese ministries in Beijing and the Cambodian Government met with company executives to urge the firm to reduce the project's environmental and social impact on the local community (Liu, 2014). The Chinese Government has sought to address the mounting criticism of Chinese enterprises operating overseas. In February 2013, the Government issued environmental protection guidelines for foreign investment and cooperation in order to meet host country concerns (author interview MOFA, Beijing, May 2013). However, the Guidelines are criticised as relatively weak as compliance is voluntary, there is no enforcement mechanism and no legal sanction (Mekong Watch, 2013).

But the complexity of the issue of China's role and intent is also made clear in protests in Vietnam in 2014 where the territorial dispute over the Spratly and Paracel Islands spilt over into the industrial domain. Following China's relocation of its Haiyang Shiyou 981 oil rig 120 nautical miles off the coast of Vietnam, close to the Paracel Islands in waters territorially-disputed with Vietnam, protesters occupied the streets of Hanoi and Ho Chi Mihn City. However, it was Chinese industrial interests outside the principal cities that came in for most protests. Reportedly, 20,000 workers protested in industrial parks of the country's southern Binh Duong province, setting ablaze at least 15 foreign-owned factories with hundreds more attacked - a common focus being the seeming presence of Chinese characteristics on the buildings (BBC, 2014b). Police said 460 companies had reported damage and 40 policemen had been injured. The violence spread to the centre of the country and there were fights at a huge steel mill in Ha Tinh that reportedly spurred many ethnic Chinese to leave the country (Daily Telegraph, 2014).

In Myanmar, the major oil and gas pipeline projects have attracted mass protests. The projects have been seeking to offset widespread opposition to the project and criticism of land expropriations, enforced dispossession, corruption and ecological disregard for rivers and forests. In its defence, the consortium argues that it has provided over 6,000 jobs for local people in the building work, contracted in excess of 220 Myanmar firms and provided technical training for their workers. They point to donations valued at US$20 million for local education, medical treatment, health and disaster relief, including 45 schools for 19,000 students and 24 clinics for 800,000 people. The consortium offered US$10 million dollars to repair a high voltage power grid line in Kyaukphyu, in which CNPC's donation accounted for US$3 million. In the second half of 2012, when Rakhine state experienced communal rioting, the project provided US$50,000 cash aid and 10 tonnes of rice. Moreover, they also donated US$50,000 dollars to earthquake victims in central Myanmar (China Daily, 2013). The consortium company behind the oil pipeline, South-East Asia Crude Oil Pipeline Co., committed itself to "assist" Myanmar in implementing 25 development projects in its pipeline project areas, totalling US$1 million, in Rakhine state and the Magway region providing 21 schools, 2 clinics and 2 kindergartens. The company claimed that, on completion, 1,320 villager patients, 105 pre-school-age children and 1,891 students would have benefited (Gov.cn, 2012). Whilst additional facilities are needed and welcome, corporate motivations remain subject to scepticism, underlining the need for Chinese corporate social responsibility to be systematically applied from the outset. Here, clarity and transparency in host regulatory

regimes is also required to make sure companies know what is required of them and how they are expected to operate

The protests are also contextualised historically, the nationalism they display tapping into a sub-current of anti-Chinese sentiment reaching back decades. Indonesia, for example, saw a large-scale anti-Chinese movement in the mid-to-late 1960s (Malaysian Chinese News, 2014). Indonesia again experienced riots against Chinese in May 1998, despite restoration of diplomatic relations in 1990.

Overcoming anti-Chinese sentiment will, ultimately, take resolution of the territorial disputes. Antipathy to Chinese firms may be ameliorated by the Chinese Government and corporations adopting a greater commitment to a corporate social responsibility (CSR) regime with rigorous enforcement and Chinese accession to international conventions promoting transparency and accountability. Given the damage already done to the image of Chinese firms, throwing money at the problem through corporate actions, such as construction of local schools and health facilities, is insufficient to quell local discontent. Communities view this as a cynical tactic rather than a demonstrable change in corporate culture and practice. For this to change, CSR initiatives need to be backed by additional measures by the Chinese Government (e.g. becoming a supporting country to the Extractive Industries Transparency Initiative (EITI) and a more robust promotion of CSR to Chinese business in association with Chinese business councils).

The challenge for China's approach is to engage with the deeper currents of change in the political cultures in this region and, to some extent, within China itself. Here the challenge is the signs of a strengthening of civil societal voices, albeit to varying degrees depending on the respective political systems, and an increasing willingness to express their opposition to corporate and elite malpractices and economic and environmental disregard. China's leadership has promoted "people-to-people" relationships in its diplomatic language, to be advanced through the various bilateral friendship associations. But the effectiveness of this is constrained by the semi-civil character of China's civil society and non-governmental organisations and by the residual antipathies in the region.

Conclusion

This paper set out to answer the question of how far China's understanding of "development" is an appropriate and effective means to ensure that relationships are mutually-beneficial and "win-win"? The study showed that Chinese trade and investment are making a significant

contribution to the region's economic growth. The development contribution China is making to meet the dire need for infrastructure and to the wider range of human capital needs, such as food, health, education, is already substantial. This contribution has been broadly welcomed within the region at all levels of engagement—from supra-state organisations such as ASEAN, through the national provincial governmental tiers, to farming communities benefitting from Chinese agricultural expertise. However, the study also demonstrated that China's growing presence is controversial, with heavy criticism of Chinese corporate practices giving rise to public opposition. This points to two problems of imbalance in China's approach—China's primary level and domain of engagement.

China's development approach operates primarily at state-to-state level rather than that of society. This represents an in-balance not well addressed by often state-sponsored "people-to-people" relations. This is, in part, a reflection of the character of civil society within China itself - only semi-autonomous from the Chinese state. But it also reflects the strengthening of civil society in Southeast Asia. This is partly a challenge for China's own political culture and governance, and partly a challenge for China to develop a twin-track by incorporating a societal engagement strategy with attention paid to transparency and accountability of Chinese corporate behaviour.

The other part of the problem is one of domain. China's domestic experience of post-reform development offers a potentially-rich source to underpin China's emerging international development role and to address the core concerns of human security. China emphasises economic cooperation as the bedrock for sustainable growth with infrastructure provision, export and direct investment promotion at the heart of this. China needs to re-balance its approach by emphasising human capital capability and capacity-building across the non-economic social and cultural domains. The Beijing Government appears to have started to recognise and respond to this concern by using its July 2014 White Paper to document all the projects it has supported in developing countries to meet the needs of people in their daily lives.

Addressing these imbalances are necessary steps to enhance China's approach, but they are not in themselves sufficient. The central difficulty with China's approach to development is that the Chinese Government has yet to elaborate a clear statement of what its understanding of "development" and "aid" actually is and to articulate a coherent operational model through which this approach would be delivered. The two White Papers have moved this process along, but further steps are needed. In answer to our research question, China's

conception of development and approach to international development as a new donor is appropriate and effective only in part. As China continues its domestic and international dialogue, learning and reflection on development, a more holistic perspective and practices are beginning to emerge, but it is not there just yet.

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China-Finland Co-operation, Trade, and Investment: In Search of Common Ground

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Abstract: The importance of co-operation with China has been growing in Finland and the rest of Europe in view of the rising global economic and political status of China and the interest in attracting Chinese investments. In Finland, government agencies have been established for this purpose, and regional and local governments are also actively involved. Delegation visits between China and Finland have been intensively on-going for some years, but matching interests and finding common ground for co-operation, trade and investment often still proves to be a challenging task.

Based on interviews with Finnish representatives and on observing delegation visits, this paper explores the difficulties that Finns report to be having in moving past a general level of interest by the Chinese in Finland and presents suggested solutions.

Speech codes theory by Philipsen (1997) and the notion of common ground by Stalnaker (1999) form the theoretical basis of this paper. The results illustrate how a lack of serious interest, vague or restrictive government regulations, the long time to build relationships, and the involvement of intermediaries are seen by interviewees as factors contributing to talks often remaining at a general level. Suggested strategies to create more possibilities for finding common ground and for making co-operation talks more specific include presenting areas of expertise in Finland and matching those with Chinese needs, utilizing the pragmatism that is seen to be characteristic of both cultures, and investing in building necessary connections and relationships.

1.Introduction

1.1 Background and Importance of the Study

The importance of co-operation with China has been growing in Finland and the rest of Europe lately because of the rising global economic and political status of China and the interest in attracting Chinese investments. Finland and the Baltic Sea Region as a whole have not been a major destination for Chinese investments to date. However, Chinese interest in the region has increased in recent years, as has the awareness in Finland of the importance of China and the possibilities relating to Chinese investments (Kaartemo, 2007). In Finland, government agencies have been established for this purpose. Regional and local governments are also involved in the framework of town twinning and other activities. The Finnish Ministry of Foreign Affairs released a China Action Plan in 2010 that recognizes the growing role of China on the international scene and states priority areas for co-operation. Delegations visits from China to Finland and vice versa form an important part of trade and investment,

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and broader co-operation facilitation. These involve matchmaking events, meetings with officials, company visits, etc. While these mutual activities between China and Finland have been on-going for some years, matching interests and finding common ground is still considered to be challenging. Wang (2007), who has studied Sino-Finnish partnerships, considers that finding the right approach for the partnership strategy is not easy, and partnerships often dissolve before set goals are achieved. The motivation for co-operation is based on a country's own needs, interests, and development strategies, which can be difficult to match with those of the other side. This is a productive context for studying intercultural communication, because this kind of co-operation is still new in many ways. There is not much previous experience of the Chinese in Finland, and there is a lack of research on intercultural communication in this context. In addition, for a long time Europeans have headed to China as buyers, but nowadays the picture is more complicated and the roles are often reversed. Both attracting Chinese investment and promoting Finnish products in the Chinese market involves the Finns taking the role of the seller. In practice, product sale and investment attraction are often connected, as investments are also raised to develop the products. In particular local governments are often involved in various co-operation activities, which cannot be separated from each other.

The purpose of this paper is to explore and analyze the perspective of Finnish negotiators concerning the challenge of finding common ground with Chinese co-operation partners as well as their suggested communication strategies for this challenge. The purpose is also to reveal the fascinating every-day reality of people working on investment, co-operation, and trade facilitation between China and Finland. The study contributes new empirical data with conceptual importance to ethnographic research in multicultural workplaces. While the phenomenon of rising China persists, the paper provides insights into a newly developing context of intercultural communication that, at the same time, has important similarities to other Chinese co-operation, trade, and investment facilitation initiatives elsewhere in the world. The Finnish perspective provided in this paper may show some similarities to those of other small nations wanting to co-operate with China. It may also be relevant to interested Chinese counterparts who want to achieve a better understanding of this context.

1.2 Previous Research

There is a considerable amount of previous research on the traditional Chinese communication style in working life and also on other factors influencing business

interaction. In exploring the influence of Confucian values on Chinese working life, Ock Yum identifies one of the characteristic traits in Chinese working life as indirect communication, which "helps to prevent the embarrassment of rejection by the other person or disagreement among partners, leaving the relationship and each other's 'face' intact" (Ock Yum, 1997: 85), Another important aspect is that of the long time required to build relationships before engaging in business, which can be related to the distinction between the in-group and the out-group in Confucian societies. Confucian principles involve the need to be affiliated and identified with comparatively small, tightly knit groups of people over long periods of time. An intermediary is needed to bridge the in-group and out-group members and to initiate a new relationship. The importance of taking time to build a personal relationship can also be explained by process, not outcome, oriented communication (Ock Yum, 1997). Gao and Ting-Toomey (1998) further reflect on the impact of indigenous Confucian cultural traditions on the Chinese communication style, listing five distinctive characteristics: 1) implicit communication (hanxu), 2) listening-centred communication (tinghua), 3) polite communication (keqi), 4) insider-communication (zijiren), and 5) face-directed communication (mianzi). This research has had wide influence in management and communication literature.

However, as argued by Fang and Faure (2011), opposite Chinese communication behavior is equally evident in Chinese society given different situations, contexts and times. The interaction between traditional Chinese values, modernization and the Western influence tends to create cultural expressions that may be quite surprising and unexpected. For instance, as a result of China's market-oriented economic development, there has been a rise in the bu tinghua (not listening, not obeying) attitude. In addition, Jameson (2007) considers that as growing up in a country affects an individual's values, beliefs and behavior, so acculturation into a particular field or profession, for instance, does too. Intercultural conflicts may occur also between or within businesses in a single country, while international affiliates may share aspects of common culture (Louhiala-Salminen, 1997). When studying a culture, it is important to avoid generalizations, since

> we are both yin and yang, feminine and masculine, long-term and short-term, individualistic and collectivistic, monochronic and polychronic, and high-context and low-context, depending on situation, context, and time (Fang, 2005-2006: 77).

Cultures and codes are essential when attempting to understand individual lives and societies,

but it is important to remember that they are dynamic resources used by social actors (Philipsen, Coutu & Covarrubias, 2005).

"Managing Rapport in Intercultural Business Interactions: a Comparison of Two Chinese – British Welcome Meetings" (Spencer-Oatey, Xing 2003) is a study revealing how the same kind of meetings can be perceived very differently by the Chinese and British and what cultural beliefs dictate that perception. For instance, the second meeting during which the research took place, was perceived positively by the British, but caused much dissatisfaction among the Chinese. Some reasons for the dissatisfaction were inappropriate seating arrangements and perceived lack of gratitude for Chinese contracts, factors that the British were not aware of. The rumors heard before about the British company strongly influenced the expectations of the Chinese. Thus, the study illustrates how certain preconceptions that are not directly communicated to the other side can influence the building of common ground and the success of meetings.

To sum up, studies to date have mainly outlined the differences between Chinese and Western cultures, revealing how Chinese traditional values affect business interactions. However, some studies also reveal differences across various professional groups, the way in which the forces of modernization change some traditional values, and the influence of various preconceptions.

1.3 Theoretical Framework

Speech codes theory (Philipsen, 1997), which addresses the relationship between communication and culture, has guided this study. Speech codes are systems of socially constructed symbols and meanings, premises and rules pertaining to communicative conduct. Three propositions of the speech codes theory that are most relevant for this study will be used as a framework for analyzing the results. Data interpretation will focus on the fourth proposition of the theory, which states that the interacting sides tend to interpret communicative conduct according to practices in their own culture. Also proposition six of the theory will be used, which states that speech codes frame responses according to ways accepted in society (Philipsen, Coutu & Covorrubias, 2005). These two propositions serve as the starting point of the study, accounting for the possible influence of culture on communication. They will also be referred to when describing how aspects of traditional culture have influence on business interactions in the context studied. To account for the variety of the possible communicative responses, the second proposition will also be used,

which states that any speech community uses multiple speech codes. Different codes related to communicative conduct, or at least traces of them can be found coexisting in the same life-world (Philipsen et al., 2005).

Addressing the criticism that speech codes theory treats culture as an overly deterministic or static entity (Griffin, 2003), the author of the theory has recognized that, at times, people not only follow, but also abandon their cultures (Philipsen, 1997). There is a strong statement in the theory about the force of the codes in shaping communicative conduct, but culture is not seen as simplistically deterministic. For instance, the second proposition of the theory states that any speech community uses multiple speech codes. Thus, the speech codes of the local culture do not appear in isolation from other speech codes, but all of them are mixed together (Philipsen et al., 2005). Thus, referring to the section on previous research, business interaction cannot be viewed at the level of national culture differences alone; there may be other factors, such as the influence of modernization, the affect of the professional group to which one belongs, preconceptions about the situation, etc.

The concept of common ground will be used repeatedly in this paper. In a pragmatic sense, common ground can be understood as mutual interest in a matter that enables parties to move forward with some common goals in co-operation, trade or investment. Garber (2006) sees finding common ground as one aspect of collaborative management, as organizations everywhere are challenged to work more closely with one another. Gray (1989) states that collaboration is necessary for finding common ground, defining the following key steps: exploring how to get parties together to define the problem, establishing an agenda, and implementing a solution. In an experiment by Horton and Keysar (1996), speakers described objects for listeners in a modified version of the referential communication task. While descriptions under no time constraints appeared to incorporate common ground with the listener, common ground was not used when the speakers were under time pressure. This suggests that finding common ground takes time. The concept of common ground will also be used regarding communication – achieving enough joint understanding about a matter that makes it possible to proceed with the communication and with working together. Stalnaker (1999) considers that common ground involves intuitions about what is not said, but merely presupposed and plays an important role in the communication process. One side may take some common ground for granted while the opposite side may not share it. Not everyone may know or believe the same things, and this is especially so for people with very different cultural backgrounds (Korta & Perry, 2011).

1.4 Data and Methodology

The main methodological approach of the study was interviewing representatives of the Finnish side who work on Chinese investment, co-operation and trade facilitation at state, regional or local level. Some participant observation in meetings was also conducted to give access to naturally occurring intercultural communication, and to provide a fuller sense of the context. Nine interviews were carried out in Helsinki, Turku and Lahti (Finland) in autumn 2013, and two observation projects were undertaken for six days in total during a Chinese delegation visit from Tianjin to Turku (October 2013) and during a Finnish delegation visit from Oulu to Suzhou in China (May 2014). Observation helped to identify possible themes prior to the interviews and in the data analysis. Field notes were taken during the meetings organized for visiting delegations, which were later developed into more detailed accounts based on memory (Emerson, Fretz & Shaw, 1995).

This paper is predominantly based on the nine interviews carried out in the autumn of 2013. The interviewees' ages were from the mid-20s to the 60s. Four were representatives of local or regional governments, three were team members of a state investment attraction agency, and two were interpreters working for the Finnish side. The length of experience the Finns had in Chinese co-operation ranged from four to 20 years. Two Finns also had experience of living and working in China, one for five years and the other for six years. The Chinese interviewees had lived in Finland for between five and 20 years. All had some education in Finland, and had worked for Finnish-Chinese co-operation ventures for around two years. Among the interviewees there was a person of Japanese origin who had worked for co-operation with China in Finland for five years. Abiding by the Guidelines of the Finnish Advisory Board on Research Integrity (2012), the interviewees' personal information is kept to a minimum and they were coded as IV1-9. Some interviewee basic data is provided in Table 1.

Table 1: Interviewee codes and basic data.

Interviewee code	**Gender**	**Country of origin**	**Title**
IV1	female	Japan	Business Development Officer
IV2	male	China	Interpreter
IV3	male	Finland	Development Manager
IV4	female	China	Interpreter
IV5	male	Finland	Senior Advisor
IV6	male	Finland	Head of International Affairs
IV7	male	China	Business Development Manager
IV8	female	Finland	Customer Operations Director
IV9	male	Finland	General Manager

The interviews consisted of open-ended questions, broadly addressing the experiences of working with the Chinese. Interviews were undertaken with the purpose of inductively finding out the most relevant themes regarding communication in this setting and encouraging the interviewees to offer their own definitions of particular activities (Briggs, 1986; Silverman, 2006). The interviewees were also asked about how they developed meaning for their activities and problems. The interviews were carried out in English, and the interview quotations used in this paper are direct citations except in cases where the text had to be corrected for the sake of comprehension. Five interviews were undertaken in interviewees' workplaces, two in the cafeteria, and the remaining two by Skype.

Regarding the relatively small size of the sample, the research project addresses the dynamic qualities of a situation and thus the issue of sample size and representativeness does not much affect the project's basic logic. In a qualitative framework, research based on interviews seeks to show meanings; therefore a small number of cases facilitate the researcher's close association with the respondents and inquiry in naturalistic settings (Crouch, 2006). The research material was sorted according to the cultural categories used by participants and how these are used in concrete activities. The findings presented in this paper include reflections on the differences within these categories, attributes associated with them, and the dimensions of contrast discovered within each category (Spradley, 1980). Close

reading of the material showed some striking moments of interaction and some recurrent patterns, which formed a corpus of data under several main themes (Nikander, 2008). Combining the analysis of interview and observation data, a detailed description of the intercultural communication dynamics in the given context has allowed for several relevant topics to be identified. The challenge with the general level of Chinese interest when trying to find common ground in co-operation and possible solutions to that emerged as common subthemes in the interviewee's answers. Some other main topics in the data which are not the focus of this paper were the power relations between the Chinese and Finnish sides, varieties of positioning depending on whether one was in the role of guest or host, and the role of the English language as a communication tool. At times people's answers in interviews do "not have a stable relationship to how they behave in naturally occurring situations" (Silverman, 2006: 39), but their stories do give insight into their momentary concerns and circumstances.

2. Challenges in Search of Common Ground

2.1 Lack of Serious Interest in Finland by the Chinese

Interviewees spoke of several obstacles in finding common ground, and lack of serious interest in Finland by the Chinese emerged as one of the most important. Turning to the reasons why talks are general and actual co-operation is difficult to realize, several interviewees said that, in their experience, sometimes the visiting Chinese only wanted to get an impression of Finland and they did not think of it as a country to do important business with:

> Many small groups visit, for example, our university of applied sciences, and it's just a friendly visit. We have many such delegations visiting Finland who just want to learn, want to get an average opinion of Finland. I guess when Chinese companies go abroad they are looking for the "big fish". There are not many investments, and I guess there is a problem of scale. (IV6)

> They may consider that the visit is not serious, but like a leisure trip. Then they plan a two-hour official visit, because they don't plan to have real co-operation. I think they see visiting us as a half-relaxed trip for recreation, because Finland is not important for business in the minds of people. (IV2)

Lack of serious interest may not be communicated directly to the Finnish side, according to IV3: "It is quite difficult to understand when the Chinese are really interested and when they are not." The Chinese interest in Finland has reduced recently, according to IV3:

> What has changed is that there are not many delegations any more. Something happened two or three years ago, maybe the Chinese have seen enough of what we have and they don't send so many delegations to our country anymore, and the situation is the same in Sweden and Estonia.

Lack of serious consideration at times can also manifest as varying interest regarding meeting:

> When a Finnish person says – "hey, let's meet at this place at this time," then the Finn will be there at that time. In the case of the Chinese, this - "hey, let's meet up!" - is more like - "Hello! Bye bye! Have a nice day!" (…) One time we had a delegation coming at lunchtime. Then five minutes before three o'clock, they said they were not coming! And I was in and out of this place preparing rooms, tables, coffee and tea. (IV7)

To sum up, the Finnish interviewees mainly attributed the lack of serious interest by the Chinese partners to Finland being a comparatively small, marginal country which, on average, the Chinese are not yet familiar with. The interviewees said that while the Finnish side normally takes the visits and meetings seriously, at times, the Chinese interest is seen as superficial. The indirect communication reportedly also makes it difficult to understand when the Chinese are really interested and when they are not, which they do not usually reveal directly. The interviewees also saw the varying interest in visiting and meeting as a sign of lack of serious consideration. The interviewees' statements imply that the starting point for the Finnish side is based on their own cultural expectations - if the Chinese have come, they want actual co-operation, or at least will state their intentions in a direct way. However, this may not always be the case.

2.2 Restrictive Regulations or Too General Co-operation Guidelines by Chinese

Another major factor contributing to the difficulties in finding common ground in co-operation and investment that the interviewees spoke of is related to the restrictive or too general co-operation guidelines of the Chinese government:

> For Chinese small or even medium sized companies, it's really difficult to start doing business abroad without the acceptance of the government and even more difficult for them to invest their money abroad without the government's permission. It's much easier to get state-owned companies to invest abroad; very few private companies invest abroad. (IV3)

> It is very military-like in China. If someone makes a decision at the top, it will happen, whereas in Finland the approach is more grass roots, like small soldiers doing this or that. (IV7)

In cases where the government supports the co-operation, such as town twinning, it nevertheless seems difficult to achieve "real" co-operation. The interviewees said that one reason for this is that the Chinese officials coming to Finland may only have some general guidelines of co-operation from their central government, so they may not be sure about what concrete actions to take:

> I hear between the lines that they don't really know what they have to do. The paper that they gave, maybe it was just a bad translation or a draft, but it was very general. I just get the feeling they don't really have a concrete plan to implement. (IV1)

IV6 agreed that the areas included in the co-operation memorandum with the twinning city in China were very broad: "It involves almost anything – from science to culture to business, but this is to show that there's a green light – yes, we are willing to co-operate."

To sum up, the interviewees described how co-operation areas could remain rather vague and general, because at times the Chinese government had not formulated them clearly enough, and there were also regulations that complicate private overseas investments from China.

The interviewees related the lack of clarity regarding Chinese intentions, to some degree at least, to the cultural concept of indirectness. IV4 said: "I think maybe the Chinese talk at a very general level; that they are very careful about the words that they speak, but Finns are more straightforward, I think." In the experience of IV7, "the communication – just like in the textbooks – is very indirect, and the cultural cues, facial expressions and so on are very different." Indirectness can be seen as an obstacle in creating common ground, because presuppositions are not communicated and therefore it is more difficult to establish if there is common understanding on the matter or not.

2.3 The Time Necessary to Build Relationships with the Chinese

The interviewees also spoke of needing a long time to build relationships when trying to co-operate with the Chinese. Their accounts suggest that this may result in a lack of specificity in co-operation talks, especially in the early stages:

> The Chinese would like to build the relationship over a longer time, go to dinners, and find a way to friendship and a relationship, and only after that start to talk openly about anything. We in Finland don't bother so much about extra details; we just want to go directly to discussions. (IV8)

However, there may also be differences in the time devoted to building relationships depending on the type of group involved on the Chinese side:

> With venture capitalists, discussions are very to the point. They have strict, very tight schedules which are always running very smoothly. They want to meet the investment targets, and that's it. Maybe the private sector is more to the point and business-like, but with the government it is a little bit trickier. (IV8)

Finding the right kind of connections can also be complicated and take time, especially in trade:

> We know that the product is very good, maybe the best, and that the price is competitive. Contacts have been made, but we don't actually know anybody there! These problems may even affect the Chinese person who knows you and your product and is interested in bringing it to China. This is the most common difficulty and I have come across it many times. (IV5)

Matchmaking events are sometimes organized as one of the co-operation, trade and facilitation activities to provide opportunities to make connections:

> Good matchmaking - finding the company in China that needs the service or product from Finland, the right contact person, to sit down, and discuss with - is quite hard. On the Finnish side, where there is a company, there is a person who has the right to start negotiations, or can say what they can sell or buy. But on the Chinese side, there is often some kind of agent who is ready to find contacts for you. (IV6)

Thus, Finnish representatives see the relatively long time that it takes to build a relationship as one reason why it can be difficult to find common ground and why, at times, co-operation talks remain at a general level. Several factors are involved, such as the Chinese preference of spending more time getting to know each other before undertaking concrete tasks, the difficulty of finding the right people to contact, and the involvement of intermediaries. However, this aspect is not equally strong in all contexts and among all groups. For instance

groups such as venture capitalists tend to be more task-oriented and take less time to build relationships.

To sum up, based on an empirical study using both interviews and observations, the main findings indicate that a major challenge in finding common ground in Chinese-Finnish co-operation is related to persistent difficulties in moving past the general level of talks with the Chinese. This section considered three main obstacles in finding common ground with Chinese partners from the perspective of people working on co-operation in Finland: lack of serious interest, restrictive or vague government regulations, and the time necessary to build relationships with the Chinese. All of these are reflected in the communications in one way or another and occasionally interviewees related them to the cultural concept of indirectness.

In the following chapter, the possibilities of dealing with these challenges and extending the common ground will be considered, as suggested by interviewees.

3. Possibilities for Finding Common Ground

3.1 Presenting Areas of Own Expertise and Matching Them with Chinese Needs

To overcome the lack of interest and to move beyond general level talks, the interviewees suggested that presenting areas of Finnish strengths and expertise is important, as well as the ability to match these with Chinese needs:

> Perhaps we can succeed if we find good, small niches for the businesses, like in biotechnology, there might be something. But you just don't come and invest in biotech, but to invest in something very special, something very specialized. (IV6)

> I have been working with Finnish high tech companies for 15 years, and now I know a little bit about China, what they are looking for, and how to match these – a very small country with excellent technology, but no scalability with a big country with lots of scalability and need. (IV8)

> Not necessarily any specific field, but to match the interests of both sides is more the key rather than promoting any specific field of business. (IV1)

An example of how to deal with vague suggestions based on general directions from the Chinese government can be seen from observing the delegation visit from Tianjin to Turku. During the visit, the leader of the Chinese delegation referred to their areas of interest using non-specific phrases such as "resource integration," "platform establishment" and "technology program." In response to a Finnish request for clarification of the "technology program," the Chinese response was that the Mayor of Tianjin had issued regulations for the support and growth of 40,000 small and medium sized enterprises (SMEs) including start-ups.

The Finnish response was a highly detailed presentation enumerating the specific expert business fields in the Turku region, which included a wide range of industries and services such as biotechnology, life sciences, environment, health, maritime (arctic vessels), functional food and food safety, pedagogic and teacher training, business skills and project management, and quality assurance. The Chinese responded that large markets for all these fields exist in both Tianjin and the whole of China. Thus, the Finnish strategy of dealing with the situation proactively, asking direct questions and giving specific information was a way to make the possible co-operation direction more specific.

To sum up, the interviewees' opinion was that presenting the areas of expertise in Finland and then being able to match those with Chinese needs would help to overcome lack of serious interest by the Chinese and help to specify co-operation plans. Regarding communication, this strategy could be seen as an effort to frame Chinese responses according to Finnish expectations, facilitating more specific input from them.

3.2 Utilizing the Common Characteristic of Pragmatic Working Cultures

If Chinese interest was sparked after the presentation about the areas of expertise and they saw where it matched their needs, then, as observed by the study participants, they are also quite practical people who are interested in making things happen. There may be some common cultural traits with the Chinese that could help to extend the common ground. One of the things mentioned repeatedly by the interviewees as a unifying factor was the pragmatism and practicality characteristic of both the Finnish and Chinese working cultures:

> I just feel that result-orientation combines both cultures. The Chinese are hard-working business people. In the same way, if the Finns have something they want to achieve, they really work for that. (IV8)
>
> I think both cultures are 'doers', making things happen, results and result-orientation drives both of these cultures. I mean, somehow Chinese culture, the way China works, is very effective at the moment. (IV7)
>
> I guess as we see in the Chinese economy, they want to get things moving, and then you can get results, which is money or doing something. (IV6)

IV1 has experienced that the practical gain can be a strong motivator for the Chinese: "The Chinese are very pragmatic people, so if they are interested in one of our companies, things start to happen very, very quickly."

To conclude, the study participants consider that once the attention of the Chinese is caught, the practicality and pragmatism of both the Finnish and Chinese working cultures is the resource to build on to make things happen and to produce real results. This can be seen as an effort to utilize the existing common ground between the parties, which is possible when mutual interest in the matter has been achieved. Thus, showing to the Chinese partners the practical gain for them from certain investment targets, products, or co-operation areas can accelerate the process of finding common ground.

The pragmatism of both the Chinese and Finnish working cultures has also been recognized in the literature. Ock Yum (1997) considers that Confucianism is a pragmatic and present-oriented philosophy that focuses on life at present and on serving men. Isotalus (2006) suggests that achieving economic success is a strong motivator for Finns, so that, for instance, they tend to take care of relationships when they are important for business, such as customer relationships. The Finnish working culture can be related to the broader construct of the Protestant work ethic that has been discussed in the literature (Dose, 1997). The pragmatism and mutual interest in the results is thus something that "clicks" between Chinese and Finnish working cultures.

3.3 Patience and Investment in Building Relationships with the Chinese

With respect to the long time to build relationships and finding the right people to co-operate with, the solution suggested by the interviewees was to create more possibilities to meet on a professional level, between experts and face-to-face, as well as accepting that time investment and patience are needed.

Comparing the different levels at which the contacts can be made, company-to-company and professional contacts can be much more effective, according to the observations of several interviewees:

> If the company finally finds somebody, then maybe in one or two weeks it gets much more information than we can have – of course! That is because the company always has interest in their point of view, and we are outsiders. (IV5)
>
> We need to go to the professional level so that the professionals meet and decide on co-operation. We need to have the right partners on both sides, not generally, but to get the experts to talk to each other. (IV6)
>
> Most of the time we talk directly with the companies, one of the parties is a Finn who helps the customers to make good decisions and achieve their aims. This

> involves meetings, e-mails, and discussions with the customer. We try to minimize the bureaucracy and hierarchy. (IV9)

Study participants spoke of creating more possibilities to meet face-to-face, thus increasing the chances of finding the right contacts and building successful partnerships:

> You need more and more contacts, more and more places for people to meet and get to know each other. They need to find and establish the connections that they really can rely on – on both sides, I guess. (IV6)

> You must go there, feel it, I tell companies that you must go. I gave a lecture the day before yesterday, and I said that you have to go to China and you have to meet the people all the time. (IV5)

> We are only one country, so maybe to keep up the communication and the closeness with the customers I hope that there will be more and more Chinese organizations, science parks, investors and companies here in the Nordic countries. It's necessary to make this interaction happen. (IV8)

Building relationships with the Chinese takes patience and the acceptance that the process is going to take time, as most participants in the study recognized:

> One thing is that we need a lot of time, and I don't think we can change that; just accept that the process takes time. You need to build a relationship and that is the normal way of doing business in China, so nothing happens immediately. Either you already have a relationship and you build a business on top of that, or you need to build a relationship and then simultaneously you do business while you are in a relationship. (IV9)

> There are a lot of challenges. The main thing is to achieve some concrete results, to complete some business to business co-operation…but it takes time. (IV1)

> It certainly takes many years before you get any profit from China, but yes it is a big market and you should really focus on it. You just can't be half-hearted and just see if it works or not in China, you have to be committed, and that must be a part of your strategy. (IV6)

Thus, working directly at the business-to-business level and having more face-to-face meetings both in China and Finland may make the relationship building process more effective and speedy; but at the same time, patience is required and the acceptance that relationship building takes time. The proposed Finnish strategy to extend the common ground involves the acceptance and accommodation of the longer time needed to build connections

and relationships. So, at least two coexisting speech codes could be observed in this situation – using accelerated means to meet in order to speed up the process, but also accepting the need for time when building relationships with the Chinese.

4. Conclusions, Implications and Limitations

This paper looked at the possible challenges and opportunities in search of common ground in co-operation, trade, and investment between China and Finland from the viewpoint of people working on these matters on the Finnish side. The people interviewed felt that the potential possibilities with China are not being fully exploited, and related this to a lack of "serious" interest from the Chinese side, restrictive regulations or vague co-operation formulations plans, and the long time needed to build relationships. The difficulties in moving past a general level of interest from the Chinese were a cause of frustration to the Finnish side, and the slow rate of outcomes was not what they expected. It can be concluded that the starting point for the Finnish side was based on their own cultural assumptions - if the Chinese have come, they want real co-operation, they will discuss in a straightforward way and specifically with the people directly responsible for the matter. This will then lead to concrete actions – actual co-operation, sales, investment, and all of that as quickly and efficiently as possible. Proposition four of the Speech Codes Theory (Philipsen, Coutu & Covarrubias, 2005) states that the interacting sides tend to interpret communicative conduct according to the practices in their own culture. For example, on a co-operation visit, Finns may presuppose that the Chinese are interested in actual, concrete and efficiently quick co-operation, which may indeed be the case. However, sometimes this may not be the case, or it is simply not possible due to some cultural or organizational considerations by the Chinese partners. The interviewees considered that it appears that occasionally the Finnish side takes the common ground of interest in real co-operation for granted, when it turns out that the Chinese only wanted to gain a general impression of Finland. Indirectness is partly accommodated, attempting to "read" from non-verbal cues when the Chinese are not interested, but there are also efforts to extend the common ground by encouraging the Chinese to be more direct, for instance about co-operation areas. To conclude, true co-operation requires mutual interest and its communication to the other partner. However, based on the data it is possible to see how one can make someone interested once interaction starts. Apparently, lack of interest is not something fixed; rather it is a kind of starting point, not giving something serious consideration at first. Preconceptions change in the process of visiting and interaction.

There could be a number of factors contributing to the general level of Chinese interest regarding co-operation and the fact that co-operation talks often remain on a superficial level. Some study participants explained that with indirectness, the concept of traditional Chinese culture. They believed this aspect is involved in not clearly communicating a lack of serious interest and in drafting too vague co-operation plans. In addition, it could be that the Confucian in-group and out-group distinction plays a role concerning the need for more time to build relationships (Gao & Ting-Toomey, 1998; Ock Yum, 1997). It appears that in some groups, such as government and local government officials in particular, the traditional Chinese values still seem to be strong, and these may be involved to some degree when intentions are not clearly communicated and when relationship building comes before the task. However, to verify these claims, more data is necessary, including interviewing Chinese visitors, as similar behaviors may also appear in contexts where a Confucian background is not a factor. The questions related to direct and indirect communication are complex and contextually bound. The interviewees said that Chinese venture capitalists tend to be more task-oriented and direct, which turns the attention to differences between various professional groups within one nation and the possible existence of multiple speech codes in the same society.

The Finnish side cannot directly influence the factors contributing to the general level of Chinese interest, but they shared efforts to deal with this by making the co-operation talks more specific. In particular, to be considered more seriously for actual co-operation, the interviewees said that it was helpful to present the areas of strength in Finland and match them with Chinese needs. The interviewees have observed that the Chinese are pragmatic people, and if they see actual gain, things will start to happen. When common areas of interest are identified, it is possible to utilize some pre-existing common ground between parties, which can be, for example, the practicality and pragmatism characteristics of both the Finnish and Chinese working cultures. At least in part, the historical origins of working cultures can be traced back to the Confucian heritage in the case of China, and the Protestant work ethic in the case of Finland. While the origins of working cultures are different, it appears that there are similarities, which can be a joint speech code between parties. This finding could have practical relevance for business actors and would be worth further investigation for practical applications.

Regarding the long time required to build relationships with the Chinese, the Finnish approach to this is strategic, in part – more visits to China, more Chinese institutions in

Finland, and moving more readily to the business-to-business or professional level – all of these might help to speed up the process. However, acceptance of the need to invest time and effort in building relationships was also communicated, suggesting that some adaptation is also necessary to extend the common ground and to be able to work with China and the Chinese. Proposition six of the speech codes theory suggests that speech codes frame responses according to ways that are accepted in society. There is proof that people experience social pressure to conform their behavior to the social codes in their society (Philipsen, Coutu & Covarrubias, 2005). People working for the Finnish side are facing the double pressure to accommodate the needs of their own culture in terms of directness, effectiveness and the results expected from them, but at the same time, to some degree at least, to adjust to the Chinese way of doing things, which may require patience and time.

The proposed strategy of the Finnish representatives to extend the common ground contains elements of pressure, utilizing existing common ground, and adjustment to the Chinese side. It can be claimed from the results of this study that the most effective way to increase the common ground involves a combination of finding and utilizing the existing common ground, exerting pressure on the other side to accept your way to some degree, and adapting part of the other side's way as your own. Interestingly, the Finnish strategy towards indirectness by the Chinese is to predominantly pressure the other party to be more direct, which can be attempted, for example, by offering co-operation areas and clarifying general terms. However, it appears that the main strategy chosen for building relationships is adaptation and acceptance, realizing this task takes time and requires patience. Several questions about building relationships can be raised for consideration in future studies. All relationships take time to build, but where can this time be found? How "deep" should the relationship be if the goal is simple business interaction?

Concerning the limitations of this study, it is a small-scale study predominantly based on interviews. At times, the interviewees' answers do not "have a stable relationship to how they behave in naturally occurring situations" (Silverman, 2006: 39). However, as the aim of the study was get to know the meanings that Finns attribute to their co-operation with the Chinese, the results certainly have provided relevant information on their perceptions. The purpose of this paper was not to generalize, but to reveal the fascinating every-day reality of people working on co-operation, trade and investment facilitation between China and Finland.

The results of this study may be relevant on a wider scale, as other small countries may face similar challenges in different contexts when trying to co-operate with the Chinese. The

views and perceptions of the visiting Chinese regarding co-operation development were not the focus of this study, but they would be equally interesting and important to consider in further research.

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Chinese Foreign Policy in a Global Perspective: A Responsible Reformer "Striving For Achievement"

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Abstract: During the last four decades, China has moved from being an isolated country separated from the international community to having become one of the world's major powers. It is vital to understand what is guiding Chinese foreign policy, why this is so, and not least what kind of power China is and will be in the future. This article analyses the vital elements and thinking that guides Chinese foreign policy, its priorities and decision making process. It is found that China's foreign policy is embedded in domestic issues. The foremost foreign policy objective is domestic political stability, which in turn is a necessity for the survival of one-party rule. Both are dependent on a combination of two key factors: continuing domestic economic growth and nationalism. The foreign policy is also closely linked to the Chinese self-perception, both its self-superiority/self-inferiority dualism and its multitude of confusing (overlapping) identities about what China is and should be. A key turning year is 2008 when the "global" financial crisis severely affected the United States and Europe at a time of Chinese economic success, which gave China confidence to pursue a more active and aggressive/assertive stance on the international stage. It is concluded that China under Xi Jinping will not be a *status que* power accepting the world as it is, but nor are we to expect China to become a *revisionist* power aiming to remodel the global order. China is what can best be described as a responsible reformer "striving for achievements".

Introduction [2]

During the last four decades, China has moved from being an isolated country separated from the international community, having become one of the world's major powers and being on its way to becoming the biggest economy in the world. Being at the epicentre of a global power shift from "the West" to "the East", and from "the North" to "the South", there has been a lot of attention given to its external affairs, including its foreign policy goals and behaviour. To accurately understand China's external affairs, there is a need to grasp the bigger picture, to be able to understand what is guiding the Chinese foreign policy, why this is so, and how the Chinese foreign policy decision making works. Without accurately grasping the larger foreign policy dynamics behind China's policy, it is simply not possible to accurately understand and

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in the continuation predict either its overall policy or its behaviour in specific cases, be it towards Russia, Europe, South East Asia, or how it handles the events in Ukraine or Syria. Nor is it possible to understand what kind of power China is today and will be in the future.

This article will try to grasp the larger foreign policy dynamics, trying to understand what is driving China's foreign policy and what kind of power China is and will be, and why this is so. It will analyse the vital elements that is guiding Chinese foreign policy and foreign policy thinking, its foreign policy priorities and decision making process. Focus will be on the period since 2000, with a certain emphasis on capturing the major developments that have happened since the election of Xi Jinping.

The article is divided into five parts. First, it will examine vital elements in Chinese foreign policy thinking, which sets up the framework for understanding Chinese foreign policy itself. This section reviews where China comes from and analyses how it perceives itself and what its position and role in the world is and ought to be. In section two, Chinese foreign policy priorities are outlined and its practical foreign policy is discussed. In section three, the processes behind the Chinese foreign policy are reviewed, outlining the actors behind Chinese foreign policy decision making traditionally as well as under Xi Jinping. Section four analyses the developments in foreign policy during the 21st century, outlining what type of power China is and will be. Finally, conclusions will be drawn, arguing that China is neither a *status quo* power accepting the world as it is, nor a *revisionist* power aiming to remodel the global order. Rather it has become what can best be described as a responsible reformer "striving for achievements".

Vital Elements in Chinese Foreign Policy Thinking

Since the foundation of the People's Republic of China (PRC) in 1949 the Communist Party of China (CCP) has sought to regain the respect and dignity of being a great nation that has been lost after what the Chinese perceive as a "century of humiliation" when external powers dominated the region. However, despite three decades of development, China still shows a dual identity of self-superiority and self-inferiority – which can also be seen in its foreign policy. On the one hand, China has the mentality of being superior, being the "Middle Kingdom" with the natural right of ruling the world. At the same time, China feels very insecure and weak, and under pressure from threats from within as well as from the outside.

Chinese foreign policy thinking is closely linked to Chinese self-perception. At the core is the perception of identity - the way in which Chinese scholars, academics and policy makers are thinking about China itself. Since China lost its centrality in Asia, from being the centre of power to whom others paid tribute, to becoming a semi-colonial country in the mid-19th century, the question of Chinese national identity and in what direction it should evolve has been a constant theme – who am I? How should I evolve? (Zhu, 2010: 19) This has created debates about what kind of power China is to be and what international role it should seek.

Looking beyond the self-superiority/self-inferiority dualism, China's rise has gone hand in hand with a confusing multitude of overlapping ideas about what China is and should be. Simultaneously China is a developing state, a (re-)emerging power and a global power (Wei and Fu, 2011). To this should be added its role as a regional power (Breslin, 2009, 2013). These multiple personalities in turn affect the different ways in which China builds partnerships and alliances. As a developing country it shares experiences and concerns with other less developed states. Since the Cold War era China has seen itself as a leader in the Non-Aligned Movement and a champion of Third World interests. As an emerging power it seeks alliances and partnership with other dissatisfied large powers, most clearly seen in the BRICS (Brazil, Russia, China, India, South Africa). As a global power, being a permanent member of the UN Security Council and a member of the G20, China is in "direct institutional contact with the established powers as one of a small number of other states that wield, and share, both global power and global responsibility" (Breslin, 2013: 617).Though the concept of G2 (China and the United States) is resisted in China itself, it is also by some seen as a quasi-superpower second in the global system only to the United States – a position creating expectations (Breslin, 2013: 617). Lastly, it is clear that China is already a regional power, closely watched and a key focus point for its regional neighbour's foreign policy strategy and security concerns. Not surprisingly, an extensive debate has evolved about foreign policy strategy.

Over time there has been a trend where China gradually has leaned towards trying to become an insider rather than outsider in the international community. Some of this includes internalising the task to create an image of China as a "responsible great power", or "responsible stakeholder" if using the western term, that neither threatens the interest of others, nor challenge the exiting global order, while facilitating for continued regional and global economic prosperity. However, at the same time China does provide an alternative to the existing liberal international order (Breslin, 2009: 822). Reiterating that, in contrast to the United States and the West, it has no normative agenda, not seeking to impose values and

policies putting an outmost respect on state sovereignty China offers "a democratic international order" as an alternative to the "unipolar hegemony of the Pax Americana" (Breslin, 2009: 825). This alternative is based on multilateralism with emphasis on the role of the United Nations as a global security guarantor, a commitment to the settling of disputes by consultation and dialogue as opposed to force and to global economic development with emphasis on the responsibility of the developed world to help developing states, and a "spirit of inclusiveness" where "all civilizations coexist harmoniously and accommodate each other" (Ding, 2008: 197).

Priorities in Chinese Foreign Policy

Often China's foreign policy is expressed in terms of different principles and slogans, such as the "Five Principles of Peaceful Coexistence", "Peaceful Rise/Development", and "Harmonious World". These in turn have formed the basis of foreign policy practices. This said, it is important to note that implicit but very important goals of the regime are also taken into account when forming foreign policy, something deliberated on more extensively further below.

Underpinning Chinese foreign policy for the last 60 years are the so called "Five Principles of Peaceful Coexistence" (United Nations, 2014: 70). These are 1) mutual respect for each other's territorial integrity and sovereignty, 2) mutual non-aggression, 3) mutual non-interference in each other's internal affairs, 4) equality and mutual benefit, and 5) peaceful co-existence. In practical terms these principles have facilitated a foreign policy focusing on "good-neighbourly relations", aimed at preventing external instability to negatively affect internal frictions within China, and a strict interpretation of non-interference in internal affairs most importantly concerning Taiwan, Tibet and Xinjiang.

But when looking beyond principles, what are in fact China's foreign policy objectives? Officially they are defined as 1) domestic political stability; 2) sovereign security, territorial integrity and national unification; and 3) China's sustainable economic and social development (Jakobson, 2013: 4). This is the outcome of a policy founded on the Five Principles of Peaceful Coexistence and driven by a number of "core interests". The main drivers behind the core interests are, to cite Timothy R. Heat (2012: 64), concerns "about externally derived threats to China's development and threats to China's access to overseas resources and goods upon which its economy is increasingly dependent".

The first three core interests are straight forward, being "National Sovereignty", "National Security" and "Territorial Integrity". However, China does tend to use a more strict interpretation of the three than other countries. It is simply not showing the same flexibility in interpretation as many other countries, as can be seen in for example Russia's interpretation of territorial integrity and national sovereignty (most recently in Ukraine) (Carlsson, Oxenstierna & Weissmann, 2015). The fourth core interest, "National Unification", is uniquely Chinese, it being a country where separation is seen as temporary while awaiting a return to the natural state of a unified China. The emphasis here is of course on the "renegade province" Taiwan. The belief in the unification of China has grown stronger, as Hong Kong and Macao have been returned; only Taiwan is missing. The last two core interests concern domestic issues, which, as already discussed, also drive foreign policy. They are "China's Political System and Social Stability" and "The Basic Safeguard of Interests for Sustained Economic and Social Development".

These core interests are not set in stone, nor are they in practice as clear as they seem in the official documents. When looking behind the big headlines about core interests, the picture gets messy as what is to be perceived as a core interests is disputed and debated within China. For example, it has been argued that sea lanes of communications are a core interest, which if accepted would have impact on how to develop China's naval capabilities as well as whether the United States naval superiority in East Asia should be accepted. It has also been argued that the Middle East is part of China's core interest, as energy from the area is essential to ensure long term economic development in China.

"Core interest", as argued by Timothy R. Heath (2012), is a concept that the Chinese leaders are likely to continue to expand and refine. Such moves have already been seen; 2011 being the first time a government white paper explicitly listed China's "political system" and "national reunification" among core interests, though Chinese officials have mentioned them in other contexts. The 2011 Peaceful Development White Paper was also the first to refine the concept of "developmental interests", specifying that China seeks to "safeguard" the "sustainability" of this kind of interests, as opposed to merely securing the resources themselves.

Foreign Policy in Practice

China has been keen to learn from the experiences of previous great powers and the legacy of its own glorious past. In the foreign policy context China is trying to reach out to other countries, emphasising the mutual benefits from doing things together. This way it tries to be

different from the Western security governance practices of "do as I say, not as I do" (Kavalski, 2012: 6). China here puts particular emphasis on its own experiences of modernisation, as a successful late-developing country, being a possible model for others (Spakowski, 2009: 489-90). Of course this is viewed in a positive way in many places, particularly in the global South and in non-liberal and non-democratic states or countries with a colonial past.

Chinese foreign policy is embedded in domestic issues. In fact, the foremost foreign policy objective in China is to ensure domestic political stability. The ultimate goal is to ensure the survival of one-party rule and the socialist system, which in turn is dependent on political stability. Domestic political stability and the regime survival are both dependent on a combination of two factors: continuing domestic economic growth and nationalism. Nationalism here has replaced political ideology to legitimise authoritarian one-party rule, as the latter has lost much of its credibility as a way to legitimise the state of affairs.

There is a direct link between economic growth and nationalism, where economic growth works as a way to satisfy nationalist sentiments rather than pursue overly aggressive nationalist policies in for example the South China Sea or against Taiwan – without growth, Beijing would have to elaborate on contingencies such as occupying new islands in the South China Sea, or even launch an invasion of Taiwan-held offshore islands, such as Mazu or Jinmen, to keep its domestic audience content. Thus, nationalism is useful, but dangerous. If not kept under control, China risks being drawn into direct conflict with its neighbours. This in turn would undermine economic growth. In short, it is a delicate balancing act.

Decision Making in Foreign Policy

To understand foreign policy, it is necessary to understand the underlying decision making process, including the actors involved. In official foreign policy making, three actors stand out: the Communist Party of China, the State Council and the People's Liberation Army (PLA) (for a good overview of these three actors see e.g. Jakobson & Knox, 2010: 4-16). The former two have separate decision making structures, though overlaps exist in function, authority and personnel. The party does have supreme authority. In addition to the party and government structures under the state council, the People's Liberation Army (PLA) always has and continues to play an important role in foreign policy making on security issues and other areas related to military affairs. However, foreign policy making goes beyond official structures, and a number of factors besides official structure need to be taken into account.

One of the better and up-to date conceptualisations of Chinese foreign policy decision making has been presented by David Shambaugh (2013: 61-72), who conceptualised the foreign policy process as consisting of five concentric circles – 1) senior leaders, 2) ministries, 3) intelligence organs, 4) localities and corporations, and 5) society. Of the five circles, it is only the inner two that actually make foreign policy *decisions*. The other three only *influence* these decisions.[3] The senior leadership includes the top leadership and the institutions with whom they interact. It should be noted that here foreign policy is only a small part of their work. It has been estimated that international affairs take up a mere 10-15 per cent of the Politburo leaders' time. The second sphere includes a range of ministries and ministerial level agencies, of which the Ministry of Foreign Affairs is the most important. This said, it should be emphasised that many Chinese academics and people related to the foreign ministry always emphasise how weak the Ministry of Foreign Affairs is, noting that there is a need to coordinate with a lot of other actors and that the Ministry of Commerce is a dominant actor. It is also noteworthy that the State Councillor responsible for foreign affairs, Yang Jiechi, is not even a member of the Politburo.

The third sphere includes a range of intelligence organs, including institutes such as China Institutes of Contemporary International Relations (CICIR), China Institute of International Studies (CIIS), PLA Academy of Military Science (AMS), Central Party School Institute of Strategic Studies and key universities such as Peking, Renmin, Tsinghua, Fudan, and China Foreign Affairs University. They contribute with information, advice and intelligence to ministerial-level agencies. Sometimes they are also attached to such ministries, as in the case of CICIR which is attached to the State Council and CIIS to the Ministry of Foreign Affairs. Localities and corporations consist of China's large state-owned enterprises with operations abroad, as well as provincial and municipal level governments that make autonomous decisions on a range of topics and issues. Fifth and last, individuals in society, including individuals such as members of think-tanks expressing their views in the media and bloggers active on micro-media *(weibo)* and the internet all try to influence foreign policy.

It should be emphasised that the knowledge of the exact practice of the Chinese Foreign Policy decision making process, often even its motivations, is limited. This said, some valuable research has been undertaken (See e.g. Rozman, 2013; Barnett, 1985; Jakobson & Knox, 2010; Lampton, 2001). However, even in more transparent countries, it can be unclear why in fact the processes leading to major decisions were initiated. This is even more so in

[3] The exception is corporations that make business decisions with actual impact abroad and have effects on foreign policy, though these are not actual foreign policy decisions.

China, where the governance process is very informal compared to the West – less so in foreign policy, but still important in particular in economic policy and issues related to economic reform (Harris, 2014: 26-27). Politics in China "should be thought of as an endless web of bureaucratic and political constituencies that compete and bargain for position and resources within a vertically organized Leninist system" (Shambaugh, 2002: 36). It is also in this vertical system that, "unlike in democracies, political competition is waged ... within the CCP and government departments – rather than being open to the public." (Harris, 2014: 26) Within this system personal power and relationships (*guanxi*), between individuals and towards a patron, are critical (Harris, 2014). Exactly as argued by Jakobson and Knox (2010: 15–17), the policy making process is consensus-driven and highly dependent on informal channels and allegiances.

Foreign Policy Decision Making under Xi Jinping

Xi Jinping has been responsible for major changes in the Chinese decision making process, including foreign policy. Xi's leadership seems to be more centralized in the general secretary himself, a style very different from the "collective leadership" that the party has followed since Deng Xiaoping's leadership in the late 1970s. Rather than adhering to collective decision making, Xi has taken all power in his own hand, including the power over the Armed Forces.[4] In this context, it should be noted that he is leading a, under Chinese circumstances, most unbalanced Politburo Standing Committee (PBSC), the top policy-making body in China, where six out of the seven seats are filled with officials belonging to his party faction. These six are all officials linked to the former CCP general secretary (1989-2002) Jiang Zemin who dominated the leadership transition despite having left all offices eight years ago and now being 88 years old (Dotson, 2014: 14–19). In contrast, Hu Jintao, the outgoing general secretary (2002-2012), was only able to secure one seat for his followers (Dotson, 2014).

During Xi Jinping's leadership the role of the military and its influence in the foreign policy making process has increased.[5] There are two reasons for this: Xi's experience from the military and the fact that more military issues have reached the top level of the agenda. His military experience also creates a strong informal link between the military and the PBSC, where the man in charge is the only one with a military background. External pressure, not

[4] This view was supported in an interview with academics in Beijing, China, Oct. 2014.

[5] Interview with Chinese academic, Beijing, China, Oct. 2014.

least the conflict with Japan over the Senkaku/Diaoyu Islands and in the South China Sea but also cyber-attacks, facilitates the military influence by putting military issues at the top of the agenda. Thus, there is more space for the military in a political situation where the person in charge has a personal interest in and high ambitions for the military.

Chinese Foreign Policy in the 21st Century

China is best understood as a partial power, being on the one hand a member of the UN Security Council and the G-20, a key actor on international summits etc., while on the other hand remaining reactive and passive in these venues (Shambaugh, 2013: 45). However, China's diplomacy has remained very risk averse and been guided by narrow national interest. China has sought the lowest-common denominator and, as far as possible, it has stuck to the least controversial position, having a preference not to make the first move but wait on others to show their positions before deciding on its own. There are a number of exceptions to this principle when it comes to perceived narrow national interests. That is first and foremost Taiwan and other issues that may interfere with China's sovereignty (Tibet, Xinjiang and maritime territorial claims in the South and East China Seas), but also issues relating to human rights. Here China has instead been both very active and extremely vigilant.

China's engagement with the international community can be traced back to late 1990s when China begun to look outwards. At the forefront of this drive to modernise its foreign policy, once again being an active part in the international community can be characterised as a pursuit of "comprehensive power", acknowledging that a global power needs multidimensional strength. During the following decade, China's engagement with the international community boomed. This engagement included all spheres, ranging from economic and socio-cultural, to the military sphere. China's "go out", "go global" strategy aimed at encouraging Chinese firms and other localities and organisations to expand abroad, a strategy that took up speed in the mid-2000s. The PLA did start to engage internationally, including conducting several hundred exchanges each year.

Underlying China's foreign policy since 2000 is China's "new security concept" (NSC) (Bergsten, 2008, especially chapters 10 & 5). Announced at the ASEAN Regional Forum in 1997, the NSC is a form of grand strategy pronouncing the overarching principles to guide foreign policy. It was a direct response to the expansion of NATO and the United States' attempts to strengthen its alliances and security cooperation in the world. It sets out to elaborate on China's aspirations in the new post-Cold War order. Besides acknowledging the adherence to the Five Principles of Peaceful Coexistence, it emphasises mutually beneficial

economic cooperation, confidence building and the establishment of "strategic partnerships" not directed at a third country.

The new security concept sets the stage for what has become the foremost emphasis of Chinese foreign policy: China's "peaceful rise".[6] The aim with this concept was to reassure the international community, in particularly neighbouring countries, that China was a benign country and not a revisionist state that sought hegemony. Emphasis was put on arguing that China's rise is not a zero-sum game, but a mutual win situation. The phrase was later reframed as "peaceful development" as the debate took a turn that Beijing did not like; the word "rise" was in focus in the debate rather than, as China would have preferred, "peaceful". This was part of a wider debate on whether China was a threat or not.

Since 2000, China has maintained stable relations with the United States and other major powers, while at the same time strengthening its relations with its neighbours in Asia as well as on its periphery. These moves were extremely successful, with China building excellent ties – or at least better - with most of its Asian neighbours and peripheral countries. China did also expand its perspective, giving attention also to Africa, Latin America and Europe. This was not to last…

A key year for Chinese foreign policy is 2008. At the time, it had already become a major player on the regional and global stage, having been one of the world's fastest growing economies and a major contributor to world economic growth for several years. At this point, the "global" financial crisis was severely affecting the United States and the West, while leaving China relatively unharmed. The crisis affecting the United States and Europe at a time of Chinese economic success facilitated a renewed Chinese confidence to take a more active and aggressive/combative stance on the international and regional stage. This more assertive stance has been accelerated by nationalistic pressure. Consequently, since 2009 the "assertive China discourse" has become a widespread narrative in the debate on Chinese foreign policy in the West (there has been a considerable debate about whether Chinese foreign policy in fact has become more assertive. See Jerdén, 2014; Johnston, 2013; Scobell & Harold, 2013). Furthermore, in the case of Europe, the crisis has completed a mental shift in China. Put simply, since the crisis, Europe has in the mind of the Chinese lost its last credibility to compete about being the number two power behind the US.

[6] In 2005, President Hu Jintao introduced another concept, "Harmonious world". However, this undefined slogan meant to demonstrate the Chinese commitment to global peace and stability, and the goal of a more just and equal international system has not been a success.

Since 2011 China has made attempts to regain the regional and international trust. China's more assertive behaviour has destroyed most of two decades of trust-building, with China having strived to convince both its regional neighbours and the international community that it is not a threat, but a peacefully rising and responsible power. Arguably the most illustrative example here is China's approach towards the South China Sea dispute and its South East Asian neighbours. Since the early 1990s a lot of trust has been tediously built by political efforts and economic investments to build good and peaceful relations, which were largely destroyed as a result of China's more assertive policies (Weissmann, 2010, 2012, 2014, 2015). Not surprisingly, the move by Beijing in late 2007 to consolidate its jurisdictional claims followed by a more active and assertive pursuit of its claims in 2009-2010, including the imposing of unilateral fishing bans, seizing of Vietnamese fishing boats and equipment, and the harassment of US ships intruding beyond the 12-mile territorial limit, was not good for its the image as a peacefully developing country that it wants to project.[7] To regain lost trust is a difficult endeavour as it will take time to get back to the mid-2000 situation - if at all possible. This is particularly true as Beijing's rhetoric has not been matched by its actions, such as its military build-up including its pursuit to become a maritime power by continuing to pursue its claims in the South and East China Seas. In addition, relations with the United States was strained by the Chinese active opposition to the US renewed interest in, and military rebalancing to, Asia.

However, attempts to counteract the "assertive China discourse" has not been helped by the development of a parallel narrative in China, arguing that China has moved from a "keeping a low profile" strategy to adopting one of "striving for achievements" (Qin, 2014). This has been part of a heated debate between two foreign policy strategies, whether China should pursue "the strategy of keeping a low profile" focusing on economic gains as it did under Deng Xiaoping, or "striving for achievements" putting emphasis on the strengthening of political support as the way to be successful in the rejuvenation of the Chinese nation (Yan, 2014; Qin, 2014). Proponents of the latter argue that "striving for achievements" strategy has made major progress after the election of Xi Jinping in 2012 (Yan, 2014). However, even if accepting that Xi leans towards striving for achievements as the evidence so far indicates, it is most unlikely going to be a complete departure from the old Chinese foreign policy strategy (Qin, 2014).

[7] In late 2007, China passed a new legislation which consolidated its jurisdictional claims by creating a county-level city in Hainan, Sansha, to govern the Paracel and Spratly Islands in the South China Sea.

Chinese Foreign Policy since 2013 under the Leadership of Xi Jinping

When looking beyond underlying principles, it is clear that the new Xi Jinping's administration is pursuing a more active foreign policy. The main aim of the new foreign policy is "to achieve modernization, create a benevolent and peaceful external environment, and take steps that allow it to develop its domestic economy" (Zhao, 2013). To achieve these aims China seeks to maintain its peaceful relations with other states, both nearby and globally. This includes a need to manage conflicts with neighbours over territorial and maritime issues. It is also important to counteract United States' decision to refocus its foreign policy putting more emphasis on Asia. A key element is to secure natural resources, including, but not exclusively, oil and gas, with the purpose to build a momentum for domestic development. The overarching goal is to ensure prosperity in China, to open up "new paths for the nation's rejuvenation, and create conditions that benefit the Chinese people" (Zhao, 2013).

At least so far, it seems like foreign policy will not be one of Xi Jinping's top priorities as domestic pressure will need to be his main focus. After three decades of "reform and opening up" it is clear that China is approaching more difficult times as it has to manage pressing domestic challenges, including slowing economic growth, shifting social structures and socio-economic unrest caused by increasing socioeconomic inequalities. Thus it can be expected that the foreign policy path will be even more guided and driven by domestic concerns than it used to be; be it to satisfy nationalistic demands, energy needs or the need for economic growth.

When looking at Xi Jinping's foreign policy a number of priorities have been standing out. First of all, there has been emphasis on the need to maintain a stable international environment, in particular with regard to the United States. President Xi Jinping has here, during a trip to the United States in February 2012, proposed the idea of "a new type of relationship between major countries in the 21st century" that in its vagueness has been generally endorsed in Washington. The underlying premises are that a major conflict between the United States and China is not inevitable, and that a conflict would be catastrophic for both sides, with even non-cooperation being extremely costly (Lampton, 2013). Thus Xi argues for "mutual understanding and strategic trust," "respecting each other's 'core interests,'" "mutually beneficial cooperation," and "enhancing cooperation and coordination in international affairs and on global issues." (Xi, 2012)

As a response to the United States' rebalancing Xi is also giving to developing China's relations with "old friends", that is countries that have stood by China in the past or are to

whom China is indebted (Aoyama 2014). These approaches have not always been welcome or successful, but they have at least sent a message to Washington about what China thinks of the rebalancing to Asia (Aoyama 2014).

Beijing's focus on the emerging developing world and emerging powers is also partially part of this strategy. China has been trying to widen its impact in the emerging developing world, trying to increase its presence and influence in Central Asia, South Asia, Latin America and Africa. It is also trying to develop its cooperation with other emerging major states, such as India, Mexico, South Africa and Russia. This includes a range of new initiatives, such as the "Silk Road Economic Belt", aimed at establishing a transport corridor from the Pacific Ocean to the Baltic Sea, and a "Maritime Silk Road" from China to India, Africa and the Mediterranean, as well as the creation of an "Asian Infrastructure Bank" (AIIB), which has been seen as a "World bank" for Asia, and a "New Development Bank" (NDB), known as the BRICS Bank, which in turn can be viewed as a competitor to the International Monetary Fund (IMF). Not all of these will come through - some, like the "Silk Road Economic Belt", should be seen more as ideas/visions than actual plans.[8] In short, in its counteracting of the US, it seeks all avenues it can find.

Conclusion

Major developments have been seen in Chinese foreign policy during the last one and a half decades, with Xi Jinping's more active foreign policy being but the last example. It is clear that China under Xi Jinping will not be a *status quo* power accepting the world as it is, nor are we to expect China to become a *revisionist* power aiming to remodel the global order. Even if accepting that Xi leans towards "striving for achievements" as the evidence so far indicates, it is still most unlikely that there will be a complete departure from the old Chinese foreign policy strategy of "keeping a low profile". In 2010 Shaun Breslin referred to China as a "dissatisfied responsible great power" (Breslin, 2010). This is still the case, though by now China has moved beyond merely being dissatisfied to becoming what can best be described as a responsible reformer "striving for achievements".

[8] In addition to being best described as an idea or presented by Xi Jinping, thus giving room for a lot of flexibility in the (possible) implementation, in the case of the "Silk Road Economic Belt" it should be noted that despite the name, the Chinese emphasis is on Central Asia where the Silk Road belt is aimed at helping to ensure stability in the Chinese border area (Carlsson, Oxenstierna & Weissmann, 2015).

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Editorial Comment: This paper is a policy study paper on the history and development of China's nuclear weapons strategy and the evolutionary shaping of China's nuclear doctrine by a senior Chinese foreign policy scholar. JCIR occasionally welcomes policy study papers – also papers which reflect official Chinese viewpoints. We believe that publishing papers like this in English can play an important role in fostering dialogue on China's foreign policy, and can provide an insight into Chinese foreign policy thinking even though the style and argumentation of the paper differ from Western academic standards. Any conclusion, implication, or opinion expressed in this paper is that of the author and does not necessarily represent the standpoint of JCIR.

On China's Nuclear Doctrine

Xia Liping[1]

Abstract: Nuclear weapons have played an important role in China's national strategy. China's nuclear doctrine has a very strong continuity. Nevertheless, China has made readjustments in its nuclear doctrine according to the changes of its internal and external situation and its general strategic threat perception. China's nuclear doctrine has experienced a process of evolution from anti-nuclear blackmail to minimum deterrence. There are five major parts in China's nuclear doctrine: policy of declaration, nuclear development, nuclear deployment, nuclear employment, and nuclear disarmament. Because China is faced with a different situation from other nuclear powers and has its own strategic culture, China has a nuclear doctrine with its own characteristics. China's nuclear doctrine has been affiliated with and has served the national development strategy, national security strategy, national defense policy and military strategy of China.

History of China's Nuclear Doctrine[2]

China's decision to develop nuclear weapons dates from the late 1950s when China was faced with a serious nuclear threat from the United States. During the first Taiwan Strait Crisis from September 1954 to April 1955, U.S. Joint Chiefs of Staff put forward a proposal to U.S. President Dwight Eisenhower that the United States should launch atomic attacks against China's strategic targets (Xia, 2002: 158-159). Furthermore, after getting permission from Dwight Eisenhower, on March 15, 1955, U.S. Secretary of State Dulles said to news media

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that the United States was seriously considering the use of tactical nuclear weapons during the crisis (Xia, 2002: 159). In 1958, during the second Taiwan Strait Crisis, U.S. Defense Department and Joint Chiefs of Staff asked again to launch nuclear attacks against China (Xia, 2002: 159). In the context, on June 21, 1958, Mao Zedong (1993: 374), Chairman of Chinese Communist Party Central Committee and Central Military Commission (CMC), said at an expanded plenary session of the CMC, that other countries would look down on us if we do not have atomic bombs, so we should develop some atomic bombs, hydrogen bombs and intercontinental missiles, which can be achieved within ten years.

On October 16, 1964, China successfully conducted its first test of an atomic bomb. On the first day of gaining nuclear weapons, China declared its nuclear policy as follows:

- China conducted the nuclear test only for the purpose of defense
- Not to be the first to use nuclear weapons at any time or under any circumstances

China had always held the belief that all nuclear weapons should be prohibited and all those in existence should be destroyed (Information Office of the State Council of the People's Republic of China, 1995: 27).

Afterwards, the Chinese Government added another important principle to the policy: "unconditionally not to use or threaten to use nuclear weapons against non-nuclear weapon states or nuclear weapon-free zones" (Ibid.). Until now, the four principles have remained important parts of China's current nuclear doctrine.

Evolution of China's General Strategic Threat Perception

China's general strategic threat perception has experienced an evolution. During the period of the Cold War, in the mid-1960s, China regarded both superpowers - the U.S. and the Soviet Union - as its major enemies. From the end of the 1960s to the late 1980s, especially since the armed conflicts on the border with the Soviet Union in 1969 and then U.S. President Nixon's visit to China in 1972, China regarded the Soviet Union as its major enemy. Since the end of the Cold War, China's general strategic threat perception has fundamentally changed. Now,

China no longer regards any other country as its enemy. Also, China has attached significant attention to the impacts of non-traditional security challenges on international relations, which have rapidly been increasing since the September 11 incident.

Non-traditional security challenges are also labeled as global problems, transnational problems or low politics problems; including terrorism, proliferation of Weapons of Mass Destruction (WMD), piracy, environmental pollution, global warming, population exploration, drug trafficking, international crimes, HIV/AIDS, and so on. Non-traditional security threats have two major characteristics. One is that they exist all over the world and are related to all human beings. Another one is that they threaten the existence and development of humanity. So major powers should abandon Cold War mentalities and accept the new security concepts based on cooperative security and common security.

At the same time, China also has some strategic concerns:

How to Maintain International Strategic Stability

The framework of strategic stability between major powers is the foundation of global strategic stability. During the Cold War, strategic stability between major powers mainly consisted of stability of arms races and stability of crisis. Since the end of the Cold War, both the U.S. and Russia have reduced their strategic nuclear weapons. So it is now very possible to avoid a nuclear arms race. However, major powers must make great efforts to avoid a security dilemma, which may lead to a nuclear arms race between them. Major powers should maintain global strategic balance and stability and vigorously advance nuclear disarmament. All nuclear-weapon states should fulfill, in good faith, obligations under Article VI of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), and publicly undertake not to seek permanent possession of nuclear weapons.

Missile Defense System

A global missile defense program will be detrimental to international strategic balance and stability, undermine international and regional security, and have a negative impact on the process of nuclear disarmament. For example, if the U.S. increases the number of interceptors

of its strategic missile defense system, China has to increase the number of its intercontinental nuclear missiles in order to maintain the capability of its minimum nuclear deterrence because 3-4 interceptors can intercept one attacking warhead. This means that China has to have one nuclear warhead, which can penetrate the U.S. missile defense system in order to hit the United States after being attacked first by American nuclear weapons.

U.S. Nuclear Strategy

Issues over Taiwan, the South China Sea, and the Diaoyu Islands may lead to China-U.S. armed conflicts. Because the U.S. has the largest nuclear arsenal in the world and continues to pursue the nuclear strategy based on the policy of first-use of nuclear weapons, China has to maintain the minimum nuclear deterrence capability. If the U.S. increases the number of interceptors of its missile defense system, China has to increase its nuclear warhead count.

The Role of Nuclear Weapons in China's Military Strategy

Nuclear weapons have been playing an important role in China's national and military strategy – though not a key role. However, they have not played a key role. China's nuclear doctrine has gradually experienced the process change from a counter-nuclear blackmail strategy to a minimum deterrence strategy. Now the most important task of the People's Liberation Army (PLA) is to win partial wars in light of modern technology. Conventional forces are still the major implements used to win these kinds of wars. The major task of China's nuclear weapons is to deter the enemy from launching an initial nuclear attack against China.

From China's initial test of a nuclear weapon on October 16, 1964, to the mid-1980s, China's nuclear doctrine has been the counter-nuclear blackmail strategy. During the period, China's nuclear weapons were few and did not reach the standard of the minimum deterrence strategy. This strategy would inflict an unaffordable loss by nuclear retaliation on any superpower that first launched a nuclear attack against China. Furthermore, during this period, both Chinese Government and the PLA did not accept the concept of nuclear deterrence. Some Chinese experts even regarded the nuclear deterrence as a means for the superpowers to

impose nuclear blackmail on other countries.

Since China's acquisition of nuclear weapons, it has not only broken the superpowers' nuclear monopolization, but also generated the capability to deny nuclear blackmail from these superpowers. Identified below are some of the major features of the counter-nuclear blackmail strategy:

1) The counter-nuclear blackmail strategy was established on the foundation of the concept of people determining the results of wars instead of the theory of nuclear taboo

The basic reasons for China developing the counter-nuclear blackmail strategy were:

- Nuclear weapons have two distinct characteristics. First, they are weapons of mass destruction that can kill thousands of people. Second, nuclear weapons cannot determine the results of wars
- Territorially, China is very big with a large population, so this would provide an ample amount of army and militiamen for a people's war in China against foreign invaders if necessary

2) The counter-nuclear blackmail doctrine was a comprehensive strategy

From October 1964 to 1985, China was prepared to fight a war at short notice, on a large scale, and in which nuclear weapons might be used. According to the guideline of China's military strategy of active defense, it sped up the development of missiles with nuclear warheads. At the same time, China actively prepared for defending against nuclear wars.

In October 1966, China conducted its first flight test of a medium-range missile with a nuclear warhead. On May 18, China tested its inter-continental ballistic missile, which flew successfully from West China to the South Pacific. Since then, China has been able to attack a target on another continent.

From 1964, China began to build the areas of the big and small Third Defense Line. After the Armed Conflict between China and the Soviet Union in 1969, the Nine National Congress of the Chinese Communist Party declared that China must be prepared to fight a war at short notice, on a big scale, and involving nuclear weapons from both the Soviet Union and the U.S.

From that point on, China began to establish air-raid shelters, some of which withstand nuclear attack, on a big scale throughout the country. In 1972, Chairman Mao Zedong put forward the concept of "Digging deep shelters, Accumulating food in big stockpile, and Not seeking hegemony", which became the national strategy for China, guiding the process of the country and the process of fighting a war at short notice on a large scale and in which nuclear weapons might be used.

3) China's counter-nuclear blackmail doctrine held the view that winning a war will require conventional weapons

Preparation to fight nuclear wars meant that China not only prepared to defend against surprise nuclear attacks from a superpower, but also sought to defeat an invading enemy with conventional weapons.

Since 1985, China has gradually transformed its nuclear doctrine from a counter-nuclear blackmail strategy to a minimum deterrence strategy. The major reasons for this transformation have been as follows:

- With many years of great efforts, China has made great progress in developing its strategic nuclear forces. In September 1989, China finished establishing an integrated nuclear war-fighting system, which can effectively carry out strategic retaliation
- Since 1986, China has accepted the concept of nuclear deterrence and has regarded the nuclear deterrence as part of its nuclear doctrine
- After the PLA's large conventional force reduction, the importance of nuclear weapons in China has been increased. Since 1984, the PLA's Second Artillery has entered the list of day-to-day combat readiness on duty. So carrying out the minimum deterrence strategy has been beneficial for preventing nuclear war against China

The Foundation of China's Nuclear Doctrine

There are two basic starting points for China's nuclear doctrine: China's national security and humanitarianism.

1) The maintenance of China's national security is the fundamental motivation behind the development of nuclear weapons

China has used its nuclear weapons as a means to prevent its enemies from imposing war on the Chinese people. China developed its nuclear weapons under a very special security environment during the Cold War, in which China was faced with nuclear threats from one or even two superpowers.

2) Humanitarianism is one of the most important factors for China in developing its nuclear doctrine

From the first day that China successfully tested its nuclear weapons, it has held that these weapons must be totally banned and thoroughly destroyed. China committed itself to never being the first to use nuclear weapons at any time or under any circumstances. This also means that China has regarded humanitarianism, which focuses most of all on the lives of people, as one of the pillars of the Chinese nuclear doctrine. Compared with the nuclear strategy of MAD (Mutual Assurance of Destruction) of the U.S. and the Soviet Union during the Cold War, the Chinese doctrine has commanded higher morality within the international community.

Major Features of China's Nuclear Doctrine

China's current nuclear doctrine can be characterized as follows:

- China has implemented a self-defense nuclear strategy (Information Office of the State Council of the People's Republic of China, 2009: 51)
- China has a small amount of nuclear weapons only for self-defense (Information Office of the State Council of the People's Republic of China, 2000: 2)
- China has committed itself not to be the first to use nuclear weapons at any time or under any circumstances
- China has committed itself unconditionally not to use or threaten to use nuclear weapons against non-nuclear-weapon states or nuclear weapon-free zones
- China does not participate in any nuclear arms race, and has never deployed nuclear

weapons abroad (Ibid.)

- China maintains a small in number yet effective nuclear strength of counterattack. In order to deter possible nuclear attacks against China by other countries, any nuclear attack by other countries against China would lead to China's retaliatory counterattack (Ibid.)
- The numbers of China's nuclear weapons have been maintained at relatively low level, and the scope, structure, composition and development of them are consistent with China's military strategic guideline of active defense (Ibid.)
- China's nuclear forces are commanded directly by China's Central Military Commission (Ibid.: 5)
- China has adopted an extremely prudent and responsible policy towards the management of nuclear weapons, created rigorous rules and regulations, and taken strict preventive measures so as to have assured the safety and reliability of its nuclear weapons (Ibid.)
- China's nuclear force is mainly responsible for deterring other countries from using nuclear weapons against China, and for conducting nuclear counterattacks. China's nuclear force takes as its fundamental mission the protection of China from any nuclear attack. In peacetime the nuclear missile weapons of China are not aimed at any country. But if China comes under a nuclear threat, the nuclear missile force of China will go into a state of alert, and get ready for a nuclear counterattack to deter the enemy from using nuclear weapons against China. If China comes under a nuclear attack, the nuclear force of China will use nuclear missiles to launch a resolute counterattack against the enemy

During the readjustment of the PLA in the late 1990s, the PLA Second Artillery force reduced its outdated equipment, adjusted part of organizations, and removed and merged some organic units (Ibid.: 3). Subsequently, the PLA Second Artillery force increased the proportion of technical units, and its structure has further tended to be reasonable (Ibid.). Until 2008, the PLA Second Artillery force has had weapon systems of short-range, mid-range, long-range

and intercontinental missiles, and has possessed the capability of quick reaction and mobile war-fighting (Information Office of the State Council of the People's Republic of China, 2009: 51).

American scholars hold that China is modernizing "the PLA's nuclear capability through the creation of a small yet more accurate and versatile triad-based strategic and tactical missile force" (Swaine, 2009: 38). According to "SIPRI Yearbook 2007: Armaments, Disarmament and international security", China has 20 CSS-4 ICBMs and 35 CSS-5 medium-range missiles (Stockholm Institute of International Peace, 2007: 712). None of this has been confirmed.

The Structure of China's Nuclear Doctrine

Similar to the nuclear doctrines of other nuclear-weapon states, China's doctrine has composed five policies: policy of declaration, nuclear development, nuclear deployment, nuclear employment, and nuclear disarmament. Because of China's strategic culture and its situation, its nuclear doctrine has the following characteristics:

1) The declared policy of China's nuclear doctrine is no-first use of nuclear weapons and self-defense

From the start, China has made it very clear that it will not use nuclear weapons first at any time or under any circumstances. No-first use of nuclear weapons has had strategic significance and is based on deep consideration.

China believes that the final results of wars are decided by people instead of advanced weapons and WMD. The most significant foundation for China's national defense is the concept of People's War. Therefore, the implementation of a policy of no-first use of nuclear weapons will affect the results of wars in the future.

The sacred commitment to no-first use of nuclear weapons fully reflects the point that China's holding of nuclear weapons is completely for self-defense only. China has been compelled to develop nuclear weapons as a deterrent.

This no-first use policy allows China to command high morality in the international

community. The countries and people that use nuclear weapons during invading wars will be viewed as pariahs of humanity in the years to follow.

China's final purpose in developing nuclear weapons is to destroy nuclear weapons. The policy of no-first use is beneficial because it encourages the international community to share this objective.

2) China's policy of nuclear development is the building of a lean and effective strategic nuclear force

Chinese national security has mainly depended on a foreign policy of peace and the integrated power of people's war. Nuclear force is one of the most important pillars and parts of China's armed forces. However, it is not the basis and the core of China's national defense forces. In order to reach the goal of deterring other countries from launching nuclear attacks against China, China must develop a strategic nuclear force with the capability of basic means of retaliation.

China has persisted in the principle of limited development of nuclear weapons, attaching a lot of importance to building a lean and effective strategic nuclear missile force. China does not seek the superiority of numbers in its nuclear force or to compete with other countries.

China has taken a very self-restrained attitude towards the development of nuclear weapons, so the Chinese nuclear arsenal has been kept at a minimal level for self-defense.

3) China's policy of nuclear weapons deployment is to maintain a second strike capability

China has focused on maintaining this capability in its nuclear weapons deployment; that is the capability of nuclear retaliation. China has never deployed nuclear weapons outside of it.

In 1979, the Central Committee of the Chinese Communist Party made the decision to build the "Great Wall" Project, the purpose of which was to enable China's land-based strategic nuclear force to be able to survive and retaliate after suffering a first nuclear strike by other countries.

In the summer of 1995, the "Great Wall" Project, under the Second Artillery, was completed. Therefore, the Chinese land-based strategic nuclear force has underground

positions for fighting, defending, being deposited, commanding and living. Even if struck by nuclear warheads launched from other countries, China's land-based strategic nuclear force can retaliate in ten minutes, or after a few days, or even live for one month in the underground bunkers (Zhang and Qin, 2006).

Some Western experts have said that the Second Artillery deploys land-based strategic nuclear missiles in "underground homes" hundreds of meters below ground, which allows them to endure hits from some nuclear bombs, equivalent to hundreds of thousands of kilotons of TNT.

Strategic nuclear submarines are also an important capability of a second strike; they are beneficial for improving strategic stability between China and other nuclear powers. As Deng Xiaoping said, "our strategy has always been defense and we will continue its strategic defense in the next twenty years, in which nuclear submarines are also weapons of strategic defense" (Office of Literature Research of the Central Committee of Chinese Communist Party, 2004: 512).

4) China's policy of nuclear employment is self-defense and retaliation

China has persisted in the principle of self-defense and retaliation. The CMC has directly controlled and commanded the nuclear force of China.

> The Second Artillery Force sticks to China's policy of no first use of nuclear weapons, implements a self-defensive nuclear strategy, strictly follows the orders of the CMC, and takes it as its fundamental mission the protection of China from any nuclear attack. In peacetime the nuclear missile weapons of the Second Artillery Force are not aimed at any country. But if China comes under a nuclear threat, the nuclear missile force of the Second Artillery Force will go into a state of alert, and get ready for a nuclear counterattack to deter the enemy from using nuclear weapons against China. If China comes under a nuclear attack, the nuclear missile force of the Second Artillery Force will use nuclear missiles to launch a resolute counterattack against the enemy either independently or together with the nuclear forces of other services (The State Council Information Office of China, 2009: 26).

After the armed conflicts between China and the Soviet Union at treasure Islands along the

China-Soviet border in 1969, the Soviet attempted to launch surgical nuclear attacks against important military and political targets. Therefore, the Second Artillery Force made final preparations for battle, which showed the firm resolution of China to retaliate and made Soviet leaders give up their attempt to launch nuclear attacks against China. This was the first and only time that China's nuclear missile force entered the position of final preparation for battle.

In 1988, Deng Xiaoping put forward the concept of using strategic nuclear missiles as a form of guerrilla warfare ("Military of China…", 2011), which meant that Deng Xiaoping asked for an increased mobilization of strategic missiles, so as to improve the capability of nuclear retaliation. Mao Zedong talked about the concept of putting-off nuclear counter-attacks (Li, 1994: 136-137). This would be one of the ways of nuclear counter-attacks, which China may choose according to the strategic situation and within the principle of self-defense and retaliation in the future.

Because the possibility exists of the U.S. being militarily involved in an armed conflict between the two sides of the Taiwan Strait, which could lead to further armed conflict - even a Sino-U.S. nuclear conflict, China has to develop the capability to deter the U.S. from interfering militarily in an armed conflict in the Taiwan Strait. China is not a superpower and has a small number of nuclear weapons, so the model of MAD is not suitable for Sino-U.S. nuclear relations. China has some capability for nuclear retaliation. So long as China has the capability for one nuclear warhead to penetrate the U.S. missile defense systems and hit American territory after a U.S. launched nuclear attack against China. Or as long as the U.S. cannot assure that it could destroy all of China's strategic nuclear force after an American first strike against China, it will be very difficult for the U.S. to make the decision to launch nuclear attacks against China.

5) China's policy of nuclear disarmament regards the complete prohibition and thorough destruction of nuclear weapons as the final goal in nuclear issues

Since 1963 China has consistently called for the "complete prohibition and thorough destruction" of nuclear weapons. Thus, China was the first country to regard a nuclear

weapon-free world as its final goal within the international community.

In 1994, in an effort to gradually realize the objective of building a world free from nuclear weapons, China put forward a complete, interrelated proposal for the nuclear disarmament process at the 49th session of UN General Assembly. All nuclear-weapon states should unconditionally declare that they will not be the first to use nuclear weapons and immediately begin negotiations towards a treaty to this effect; efforts to establish nuclear-weapon-free zones should be supported and guarantees given not to use or threaten to use nuclear weapons against non-nuclear-weapon states; a comprehensive nuclear test ban treaty should be negotiated and concluded no later than 1996; the major nuclear powers should implement existing nuclear disarmament treaties as scheduled and further substantially reduce their nuclear weapon stockpiles; a convention banning the production of fissile materials for nuclear weapons should be negotiated and concluded; a convention prohibiting all nuclear weapons should be signed, whereby all nuclear-weapon states undertake to completely destroy existing stocks of nuclear weapons under effective international supervision; the proliferation of nuclear weapons should be prevented while the promoting of nuclear disarmament process and international cooperation in peaceful uses of nuclear energy should be pursued (Information Office of the State Council of the People's Republic of China, 1995: 28-29).

Since then, China has also put forward some more views about nuclear disarmament. Up until now, China's stance on nuclear disarmament can be catalogued as follows:

- Nuclear major powers should give up their nuclear first-use policy
- Nuclear-weapon states with big nuclear arsenals should further reduce their nuclear weapons (Xia, 2002: 603)
- All nuclear-weapon states should commit themselves to not being the first to use nuclear weapons, and should conclude international legally binding documents on this issue as soon as possible
- All nuclear-weapon states should commit themselves not to use or threaten to use nuclear weapons against non-nuclear-weapon states or nuclear weapon-free zones, and

should conclude international legally binding documents on this issue as soon as possible

- All states deploying nuclear weapons abroad should commit themselves to supporting the appeal of establishing nuclear-weapon-free zones, respecting their positions, and bearing their relevant responsibilities
- All states deploying nuclear weapons abroad should withdraw their nuclear weapons (Ibid.: 604)
- All states should not develop and deploy weapon systems in outer space and missile defense systems which will disturb strategic security and stability
- All states should negotiate and conclude international legally binding documents on complete prohibition and thorough destruction of nuclear weapons (Ibid.)

China has repeatedly called for an international convention to ban nuclear weapons, similar to the chemical and biological weapons conventions. China has been officially opposed to the policy of nuclear deterrence, based on the implicit or explicit threat to use nuclear weapons first, and to the deployment of nuclear weapons outside of national territories.

China advocates the prevention of proliferation of nuclear weapons as part of the process of eliminating such weapons. Chinese holds that in the process of reaching the objective of complete prohibition and thorough destruction of nuclear weapons, nuclear proliferation should be prevented.

China advocates the total prohibition of nuclear weapon explosion tests during the process of advancing towards the objective of complete prohibition and thorough destruction of nuclear weapons, and a nuclear-free world.

On July 29, 1996, the Chinese government declared that China suspended its nuclear explosion tests. China actively participated in the negotiations of the Comprehensive Test Ban Treaty (CTBT), showing a constructive spirit and flexible attitude during the negotiations. On September 24, 1996, China signed the CTBT treaty. The treaty is the first international legally binding document, prohibiting any nuclear weapon explosion test or other nuclear explosion

test in any environment, in any spot in the world. This is conducive to the process of nuclear disarmament and the prevention of nuclear proliferation, and it improves international peace and security.

China endorses the verification measures to be taken in accordance with the regulation of the CTBT treaty. At the same time, China opposes any country that would seek to interfere with China's internal affairs and harm China's security interests.

China holds that a prohibition of nuclear tests itself is not the objective, but just one of the steps to realizing the final goal of complete prohibition and destruction of nuclear weapons.

However, on October 13, 1999, the U.S. Senate failed in ratifying the CTBT. This failure has exerted great negative influence over the process of international arms control and may lead to new nuclear proliferation. Because of the failure, both India and Pakistan still refuse to sign the CTBT. Concerned with the intention of the U.S., some other countries have slowed down the process of their ratification to the Treaty. The Russian state Duma ratified the CTBT on April 21, 2000. If the U.S. Senate ratifies the CTBT Treaty in the future, the Chinese National People's Congress will ratify it the next day.

During recent years, China has made progress in nuclear arms control and non-proliferation:

Making Good Progress in Establishing Nuclear Confidence-Building Measures (CBMs)

In September 1994, the leading figures of China and Russia issued a joint statement "on no first use of nuclear weapons against each other and on not targeting their respective strategic nuclear weapons at each other". This is the first bilateral agreement on no first use of nuclear weapons against each other in the world.

In June 1998, during a China-U.S. summit meeting in Beijing, both sides decided that the two countries would not target the nuclear strategic weapons under their control to each other. This is the first bilateral agreement of Confidence-Building Measures (CBMs) on nuclear

weapons between China and the U.S. The agreement is beneficial for the security and peace of both countries.

In May 2000, China and four other nuclear-weapon states made a joint statement that all nuclear weapons owned by them would not target any state (Information Office of the State Council of the People's Republic of China, 2000: 3).

On April 5, 1995, China made an official statement, reiterating its unconditional provision of "negative security assurance" to all non-nuclear-weapon states, at the same time undertaking to provide these nations with "positive security assurance." The positive security assurance means that if a non-nuclear-weapon state is attacked by nuclear weapon, China will take action in the Security Council of the United Nations (UN), so that the UN Security Council can take appropriate measures to provide necessary aids to the victim state, and to impose serious and effective sanctions against the attacker state. These positions taken by China have won the support of many countries without nuclear weapons.

In the efforts by China and other members of the UN Security Council, on April 11, 1995, the UN Security Council passed the historical Resolution 984, in which China and other four nuclear-weapon states (namely the U.S., Russia, Britain and France) committed themselves to standing by the side of non-nuclear-weapon states threatened by nuclear threats.

China as a nuclear-weapon state always insists on its due obligations, advocating that nuclear-weapon states should undertake not to be the first to use nuclear weapons and repeatedly proposing that nuclear-weapon states negotiate and conclude an international treaty on the no-first-use of nuclear weapons against each other. In January 1994, China formally presented a draft for the Treaty on the No-First-Use of Nuclear Weapons to the U.S., Russia, Britain, France and other countries, proposing that the five nuclear-weapon states hold first-round discussions on the treaty in Beijing as soon as possible.

Pursuing Positive Policy of Prevention of Nuclear Proliferation

The Chinese Government has persistently pursued the policy of no advocating, no encouragement, no engagement of nuclear proliferation, and no helping other countries in

developing nuclear weapons. China advocates the prevention of proliferation of nuclear weapons as part of the process of eliminating such weapons. The Chinese government holds that in the process to reach the objective of complete prohibition and thorough destruction of nuclear weapons, nuclear proliferation should be prevented.

China supports the three major goals set forth in the Treaty on the Non-Proliferation of Nuclear Weapon (NPT): preventing the spread of nuclear weapons, accelerating nuclear disarmament, and promoting international cooperation in the peaceful utilization of nuclear energy. In March 1991, China formally became a party to the NPT treaty. In May 1995, at the Conference on the Review and extension of the NPT treaty, the Chinese government expressed its support for the decision to indefinitely extend the treaty. China believes that the indefinite extension of this treaty reaffirms the objectives of international cooperation in nuclear disarmament, the prevention of nuclear proliferation and the promotion of the peaceful use of nuclear energy and should not be interpreted as permitting the nuclear-weapon states to retain their possession of nuclear weapons forever (Information Office of the State Council of the People's Republic of China, 1995: 28).

When cooperating with other countries in peaceful use of nuclear energy, the Chinese government has stuck to the three principles: 1) To make sure that all projects must be used for peaceful objectives; 2) All projects must be under the supervision of the safeguards of the International Atomic Energy Agency (IAEA); 3) Relevant items and technologies should not be transferred to a third party without China's permission. China does not provide help for any nuclear facility, which has not accepted the safeguards of the IAEA. China holds that the safeguards regime of the IAEA is an important component of the efforts to assure the effectiveness of the NPT. Even prior to acceding to the treaty, China undertook to fulfill the obligations stipulated by the IAEA statute, including the obligation to apply IAEA safeguards. Since 1992 when it became a party to the Treaty, it has strictly fulfilled all its obligations under the Treaty, including the obligation to cooperate fully with the IAEA in safeguard application. China follows three principles regarding nuclear exports: exports serving peaceful uses only, accepting IAEA's safeguards, and no retransfers to a third country without China's consent. The Chinese government regulates that all export of nuclear materials and

equipment should be subject to IAEA safeguards.

In 1985, China declared that it would of its own free will submit part of its civilian nuclear facilities to the IAEA for safeguards. In 1987, the Chinese government issued the Regulation on Management of Nuclear Materials. In 1988, China and the IAEA signed an agreement on voluntary safeguard, under which China provided the IAEA with a listing of facilities subject to such safeguard and established SSAC. The system is supervised, administered and operated, respectively, by the competent government department, the facility concerned and technological support unit. The competent government department is responsible for organizing the implementation of the safeguard agreement between China and the IAEA. The nuclear facility management is responsible for establishing measurements, recording and reporting regimes in line with the requirements of the agreement, as well as receiving on-site inspections by IAEA inspectors (Ibid.: 19-20).

With a view to supporting the IAEA, in November 1991, China officially declared that on a continuing basis, it would report to the IAEA any export to or import from non-nuclear-weapon states involving nuclear materials of one effective kilogram or above. In July 1993, China formally promised that it would voluntarily report to the IAEA any imports or exports of nuclear materials, and all exports of nuclear equipment and relevant non-nuclear materials.

On March 28, 2002, the Chinese government informed the IAEA that China had completed the legal procedure of making effective the Additional Protocol of Safeguard Agreement with IAEA (Head of Chinese Delegation Zhang Huazhu, 2002). The Agreement has been formally effective since that day. China is the first country out of the five nuclear-weapon states that has completed the legal procedure.

In May 1997, The State Council of the People's Republic of China (PRC) issued "the Notice on Strictly Pursuing China's Policy of Nuclear Exports", which clearly regulates that none of the nuclear materials, nuclear equipment and their technologies, non-nuclear materials to be used for nuclear reactors, and dual-use equipment, materials and technologies related to nuclear are permitted to be exported to nuclear facilities of other countries, which are not

under the supervision of the IAEA, none of the Chinese companies are permitted to cooperate and to exchange experts and technology information with nuclear facilities of other countries.

On September 10, 1997, the State Council of the PRC issued "the Regulation on Nuclear export management", which regulates: 1) All business of nuclear exports should be monopolized by the units, assigned by the State Council of the PRC, and no other units or personnel in China are permitted to do this business; 2) A system of license is applied to all nuclear exports, and every item and relevant technology listed on the List of Nuclear Export Management should apply for permission and license; and 3) the List of Nuclear Export Management will be the same as "The Trigger List" of the Zangger Committee (ZAC).

In October 1997, China became a party of the ZAC. On June 1, 1998, the State Council of the PRC passed the Regulation on Export Management of Nuclear Dual-use Items and Their Relevant Technologies.

China has taken positive measures towards the negotiation of the Fissile Material Cut-off Treaty (FMCT). In March 1995 at the Conference on Disarmament (CD) in Geneva, a mandate was given to establish an ad hoc committee to consider how to ban fissile material production for weapon purposes. However, because of a disagreement concerning existing stockpiles of military plutonium and highly-enriched uranium (HEU), and the relation between nuclear disarmament and arms control in outer space, negotiation remained deadlocked until recently. Although in August 1998, the decision was made to start negotiations on a treaty to halt the production of fissile material, the process has been thwarted since the CD has been unable to reconvene the ad hoc committee charged with negotiating the treaty.

Playing an Important Role in the Prohibition of Nuclear Tests

China advocates the total prohibition of nuclear weapon explosion tests with the aim of advancing towards the objective of complete prohibition and thorough destruction of nuclear weapons, and a nuclear-free world.

On July 29, 1996, the Chinese government declared that China suspends its nuclear

explosion tests. China actively participated in the negotiations of the CTBT, displaying a constructive spirit and flexible attitudes during the negotiations. On September 24, 1996, the Chinese government signed the CTBT treaty. The treaty is the first international legally binding document, prohibiting any nuclear weapon explosion test or other nuclear explosion test in any environment and any spot in the world, which is conducive to the process of nuclear disarmament and the prevention of nuclear proliferation, so as to improve international peace and security.

China endorses the verification measures to be taken in accordance with the regulation of the CTBT treaty. At the same time, China opposes any country seeking to interfere with China's internal affairs and harm China's security interests.

China holds that a prohibition of nuclear tests itself is not the objective, but one of the steps to realizing the final goal of complete prohibition and destruction of nuclear weapons.

However, on October 13, 1999, the U.S. Senate failed in ratifying the CTBT. This has exerted great negative influence over the process of international arms control and may lead to new nuclear proliferation. Because of the failure, both India and Pakistan still refuse to sign the CTBT. Concerned with the intention of the U.S., some other countries have slowed down the process of their ratification to the Treaty. The Russian state Duma ratified the CTBT on April 21, 2000.

Strongly Supporting the Establishment of Nuclear Weapon-free Zones

China supports the establishment of nuclear weapon-free zones (NWFZs) in general because China thinks that the establishment of such zones is of great importance to the advancement of nuclear disarmament, the prevention of nuclear proliferation, and the promotion of international and regional peace and security ("Speech by Head of...", 1997). In a statement to the NPT Review and Extension Conference on April 18, 1995, the Chinese Foreign Minister stated: "China supports the efforts of relevant countries and regions to establish nuclear weapon-free zones or zones free of weapons of mass destruction through voluntary consultations" (CNS, 1995).

On September 15, 1997, China presented its seven principles on the Creation of NWFZs,

in which there are four important principles: 1) The establishment of nuclear weapon-free zones should follow the purpose of the Charter of the United Nations and established principles of international laws; 2) Nuclear-weapon-free zones should be established on the basis of equality and voluntary consultations between relevant countries according to the reality of the region; 3) The geographical scope of nuclear-weapon-free zones should not include continental shelves and exclusive economic zones (EEZ) as well as areas over which there are disputes with countries outside the nuclear-weapon-free zone about territorial sovereignty and marine rights; 4) The position of nuclear-weapon-free zones should not be influenced by other security mechanisms, and none of the parties of nuclear-weapon-free zones should refuse to do their duty regardless of any excuse they may have, including military alliances.

Up until now, China has signed and ratified the following relevant legal binding documents related to nuclear-weapon-free zones: the Additional Protocol II of the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (Treaty of Tlatelolco), the relevant protocols of the South Pacific Nuclear-Free Zone (Treaty of Rarotonga), and the African Nuclear Weapon-Free Zone (Treaty of Pelindaba). On July 15, 1999, during his visit to Mongolia, Chinese President Jiang Zemin expressed that China respects the nuclear-weapon-free status of Mongolia. On July 27, 1999, during the ASEAN Regional Forum, Chinese Foreign Minister Tang Jiaxuan said that the Chinese government has agreed in principle to sign the Protocol of the Southeast Asia nuclear-weapon-free Zone Treaty.

The other four nuclear-weapon states (NWS) have also signed the relevant protocols of the Tlatelolco, Rarotonga and Pelindaba, committing themselves not to use or threaten to use nuclear weapons against regional state parties. Nuclear-weapon-free zones are part of the architecture that can usefully encourage and support a nuclear-weapon-free world. The progress of NWFZs has helped us to come closer to the ultimate realization of a nuclear-weapon-free world. Until now, there are four existing populated NWFZs, created by the Treaty for Prohibition of Nuclear Weapons in Latin America and the Caribbean (Treaty of Tlatelolco), the South Pacific Nuclear-Free Zone Treaty (Treaty of Rarotonga), the African Nuclear Weapon-Free Zone Treaty (Treaty of Pelindaba) and the Southeast Asia Nuclear

Weapon-Free Zone Treaty (Treaty of Bangkok). In addition, the Antarctic Treaty demilitarizes the Antarctic continent. The combined areas of the zones created by the Antarctic, Tlatelolco, Rarotonga, Pelindaba and Bankok treaties constitute about 45 per cent of the earth's surface. With the entry into force of the Pelindaba Treaty, virtually all of the southern hemisphere and parts of the northern hemisphere have been covered by NWFZs (Acharya et al., 1998: 454).

The progress has demonstrated that regional nuclear non-proliferation mechanisms based on NWFZs have been playing important roles as global nuclear non-proliferation mechanisms, in some cases, even more important than the latter. For example, both non-nuclear-weapon states and nuclear weapon states undertake more responsibilities in NWFZs than in global non-proliferation mechanism. All four existing NWFZs have their own supplementary safeguards with regional mechanisms and procedures, so the scope of the verification regimes of NWFZs goes beyond the full application of IAEA safeguards. Nuclear-weapon states provide negative security assurance to regional parties, including a commitment not to use or threaten to use nuclear weapons against regional state parties. Furthermore, the return of nuclear threshold states or de facto nuclear weapon states to the status of non-nuclear weapon states depends mainly on the relaxation of the regional security situation. Both NWFZs and the IAEA must supplement each other to prevent the status of the states from reversing.

Factors Affecting China's Current Nuclear Doctrine

China's current nuclear doctrine depends on China's defense policy and military strategy, which are decided by China's national development strategy. Other factors, which have also affected China's current nuclear doctrine, include: the objective of China's foreign policy, China's assessment of the international situation, China's relations with other major powers, other major powers' nuclear posture, China's concepts of security, the Taiwan issue, and so on.

China's National Development Strategy

Since the early 1980s, China has been focusing its efforts on internal economic development in order to improve the living standard and educational level of its people. China will continue

to move forward in this way for a long time. The long-term purpose of China's national development strategy is to make China a mid-level developed country, which will be strong, democratic and civilized by 2050 (Jiang, 1997). To achieve this objective, China will continue to pursue the policy of reform and opening, and need a long-term peaceful international environment, especially stable surroundings. This means that China does not want to do anything which may seriously disturb the current international economic and political mechanisms except when its own critical national interests are threatened. Even if China can achieve this objective according to the plan, because China has a very big population and its economic development is very unbalanced, it will continue to focus its attention on internal issues. At the same time, the more prosperous China is, the more co-operative it will be with other countries because, under the circumstances, China will be influenced more easily from the outside world.

China's Defense Policy and Military Strategy

China's defense policy is purely defensive in nature. The small nuclear arsenal of China is only for the purpose of self-defense. China has unilaterally committed itself to responsibilities not yet taken by other nuclear-weapon states, including the declaration of a no-first-use policy, the commitment not to use nuclear weapons against non-nuclear-weapon states and nuclear weapon-free zones. China has not retained any military presence beyond its own territory. China's military strategy is "Active Defense", which means that China's armed forces assume a self-defensive posture and is non-provocative; but if war is ever imposed on China, its military forces will certainly retaliate. China has been reducing its armed forces by half a million of its military personnel from 1996 to 2000 following the reduction of one million military men during the 1980s. China's military expenditures have been kept at a very low level for more than one decade. In the past few years, China's military expenditure has been about 1.1-1.8% of China's GDP. Furthermore, China has declared that it will never become a superpower. So China will never impose any military threat to other countries.

The Objective of China's Foreign Policy

China has been pursuing its independent foreign policy of peace since the mid-1980s. The objective of China's foreign policy is to strive for a peaceful international environment, which will be beneficial for China's long-term economic and social development. So there are two outstanding characteristics in China's current foreign policy: peace and independence. Peace indicates that China formulates its foreign policy from the viewpoint of whether it is beneficial to international and regional peace and stability, instead of focusing on military superiority. Independence indicates that China formulates its foreign policy according to its national interests and the common interests of peoples of all the countries in the world. The core of China's independent foreign policy of peace is to continue to develop its friendly cooperation based on the Five Principles of Peaceful Coexistence with all the countries in the world, including the U.S.

China's Assessment of the International Situation

According to China, there are two major subjects and two important trends with regard to the international situation. The two major subjects are peace and development. Since the 1980s, especially after the end of the Cold War, peace and development have become the two major subjects in the world situation, although unstable factors are existing, including terrorism, regional hot spots, proliferation of weapons of mass destruction, etc. The trends of peace and development will continue as the main trends of the world, which will be beneficial for nuclear arms control and disarmament.

The two important trends with regard to the international situation are:

1) The trend of multi-polarization. Although the U.S. wants to realize a single-polar world and the process of multi-polarization has been tortuous, the trend of multi-polarization will continue to develop, which will be beneficial for world peace in general. There will be several centers of power: the U.S., Russia, the European Union, Japan, China, India, the ASEAN, etc. As middle–range powers and many Third World countries play an increasingly important role in international politics, they will push more and more for a nuclear-weapon-free world.

2) The trend of economic interdependence between states. During recent years, economic globalization and regional economic integration have become strong trends. One of the results, economic interdependence between states, especially between major powers, has made big progress. Under the circumstances, more countries are willing to resolve their disputes through peaceful means, and major powers are less willing to enter into conflict, which will reduce the possibility of using nuclear weapons in the future.

China's Relationship with the U.S.

China and the U.S. still share many interests in terms of security as well as economy. The September 11 incident has expanded the basis for China-U.S. security cooperation, and constitutes a new basis for their strategic cooperation. Since then, the China-U.S. relationship has made some important developments. Especially, they have developed their security and strategic cooperation. However, the two countries still have negative factors in their relations. If both sides can prioritize the cooperation between them, and deal properly with the negative factors in their relationship, they can continue to improve their security cooperation and military relations, which will not only be in the interest of the two countries, but also benefit the Asia-Pacific region and the rest of the world. After the Obama Administration got into office, China-U.S. relations have been relatively stable, although some people in the U.S. still talk about the "China threat" and the two countries have different views on many issues.

Other Major Powers' Nuclear Posture

On May 8, 2010, U.S. President Obama and Russian President Medvedev signed the New START Treaty. Thus, both sides committed themselves to reducing their deployed strategic nuclear warheads to no more than 1,550 for each Party within seven years after entry into force of the Treaty. If the two countries can fulfill their obligation, it will be beneficial for the international nuclear disarmament. However, U.S. reduced deployed strategic nuclear warheads will not be destroyed. Instead, they will be deposited at some place in the U.S. So if the U.S. finds it necessary, it will deploy them again soon.

Furthermore, in April 2010, the U.S. Department of Defense (DOD) submitted the

Nuclear Posture Review report to the U.S. Congress. Although this report declared that it would place the prevention of nuclear terrorism and proliferation at the top of the U.S. nuclear policy agenda, and the U.S. would reduce the role and number of nuclear weapons, it has not accepted the no-first use of nuclear weapons policy. On December 31, 2001, in the another Nuclear Posture Review report, the DOD established a New Triad, composed of: 1) An offensive strike system (both nuclear and non-nuclear); 2) Defenses (both active and passive); and 3) A revitalized defense infrastructure that will provide new capabilities in a timely fashion to meet emerging threats (U.S. Department of Defense, 2001). In this report, the DOD holds that: "Nuclear weapons could be employed against targets able to withstand non-nuclear attack, (e.g., deep underground bunkers or bio weapon facilities)" (Ibid.). This will greatly increase the possibility for the U.S. to use nuclear weapons and encourage non-nuclear-weapon states to develop nuclear weapons. In a testimony before the U.S. Senate Foreign Relations Committee, Joseph Cirincione, Director of Carnegie Non-Proliferation Project, criticized the report as a deeply flawed review, saying that "the proposed policies could make the use of nuclear weapons by the United States or other nations more likely" (Cirincione and Joseph, 2002). Moreover, in this report, the Pentagon holds that: "Due to the combination of China's developing strategic objectives its ongoing modernization of its nuclear and non-nuclear forces, China is a country that could be involved in an immediate or potential contingency (U.S. Department of Defense, 2001)." This means that the Pentagon puts China on the list of targets of its nuclear weapons.

Russia still intends to maintain its position as a nuclear great power and has made smooth progress in pursuing the plan, which gives priority to the development of strategic missiles. Russia has been deploying a huge amount of a new type of strategic missiles called Poplar-M (SS-27), and is quickening its steps to construct a new type of strategic submarine to replace the old type of strategic submarine called "Typhoon". The continued development of nuclear weapons by the two countries with the largest nuclear arsenals has increased the danger using nuclear weapons in future armed conflicts. This has become one of the major excuses for nuclear threshold states to stay out of international nuclear non-proliferation regimes.

New Security Concepts

Since the end of the Cold War, China has adopted more and more new security concepts. In 1996, according to the new trends and characteristics of the Asia-Pacific region, China put forward the proposal to jointly cultivate a new kind of security concept, focused on the improvement of trust through dialog and security through cooperation. Subsequently, China holds that the core of the new security concept should be mutual trust, mutual benefit, equality and coordination (Chinese Delegation, 2002). The new security concept should also be the guideline to resolve disputes in international arms control and disarmament (China Daily, 2002).

The new security concepts that China has adopted include: 1) The concept of "mutual security". During the Cold War, the concept of "Zero Sum Games" played the most important role in international politics. After the end of the Cold War, countries should accept the concept of "mutual security" because of the changed situation. We should oppose any country that wants to establish its own absolute security at the price of the insecurity of others. According to the concept, nuclear powers, especially two nuclear superpowers, should speed up their process of nuclear disarmament. 2) The concept of cooperation. At present, all countries are facing many untraditional security threats or transnational problems, such as environmental problem, greenhouse effect, drug trafficking, terrorism, proliferation of weapons of mass destruction, and so on. They should make common efforts and cooperate to deal with the challenges. Especially, they should pay more attention to nuclear disarmament, because nuclear weapons are still hanging like the Sword of Damocles above mankind and have never ceased to threat the survival of humanity. 3) Emphasis should be changed from military security to comprehensive security. After the end of the Cold War, although geopolitical, military security and ideological factors still play an important role in the minds of some politicians, the role of economic factors is becoming more outstanding in international relations. So, all countries should make great efforts to settle divergences and disputes through peaceful means.

The Taiwan Issue

Both the mainland and Taiwan belong to China. The Taiwan issue is China's internal affair and remains one of China's national key interests. In this respect, China favors a peaceful reunification. But China cannot commit itself to the renouncement of the use of force as a final resort to prevent the independence of Taiwan and foreign intervention into Taiwan. Therefore, force is also the guarantee that the Taiwan issue might be resolved peacefully.

Economic and personnel exchanges across the Strait have been steadily developing. In the long run, with the integration of economy and society between the two sides, the mainland and Taiwan will finally be reunified, although it will take time. Because the Taiwan issue is one of the major issues that may lead to armed conflicts and even nuclear exchanges between China and the U.S., China has to maintain the minimum nuclear deterrence to deter a nuclear attack from the U.S.

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