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Understanding China's assertive Behavior during the Global Financial Downturn^(*)

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For many years after the end of the Cold War, China followed a *taoguang yanghui* policy to hide its capability and build up its national strength, making adaptation and policy adjustment to the reality of the US dominance in the international system. China's behavior, however, began to change during the financial meltdown and has become more forceful in defending the so-called core interest issues involving state sovereignty and territorial integrity such as Taiwan, Tibet and the South China Sea issues. Instead of keeping it head low, China warned the US that «no one should expect China to swallow the bitter fruit that hurts its interest» in response to the US arms sale to Taiwan and President Obama's meeting with the Dalai Lama in early 2010. In the South China Sea, in March 2009, Chinese boats intercepted the USSN Impeccable although the American navy had routinely deployed to monitor China's military activities. China then protested strongly over the joint US-South Korean military exercise in the Yellow Sea and the USS George Washington aircraft carrier to be deployed in the exercises although the U.S. navy has long conducted naval exercises in the Yellow Sea and the George Washington was there as recently fall 2009. After the news was revealed in early June, the spokesman at China's military of foreign affairs issued six official protests with a successively tougher tone from calling to «maintain calm and constraint», to expressing «concern» and «serious concern», then into «oppose» and «strongly oppose».

How to understand China's new assertiveness? One explanation emphasizes Chinese growing confidence in its ability to deal with the West during the global downturn. Seeing a relative decline of the West, China has found more leverages and rights to forcefully safeguard China's core interests rather than compromise them and is therefore more willing to proactively shape the external environment rather than passively react to it. Another explanation is China's frustration over the perceived Western conspiracy to prevent China from rising to its rightful place. Many Chinese see a structural conflict between China as a rising power and the US as the sole superpower and believe the US would never give up the policy of containing China. This conviction was proved during the financial meltdown. With the Western leaders seemingly desperate for cash-rich China to come to their aid, many Chinese expected a weakened US heavily in debt to China would not continued arms sale to Taiwan and Obama would not meet with the Dalai Lama. When these continued, they felt betrayed. They believed that this was part of Western conspiracy to contain China's rise.

The third explanation looks at Chinese leaders' fear of economic and political uncertainties at home. One uncertainty is the possible slowdown of Chinese economic growth. Attributing the financial meltdown entirely to «economic mismanagement» of Western countries, the Chinese government was able to avoid criticism if its failure and could also receive praise if it was effective in deploying its enormous state capacity to pull its economic out of the downturn. The ongoing leadership transition brings another uncertainty. Political leaders understood that mishandling sensitive

(*)The opinions expressed herein are strictly personal and do not necessarily reflect the position of ISPI.

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issues such as Taiwan and Tibet could not only lead to social instability but also provide political competitors an avenue to undermine their political standing. Chinese leaders had to take an assertive stance on core interests that the regime survival was seen at stake.

China's new assertiveness has raised the question if China has abandoned the low profile policy and reoriented its foreign policy toward a more aggressive direction. As a matter of fact, Chinese scholars and policy makers are still debating if China has abandoned the low profile policy. The view that has received most attention in the West and is also popular among the Chinese people urged the government to abandon the passive policy and take a "great power" position to ensure a "just" world. But the Chinese government has not officially taken this view but insisted that it still holds the low profile policy. There is a third view, which calls for a modified and more active taoguangyanghui policy. This view is the actual policy practice of China today. In light of the policy debate, one defining tension in China's foreign policy agenda is still to find a balance taking more assertive position as a rising power and focusing on its narrowly defined core interests to play down its pretense of being a global power.

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