

QUAD-PLUS Dialogue



Chinese Foreign Policy in the Age of Xi Jin Ping

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**Quad-Plus Dialogue
Tokyo, Japan
March 4-6, 2018**

Just a few days ago, the Chinese Communist Party (CPC) Central Committee recommended ending the two-term limit on the presidency, paving the way for President Xi Jin Ping to stay in office indefinitely if this is also confirmed by the annual National People's Congress session next month. It was suspected that this might happen, because contrary to past practice, no potential successor to Xi was identified when the Politburo was reconstituted at the 19th National Congress of the CPC in October 2017. The inclusion of his "Thought on Socialism with Chinese Characteristics for a New Era" in the party constitution was meant to elevate him to a Mao-like status.

Under the new leadership of Xi Jin Ping, China has become even more proactive, if not assertive, in international affairs than in the previous decades. Chinese policymakers, foreign affairs officials, and scholars have become more vocal than before in expressing China's intention to play a greater role in international affairs. Many Chinese scholars are supportive of China's increasingly active and often tougher approach to external affairs. This has, they believe, substantially improved the international environment and made it more conducive to China's national rejuvenation. While Beijing still adheres to its declared "peaceful development" policy aiming at maintaining a stable external environment critical to China's economic development, the way it seeks to do so is rather different from the past decades. Xi Jin Ping has been unusually active in conducting China's foreign relations. By the end of 2017, already, Xi had logged 28 overseas trips that brought him to fifty-six countries across five continents, as well as headquarters of major international organizations. As early as January 2013, the new Politburo formed in November 2012 held a special session on China's diplomatic strategy, focusing on *peaceful development*. This demonstrated the importance that the new leadership be attached to China's foreign relations.

Xi Jin Ping has also made many important changes to China's foreign policy orientation and guiding principles that should have far-reaching ramifications for the country. The top priority of Chinese foreign policy since the early 1990s has been to pacify external concerns of the perceived threat from a rising China to maintain a peaceful and stable external environment conducive to its economic development. Accordingly, the new leadership under Xi Jin Ping is decidedly moving away from China's long-standing policy approach of "hiding one's capabilities and biding one's time," and becoming more confident and proactive in utilizing China's growing power and influence to protect and advance its national interests and to shape a favorable external environment.

It was widely perceived that under the "peaceful development" rhetoric, China substantially improved its relationship with the outside world, especially with countries in the Asia-Pacific through the so called "charm offensive" diplomacy, expanding trade and economic ties and increasing engagement with regional institutions. Under Xi, *protecting China's core national interests* was given equal and even greater importance than "peaceful development" as the fundamental principle of China's foreign policy.

Xi has already unveiled China's hegemonic ambitions to become a global superpower and a modern socialist industrial state by 2049, the centenary of the founding of the PRC. Xi called for the Chinese military to accelerate its efforts of military modernization and improve its capabilities of fighting and winning wars by 2035, stating that "we long for peace dearly, but at any time and under any circumstances, we will not give up defending our legitimate national interests and rights, and will not sacrifice our core national interests."

This change was reinforced by a growing perception that China's peaceful development policy has in recent years emboldened some regional countries to take provocative actions that violate China's national interests, especially in the South China Sea and East China Sea disputes. It is thus argued that China's peaceful rise does not necessarily mean the absence of any conflict at all. According to such an interpretation, even if some limited conflicts occur between China and some countries on certain issues, such conflicts will not alter the overall peaceful nature of China's rise. It should therefore be expected that China will *display an increasingly tough stance when dealing with disputes* with other countries. Moreover, as demonstrated by Xi's speeches, in recent years the concept of "national interests" in China has also expanded from security (domestic and external) interests to include *"development interests."* Thus, any issues that might seriously influence China's economic development, such as *supply of resources or maritime security*, could be perceived as a core national interest, demanding a forceful response.

China's growing economic presence overseas also adds new elements to China's evolving national interests. *Safeguarding such an "offshore China,"* which forms an important part of overall Chinese national interests, has become a core task of China's foreign policy. Such an expanded definition of national interests has added complexities to China's foreign relationships.

Also, China's commitment to the "peaceful development" policy has become conditional and is premised on *reciprocity*. While the policy was initially developed as an effort to reassure other countries regarding their concerns about the rise of China, now, under Xi Jin Ping, China also

seeks reciprocal strategic reassurances from other countries. There is now a more proactive and coordinated approach to create and shape a stable external environment that serves China's domestic development.

This is reflected in Xi's emphasis on the importance of "*top level design*" in foreign policymaking. Top level design is defined by the need to develop strategic visions and conduct strategic planning and coordination at the national level when developing foreign policy. At the institutional level, the notion of "top level design" has also prompted many *organizational changes* within China's foreign and security policy machinery, aiming to achieve more coordination of the country's rapidly growing number of actors in the foreign and security affairs arena. This was reflected by the decision to set up a National Security Commission (NSC) to improve the national security systems and strategies to guarantee the country's national security. In this context, Xi emphasized that the concept of "*overall national security outlook*" is central to China's efforts to develop a national security path with Chinese characteristics. Another element of Xi's new foreign policy thinking is the so called "*bottom line thinking*," which could be defined as "*working for the best but preparing for the worst.*" it requires that China stand firm to safeguard its core interests by setting "*a red line*" that other countries could not cross.

Thus, unlike in the past when China often preferred to state what it hoped other countries would do, now increasingly Chinese leaders and officials have become more forthright in stating what actions by other countries China cannot tolerate. This is reflected in a **touch [tough?]** approach to China's territorial disputes with other countries in the East and South China Seas. There are now blunter references to China's uncompromising stance on territorial integrity. Indeed, while China's increasingly tough stances have generated significant concern outside China, many Chinese analysts believe that the new leadership's growing willingness to demonstrate China's "bottom line" in international affairs has reduced the strategic uncertainties surrounding China's foreign policies, preventing other countries from misjudging China's intention and resolve to protect its national interests.

Under Xi, there are many concrete initiatives aimed at shaping the external environment in China's favor. Among these two are particularly noteworthy, the first is the concept of a "*new type of great power relationship*." Defined for the U.S., it consists of three elements: the first is "*non-conflict and non-confrontation*"; the second is "*mutual respect*" of each other's different *political systems and core interests*; and the third is "*win-win cooperation*." The fact that the Chinese took the lead and proposed this itself was significant. The concept also implies a request for the U.S. to change its approach to China by respecting more of China's core interests.

Another notable diplomatic initiative under Xi Jin Ping is the concept of "*community of common destiny*" that was developed with the aim to strengthen China's relationship with a broad range of countries in general and its relations with neighboring countries. Xi used it to define the relationship with countries in South East Asia. The concept of "*community of common destiny*" represents Chinese intentions to provide a "*Chinese solution*" to address the challenges faced by *Asian* countries and the world to achieve development and stability. Since Xi came to power, many economic investment projects have been announced. These include the Belt and Road Initiative

(BRI), a silk road economic belt linking with Central Asia and a maritime silk route linking with Asia and the Middle East.

Xi's *diplomacy with Chinese characteristics* and a *new type of international relations* have been used at different times for making an impact on global economic development. Under Xi's leadership, Beijing initiated the Asian Infrastructure Bank, the Silk Road Fund, the New Development Bank—three multilateral financial institutions with a combined total of more than \$200 billion in authorized capital. Never have the Chinese people felt so proud of their country.

Despite all these new postures in foreign policy, Chinese influence and ability to win friends will get worse before it can get better. Xi's report to the 19th Party Congress offers some hints. The "great rejuvenation of the Chinese nation" received twenty-seven mentions in the document, while a "global community of common destiny" and the "Belt and Road Initiative" received six and five, respectively. More importantly, these three terms are now enshrined in the Chinese Communist Party's constitution through amendments adopted at the national congress. Meanwhile, the term "major country" was mentioned seven times, but there were no references to a "new type of major country relations."

Nevertheless, a "new type of international relations" received two mentions. Taken together, these signs suggest that the great rejuvenation of the Chinese nation will be Beijing's top priority until 2049—at which time China will become a "socialist, modern and powerful country." As Xi explained, "Socialism with Chinese characteristics in a new era means that the Chinese nation has stood up and become wealthy and it is undergoing a great leap towards a powerful country." The Chinese dream of national rejuvenation goes beyond making China great again. Instead, China appears to have committed itself to remaking the whole world—through the BRI—and a *new type of international relations*—into a *global community of common destiny*. This initiative will also build physical links over land and sea and give China the wherewithal to expand its influence into every connected nation. The most important near-term litmus test will be whether the BRI will be responded to as a benign economic project, or as a geopolitical threat. The fact that "Xi Jin Ping thought" is now enshrined in the Chinese Constitution gives Xi an authority which few others in China have enjoyed. It will strive to broaden its participation in global and regional affairs while shouldering more responsibility as a guardian of the world order, because it is now the largest trading partner for 128 countries and among the most popular investment destinations. It is a fast-growing market for exports and a major energy importer. This seems like a global manifesto for Chinese leadership.

A wealthy and powerful China now would like to usher in a new era in international politics, too. U.S. insistence on universality of liberal democracy could see great power politics played out. China's relations with many neighbors like Japan, Myanmar, India, and the two Koreas have all gone downhill in the recent past and Asia is dependent and divided, but also coerced. Not to be overlooked is that Xi has cited his country's building of artificial islands and converting them into military facilities in the South China Sea as "achievements." Regarding Taiwan, Xi said his party has the resolve to "defeat separatist attempts in any form," showing off his hardline stance. Chinese belief that economics can drive political relations is misplaced, as can be seen from its relationship with the U.S. and European Union.

Imports, investments, loans, and aid from China can make recipient countries more economically dependent on China, but such dependencies often produce political resentment instead of strategic trust. Xi's indefinite extension in power will enable planners to project China's ambitions abroad with more long-term certainty and continuity. The large-scale global projects it has already launched—such as the Asian Infrastructure Investment Bank, the Belt and Road Initiative, the occupation of the islands in the South China Sea, acquisition of bases and ports in the Indian Ocean, and even its undeclared ambition to become a hegemon in the Asia-Pacific—now suddenly gain a new presumption of being successfully carried out. However, China's opaque politics, undemocratic system, and strong-arm tactics against its smaller Asian neighbors remain the biggest obstacles for Xi's international ambitions.

In sum, under Xi, China has broadened its “core interests,” asserted sovereignty claims contrary to international law, treated the arbitral award against its actions in the South China Sea with contempt, and pursued what has been characterized as “predatory economics” and exploitative policies towards the developing countries. The consolidation of absolute power at home will only consolidate the direction of his external policies.

This is also reflected in China's aggressive policies towards India on the un-demarcated border. India is facing a tense situation with repeated Chinese incursions into its territory. In the Indian Ocean, China has been aggressively acquiring stakes in ports and potential bases, including in Myanmar, Bangladesh, Sri Lanka, the Maldives, Pakistan, and Djibouti. A “Joint Observation Station” proposed by the Chinese in the Maldives is likely to have military capabilities along with provisions for a submarine base, identical to the one in Jiwani, near Gwadar, in Pakistan. The Mukunudhoo Island in the Maldives where China is building the observatory is part of the northernmost tip of the archipelago nation. It is close to the northern sea lanes of communication—running between India's Minicoy Island and the northern most atoll of the Maldives—as well as to India's south and southwest corridor. The observatory would also allow data collection to deploy submarines in the Indian Ocean region.

Internally, there is little doubt that China has broken a path towards a new form of totalitarianism in which a police state has access to ubiquitous data gathered about citizens by social media and online shopping platforms and a vast human and electronic surveillance apparatus to track their every move. Beijing wants to roll out a “social credit score” system by 2020. A billion people may be lifted out of poverty but will find themselves living under cyber totalitarianism. The end of collective leadership at the top has also been mirrored by the destruction of channels of dissent and disagreement throughout the country. The most obvious form of this is the gigantic crackdown on media and the Internet. The relatively free-wheeling atmosphere of Weibo, a Chinese Twitter look-alike, has been destroyed and replaced with private We Chat groups, only to see a crackdown a few months ago.

Today absolute rigidity is demanded, and internal documents sing praises of Xi Jin Ping. The intensity of the political purges initiated by Xi under the guise of anti-corruption efforts has silenced officials, even behind the doors of their offices, for fear of giving ammunition to their rivals. This is bound to play out also on the external front—anti-China sentiment is rising not only among China's neighbors, but also other major powers, including the U.S., Japan, Australia, India,

and Europe, which have been vocal about Beijing's meddling in their political system, unfair business practices, human rights violations, and military build-up. Xi is challenging the Western liberal, democratic model, offering his own development model as a more efficient alternative. He has repeatedly rejected Western values and Western democracy. There are attempts to weed out Western ideas from Chinese society. If Beijing cannot break the policy of emphasis on economic profit at the expense of political relations, it will end up a resented and isolated power. The world will need to deal with an assertive and determined Xi Jin Ping at least for the next decade.