

**F. China Studies (Asia Program).** Some observers of China's foreign and defense policies argue that Beijing recently made a strategic decision to utilize its growing political, economic, and military power and influence in Asia and beyond to challenge many aspects of the existing U.S.-led international system, including accepted interpretations of freedom of navigation, the peaceful resolution of maritime territorial issues, and growing international norms against genocide and human rights abuses carried out by repressive regimes. Do you agree? If so, why was such a decision made, what evidence exists to support such a contention, and how should the West respond? If you disagree, then how do you explain Beijing's apparently increased level of assertiveness in many areas witnessed in recent years?

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“Hide our light and nurture our strength,” Deng Xiaoping, then China’s paramount leader and the grandfather of its economic liberalization, urged his Party comrades in 1991 on the eve of his retirement. Deng’s pithy piece of advice, probably first coined (in typical Chinese Communist Party style) in a furtive backroom meeting of the “Eight Elders,” has defined Chinese foreign policy in the years since. Well over a decade after Deng’s death, however, some observers of China’s foreign policy now argue that Beijing has made a strategic decision to forsake his advice and utilize its growing power to challenge aspects of the U.S.-led international system. In fact, the Chinese still recognize that the primary focus of their foreign policy - to cultivate conditions favorable to domestic economic growth - is better served by China’s peaceful rise within a unipolar international system dominated by the United States rather than through a challenge to the prevailing balance of power. Nevertheless, as China’s economy has continued to develop, and particularly in the years since China’s accession to the World Trade Organization (WTO) in 2001, Beijing’s quest for new markets and energy resources has generated increasingly assertive behavior and brought it into conflict with established elements of the current world order. This conflict, however, is not the primary purpose of Beijing’s foreign policy, but rather a byproduct of it.

Chinese foreign policy has had an economic focus since the advent of China’s economic reforms and opening up in the late 1970s. In the post-Mao era, the Chinese Communist Party (CCP), with Deng Xiaoping at the helm, increasingly focused on economic growth as a means of maintaining the legitimacy of the Party. To this end, Beijing moved away from a foreign policy derived from Maoist ideology in favor of one designed to cultivate conditions favorable to economic growth. Over the past three decades, Beijing’s foreign policy has maintained its economic focus largely because it is perceived by China’s leadership as being inextricably linked with the primary objective of maintaining domestic stability and continued rule of the CCP. Economic growth is also seen as an important conduit for achieving modernization of the military and codification of China’s international power after a “century of humiliation.” Both are important goals for China’s leadership. Ultimately, unless their actions will incur diplomatic or strategic costs that outweigh the economic (and other attendant) benefits, Beijing generally does not forsake important economic partnerships to adhere to international norms.

China's involvement in Sudan is perhaps the most notorious example of how economic interests pursued by Beijing have brought it into conflict with international norms. Many observers have labeled the civil war between the Arab-dominated central government in Khartoum and the non-Arab tribes of the Darfur region as genocide. As a result, numerous countries have sanctioned the government in Khartoum, enforced an arms embargo, sent peacekeeping forces, and honored the International Criminal Court's indictment of Sudanese president Omar al-Bashir for crimes against humanity. Against this backdrop of international condemnation, China invested \$10 billion in Sudanese oil fields - making the country China's largest source of oil in Africa. China's willingness to use its international influence to protect its interests in Sudan, including opposing proposals to sanction the Sudanese government, resulted in it pursuing policies contrary to human rights norms. Nevertheless, China did not select such a forbidding political environment simply to antagonize the West or challenge aspects of the international system. They invested in Sudan because they were able to; as latecomers integrating in the global economy, the Chinese were successful in securing investments because other countries were reluctant to do so.

The importance of economic issues is also evident in China's territorial claims in the South China Sea. All the other claimants of territories in the region justify their claims on the basis of provisions of the 1982 United Nations Convention on the Law of the Sea (UNCLOS). China, however, insists on the historical legitimacy of its 9-Dash line - a controversial demarcation line first proposed by the Nationalist government in 1947 - that is based on survey expeditions, fishing activities, and naval patrols that date back to the fifteenth century. According to the 9-Dash line, China owns the entire South China Sea with the exception of small areas off the coasts of other littoral states. It is China's economic interests, notably its energy security needs, which have put it at odds with the territorial boundaries that UNCLOS has enforced in the region since 1994. The South China Sea is home to proven oil reserves of seven billion barrels and an estimated 900 trillion cubic feet of natural gas. Access to this oil would greatly enhance China's energy security. China is also dependent on the region's sea lanes for conduct of its trade and import of oil. The United States has the capability to interrupt these sea lines of communication (SLOC), and China worries that it might choose to do so in a crisis. These worries have prompted the Chinese to

regulate U.S. and other foreign military activities inside its 200-nautical-mile maritime Exclusive Economic Zone (EEZ), putting China in a minority group among the world's nations that claim that the UNCLOS gives coastal states the right to regulate military (and not just economic) activities within their EEZ. This stance has cast doubt on China's support of norms surrounding the freedom of navigation. Such misgivings ignore the fact that the Chinese also have a large stake in the observance of freedom of navigation norms; trade affects 60 to 70 percent of China's economy and without it China would have a hard time sustaining its economy, let alone CCP rule.

Although Beijing's economic interests are the primary determinant of its increasingly assertive behavior over the last few years, it is true that the years between 2008 and 2010 marked a period of particularly imperious behavior. Here, other factors were also at play. For example, as UN-established deadlines for defining claims in the South China Sea approached in 2009, the Chinese adopted a more belligerent posture in the interest of solidifying their claims. There is also evidence that this marked assertiveness was the consequence of debate in Beijing over the future course of Chinese foreign policy. Over the last few months of 2010, supporters of a more forceful foreign policy dominated the public narrative. As the negative consequences of this assertive foreign policy became apparent, however, advocates of a more restrained policy pushed back. The denouement of this struggle was the publication of an article on the Ministry of Foreign Affairs' website in which Dai Bingguo, one of the highest ranking officials in the Chinese foreign policy establishment, offered a resounding defense of the more accommodating policy. The article signaled Beijing's return to a more accommodationist approach.

As the Arab Spring toppled governments in the Middle East, Chinese diplomats nervously approached their foreign counterparts to ask if they thought China would be next. Their actions reveal the sense of vulnerability that pervades the Party's psyche. Party leaders know that creating conflict in the pursuit of economic interests undermines the stability on which China's economic growth - and the survival of the Party - depend. As a result, although its search for new markets occasionally impels China to flout accepted aspects of the U.S.-led international system, it is ultimately not in China's interests to push this defiance too far and challenge the system itself.