

# China's Future Role on the World Stage



**Stanley Crossick is a Senior Fellow at the Brussels Institute of Contemporary China Studies (BICCS). BICCS is part of the Vrije Universiteit Brussel and aims to increase European political, economic, social and cultural understanding of contemporary China; and to be an academic hub between Europe and China. It has 12 experts working on China and also an extensive teaching resource. See [www.vub.ac.be/biccs](http://www.vub.ac.be/biccs)**

The world stage is changing fast and China is changing fast. In order to examine China's future role on the world stage, we must first address the ways the world and China are changing.

It can safely be said that no country, whatever its size, can go it entirely alone. Even Donald Rumsfeld, former US Secretary of Defence, told the Council on Foreign Relations in New York on 17 February 2006 that, "And the reality is, there's practically nothing important that needs to be done in the world that we can do alone."

The US remains by far the biggest military power, with its spending amounting in 2008 to 40% of the world's (EU 20%, China 8% and Russia 5%). But economic power and influence continues to flow eastwards, increased by the better performance of China and other Asian countries, compared with Western countries, during the financial and economic crisis.

We are therefore seeing both the redistribution of power, but at the same time, deepening interdependence. The world trading system is multilateral and increased protectionism would be disastrous for all. Sustainable development, central to which is coping with climate change, obviously requires close cooperation between countries.

Today's world is one of fast technological change, instant communication, with great uncertainty in the face of major problems, ranging from extensive poverty, increasing disparity between the haves and the have nots, both within and between countries, to the privatisation of weapons of mass destruction and rising international terrorism.

Arguably worst of all is a widespread crisis in governance. Political leadership is lacking: government and the political classes have in many countries lost their credibility in the eyes of the people. Domestic politics widely influences external policies. Short-termism prevails, notwithstanding that the major problems require long-term solutions, but 'pain now, gain later' - after the next election(s) - is not an approach which appeals to politicians.

China is changing fast. The change is economically driven but spills over to all sectors of life. As the Chinese travel more, and more foreigners live in, work in and visit China, and they learn foreign languages, they are inevitably influence culturally, and not necessarily positively: thus with fast food comes obesity...

The growth of internet and mobile telephony has had a dramatic influence on communication at all levels of society. The authorities struggle to control access to information which they prefer to withhold. The extent this will lead to oppression, liberalisation or a sensible balance remains to be seen.

A further unknown is the future influence of the European Union. Will it continue to punch way below its economic strength or eventually get its act together and become a force internationally?

## China's current international role

Peter Mandelson, former EU Trade Commissioner and now UK First Secretary of State, concluded a perceptive op-ed in the *International Herald Tribune* of 12 February: "We all need China to succeed and to start leading."

Lord Mandelson identifies a mismatch between our expectations of China and China's own assessment of its role and responsibilities. Chinese leadership resents any suggestion that China should or could be dictated to on economic management or anything else.

The catastrophic mismanagement that crippled the Western banking system has only deepened scepticism of the superiority of the Western model in China.

Europeans, he wrote, too often don't see that behind China's remarkable economic growth is caution and inhibition born of a governance challenge on a massive scale. On the face of it, Europeans tend to be much more confident of China's inexorable rise than their Chinese counterparts. China's leaders know that the export-led Chinese growth model is not sustainable in the long term, and that weak domestic demand and state-led bank lending need to give way to something more diverse and durable.

Europeans, according to Mandelson, see 10% annual growth as a juggernaut, a tectonic shift in the global economic order. Chinese leaders see it as the minimum required to create the jobs to meet the expectations of its people. We see China as increasingly rich. China sees itself as still, in many respects, worryingly poor.

The deterioration in relations between China and the West is disturbing. Without the PRC, EU and US acting boldly together, there is little hope of solving today's major problems, reforming global governance or achieving, in the words of the Chinese leadership, an harmonious and participatory society.

## Chinese perspective

Currently, it is probably more difficult than ever to understand what is happening in Chinese government circles and the resultant policies and inconsistencies. Few people know what goes on in Zhongnanhai. Unlike in other countries, the leadership works and lives together in a single compound which deprives analysts of the benefit of leaks.

The differences between Chinese and Western ways of thinking and their views of the world are often enormous and there is insufficient mutual understanding and trust: misperceptions abound on both sides.

Hu Jintao, at a major internal diplomatic conference in Beijing in July 2009, talked about the four strengths of diplomacy: more political influence; more economic competitiveness; a more positive international image; and greater moral influence. This appeared to be a recognition that China needs the soft power which comes with international respect.

The "charm offensive", as the *Economist* put it (Banyan, 9 January) seems to be over. During the past few years China has resolved almost all of its border disputes, joined a free trade area with ASEAN, made a substantial contribution to African infrastructure, established hundreds of Confucius institutes, staged the Olympic Games, and generally increased its friendly relationships across the world.

China is showing no flexibility or compromise in negotiations, but insists on getting what it wants. Chinese leaders have become more outspoken publicly and less diplomatic in their tone. Wen Jiabao told Xinhua news agency at the end of last year that China "will not yield to any pressure of any form forcing us to appreciate" the value of its currency. Diplomatic niceties seem to have been overlooked in Copenhagen.

## Western frustration

There is considerable and growing frustration in the US and Europe that China is not behaving fairly in a number of areas. This perception has led to a deterioration in relations between China and the US, and between China and Europe; and is an obstacle to growth of the country's influence on the world stage. The EU supplies extensive

financial and technical support to China but does not feel a spirit of reciprocation.

I fear that Beijing may be underestimating China's vulnerability to a deterioration in economic relations. Chinese behaviour, as perceived, is fuelling protectionist sentiment in other countries. At the same time, the US and the West need to be convinced of the difficulties in the transition for China and not to insist that China adjust faster than it can. The relevant EU, Chinese and US policymakers must cooperate in producing a medium-term coordinated plan to resolve trade and political disputes.

China is resisting further sanctions against Iran. Failure to support full sanctions is resented in the West, particularly as China is substantially investing in the country, despite the nuclear threat. China's reaction will have a serious impact on its international standing, particularly if Russia aligns itself closer to the US and Europe on the issue. Beijing does not like sanctions in principle, possibly influenced by an extensive Washington-led blockade of the country from 1949 to 1964.

China's increased assertiveness is not only towards the West. The claim to the Indian state of Arunachal Pradesh has become more vocal. Japan has expressed concern that China plans to develop the Chunxiao gasfield unilaterally, in breach of the 2008 agreement. Vietnam complains that China has included in its tourist promotion plans the Paracels, which it claims.

China's policy approach to Africa is not altruistic, and no different from the Western approach in the scramble for oil and natural gas. It's aid contribution, focusing on infrastructure has certainly been more valuable to the African countries than the Western policy, which has poured money into Africa but neglected infrastructure building. The Chinese are now, however, encountering some African resentment and violence which need to be addressed. Sino-European cooperation could help.

China's image suffers because of the nature of some of the régimes it deals with (even though they are following in Western footsteps), but the PLA trying to send a shipment of arms to Zimbabwe, while the West was seeking increased sanctions, did nothing for China's reputation.

### **Sovereignty and non-interference**

Chinese foreign policy is substantially influenced by its deep belief in national sovereignty and non-interference in the domestic affairs of other countries. This is understandable. China's humiliation by the West in the 19th and 20th centuries is history to us but to the Chinese it only happened yesterday.

There is, however, a fundamental difference between China and the West on what is foreign interference in domestic affairs. Western countries criticize, and sometimes use pressure on each other, but rarely is this regarded as interference.

China vehemently regards Western leaders meeting the Dalai Lama as interference in Chinese domestic affairs, but it can also be argued that trying to prevent leaders meeting whomsoever they wish on their own territory is domestic interference. The same applies to Beijing's counter-productive efforts to prevent the screening in other countries (eg the Melbourne and Palm Springs film festivals) of what it regards as hostile films.

The Chinese leadership should now feel confident enough not to regard foreign submissions as interference and non-respect of sovereignty. Foreign and domestic policies are closely interlinked and China expresses its views – rightly so – to the governments of Myanmar, North Korea, Iran, Sudan and the like. Is not this foreign interference according to the Chinese definition?

Europe and the US want China to take a global leadership role. Effective multilateralism requires Chinese involvement. No major global challenge can successfully be met without China. China is reluctant to do so, probably for a number of reasons. Leadership requires sides sometimes to be taken, but China prefers to remain in favour with other countries and not to risk any negative effect of

taking sides.

Due to the financial and economic crisis, China has been catapulted unexpectedly early into a global leadership role, for which it is not yet fully prepared. Chinese leadership sometimes seems to be overconfident and sometimes unsure of itself.

### **China-US relations**

Hitherto, the Obama administration has been conciliatory towards China: not branding China a "currency manipulator", playing down human rights issues, softening criticism of government policies in Tibet and Xinjiang. President Obama was seriously criticized for his malleability during his visit to China and refusing to see the Dalai Lama beforehand.

However, this policy does not appear to have earned any dividend. What exactly happened at the Copenhagen UN conference remains unclear, but it seems to show that Beijing's priority remains its own economic development with far less regard for climate change. The Chinese behaviour certainly upset the Americans (as well as the Europeans).

Current China-US relations are worrying. We have witnessed problems such as the uncomfortably Obama visit, reciprocal anti-dumping measures, Copenhagen, the Palm Springs Film Festival, Google and now the Taiwan arms sale. Ahead are the Dalai Lama visit to Washington, increasing concern in Congress over Chinese imports, the undervalued RMB and Iran sanctions.

All these are reflected in a deterioration in public rhetoric with some aggression being detected on both sides. There is a serious danger of growing protectionism which would be an all-round disaster. The unprecedented decline in US self-confidence can have negative consequences.

We really need a trilateral relationship but this is not yet feasible. Closer coordination between the three bilateral relationships would be a start. The EU can play an important moderating influence on both sides, if it can speak with one voice.

### **Conclusion**

Beijing has clearly become more assertive in foreign policy both in tone and on substance. The EU has been treated in a manner which could be described as contemptuous, by the way it has been punished for its member state leaders meeting the Dalai Lama, even to the extent of cancelling a summit. A surprising lack of diplomacy was shown in Copenhagen.

Why is there an increase in assertiveness? There are no doubt a number of reasons. It is only natural for a country which has performed so well in the economic and financial crisis compared with the developed countries, to feel confident and show it through assertiveness. It is also hard to resist an opportunity to turn the tables on past Western patronizing lectures. However, a mature and confident power should not need to do this.

Foreign policy attitudes are almost invariably influenced by domestic considerations. The legitimacy of the Party depends on economic growth, made more difficult by the global economic problems and the need for growth to be sustainable.

The conventional wisdom was that, once China became more integrated globally, it would work towards a multilateral world by playing a constructive role in working together with the developed world to meet common challenges. This would strengthen its relations with the US, Europe and others, important for its own progress. However, it seems that a successful China prefers to become more assertive and less committed to flexibility and compromise in negotiations.

My worry is whether the Chinese leadership fully understands the dangers of its apparent policy in international relations. Attitudes towards China are hardening, particularly in the US. Obama's weakened position vis-à-vis Congress will not help. The chances of the US declaring China a "currency manipulator" are increasing. This

would add to the protectionist measures already being taken in the anti-dumping field.

If protectionism substantially increases in America, it will spread to Europe, where its leaders are becoming more critical of Beijing and resent the way they have been treated. The 'anti-China' lobbies, in the West (Taiwan, Tibet, Xinjiang, human rights...) will lend their weight to events, particularly in the light of China's poor international standing. China does not have any true friends in the West. While it is better to be feared than loved, it is desirable also to be loved.

Deng Xiaoping's axiom *"Keep a cool head and maintain a low profile. Never take the lead - but aim to do something big"*, is no longer the rule. We knew from the Diplomatic Conference in July 2009 in Beijing that the axiom had been modified, but the revised wording has not been published – an interesting omission.

#### **China's future international role**

The West expects China to accept greater responsibility for global

affairs - to be a "responsible stakeholder". But for this to happen, the system of global governance cannot remain entirely western in concept with the West – particularly the EU – overrepresented.

The current leadership ends in 2012. The major policy decisions governing foreign policy and China's international role will be determined by the Fifth generation and probably Sixth generation of leadership. The present leadership is unlikely fundamentally to change course. The future leaders will come from a generation not scarred in the same way as the present ones by the Mao époque and the Cultural Revolution. They are much more likely to have travelled abroad, even studies abroad, and able to speak a foreign language. These factors will substantially influence their thinking, but it is premature to forecast in what way. It is hoped that they will be more internationalist and comfortable with the West.

Hu Jintao's four strengths of diplomacy: more political influence; more economic competitiveness; a more positive international image; and greater moral influence, have a long way to go. ■