FOREIGN AFFAIRS

NOVEMBER/DECEMBER 2003



China's New Diplomacy

Evan S. Medeiros and M. Taylor Fravel

Volume 82 • Number 6

Evan S. Medeiros and M. Taylor Fravel

VICTIM NO MORE

This summer, as the nuclear crisis in North Korea intensified, most eyes were focused on the adversaries in Washington and Pyongyang. Less noticed, but no less important, was the role of a third player: Beijing. China, long reticent on matters of foreign policy, had boldly stepped into the fray, suspending crucial oil shipments to North Korea, sending high-level envoys to Pyongyang, and shifting troops around the Sino-Korean border. It was China that arranged the tripartite talks held in Beijing in April. And China has not let up the pressure since. This summer, China detained a North Korean ship over a "business" dispute, and Vice Foreign Minister Dai Bingguo has shuttled between Pyongyang and Washington to ensure a second round of discussions.

Collectively, these initiatives represented a stark departure from more than a decade of Chinese passivity and buck-passing on the Korean nuclear question. And they signal a larger, although still largely unrecognized, transformation: China's emergence as an active player in the international arena. In recent years, China has begun to take a less confrontational, more sophisticated, more confident, and, at times, more constructive approach toward regional and global affairs. In contrast to a decade ago, the world's most populous country now largely works within the international system. It has embraced much of the current constellation of international institutions, rules, and norms as a means to promote its national interests. And it has even sought to shape the evolution of that system in limited ways.

EVAN S. MEDEIROS is an Associate Political Scientist at the RAND Corporation. M. TAYLOR FRAVEL is a Fellow at Harvard University's Olin Institute for Strategic Studies.

Evidence of the change abounds. Since the mid-1990s, China has expanded the number and depth of its bilateral relationships, joined various trade and security accords, deepened its participation in key multilateral organizations, and helped address global security issues. Foreign policy decision-making has become less personalized and more institutionalized, and Chinese diplomats have become more sophisticated in their articulation of the country's goals. More broadly, the Chinese foreign policy establishment has come to see the country as an emerging great power with varied interests and responsibilities—and not as the victimized developing nation of the Mao Zedong and Deng Xiaoping eras.

Not everyone agrees with this assessment, of course. Many strategists and Sinologists point to Beijing's limited involvement in the recent Iraq crisis as proof that Chinese leaders still take a mostly passive approach to world affairs. According to this view, China still tries to maximize its interests through minimal involvement abroad, by free riding on the actions of other major powers while staking a claim to the moral high ground. These critics, however, ignore an undeniable reality: that in the last ten years, Chinese foreign policy has become far more nimble and engaging than at any other time in the history of the People's Republic.

The changes may have been slow and subtle, to be sure, but their significance is huge. And their implications will be critical for China's relations with both the United States and the international community at large. After all, not only does China now accept many prevailing international rules and institutions; it is also becoming a much more capable and adept player of the diplomatic game. When opportunities for cooperation exist, Beijing will bring much more to the table than in the past. But these developments also may have another result that American policymakers must not lose sight of: as China expands its influence and refines its diplomacy, it will also get better at protecting its own interests—even when they conflict with those of the United States.

CHINA GETS ENGAGED

In a sense, the evolution of China's foreign policy began even more than a decade ago: under Deng, who, as supreme leader, initiated China's first major diplomatic transformation by launching the "reform and opening" movement in the late 1970s. Prior to Deng, Mao had

rejected the rules of the international system and sought to overthrow it, pursuing change through revolution instead. Mao's foreign policy was noted for its bombastic language, strong opposition to the superpowers (the United States and the Soviet Union), close association with developing countries, relative isolation from international organizations, and economic autarky.

Deng took China in the opposite direction. To facilitate economic modernization at home, he promoted engagement with the international community. China expanded its international profile by significantly increasing its participation in intergovernmental and nongovernmental organizations, especially financial ones, and China gradually began to emerge from its Mao-era isolation.

Deng's transformation was only partial, however, and Chinese participation in the international community remained thin during his tenure. Indeed, Beijing sought many of the rights and privileges of a great power without accepting most of the attendant obligations and responsibilities. This dynamic was especially obvious in intergovernmental organizations such as the UN. The process of forging foreign policy under Deng also remained highly centralized, and China's diplomatic corps remained undertrained and inexperienced. Worse, the content of China's actual policies themselves was often inaccessible and vague.

Today, by contrast, the situation has improved dramatically; China's approach to bilateral relations, multilateral organizations, and security issues reflects a new flexibility and sophistication. The changes represent an attempt by China's recent leaders to break out of their post-Tiananmen isolation, rebuild their image, protect and promote Chinese economic interests, and enhance their security; they also demonstrate an attempt to hedge against American influence around the world. The prominence of this motivation varies in China's public statements over time, but it remains a persistent influence in Beijing's calculations.

The more recent transformation began in the early 1990s, with Beijing's drive to expand its bilateral links. Between 1988 and 1994, China normalized or established diplomatic relations with 18 countries, as well as with the Soviet successor states. Then, in the 1990s, it began to build on these new relationships, establishing various levels of "partnership" to facilitate economic and security coordination and to offset

the United States' system of regional alliances. The pinnacle of this process was the Treaty of Good-Neighborliness and Friendly Cooperation that China signed with Russia in 2001.

During this period, Beijing also began to abandon its previous aversion to multilateral institutions, which Deng had always feared could be used to punish or constrain China. Chinese leaders began to recognize that such organizations could allow their country to promote

its trade and security interests and limit American input. Thus, starting in the second half of the 1990s, China began to engage with the Association of Southeast Asian Nations (ASEAN). In 1995, Beijing began holding annual meetings with senior ASEAN officials. Two years later, China helped initiate the "ASEAN + 3" mechanism, a series of yearly meetings among the ten ASEAN countries plus China, Japan, and South Korea. Next came the "ASEAN + 1" mechanism, annual meetings between ASEAN and China,

Beijing traditionally sought many of the rights and privileges of a great power without accepting the responsibilities that came with them.

usually headed by China's premier. China also deepened its participation in the Asia-Pacific Economic Cooperation forum, hosting the ninth leaders' meeting in Shanghai in 2001.

In Central Asia, meanwhile, China led the establishment of the region's first multilateral group, the Shanghai Cooperation Organization. Founded to settle long-standing territorial disputes and to demilitarize borders, the organization now stresses counterterrorism cooperation and regional trade.

China also turned its attention to improving its ties to Europe. In 1996, China was a founding member of the Asia-Europe Meeting, which holds biannual summits for heads of state and yearly ministerial meetings. Two years later, China and the Eu also initiated an annual political dialogue. Most dramatically, Beijing even approached NATO late last year for the first time. China's proposal—to begin a series of conversations—may have been modest, but it marked a significant departure from Beijing's tradition of criticizing American-led alliances. Still, the gesture should not be mistaken as a new Chinese embrace of collective security; it could also be used to monitor and possibly

exploit differences within the transatlantic alliance, especially regarding NATO's involvement in Central Asia.

Throughout the 1990s, China also moved to resolve a number of territorial disputes that have historically caused tension between it and its neighbors. Since 1991, China has settled border conflicts with Kazakhstan, Kyrgyzstan, Laos, Russia, Tajikistan, and Vietnam—and it has sometimes done so on less-than-advantageous terms. In fact, in most of these agreements, China received only 50 percent or less of the contested territory; for example, in resolving a long-standing

China has even begun to promote initiatives on security issues in forums in which the United States plays a major role. dispute over the Pamir Mountains, which Tajikistan inherited from the Soviet Union, China accepted only 1,000 of the contested 28,000 square kilometers.

Relations have improved even with India, long one of China's adversaries (the countries fought a border war in 1962). Although the two sides remain unable to settle their differences formally, tensions on their disputed border have decreased dramatically,

thanks to confidence-building and troop-reduction agreements signed in the 1990s. Similar agreements have been reached with Russia and the Central Asian states. As a result, China's long land border, the site of many of the country's major wars, has never been more secure.

Beijing has likewise adopted a more pragmatic approach to the management of offshore territorial disputes, such as those over the Paracel, Spratly, and Senkaku Islands. Although China still clings to its claims over the islands, it has now repeatedly committed itself to settling the disputes peacefully, based on international law. After four years of negotiation, ASEAN and China signed a long-awaited declaration on a code of conduct for such matters in 2002. Interestingly, the final document included most of the draft language sought by ASEAN—and little of what was offered by China.

Perhaps more surprising, China has even begun to promote initiatives on security issues in forums in which the United States plays a major role. At the 2003 ASEAN summit, China proposed the establishment of a new security mechanism. Under the rubric of the ASEAN Regional Forum, the organization's mechanism for security discussions,

Chinese Foreign Minister Li Zhaoxing proposed forming a conference to increase communication among Asian militaries. This gesture represents a marked departure from China's posture only a decade ago, when it shied away from any security discussions with ASEAN, let alone among militaries.

Meanwhile, China has increased its engagement with the UN Security Council. Until the mid-1990s, China regularly abstained from council resolutions that invoked Chapter VII of the UN Charter, which authorizes the use of force, in order to signal its opposition to the erosion of sovereignty such resolutions implied. In recent years, however, Beijing has begun to back these measures. In November 2002, for example, it voted for Resolution 1441 on weapons inspections in Iraq: one of the few times that China has supported a Chapter VII measure since joining the UN in 1971. Beijing has also increased its participation in peacekeeping operations, supporting contingents in East Timor, Congo, and elsewhere.

China's attention to and involvement in global arms control and nonproliferation affairs has undergone an equally important transformation. For much of the 1980s, Beijing viewed arms control and nonproliferation as the responsibility of the United States and the Soviet Union, and as attempts to limit China's influence. Since then, however, it has ratified several major arms control and nonproliferation accords, including the Treaty on the Nonproliferation of Nuclear Weapons and the Chemical Weapons Convention. China has also agreed to adhere to the basic tenets of the Missile Technology Control Regime. And it signed the Comprehensive Nuclear Test Ban Treaty in 1996, even though Beijing still had substantial, ongoing testing requirements directly related to its efforts to modernize its nuclear warheads.

Finally, although Chinese firms continue to provide some worrisome dual-use assistance to a few countries (such as Pakistan and Iran), the scope, content, and frequency of its export of sensitive weapons-related items has declined and diminished. In the latter half of the 1990s, the Chinese government began to institutionalize its nonproliferation commitments by issuing export controls, a trend that has continued in recent years. Moreover, an expanding community of Chinese officials, scientists, military officers, and academics involved

Evan S. Medeiros and M. Taylor Fravel

in arms control and nonproliferation research and policymaking has helped sensitize senior leaders to the importance of these issues to the country's overall foreign policy and national security.

MOMENTARY MODERATION?

EVEN BEIJING's recent approach to Taiwan—long China's greatest security challenge and most sensitive foreign policy issue—reveals a growing sophistication and confidence. From the mid-1990s to early 2001, China's policies on cross-strait relations were insecure and reactive. Beijing was so nervous about creeping Taiwanese independence that it viewed many unrelated diplomatic issues (such as many of its relationships with third countries) through this single prism. And toward Taiwan itself, China focused more on coercion to prevent independence than it did on encouraging reunification or reducing tension. Chinese officials bitterly objected to every improvement in U.S.-Taiwan military ties, and the island was a major sore spot in U.S.-China relations.

This approach proved resoundingly counterproductive, however. For example, when China conducted aggressive missile tests in 1995 and 1996 in the hope of cowing Taiwanese and American leaders, it achieved the opposite result: the United States dispatched two aircraft carriers to the Taiwan Strait, and support for then President Lee Teng-hui grew in the polls. China's military exercises and bellicose diplomacy also damaged its image in the region, particularly among Southeast Asian nations.

Beijing made a similar mistake four years later. In 2000, China published a white paper on Taiwan, noting that the island's indefinite delay in restarting cross-strait negotiations might result in China's use of "drastic measures," including force. One of Beijing's goals, presumably, was to set a time frame (albeit unspecified) for reunification. But the result was that a few months later Taiwan elected its first-ever president from a pro-independence opposition party.

Over the past two years, China finally seems to have started to learn its lesson, trading belligerence and coercive tactics for patience and moderation. Beijing thus has abandoned its attempt to create a rough schedule for reunification and has toned down its threats of

military force. Instead, it now seems much more interested in seducing Taiwan with economic opportunities (while still sharpening its coercive tools). Moreover, Chinese leaders no longer protest every uptick in U.S.-Taiwan military relations. In fact, senior Chinese officials have stopped mentioning the issue every time they meet with their U.S. counterparts.

This does not mean Beijing has dropped its ultimate intention to reunify with the island. China's heavy-handed approach to the SARS crisis in Taiwan, as well as its dogged efforts to deny Taiwanese membership in the World Health Organization, recently called into question the depth of the transformation. But for the most part, China's tactics have changed—at least for now. What with the explosion in cross-strait economic links and Taiwan's current financial problems, China's leaders have grown confident that time is on their side and that their leverage over Taiwan is growing. This confidence remains fragile for now. But Washington has helped matters, by adopting policies to reassure and deter both Beijing and Taipei.

POLICYMAKING WITH CHINESE CHARACTERISTICS

When Mao was alive, China made most foreign policy decisions the way the Corleone family in *The Godfather* did: that is, Mao made the final calls himself, with Zhou Enlai acting as his consigliere. The process opened up somewhat under Deng, as China's ties to the international community proliferated, but ultimate decision-making remained highly centralized. Today, however, the process of making foreign policy in China has become much more institutionalized and decentralized, and is far less dependent on any individual leader.

One of the key changes has been to expand the role of what are known in China as "leading small groups": interagency coordinating bodies on key policy issues. In late 2000, Beijing established a National Security Leading Group (Guojia Anquan Lingdao Xiaozu), and such bodies now pervade the system, limiting the power of any one individual or faction.

China has also acted to diversify the sources of policy analysis it receives from inside and outside the government. For example, the newly invigorated policy planning department of the foreign ministry now plays a prominent role as an internal think tank, and the ministry has also begun to hire specialists from outside the government to serve as consultants on technical issues such as nonproliferation and missile defense. Chinese scholars and policy analysts regularly participate in internal study groups, write reports, and draft policy briefs. These scholars and analysts frequently travel abroad, interacting with international experts in their field, and they help sensitize China's leaders to international trends as well as presenting them with a range of policy options.

Another factor that has expanded China's foreign policymaking process is the growing public discussion of global affairs. Open debates on sensitive issues such as nonproliferation and missile defense were unheard of even ten years ago. Today, pundits tackle all these issues in opinion pieces, TV talk shows, and books seeking to influence and shape China's diplomacy. Meanwhile, Chinese media outlets, including the Communist Party's mouthpiece, the *People's Daily*, have started to regularly publish roundtable-style discussions by these newly vocal analysts. Certain newspapers, especially *Huanqiu Shibao* (Global times) and *Nanfang Zhoumo* (Southern weekend), even publish opinion pieces that propose alternatives to official party policy, such as that regarding North Korea.

As for the officials executing China's increasingly sophisticated diplomacy, they too have become more skilled and savvy, the payoff of an aggressive training program initiated by the foreign ministry more than 20 years ago at the start of the reform era. Most of China's current senior and midlevel diplomats have spent substantial time posted overseas, speak at least one foreign language fluently, and hold graduate degrees from European and American universities. The foreign ministry also now recruits midcareer transfers from other agencies to deepen its expertise in different areas.

Accompanying these changes in substance has been a new Chinese campaign to publicize and promote the country's foreign policy. In past decades, debates and briefings were relegated to obscure Xinhua and *People's Daily* news reports and small foreign ministry pamphlets. That has recently changed, as Beijing has realized the importance of marketing its views in order to bolster China's international image. Accordingly, China began in the mid-1990s to issue

publicly government white papers on controversial foreign policy topics so as to articulate and defend its positions. China has now issued over 30 of these documents, covering a wide variety of sensitive issues, including population control, human rights, Taiwan, Tibet, and national defense.

Beijing is also using the Internet to make its foreign policy more transparent. All white papers are now available on the Web site of the State Council Information Office (www.china.org.cn), and the Ministry of Foreign Affairs offers a trove of useful data on its site (www.fmprc.gov.cn), including detailed descriptions of its positions on regional issues and transcripts of press conferences and key speeches. Although many of these documents are anodyne and boilerplate, they provide a level of access to and detail on China's official thinking that was never possible under Mao or Deng.

Alongside these internal changes, China has adopted a more sophisticated approach to interacting with the international press corps. In 1999, the foreign ministry opened a new, modern international media center, where biweekly press conferences are held with simultaneous translation. According to international journalists, hard questions are asked and real answers are usually provided, albeit within the narrow bounds of China's declared policies. Senior foreign ministry officials also now invite journalists for off-the-record background briefings before the release of major policy documents or after major bilateral summits, such as Jiang Zemin's trip to Crawford, Texas, in October 2002. Such steps represent a dramatic departure for a nation once known for its secrecy on foreign affairs.

Finally, senior Chinese leaders have also started promoting their country's policies through frequent trips abroad. Throughout the 1990s, Jiang Zemin, Li Peng, and Zhu Rongji traveled with increasing frequency to most of the continents and especially to other parts of Asia. Their successors, appointed in November 2002, are even more internationally oriented and have spent far more time abroad. According to one report, the new members of the Politburo Standing Committee made over 40 overseas trips in the four years preceding their appointment. By contrast, Mao left China only twice in his lifetime (both times to visit the Soviet Union), and Deng traveled abroad as China's top leader only a handful of times.

THINKING GREAT

THESE COLLECTIVE changes in the content, character, and execution of China's foreign policy over the last ten years represent an important evolution from Beijing's narrow and reactive approach to global affairs in the 1980s and early 1990s. Yet potentially even more significant changes are now afoot.

Within the last three years, and especially since September 11, 2001, the writings of Chinese strategists have begun to reflect a critical shift in their view of the international system and China's role in it. For example, provocative articles have recently run in major Chinese newspapers and journals advocating that China abandon its long-held victim mentality (shouhaizhe xintai). The writers reject the persistent emphasis on China's "150 years of shame and humiliation" as the main lens through which Chinese view their place in modern international affairs, and even Jiang subtly endorsed this view, in a seminal July 2001 speech marking the 80th anniversary of the Communist Party. Influential Chinese analysts have begun to promote instead China's adoption of a "great-power mentality" (daguo xintai). This emerging notion would replace Chinese victimhood with a confidence born of two decades of impressive economic growth and with a tacit recognition of both China's past unwillingness to assume international responsibilities and the limits of its current international influence.

A natural extension of these ideas is China's growing emphasis on great-power relations (daguo guanxi) as a top foreign policy priority. Chinese strategists increasingly see their interests as more akin to major powers and less associated with those of developing nations, which have been downgraded to a lesser priority. This change alone represents a significant perceptual shift from the 1990s, when many Chinese still viewed their nation as disenfranchised by globalization, the other major powers, and multilateral forums. Chinese officials now talk explicitly about the need to "share global responsibilities" among major powers—China included. Reflecting these changes, President Hu Jintao became the first Chinese leader to attend a meeting of the group of eight highly industrialized countries (G-8) this past June (albeit as a "dialogue member").

A final, major element of China's new thinking is a recent, if grudging, acceptance that the world is for the moment unipolar and that U.S. preponderance will persist for decades. Although Chinese leaders publicly tout multipolarization as the trend of the times (and condemn American unilateralism), Chinese analysts now acknowledge that their country cannot (and will not) challenge U.S. global dominance anytime soon—although such dynamics in Asia are less certain. One noted Chinese foreign policy expert recently published an article distinguishing between "hegemonic power" and "hegemonic behavior," and suggested that China can accept the former, just not the latter. This scholar argued that "peace and development" and Chinese economic goals can still flourish in a unipolar world—as, indeed, they already have. A great irony, unacknowledged by many Chinese, is that China's economy has benefited enormously from U.S. military primacy and American efforts to maintain stability in Asia over the last 20 years.

AT HOME ABROAD?

As IMPORTANT as all these trends are, China still faces serious obstacles to becoming a high-profile, much less a dominant, player in the international community. For the moment, China's foreign policy still serves the domestic goals of its leaders: namely, strengthening, reforming, and ensuring the survival of a Leninist political system in transition. Even as the country's diplomacy becomes more active, the domestic situation remains uncertain, as its leaders grapple with political, social, and economic changes wrought by this transition.

As the sars epidemic demonstrated, China's political system is still opaque and can threaten the economies and livelihoods of its neighbors. Beijing's early bungling of the crisis quickly undermined goodwill toward China in the Asia-Pacific region. Focusing on internal stability, the country's leaders initially ignored the disease, facilitating its spread by withholding information. Fortunately, the crisis has left these leaders newly sensitized to their country's tight integration with the international community.

Despite such setbacks, China's new diplomacy is sure to continue, and it will present American and Asian policymakers with both

opportunities and challenges. China's active participation in international institutions creates more chances to elicit cooperation on key issues. Moreover, China now brings more resources and influence to the table. As the nation's stake in the international community expands and it associates itself with great-power interests, China is gradually becoming more involved in efforts to combat global security threats, both traditional and nontraditional. Beijing's lead role in addressing the Korean nuclear crisis is one such example. American leaders should encourage the expansion of such cooperation to other security problems, in order to manage mutual threat perceptions and build trust on both sides. Such efforts will be critical to stabilizing a bilateral relationship most noted for its ups and downs.

Americans should always remember, however, that even as China becomes more engaged, it is also growing more adept at using its foreign policy and foreign relations to serve Chinese interests. Today's China is certainly smarter and more sophisticated—but not necessarily kinder or gentler. Beijing's new skills may at times frustrate Washington's objectives, as China is becoming better positioned to undermine, and potentially challenge, the policies of the United States and its allies. Thus China's ability to consistently outmaneuver the United States at the UN Human Rights Commission in recent years should serve as a wake-up call. American policymakers and diplomats should prepare to deal with a more effective China in a range of international institutions. After all, it is on these institutions that Chinese diplomats increasingly focus their efforts and attention.

While Beijing currently seems prepared to work within international rules and norms to pursue its interests, China is dissatisfied with some aspects of this system, such as U.S. preponderance and especially the status of Taiwan. Washington should remain aware of these frustrations and shape its ties with Beijing and its neighbors in a way that recognizes the reality of China's expanding regional role. China is rapidly emerging as the engine of growth in Asia, which affords it increasing influence and leverage. Although the United States remains the strategic incumbent there, Washington needs to pay consistent attention to managing relations with regional friends and allies if it hopes to maintain its pull.

A longer-term task for the United States and the entire international community is to ensure that China's new diplomacy and emerging

perspectives on global politics are consistent with stability and security. Outright competition with China would needlessly expend U.S. resources and frustrate the emergence of a sustainable balance of power in Asia. China's increasing participation in international institutions, paradoxically enough, offers a new means with which to influence the country's perceptions and the pursuit of its interests and creates leverage for other states who participate in these organizations.

For the next two decades, China's primary focus will remain internal, on its numerous domestic problems. After all, the continued economic and political modernization of the world's most populous country is no small task. China's top political leaders have deemed the next 20 years a strategic opportunity (zhanlue jiyuqi) to develop their country. But an opening exists for the international community as well, and U.S. policymakers should use it wisely, to address the challenges and opportunities created by China's rise.