China’s New Foreign Policy “Assertiveness”. Motivations and Implications (*)

China’s assertive international behavior during the recent global economic and financial crisis has raised an important question: has China abandoned its low profile foreign policy, adding a more assertive or indeed aggressive component to it? This paper argues that while China is rising economically and militarily and increasing its global influence, it is still obsessed with defending what Beijing calls its “core interests” of direct relevance to regime survival, economic development and territorial integrity. China still struggles to find a balance between taking great power responsibility on the one hand and focusing on its narrowly defined core interests on the other. This paper begins with an analysis of China’s newly-developed international assertiveness and then goes on to analyze the driving forces behind such assertiveness. The third part of the paper explores the policy implications of China’s increasingly assertive foreign policy behavior.

China’s Assertiveness during the Global Downturn

For more than one decade after the end of the Cold War, conditioned by its circumscribed power position and geopolitical isolation, China had to «learn to live with the hegemon» (i.e. the US), adjusting and implementing policies taking the reality of US dominance of the international system into account. Beijing thereby followed the so-called taoguang yanghui (“low profile”) policy doctrine introduced by Deng Xiaoping in the early 1990s, suggesting that China must «hide its capabilities, focus on its national strength-building, and bide its time» ¹.

The time to change China’s approach towards international politics seemed to have arrived when the financial meltdown started in the US and swept across the globe in 2008. Seeing a troubled US attempting to restrain China’s global influence and power, Chinese leaders became less willing to accept US-led international politics and were more prepared to define and defend China’s global interests. Beijing has been particularly assertive in defending its so-called “core interest issues”. Although the Chinese are still engaged

in a debate about what those core interests are, at the first China-US Strategic & Economic Dialogue in July 2009 State Councilor Dai Bingguo told the US that China’s number one “core interest” is to maintain its political system and state security. This is followed by defending China’s state sovereignty and territorial integrity, and thirdly the promotion of stable development of the economy and society.

These are clear-cut defined interests centered around regime survival in China, leaving little space and capabilities for Beijing’s leaders to dedicate to becoming a global “great power”. The survival of China’s Communist Party (CCP) regime is listed here as Beijing’s most important “core interest” because – given the authoritarian nature of the Chinese political system – the CCP is constantly concerned about foreign actors and domestic discontent threatening its regime. While the second core interest of state sovereignty and territorial integrity referred almost exclusively to the Taiwan and Tibet issues for many years, the South China Sea was recently added to this category when China became increasingly determined and prepared to defend disputed territories in the South China Sea. Taking a firm position on territorial disputes plays a special role in maintaining the nationalist credentials of the communist regime. Continued economic development and social stability becomes the “third core” interest because it is the foundation of the CCP’s legitimacy to justify its continued rule in China.

It is not difficult to find enough evidence to demonstrate that China has indeed been more forceful in formulating its “core interests” since the global economic and financial crisis started. For example, after French President Sarkozy met with the Dalai Lama in his capacity as rotating president of the EU Council, Beijing abruptly canceled the scheduled summit with the European Union in December 2008 to show that, even amid the global crisis, it was ready to confront the leaders of its biggest trading partner. China’s response to the Obama administration’s announcement to sell arms to Taiwan and President Obama’s meeting with the Dalai Lama in early 2010 was also unusually tough. Instead of talking about Deng’s low profile dictum – in a warning to the US – China cited Deng’s statement that «no one should expect China to swallow the bitter fruit that hurts its interest». For the first time the Chinese Foreign Ministry spokesman threatened to impose sanctions on American companies involved in arms sales to Taiwan. In effect, as openly stated by PLA Rear-Admiral Yang Yi, China was to reverse its position from previously being a target of US sanctions to become a country that imposes sanctions against the US in order to “reshape the policy choices of the US”.

In the meantime, China has grown increasingly vocal in protesting and pushing back US naval operations in international waters off its coast. In March 2009 in the South China Sea, a group of Chinese vessels intercepted an American surveillance ship – the USS Impeccable – which had been deployed to monitor China’s military activities in the context of a routine mission. A Chinese scholar indicated that the incident «is a sign of new robustness in China’s dealing with the West».

China then protested strongly over the joint US-South Korean military exercise in the Yellow Sea and the deployment of the USS George Washington aircraft carrier during that exercise in 2010. China protested despite the fact that the US navy has long conducted naval exercises in the Yellow Sea (the USS George Washington was also deployed to the Yellow Sea in the fall of 2009). After plans to conduct US-South Korean naval exercises in the Yellow Sea made it to the public in early June 2010, China’s military foreign affairs spokesman issued six official protests with a successively tougher tone. While he initially announced «maintain calm and exercise constraint» he later expressed first «concern» and later «serious concern», ending up in his fifth and sixth official statements by «opposing» and finally «strongly opposing the US-South Korean military exercises».

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2 China yesterday urged the United States to cancel a massive arms deal to Taiwan, warning of severe consequences if it does not heed the call, in «China Daily», January 8, 2010.
Driving Forces

Many factors have contributed to China’s new assertiveness. The most cited one is that Chinese leaders have become increasingly confident in their ability to deal with the West because the Chinese economy has rebounded quickly and strongly from the global economic and financial crisis. While the crisis severely weakened the major Western powers, which saw their economies go into recession, their financial institutions on the brink of collapse and their banking system discredited, Chinese financial institutions – considered insolvent only a few years ago – impressed the world with their healthy balance sheets and strong market capitalization. While China’s state-owned companies were buying companies and resources all over the world, China surpassed Germany as the world’s largest exporter in 2009 and overtook Japan as the world’s second-largest economy in 2010.

Establishing itself as a global economic powerhouse, for the first time in modern history China’s economy has played a substantial role in determining the path of the global economy. Many Chinese therefore believed that the Chinese economic growth model which maintained a balance between economic growth and political stability worked better for China than the Western model of modernization.

Chinese leaders were no longer forced to find themselves on the receiving end of patronizing lectures from Western leaders about the superiority of Western capitalism. Confident that the global balance of power is tilting in China’s favor, today Chinese leaders believe that they have the right and leverage to forcefully safeguard China’s above-mentioned “core interests” rather than compromise on them. Consequently, China’s leaders are more willing to proactively shape the external environment rather than passively react to it. China is therefore pressing harder than ever for concessions from the US and other powers on its “core interests”.

Another factor often neglected in the West and in Western media is Beijing’s frustration with what it perceives to be a Western conspiracy to prevent China from rising to its rightful place. An ancient empire accounting for about one third of world economic output in the early 19th century, China began a steady decline in the late 19th century after suffering defeat, occupation and humiliation by foreign imperial powers, and plunging into chaos involving war, famine, isolation and revolution. Struggling for national independence and modernization, China is now rising to regain the position and status it enjoyed about two centuries ago. This rise, however, has met with suspicion and resistance by what Beijing refers to as “anti-China forces” in the West, reminding Beijing’s leaders of the humiliations China suffered when it was weak. Many Chinese are therefore convinced that the US would never give up its containment policies towards China, due to the structural conflict between China as a rising power and the US as the sole superpower.

This conviction and these suspicions were confirmed during the global financial meltdown. With Western leaders seemingly desperate for cash-rich China to come to their aid, many Chinese expected that the US would not continue selling arms to Taiwan and that President Obama would not meet with the Dalai Lama.

As a Chinese scholar put it, many Chinese thought that the US «should respond nicely to China» because of «Beijing buying huge amounts of US treasury bonds». The US need for Chinese cooperation put China in (a) better position to seek changes in China’s favour». Back then, China was therefore frustrated by what was referred to as «the rigid US position» not reflecting the nature of the new Sino-US symbiosis and failing to acknowledge and respect Beijing’s growing international clout. They felt betrayed and believed that this was part of a Western conspiracy to contain China’s rise.

This frustration has strengthened nationalist trends in China, which ran particularly high during the global downturn. In addition to the nationalistic intellectuals such as the authors of *China is Not Happy*, many senior military officers were allowed to publish nationalist books and voice nationalist rhetoric in public without being censored by the political leadership. For example, while Colonel Dai Xu’s book and his speeches on the Internet warning of what he called a “C-shaped” encirclement of China revealed very

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strong nationalism, Senior Colonel Liu Mingfu’s book *The China Dream* called for China to abandon its modest foreign policy goals and build the world’s strongest military to deter the US from challenging China’s rise while the US was still in the middle of an economic crisis. This resulted in China’s leaders facing pressure to flex their muscles in order to defend China’s “core interests” even at the risk of allowing the country’s nationalists in military and policymaking circles to exaggerate nationalist and xenophobic rhetoric running counter to Beijing’s foreign policy interests.

The third factor is Chinese leaders’ fear of economic and political uncertainties at home. One such uncertainty is the possible slowdown of Chinese economic growth. Rapid economic growth has raised the expectations of the Chinese people and created many social, economic and political tensions. As the global financial crisis intensified, China’s political leaders were confronted with the challenge of dealing with its consequences for China’s labor market.

The millions of laid-off unemployed migrant and white-collar workers, it was feared, could lead to social unrest and protests potentially challenging the legitimacy of the regime in Beijing. By attributing the financial meltdown entirely to the “inappropriate macroeconomic policies” of Western countries and “their unsustainable model of development”, as did Premier Wen Jiabao6, the Chinese government was able to avoid criticism for its own economic failures while at the same time receive praise for being able to sustain high economic growth rates during the crisis.

The ongoing leadership transition brings another uncertainty with it. The current Hu Jintao and Wen Jiabao leadership was white-knuckling its way through its final years in office before handing over to the next generation of leaders in 2012. As the succession process geared up, hard-line policies became more popular because political leaders pushing a tough line on sensitive issues would not only stir up the disgruntled youth but also boost support among government officials and military officers. Today China does not have a strongman like Mao Zedong or Deng Xiaoping who could adopt and implement domestic and foreign policies without control and supervision. While this development is in a way healthy, it could result in inflexibility as no Chinese leaders could afford to be seen as too dovish or appear weak to the Chinese people. Political leaders understood that mishandling sensitive issues such as Taiwan and Tibet could not only lead to social instability but also provide political competitors with an avenue to challenge and undermine the top leadership’s political powerbase. This created a sense of “boundary of permissible”7, defining and restraining Chinese leaders’ policies and decisions on the above-mentioned “core interests” when they are perceived as having a direct impact on the survival of the CCP regime.

**Policy Implications**

China’s unusual assertiveness during the global financial meltdown has raised two crucially important policy questions. One is whether a rising China will be executing a responsible global leadership role. The second is if China is abandoning its traditionally low profile foreign policy, then will its foreign policy behavior become more aggressive?

There is no doubt that China has made positive and important contributions to regional and global security, stability and governance over recent years. However, China has not committed itself to adopt more international responsibilities reflecting its increasing global economic and political influence and clout. Chinese leaders have proposed a concept of “shared responsibility”8 which sets four important parameters: the first suggests that China will act and make commitments in line with its ability to do so. The second suggests that China’s policies will seek to combine China’s interests, with the interests of the international society in mind. Thirdly, China’s international contributions must not have a negative impact

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and affect China’s strategy to secure its national interests and the above-mentioned “core interests”. Fourthly, China’s commitments will be coordinated with the input of other countries in general and developing countries in particular.

In the light of the concept of shared responsibility, China is reluctant and very selective in taking on the leadership at the regional and global levels. One example is China’s opposition to the mandatory emission reductions demanded by the developed countries, while at the same time urging developed countries to make further commitments as regards the reduction of carbon emissions as well as increasing their financial assistance to poorer nations (as voiced in 2010 at the Copenhagen Climate Change Summit). As regards international security, China has often been reluctant to take a tough position on key global issues in troubled countries such as North Korea, Iran, Afghanistan, Sudan and Pakistan.

In this context, Chinese scholars and policymakers are debating whether China should abandon its low profile foreign policy. While some have urged the government to abandon what they perceived as a passive policy profile to take on a “great power” position to ensure a “just” world, others have called for a modified and more active taoguangyanghui policy, laying more emphasis on “youshuozuowei” i.e. the strategy of “being successful” and “earning credits” in some areas. Following this concept, China would take a more active role in pursuing a selected number of foreign policy objectives centered around China’s “core interest” issue areas. The third option of Chinese foreign policies discussed amongst scholars and policymakers is to continue the low profile foreign policies and avoid taking the leadership on international issues. The first option received the most attention in the West and is also popular among the Chinese people. However, the Chinese government adopts and implements its policies along the lines of the third option and has not – at least not in public – abandoned China’s low profile foreign policy. Realistically however, the second option is already guiding today’s Chinese foreign policies.

China’s current foreign policy behavior is determined by China’s “dual-identity”: a rising “great power” on the one hand and a developing country on the other. China’s “dual identity” had an influence on how Beijing’s political leaders reacted to the G-2 idea i.e. the idea of Beijing and Washington assuming a joint leadership role in global affairs. While Beijing was initially flattered by this concept, Chinese political leaders fairly quickly perceived the G-2 concept to be a “trap” and a US attempt to “expose” China internationally.

Premier Wen Jiabao firmly rejected the idea as “not appropriate”, stressing that «China remains a developing country»⁹. Beijing’s insistence to continue referring to China as a developing country is not necessarily an expression of Chinese “modesty” but rather the realization that it still faces numerous internal and external constraints to its continued growth while China is entering a very difficult period of economic growth. An increasing number of analysts are predicting not only a slowdown but also a possible burst of the “China bubble” in the foreseeable future.

Despite having become more assertive as regards China’s above-mentioned “core interests” during the global economic downturn, China’s leaders remain pragmatic and realistic about China’s ability to challenge US global power and influence. Today China is in no position to dislodge American power and hence cannot afford to jeopardize its ties with the US. That is why while protesting at President Obama’s meeting with the Dalai Lama, Beijing still allowed the USS Nimitz aircraft carrier battle group to visit Hong Kong on February 7, one day before the Obama-Dalai Lama meeting. Also, while voicing angry words threatening to sanction US companies involved in selling arms to Taiwan, China has not followed up on its threat to impose sanctions on US companies, as it is aware that such sanctions would above all hurt China’s interests.

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Conclusions

The changes in China’s foreign policy behavior during the global economic downturn demonstrated that an increasingly powerful and influential China is likely to use its capabilities and influence to seek to shift the global balance of power in its favor.

However, China is still hesitant to use its capabilities and assets to exert influence in global politics and security, and will continue to take most of its foreign policy decisions in accordance with issues central to China’s national interests (as opposed to regionally and globally relevant issues).

China has become a powerful country, equipping itself with the means and instruments to defend its state sovereignty and exert increasing global influence. However, Beijing is still obsessed with the above-mentioned “core interests” relevant to regime survival, economic growth and development and territorial integrity. Beijing’s assertiveness, therefore, has not yet been accompanied by a broader vision defining the quality and scope of China as a rising global power – this in turn will continue to stand in the way of China’s assuming of global responsibilities or indeed a leadership role. Against this background, China’s above-described increasingly assertive foreign policy behavior is above all a reflection of its ambivalent position as a rising power.

As regards its foreign policy agenda in the years ahead, Beijing will be charged with the task of balancing its traditionally low foreign policy profile with its increasing assertive day-to-day actual foreign policy behavior.