



# China's New Leadership: Approaches to International Affairs

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## Summary points

- A major leadership transition in China began in November 2012 and was completed at the National People's Congress meetings in Beijing in March 2013.
- The activities and comments of new leaders have touched on international affairs, stressing both continuity and a firm approach to China's 'core interests'.
- The new leadership's impact on the country's approach to international affairs will occur in the context of existing policy approaches, which stress China's development. Radical change in policy is therefore unlikely.
- International policy is also evolving to respond to developments, including what officials have called 'neo-interventionism' and the need to protect Chinese interests and individuals overseas.
- The influence of the post-2008 financial and economic crisis on Chinese thinking about international affairs has been significant, creating more space for Chinese approaches as Western models have been undermined.
- Relations with Japan and North Korea's continued nuclear programme pose the most immediate challenges.

## Introduction

The growing relevance of China's approaches to international affairs reflects a number of long-term trends. The rapid growth of its economy over several decades has had an increasing impact on global trade and investment flows, commodity markets, energy resources and the environment. China is now the largest trading nation, the largest holder of foreign exchange reserves and the second largest economy in the world. This has transformed not just the country itself, but also the nature and shape of the global economy. Over the same period, there has been growth in China's political, diplomatic and cultural engagement across much of the globe. This has been particularly evident in interactions with its Asian neighbours, including through multilateral institutions such as the Shanghai Cooperation Organization, and with Central Asian states and Russia, or the free trade agreement with the Association of Southeast Asian Nations (ASEAN). China's position on issues of global concern, from events in Libya and Syria through to North Korea, as well as on climate change and other non-traditional security issues, is being watched ever more closely. It has also played a more active role in the United Nations.

The nature of China's approaches to international affairs is particularly worth discussing following the completion of the latest – and important – transition in its political leadership. There are both theoretical and empirical questions about the impact of leadership on policy-making and on the behaviour of countries in the international arena. The starting point of this paper is that leadership does make a difference, but that the strategic context and institutional constraints are also relevant. The paper's aim is to explore exactly how these factors might be felt in China's approaches to international affairs under the country's new leadership.

## The leadership transition

The latest leadership transition marks a once-a-decade handover of power at the very top of the Communist Party. At the 18th National Congress of the party in

November 2012, a new Politburo and Politburo Standing Committee were appointed, with Xi Jinping taking the position of general secretary from Hu Jintao, who had held the post since 2002. In March 2013, the National People's Congress formally appointed Xi as president and Li Keqiang as the new premier. These appointments had been long expected, since both men were appointed to the Standing Committee in 2007. More surprisingly, however, in November 2012 Xi Jinping also took the chair of the Central Military Commission (CMC) from Hu Jintao (who had had to wait until 2004 before taking this job, having become general secretary in 2002). This gave him the leadership of the body that is ultimately responsible for ensuring the party's control and direction of the military.<sup>1</sup>

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Xi Jinping's chairmanship of the CMC immediately strengthened his position. He has clear ultimate institutional authority over the party, the military and now the state (in his capacity as president). Of his three positions (party general secretary, chair of the CMC and president), the first two are the most important, though when it comes to foreign visits and diplomatic protocol, his status as president will be at the forefront. However, there are constraints: consensus matters in Chinese politics, and Xi will need to create such consensus to ensure policy implementation.

<sup>1</sup> The military in China reports to the party through the CMC; the party further enhances its control of the military through the political commissars in the military, and the fact that the vast majority of officers are also party members.

This transition was long in the planning, and in spite of the political dramas of 2012 – in particular surrounding the demise of Bo Xilai (then party secretary of Chongqing and a former minister of commerce) – it was completed smoothly and in accordance with the expected schedule. As demonstrated by the prior positioning of Xi and Li on the Standing Committee, this transition was a gradual handover. The important implication for policy is continuity, and documents such as the 12th Five-Year Programme (covering economic and social development from 2011 to 2015) and the report to the 18th Party Congress set out strategic priorities and policy goals that span the leadership transition itself.

Following the appointments by the NPC of other key state posts, including members of the State Council and other ministers, the leadership transition at the centre of the party and state is basically complete. This has included appointments in the field of international affairs. Yang Jiechi has been promoted from foreign minister to be the state councillor responsible for foreign affairs, and replaced at the Ministry of Foreign Affairs by Wang Yi, an Asia specialist. Chang Wanquan became the new defence minister. Given that these officials do not rank at the top of the party hierarchy, there was speculation in advance of the transition that a Politburo member might be given specific responsibility for international affairs, but at the moment Yang Jiechi seems to be the most senior foreign affairs official (below Standing Committee level). Indeed, it was Yang who spoke to US Secretary of State John Kerry about North Korea and other issues on 4 April, though his status in the Chinese hierarchy does not match Kerry's in the US one.<sup>2</sup>

## International affairs: the strategic policy context

The party's most recent statement of a strategic framework for international policy is found in the report to the 18th Party Congress. This statement features strong

continuity, stretching back at least two decades. At the same time, elements of strategy have evolved to respond to changes inside China and new challenges at the global level.

Since the 1980s, when economic development was put at the heart of the party's strategy after the politically charged Mao era, the primary aim of international policy has been to support China's economic and social development, while holding to some fundamental political red lines, such as the 'one China' principle underlying Beijing's position on Taiwan. This has had a number of implications for policy:

- a desire for a peaceful international environment;
- the use of diplomacy to support access to markets, resources and investment (particularly investment into China from the 1980s, though recently investment out of China has been growing more rapidly), with the party talking of a period of 'strategic opportunity' for development lasting to 2020;
- a pragmatic acceptance (short of embrace) of the existing structures of the international system, including economic globalization, symbolized most strongly by China's entry to the World Trade Organization (WTO) in 2001;
- a growing desire to be seen as a 'responsible stakeholder' in the international community; and
- particularly since the early 2000s, the strengthening of diverse relationships across the globe, leading to an 'omni-directional' foreign policy that aims to facilitate China's global economic interactions and has the effect of diluting the impact of its rise on any one region.

An important consequence of this is an expectation of strong integration between economic, geopolitical, security and resource issues in China's approach to international affairs.<sup>3</sup> An examination of Chinese policy documents

<sup>2</sup> For the official Chinese report see [http://www.gov.cn/lhdh/2013-04/04/content\\_2370255.htm](http://www.gov.cn/lhdh/2013-04/04/content_2370255.htm).

<sup>3</sup> The terminology of 'international affairs' is important: we are not just talking about traditional 'foreign policy' built primarily around political relations between states, but about the full range of global issues – though given the strong Chinese emphasis on state sovereignty it makes more sense to talk about 'international affairs' than 'global issues' in the Chinese context.

during the 2000s suggests that these fundamental aims remain in place. However, the terms of the debate about international policy in China have shifted over the last few years, especially as a result of the global financial and economic crisis that struck in 2008. Here a number of trends are worth noting.

First, the idea that power is shifting from 'West' to 'East', and in particular that the United States and other Western countries are in (relative) decline, has become influential in much Chinese thinking about international issues. Although this analysis is somewhat contested – and individual and corporate interest from China in the United States and other developed economies remains strong – it has contributed to a growing confidence in China's international policy-making. It should be noted that a shift 'East' is not just to China, and the last five years have seen the more rapid emergence of other major economies right across Asia and elsewhere, including in the Middle East. This fits with Chinese strategic language about the positive potential for developing countries in economic globalization, and the quasi-deterministic belief that the world is exhibiting trends towards 'multipolarity', the existence of multiple poles rather than a unipolar system with a single superpower.<sup>4</sup>

Secondly, the 2008 crisis challenged the models of economic governance – typified by the 'Washington consensus' – propounded by many Western countries and that had been dominant since the end of the Cold War. This challenge has offered space for official and semi-official propagation of alternatives under the rubric of a 'China model', though cautiously when it comes to China's top leadership.<sup>5</sup> In particular, this trend has encompassed a reassertion of a valuable role for governments in the economy, as well as the promotion of alternatives to various democratic systems as political models, not just in China, but elsewhere.

This is related to a third area, global governance, particularly in economics. The most obvious indicator of changing power dynamics here is a shift in emphasis from the G8 to the G20. The 'BRICS' (Brazil, Russia, India, China, South Africa) have also turned from an analytical acronym to an emerging grouping for deliberations on global issues and economic development. As the International Monetary Fund and World Bank have come under pressure too, the Chinese government has pushed to increase its voice in these institutions. China's response will remain proactive: the latest Chinese policy documents talk about 'active participation in global economic governance'.<sup>6</sup>

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Further, the stalling of the Doha round of WTO talks, and the global proliferation of regional and bilateral free trade agreements, have meant that regional groupings and institutions are now more prominent actors in global affairs. China's response to this has been an active strategy of regional engagement, including negotiating free trade agreements where feasible. From a Chinese perspective, the world (outside China at least) is perhaps shifting from a world of states to a world of regions under globalization.

At the same time, the last five years have seen China climbing to the top of world league tables in a number of aggregate economic rankings. Its economy is now the

4 'Superpower' is not a term used in Chinese discourse; the usual term is 'hegemon', with rather negative connotations.

5 Hu Jintao talked about 'taking our own road' in his report to the 18th Party Congress. 'Full text of Hu Jintao's report at 18th Party Congress', Xinhua, delivered on 8 November 2012, text issued on 17 November, [http://news.xinhuanet.com/english/special/18cpcnc/2012-11/17/c\\_131981259.htm](http://news.xinhuanet.com/english/special/18cpcnc/2012-11/17/c_131981259.htm). Other comments since have echoed this. See, for example, Liu Xiaoming [PRC Ambassador to the United Kingdom], 'Dui xifang zibenzhuyi kunjing de guancha yu sikao' ['Observations and thoughts on the predicament facing Western capitalism'], *People's Daily*, 12 April 2013, [http://paper.people.com.cn/rmrb/html/2013-04/12/nw.D110000renmrb\\_20130412\\_8-03.htm](http://paper.people.com.cn/rmrb/html/2013-04/12/nw.D110000renmrb_20130412_8-03.htm).

6 Hu Jintao, 'Report', Section XI.

second largest in the world, after that of the United States, in 2012 its total trade volume in dollars overtook that of the United States (China has been the largest exporter by volume for some years), and its holdings of foreign exchange are also the largest globally. These statistics need some qualification, however, and on a per capita basis, China's GDP levels and wealth distribution are not nearly so impressive.<sup>7</sup> But this trend has contributed to growing global concern about the impact of the country's rise, and nervousness about its consequences. The Chinese leadership faces a challenge in responding to this.

Moreover, this continued economic development, and the demand for resources and markets that it engenders, have further driven Chinese state and non-state enterprises to 'go out' (*zouchuqu*) and explore trade and investment opportunities across the world. In the energy sphere this phenomenon has been seen for a little longer, but here too the scale of Chinese presence overseas has grown rapidly over the last five years. In turn, these economic drivers have created some tensions with the approach of much of the international community towards some countries, such as Iran.

## The 18th Party Congress report and international affairs

Notwithstanding these trends, changes to China's international policy are likely to be only gradual. As noted above, there is strong continuity between the 18th Party Congress report and previous ones (especially since 1992).<sup>8</sup> It is best seen as a handover document, delivered by Hu Jintao in his role as the outgoing general secretary, but reportedly drafted by a team headed by Xi Jinping, the incoming party chief. This means that Xi and Li Keqiang in particular have already been influencing the formation of policy, not just

in the preparation of this document but through their position on the Politburo Standing Committee since 2007, and possibly by taking the lead in specific policy areas in the run-up to 2012.<sup>9</sup>

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The overall message of the relevant part of the report is that China desires peace, development, cooperation and mutual benefit in a world that is strongly structured by economic globalization.<sup>10</sup> By working together states can further this. 'Humanity only has one planet,' as Hu Jintao put it.<sup>11</sup> There is a strong economic flavour to this material. Policy is to encourage further opening up, the development of 'win-win' strategies and the use of dialogue to solve trade disputes. Power relations and hierarchy feature in economics too, and the report also talks of the need to close development gaps between the (global) north and south: 'equal growth' should be the goal. An earlier section of the report talks about 'adapting to new trends in economic globalization', perhaps a reference to some of the post-crisis developments outlined above, and maybe providing a political foundation for China's more active participation in global economic governance.

At the same time, the approach is not complacent or without political undertones. The report says that 'the

<sup>7</sup> There have also been some suggestions that trade data are artificially amplified by the way trade is booked through Hong Kong, though the trend of growing trade volumes is clear.

<sup>8</sup> For a more detailed analysis, see Michael Swaine, 'The 18th Party Congress and Foreign Policy: The Dog that Did Not Bark', *China Leadership Monitor*, No. 4, 2013, <http://www.hoover.org/publications/china-leadership-monitor/article/137901>.

<sup>9</sup> For example, there have been suggestions that Xi may already have been chairing a coordination group on the South China Seas for a couple of years.

<sup>10</sup> Official Chinese references talk about 'economic globalization' rather than 'globalization', reflecting the economic benefits, without commenting on the more ideologically sensitive political and cultural aspects of globalization.

<sup>11</sup> Hu Jintao, 'Report', Section XI.

world is undergoing profound and complex changes'.<sup>12</sup> There is a warning – familiar from previous years – about the continued presence of 'hegemonism' and 'power politics', none-too-subtle references to the United States and its allies. In this context, China's stated aim remains to pursue an 'independent foreign policy of peace' and non-interference in the affairs of others.

There is some new language, including an expression of concern about 'neo-interventionism' and opposing any foreign attempt to subvert the *legitimate* government of any other country. The concern itself is not new, and has been seen in the differing Chinese approaches to international cooperation in dealing with developments in Libya and Syria: more supportive in the first case, but in the second much more wary about going along with intervention by others in the international community. As Michael Swaine has pointed out, the use of the word 'legitimate' gives some room for policy manoeuvre.<sup>13</sup>

Also new is language on the need to protect Chinese nationals and institutions (*faren*) overseas. Again the case of Libya is relevant here, and the evacuation of some 35,000 Chinese from the country in spring 2011 demonstrated both the willingness and the capacity of the Chinese authorities to act to protect citizens overseas in a crisis. A more recent example is the response to the killing of 13 Chinese sailors on the Thai section of the Mekong river beyond China's borders, which led to the formation of joint patrols between China, Thailand, Laos and Myanmar (Burma), and the subsequent execution in China of the gang leader found responsible.<sup>14</sup> China's ability to call the shots in the Mekong region has been strengthened as a result.

The 18th Party Congress report also demonstrates the growing attention given to non-traditional security issues in the international arena: food, energy, resource and cyber security. These global issues, by their very

nature, go beyond the traditional state-based structures of international relations, and may require compromise or modulation of classic foreign policy approaches based thereon.

Overall, the section of the report from which this material is drawn reads almost like a classic statement of a liberal institutionalist position on international relations, namely that economic interactions mean that there is no 'zero-sum game' but the potential for 'win-win' cooperation; and implicitly, therefore, that the economic intertwining between nations that is a feature of economic globalization will reduce the risks of conflict.

This message is less evident from the section of the report on military modernization, however. Here the stated aims are mechanization and the greater use of technology in the military ('informatization'),<sup>15</sup> with a tantalizing reference to these goals needing to be 'basically achieved' by 2020. Still the intent here is ambiguous: alongside the development of military capability come statements about the need to increase cooperation and mutual trust between militaries. There is no hint that policy is preparing for the use of military force in the coming years.

## The new leadership and international affairs

Since the close of the 18th Party Congress, Xi Jinping has been active within China, in a manner consistent with a clear transfer of power at the top of the party and military. On 16 November 2012, Xi and Hu Jintao attended a handover meeting of the outgoing and incoming CMCs, at which clear public statements were made about the transition of military authority in China.

Since then, some of Xi's other activities have related directly to international affairs. An early example was a high-profile visit to the national history museum in

<sup>12</sup> Ibid.

<sup>13</sup> Swaine, 'The 18th Party Congress and Foreign Policy', p. 5.

<sup>14</sup> See, for example, 'Stories behind Mekong murder investigation', *China Daily*, [http://usa.chinadaily.com.cn/world/2012-09/18/content\\_15766598.htm](http://usa.chinadaily.com.cn/world/2012-09/18/content_15766598.htm).

<sup>15</sup> 'Informatization' is actually a complex and multi-faceted concept. For a full explanation, see Dennis J. Blasko, *The Chinese Army Today: Tradition and Transformation for the 21st Century* (New York: Routledge, 2nd edition 2012), p. 17.

Beijing, where Xi and the other members of the new Politburo Standing Committee visited an exhibition on the 'rejuvenation' of the Chinese nation. In numerous comments since the start of his tenure, Xi has highlighted the aim to make the country 'prosperous and strong' (*fuqiang*), tapping into deep-seated desires in the modern Chinese psyche.<sup>16</sup> These ideas have been encapsulated in official talk of fulfilling a 'China dream', a concept whose meaning is still being worked out in the official media.

Xi's first trip outside Beijing as general secretary was to Guangdong, a symbolic visit in the footsteps of Deng Xiaoping, whose 'southern tour' in 1992 re-energized the agenda of 'reform and opening up'. Most commentary on Xi's trip has focused on its implications for domestic reform, given the extensive recent debate around this. But it is also reasonable to interpret his linking up with Deng as a continued commitment to 'opening up' to the outside world, even though the nature and hierarchies of that 'opening' have changed dramatically over recent decades.

Xi also visited military units in Guangdong. This was an opportunity to deliver a message about the need for professionalization, but also to pursue the anti-corruption agenda that has been another feature of the early months of his tenure. Against this background, it seems that there are several ways of interpreting Xi's injunction that the military should 'be prepared for combat'.<sup>17</sup> Given the 2020 'deadline' for modernization mentioned in the 18th Party Congress report, and the concerns over corruption in the military that became more public over the course of 2012, this may indicate that Xi's aim is for the military to focus on its primary role of national defence, and not to digress into property development or supporting the share price of producers of Chinese liquor. These themes are reflected in subsequent visits by Xi, for example to the Lanzhou military region.<sup>18</sup>

Politburo meetings are an important way of setting and communicating strategic policy priorities. On 28 January 2013, Xi chaired a meeting on international policy, in the form of a Politburo 'study session'.<sup>19</sup> The main messages were familiar: to 'hold resolutely to peaceful development', reflecting the trends of development in the world and China's 'basic interests'. He reiterated themes from the report about cooperation and openness, the space for 'win-win development' and a desire to 'protect and promote world peace'. Xi seemed to be at pains to stress a desire for peace, using the phrase that the 'Chinese are a peaceful people' who 'fear turmoil', which has become dominant in China. He reiterated the five principles of peaceful coexistence first set out by Zhou Enlai (still considered the father of post-1949 China's foreign policy) in the 1950s.

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The context for this, according to Xi, remains China's continuous raising of its 'comprehensive national strength'. He said that a peaceful environment was needed to attain the 'Chinese dream' and make the country more prosperous and stronger. Not only would China pursue an independent foreign policy, but it would 'resolutely follow its own road' (echoes of the 'China model' idea mentioned above), while at the same time increasing mutual cooperation with other

<sup>16</sup> This aim itself is not new. It has featured in nationalist motivations since at least the late Qing dynasty, and was highlighted by Deng Xiaoping in the 1980s.

<sup>17</sup> This idea is not new either, though there have been debates about the significance of Xi mentioning it.

<sup>18</sup> For an official report of this visit, see the central government website, 6 February 2013, [http://www.gov.cn/lidhd/2013-02/06/content\\_2328450.htm](http://www.gov.cn/lidhd/2013-02/06/content_2328450.htm).

<sup>19</sup> This section is based on an official report of this meeting available at [http://www.gov.cn/lidhd/2013-01/29/content\\_2321822.htm](http://www.gov.cn/lidhd/2013-01/29/content_2321822.htm).

countries, positive participation in global issues, dealing together with global challenges and working hard to make a contribution to global development.

This rhetoric creates space for subsequent policy to move in more than one direction, and Xi also said that China could not 'abandon its proper interests or sacrifice national core interests', and that while it follows the road of peaceful development, other countries needed to as well: only when 'each country does so can there be common development and peaceful coexistence'. He went on to stress that China would 'not harm others' interests'.

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The general reaction outside China was that Xi’s statements about ‘core interests’ represented a hardening of his country’s foreign policy stance, amid ongoing tensions in East Asia (see below). Any shift is an incremental, not a dramatic one. References to the need to protect ‘core interests’ have become more frequent in Chinese statements over recent years (especially since 2008), though arguably with less weight than in the January Politburo meeting.

When it comes to the 2013 government work reports delivered at the March National People’s Congress, the emphasis was more on other elements of international affairs.<sup>20</sup> There was stress on the desire for continued ‘opening up’ to the outside world. Access to energy and resources remains a priority. There were also several statements about climate change, including a positive reference to the international cooperation with other parts of the ‘global south’ in 2012, and China’s desire to see further international cooperation in this area; the government proposed in March 2013 coming up with a new strategy document to adapt to climate change.

Shortly after the National People’s Congress concluded and Xi was formally appointed president, he made his first overseas trip, visiting Russia, Tanzania, South Africa and the Republic of Congo. This offers evidence of the diversification of international relations discussed above. After attending the BRICS summit in South Africa, Xi was also able to meet a number of other African leaders. Not long after his return to China, in early April, he attended the Boao Forum in Hainan island, which has been described as ‘China’s answer to Davos’, where he also met numerous leaders from Asian countries. Taken together, these events have meant that Xi’s early diplomatic engagements from November 2012 to April 2013 have had a strong emphasis on relations with other emerging and developing countries.<sup>21</sup>

Although Xi met US Treasury Secretary Jack Lew during the latter’s brief visit in March as special representative of the president, the visit to China by new US Secretary of State John Kerry in April was the first significant opportunity for the new state leadership to engage with the United States on international affairs. The tone of the visit was positive and friendly. The

20 Drawn from the government work report delivered by Wen Jiabao, and the complementary report issued by the National Development and Reform Commission. ‘China NPC 2013: The Reports’, China Real Time Report, *Wall Street Journal*, 5 March 2013, <http://blogs.wsj.com/chinarealtime/2013/03/05/china-npc-2013-the-reports/>.

21 During that period, Xi has met leaders of South Korea, United States, Russia, Tanzania, South Africa, Egypt, India, Brazil, Uganda, Republic of Congo, Saudi Arabia, Myanmar, Brunei, Peru, Mexico, Finland, Zambia, Australia, New Zealand, Mongolia, Cambodia and Kazakhstan (given in the order meetings took place; special representatives of the presidents of the United States and Republic of Korea and the deputy defence minister of Saudi Arabia have been included; Xi has also met the leader of a Japanese political party, and representatives from international organizations such as the United Nations, the Shanghai Cooperation Organization and International Monetary Fund). The categorization of countries as ‘developed, emerging or developing’ is one which has featured frequently in recent Chinese statements.

substance appears to have been dominated by events on the Korean peninsula of concern to both parties (see below). Another area of note was the agreement to raise to ministerial level the US-Chinese dialogue on climate change.

### Personal instincts of the new leadership

Divining the personal policy instincts of China's politicians is not easy, but is an important part of the analytical task. Foreigners who have met Xi have commented that he is 'comfortable in his own skin',<sup>22</sup> and on his first trip overseas as president (to Russia and Africa) and previous official visits overseas as vice president he has appeared both at ease and in command of his brief. In exchanges with US Vice President Joe Biden in 2012 he appeared to take a firm but friendly and well-informed line. Xi's experience working in Fujian and Zhejiang also exposed him to parts of the economy where exports and international trade and investment are substantial.

‘ Having grown up after the 1950s, Xi may have been significantly affected by the nationalism and self-reliance of the early decades of the Communist Party's revolution ’

However, one of Xi's comments that first caught international attention was a remark made to Chinese Embassy staff in Mexico in February 2009 about 'foreigners with full bellies' who had nothing better to do than 'point their fingers' at China, which 'doesn't export revolution, poverty or hunger, or create trouble' – comments since quoted in official media.<sup>23</sup> Having grown up after

the 1950s, Xi may have been significantly affected by the nationalism and self-reliance of the early decades of the Communist Party's revolution.

Separately, Xi's personal background is said to have given him good relationships across the party and military. When he was appointed vice chair of the CMC in autumn 2010, the official résumé that accompanied the announcement made much of his previous military positions (starting from secretary to the defence minister from 1979 to 1982).

Li Keqiang's international exposure is perhaps complementary. He apparently speaks good English, and has increased his international exposure through overseas trips during his time as executive vice premier from 2008 onwards. He has reportedly argued 'passionately' in favour of free trade and against protectionism, and his comments in China have stressed the need for international cooperation to deal with global challenges such as climate change. In his student days, he was reportedly involved in translating the works of the former British judge Lord Denning.<sup>24</sup>

Of the other new Standing Committee members, Wang Qishan stands out as having particular experience in dealing with the United States. In his new role dealing with party discipline he may be less prominent internationally. The other members have relatively limited international exposure.

On the wider Politburo, Li Yuanchao, the new vice president, has also had international exposure, and in his previous role responsible for the party's personnel work encouraged international experience and exposure at working levels in the party. His current role could allow him to be engaged directly in China's diplomacy. Politburo member Wang Huning has an academic background in international relations. Either of them could provide more weight to China's foreign policy, though there have not yet been any signs of this (as discussed above).

22 Cited in 'Who will be China's next leaders?', *Financial Times*, 4 March 2011, <http://www.ft.com/intl/cms/s/2/b7106090-4471-11e0-931d-00144feab49a.html#axzz20XLpKpEj>.

23 'Xi Jinping: neizheng wajijiao xin silu' [Xi Jinping: new thinking on domestic policy and diplomacy], *People's Daily Overseas Edition*, 5 April 2013, [http://paper.people.com.cn/rmrbhwb/html/2013-04/05/content\\_1221580.htm](http://paper.people.com.cn/rmrbhwb/html/2013-04/05/content_1221580.htm).

24 See 'Who will be China's next leaders?'.

## Current challenges

This paper has focused on the strategic evolution of China's approach to international affairs and the policy statements or other signals sent out by Xi Jinping. International policy, however, is not entirely within the gift of strategists or leadership in a country, and China is no exception. Events have a habit of intervening and requiring a response by policy-makers. The period of the leadership transition was dominated in foreign policy terms by China's relations with Japan. September 2012 saw a marked deterioration in the relationship, the proximate cause for which was the Japanese government's purchase of the Diaoyu-Senkaku islands, followed by sometimes violent anti-Japanese protests in China. This topic has been well covered elsewhere, and there are lengthy debates about the chain of events,<sup>25</sup> but what it seems to show in terms of Chinese foreign policy is a determination to assert more clearly and strongly than in the past pre-existing Chinese positions – in this case, on the sovereignty of the islands. Here signs of a firmer approach to putative 'core interests' can be seen.

The other serious development has been the ballistic missile and nuclear tests by North Korea, carried out at awkward times for China (such as this year's Spring Festival holiday), followed more recently by belligerent threats by North Korea against the United States and the region. These have clearly been diplomatically provocative to China as well, and here Chinese policy is largely in reactive mode. The Ministry of Foreign Affairs issued a strong statement about North Korea 'ignoring UN international community opposition' to the nuclear test, and expressing the Chinese government's 'resolute opposition'.<sup>26</sup> In his Boao speech, Xi warned against any disturbance to stability in Northeast Asia; this has been taken by most commentators as a reference to

North Korea, though an article in the *People's Daily* also raised the possibility that it was intended to send a message to the United States not to interfere in the region.<sup>27</sup> Whatever the intentions, one result of North Korea's behaviour has been to strengthen the US defence commitment to the region, something that goes against long-term Chinese policy goals. Strategically, the leadership faces dilemmas about how to balance China's long-standing relationship with North Korea, its concern about stability and the US presence in East Asia, and its desire not to see nuclear proliferation, as well as the importance it attaches to the relationship with South Korea, symbolized by the attendance of Politburo member Liu Yandong at the inauguration of President Park Geun-hye.

‘As China's economic impact continues to grow, dealing with the implications of this will remain one of the major challenges for its leaders in dealing with international affairs’

Another recent example of a Chinese response to events was the low-profile involvement in arranging peace talks between the government of Myanmar and the Kachin Independence Organization, in Ruili, a Chinese town bordering that country. This has been described as an effort by China 'persuading for peace and promoting dialogue' behind the scenes.<sup>28</sup>

25 For a start, see Robert Wade, 'China and Japan: the other side of the story', <http://mondediplo.com/blogs/china-and-japan-the-other-side-of-the-story>; June Teufel Dreyer, 'Sino-Japanese Relations: The Security Perspective', [http://blogs.nottingham.ac.uk/chinapolicyinstitute/2013/02/18/sino-japanese-relations-the-security-perspective/?buffer\\_share=28ecc&utm\\_source=buffer](http://blogs.nottingham.ac.uk/chinapolicyinstitute/2013/02/18/sino-japanese-relations-the-security-perspective/?buffer_share=28ecc&utm_source=buffer).

26 A Chinese version of the statement can be found on the central government website at [http://www.gov.cn/gzdt/2013-02/12/content\\_2331595.htm](http://www.gov.cn/gzdt/2013-02/12/content_2331595.htm).

27 'Shui you gaoluan shijie zhi xin "yiji zhisi" jiu zhi shui' ['Whoever wants to "promote their own selfish interests" could be seen as the one who wants to mess up the world'], *People's Daily Overseas Edition*, 9 April 2013, [http://news.xinhuanet.com/mil/2013-04/09/c\\_124554613.htm](http://news.xinhuanet.com/mil/2013-04/09/c_124554613.htm).

28 Yun Sun, 'China's Intervention in the Myanmar-Kachin Peace Talks', *Asia Pacific Bulletin*, 20 February 2013, [http://www.eastwestcenter.org/sites/default/files/private/apb200\\_0.pdf](http://www.eastwestcenter.org/sites/default/files/private/apb200_0.pdf).

## Conclusion

Taken together, all of the above suggest that a gradually more proactive approach by China to regional – and possible international – affairs could develop. Still, the current approaches of its new leadership to international affairs demonstrate a strong degree of continuity with the evolving policy frameworks developed since the 1990s. Continued openness and international engagement should therefore be expected, and radical shifts in approach are

unlikely. Within these frameworks, however, emphases shift: a firmer tone, with a little more stress on protecting ‘core interests’, or more attention given to climate change and other non-traditional security challenges, for example. As China’s economic impact continues to grow, dealing with the implications of this – including the nervousness it sparks in China’s neighbourhood – will remain one of the major challenges for its leaders in dealing with international affairs.

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