

#### Is China Asian?

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The international context and the economic and diplomatic rapprochement between the powers currently thriving in Asia seem to reinforce the Japanese idea of creating an Asian community. But what does China make of this?

It is not long ago that rioting broke out against Japanese businesses in China after the collision of a Chinese fishing trawler and two Japanese Coast Guard vessels, rekindling the two countries' dispute about the Diaoyu/Senkaku Islands. Nationalist demonstrations against Japan, set off by the publication of history textbooks glorifying the Japanese Empire during the Second World War or by incidents in the China Sea, are not rare events. Some nationalist activists reproach the Chinese government for their lack of firmness, especially with regard to Japan and Taiwan. Ever since China's adoption of the policy of openness to the outside world, Chinese economic diplomacy has been one of the government's least contested policies. Since the legitimacy of the regime is strongly correlated with the economic growth that the regime guarantees, the success of radical economic reforms has its origins in the Chinese policy of openness, which in this way constitutes an essential part of the Communist regime's effort to stay in power. In fact, the country's economic success, a source of prosperity for the luckiest ones, along with the rise of China internationally, has won the approbation of the whole Chinese population, proud of being part of a country that, so poor only thirty years ago, has managed in record time to pull itself up to the level of a great world power. The country has put an end to the sense of humiliation (baituo guru) that affected China during the twentieth century. So now it is not a matter of China reconsidering its openness to the wider world, but of reflecting on what would justify its focusing on Asia.

The idea of creating an Asian community has recently been revived by Japan. In 1990, Malaysian Prime Minister Mahathir bin Mohamad had already proposed to set up an East Asian economic community, with a view to limiting the influence of the United States in the region. Japan's Prime Minister Junichiro Koizumi also expressed agreement with the creation of such a community. If the idea of integration and regional cooperation has been resurfacing for some years, it is because of the growing need for trade and financial cooperation among the thriving regional economies. In addition, this turn towards Asia is favorable to Japanese interests; that is the reason most often given to explain the Japanese initiatives designed to tighten the bonds among East Asian countries. In fact, Japan, worried by the relative decline of its economy and by the aging of its population, views the growing economic power of Asia as a possible engine of its own future growth. Moreover, by encouraging the inclusion of China in regional arrangements, Tokyo wants to limit the emergence of a Sino-American G2 that would be in a position to steer the world economy, and thus to avoid becoming less important. But how is China reacting to these efforts to develop an Asian community? What would its interest be in participating in such a community? And at what cost could it stay out, if it comes to that?

#### An Asian Community: the Chinese View

In October 2009, Katsuya Okada, Japan's Minister for Foreign Affairs, referred to the possibility of creating an East Asia Community based on the East Asia Summit. This idea, based on meetings of the leaders of ASEAN<sup>1</sup> + 3 (China, Japan and South Korea), goes back to 2005. The participation of Australia, New Zealand and India, and also of Russia and the United States, is envisaged but is still under discussion. Even if the creation of this community fits in with the new world order (the globalization of issues, the status of emerging powers in international bodies, the rise of regionalism, and so on), it does not yet have a stable institutional existence. Thus, looking closely at the creation of this community, one is struck by the extent of its indeterminacy. Indeed, its participating members, its objectives and its administrative organization are all completely open questions. Nevertheless, it is worth noting that trade among the member states of the East Asia Summit has tripled in the last ten years, and now amounts to 54% of their commerce. Moreover, their combined GDP's constitute 23% of gross world product.<sup>2</sup> Therefore the idea of their community seems

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<sup>&</sup>lt;sup>1</sup> The members of ASEAN are Brunei, Vietnam, Malaysia, the Philippines, Cambodia, Indonesia, Thailand, Laos, Burma, and Singapore.

<sup>&</sup>lt;sup>2</sup> "What is Japan's East Asia Community Idea?", *The China Post*, 24 October 2009.

obvious, so great is their economic interdependence, and even more so because of recent financial, health and climatic crises that often call for a common response.

## The Commercial Advantages of an Asian Community

An East Asian community could serve the interests of China, whose meteoric rise has at first made its neighbors anxious. China is aware of the need to reassure them about its intentions, so it pursues a policy of openness and charm. For a decade, Chinese foreign policy has been directed by the principle of peaceful emergence (heping jueqi). This policy signals a break with Jiang Zemin's multipolar worldview, but it is a continuation of Deng Xiaoping's concept of "taoguang yanghui" (literally, to conceal brightness and to nurture obscurity), which suggests that China should keep a low profile in order to be accepted by the international community. This means forgetting the ideological doctrines of Chinese foreign policy (world revolution) and giving priority to economic development. China thus presents itself as a peaceful, cooperative, tolerant, confident and responsible power. This policy is supported by the liberal internationalist school of thought, among them Qin Yaqing, Professor of International Studies at the China Foreign Affairs University, and Shi Yinhong, Professor of International Relations at the Renmin University of China in Beijing. According to them, China should demonstrate that it wants to join the current international order, not to overthrow it. China should assert and better defend its interests, but also play the game under the existing rules.<sup>3</sup> These professors describe and advocate China's ascendancy through softness (ruan jueqi). According to Qin, China is a status quo power, insofar as China's rulers try to persuade the rest of Asia that the robust economy of China, within the setting of peaceful development, can but contribute to Asia's renaissance.

The success of the WTO accession negotiations partly explains Beijing's reassessment of the importance of its relations with its periphery. Indeed, the institutionalization of Sino-American trade brought an end to its uncertainties, so Chinese commercial diplomacy could turn to other projects. At first cool about regional multilateralism, China has since taken to establishing regional channels complementary to its global diplomacy. The strengthening of the connections among the countries on the continent of Asia allows China to diversify its exports and to reduce its dependence on European and American markets. The tables below

<sup>&</sup>lt;sup>3</sup> Qin Yaqing, "Wuzhengfu wenhua yu guoji baoli: Daguo de jiangxing jueqi yu heping fazhan" (Nongovernmental culture and international violence: Forceful rise of a great power and peaceful development), *Zhongguo Shehui Kexue*, 2004, no. 5; Qin Yaqing, "Shijie geju yu Zhongguo heping jueqi" (The international pattern and China's peaceful rise) <a href="http://www.irchina.org/news/view.asp?id=599">http://www.irchina.org/news/view.asp?id=599</a>

show the importance of America as a trading partner but also the large role of trade with Japan and the Asian Dragons. "In the context of a preference for economic development and internal stability, regionalism offers the triple benefit of calming the fears of neighboring countries, creating a regional environment of shared prosperity, and improving cooperation." China's new regional policy was in this way related to its reassuring diplomacy of "good neighbors, safe neighborhoods and prosperous neighborhoods" (mulin, anlin, fulin). China's current aim is to soothe its neighbors and to defuse the theory of a Chinese threat (zhonngguo weixie lun). And in fact, their fears about the rise of China have eased, insofar as China's rulers have clearly stated their intention to support an open and inclusive regionalism from which the great powers are not excluded.

China's participation in regional discussions and negotiations has become institutionalized in recent years. The role that it has played in the launching, construction and organization of regional institutions such as the Shanghai Cooperation Organization and the East Asia Summit bears witness to the softening of its traditional diplomatic discourse, citing the principle of nonintervention. Admittedly, this principle, expedient to a young power like China, is constantly being brandished in order to justify the relationships that it builds with countries like Sudan, North Korea and Burma, never challenging the legitimacy of the governments that it is dealing with here. This doctrine of non-intervention also allows the Chinese government to ignore the international community's complaints about China's domestic politics. Furthermore, the intensification of regional trade, the greater dependence of Asian countries on China, and the insistence on this policy of nonintervention are ways for China to apply pressure on Asian countries to reduce their contacts with Taiwan, the Dalai Lama and Falun Gong activists.

Principal	trading	partners	with	China	in	2009	(in	billions	of	dollars)	,

Rank	Country	Volume
1	United States	298.3
2	Japan	228.9
3	Hong Kong	174.9
4	South Korea	156.2
5	Taiwan	106.2
6	Germany	105.7
7	Australia	60.1
8	Malaysia	52.0

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<sup>&</sup>lt;sup>4</sup> Éric Boulanger, Christian Constantin and Christian Deblock, "Le régionalisme en Asie: un chantier, trois concepts" (Regionalism in Asia: one building site, three patterns), *Monde en développement*, 2008, Vol. 36, no. 144, p. 105.

9	Singapore	47.9
10	India	43.4

Source: PRC General Administration of Customs, China's Customs Statistics

Principal destinations of Chinese exports in 2009 (in billions of dollars)

Rank	Country	Volume
1	United States	220.8
2	Hong Kong	166.2
3	Japan	97.9
4	South Korea	53.7
5	Germany	49.9
6	Netherlands	36.7
7	United Kingdom	31.3
8	Singapore	30.1
9	India	29.7
10	Australia	20.6

Source: PRC General Administration of Customs, China's Customs Statistics

Principal importer suppliers to China in 2009 (in billions of dollars)<sup>5</sup>

Rank	Country	Volume
1	Japan	130.9
2	South Korea	102.6
3	Taiwan	85.7
4	United States	77.4
5	Germany	55.8
6	Australia	39.4
7	Malaysia	32.3
8	Brazil	28.3
9	Thailand	24.9
10	Saudi Arabia	23.6

Source: PRC General Administration of Customs, China's Customs Statistics

## A New Way of Confronting the United States

Beyond the commercial benefits that China would undoubtedly get from the creation of a stronger Asian community, is the fact that this endeavour cannot function without some degree of solidarity and mutual support among member countries. Therefore it is necessary to quell the territorial quarrels (recently illustrated by the tensions between Japan and China with regard to the Diaoyu/Senkaku archipelago, discussed above), historic tensions (in part tied up with the non-recognition of war crimes committed by Japanese officers during the Second

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<sup>&</sup>lt;sup>5</sup> These statistics come from the website of the US-China Business Council, <a href="http://www.uschina.org/statistics/tradetable.html">http://www.uschina.org/statistics/tradetable.html</a>

World War), and diverse conflicts and suspicions that persist among a certain number of Asian countries and that constitute major obstacles to the arrival of a true Asian community. Besides, the emergence and the maintenance of such a community require that these countries have common goals and principles. Better relations with neighboring countries bring the benefit of dissuading them from going along with the United States in putting pressure on China, for fear of losing what their new relationship with the Middle Kingdom gives them. After the violent repression of June 1989, western countries had in fact organized a web of sanctions against China. The country had thereby been forced into reconfiguring its foreign policy and concentrating on East Asia, which became its withdrawal base. Since then, China has created a buffer zone against any future pressures from the United States.

In addition, the idea of returning towards Asia is not altogether unpleasant for China, because it could help build the multipolar world of China's dreams. A strong Asian community could counterbalance the weight of the United States in Asia and in the world. In balance-of-power theory this is called soft balancing, as described by T. V. Paul:

Soft balancing involves tacit balancing short of formal alliances. It occurs when states generally develop ententes or limited security understandings with one another to balance a potentially threatening state or a rising power. Soft balancing is often based on a limited arms build-up, ad hoc cooperative exercises, or collaboration in regional or international institutions; these policies may be converted to open, hard-balancing strategies if and when security competition becomes intense and the powerful state becomes threatening.<sup>6</sup>

China recognizes and accepts the reality of the United States as a world power. After all, the United States is compelled to be moderate, especially concerning the Taiwan issue and the Chinese policy of expansion in Africa, because it has become financially greatly dependent on China. Nevertheless, China tries to minimize America's use of its political, military and economic power in Asia through diplomatic maneuvers designed to extend its political and economic influence in the region. The world is in any case already no longer unipolar: new powers emerge, and new regional groupings contest American power. China's new confidence and increasing assertiveness simply confirm this fact. Some Chinese experts have begun to contest the role of the United States in the affairs of East Asia. For example, Xiao Huanrong argues that "the participation of the United States [in the East Asian regional order] should be limited to that of a guest" and that "China must be assertive and should at least play

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<sup>&</sup>lt;sup>6</sup> T. V. Paul, "The Enduring Axioms of Balance of Power Theory", in T. V. Paul, James J. Wirtz, and Michel Fortmann (eds.), *Balance of Power: Theory and Practice in the 21st Century*, Stanford, Stanford University Press, 2004.

the role of moderator." Some, like Pang Zhongying, deny the current importance of the United States in the regional system, claiming that since it is not an Asian country it has no legitimacy there. However, China does not officially seek to evict American power and take its turn in acting as the leader of Asia. Besides, the principal reason for the decline of America's influence in Asia is its current policy of benign neglect and selective engagement in the war on terrorism, which has enabled China to benefit greatly in terms of economics, commerce and culture.

# **China's Global Perspective**

In building this East Asian community, it remains to be decided who will take part (Australia, India, the United States, and so on) and who will lead it. At present neither Japan nor China can take a position on this, because the tensions between the two countries are still too heated and the ensuing competition would be too hazardous. The charm offensive pursued in China's soft diplomacy forbids the expression of any inclination to take charge of the future East Asian community. In addition, China is aware that if the tilt of its regional diplomacy manages to reassure the international community, it is laying the foundations for its future international policy. It has everything to gain by staying calm and projecting the image of a responsible regional great power. Its participation in regional institutions and agreements enable it to be less defensive, and to gain confidence and experience. For Chinese policy is characterized more by its global than by its regional focus. Indeed the Chinese are becoming increasingly aware of their global interests, especially their global economic interests. China's exports are global in scope, the United States being by far the leading destination (see the table of exports, above). In addition, European and American firms are key investors in China. China's Policy of Reform and Openness (gaige kaifang) and its special economic zones designed to attract foreign investment were conceived not in a regional but in a global perspective. In Globalization and State Transformation,<sup>8</sup> Zheng Yongnian explains that the globalist worldview enables the Chinese regime to strengthen its legitimacy by helping the state grow stronger and establish its position in the world. Thus, even if the Chinese regime has reexamined its role as a regional power and reassessed its ties with East Asia since the mid-1990s, it has been opportunistic in its decision to open

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<sup>&</sup>lt;sup>7</sup> Xiao Huanrong, "Zhongguo di daguo zeren yu diqu zhuyi zhanlüe" (China's Great Power Responsibility and Its Regional Strategies), in Xiao Huanrong (ed.), *Heping di dili xue-Zhongguo xuezhe lun dongya diqu zhuyi* (Chinese Scholars on East Asian Regionalism), Communications University of China Press, 2005, pp. 174-189.

<sup>&</sup>lt;sup>8</sup> Zheng Yongnian, Globalization and State Transformation, Cambridge University Press, 2004, p. 39.

complementary channels and even to outbid Japan in bilateral and regional initiatives, and to do this without deviating from its global trajectory.

#### Can the Chinese Model Extend to the Rest of Asia?

The peaceful rise of China currently allows it to approach more closely than ever the goal set by reformers at the end of the Qing Dynasty: the return to a prosperous and powerful (fugiang) China. This nourishes a kind of vindictive nationalism and a sense of dignity that are found in the Chinese population. This helps explain why, in spite of the upheavals and tensions triggered by Deng Xiaoping's Policy of Reform and Openness, the regime has managed to remain in power since the launch of that economic policy, which by last summer had enabled China to replace Japan as the second economy in the world. But for some years now, the regime has been aware that economic success and China's increasing participation in international discussions are not enough to legitimate it at the national and international levels. So China has sought to cultivate its soft power, a concept introduced by Joseph Nye to describe the power of attraction and persuasion, as opposed to hard power, the power of coercion. The United States has served as a model for China in this field. The United States has indeed managed to spread its values and its culture across the world, and to establish a unique educational, scientific and technological system. So the scholars Shi Yinhong (mentioned above) and Chen Zhirui (of the Institute of European Studies in the Chinese Academy of Social Sciences) call on the country to increase its soft power (ruan shili) as an enduring complement to its weak hard power.<sup>9</sup> and to set out its own model of development. Following the example of Germany's Goethe Institute, in June 2004 China opened its first Confucius Institute. There are now more than 300 of them, scattered over a hundred different countries (including fifteen already opened in France). The growing popularity of some parts of Chinese culture at the international level also appears to be partly offsetting the attraction of American and Japanese cultures, especially among young people in China, <sup>10</sup> and is having a direct impact on the country's internal affairs.

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<sup>&</sup>lt;sup>9</sup> China has the world's largest standing army, with 2.3 million members. However, even though the budget allocated to the army increases each year, according to the think tank SIPRI (http://www.sipri.org/), of the five countries with the largest military spending, China is only in fifth place in relative expenditures (% of GNP), after Russia, the United States, the United Kingdom and France.

<sup>&</sup>lt;sup>10</sup> For example, traditional Chinese opera, clothing, furniture and architecture seem to be enjoying renewed popularity after a time during which they no longer appealed to anyone but foreigners. Zhao Changmao, "Zhongguo Xuyao Ruan Shili" (China Needs Soft Power), *Liaowang Xinwen Zhoukan (Outlook News*), 7 June 2004.

Moreover, particularly since the celebrations organized for the thirtieth anniversary of the Policy of Reform and Openness, China has been making headway with the idea of a new model of development, arising out of its own experience. For example, an endless stream of publications focus on the Chinese model (zhongguo moshi). One cannot help noticing that China's perception of its development is totally self-absorbed. As Barry Buzan has emphasized, its exceptionalist vision is reflected in the stock phrase "with Chinese characteristics" (zhongguo tese de), which is forever being enlisted to describe development, or socialism, or democracy, and so forth. In contrast to the universalistic claims of American liberalism, China emphasizes its unique culture, and points out that its contribution to world order is limited to its own peaceful development. Recent talk about the Chinese model has slightly altered this approach, with some Chinese scholars arguing that Chinese development is worthy of emulation and could well have its day serving as a standard in other parts of the world. 11 Globally, however, western values prevail and the rise of a non-democratic country that associates cultural, social and political nationalism with economic liberalism is disquieting. Some analysts suggest that the Chinese regime and its ideas are more attractive regionally. Without altogether resuming the now dated debate about Asian values, there are many who say that the countries of East Asia do share certain values. These countries pay more heed to national sovereignty and the principle of non-intervention, and are more inclined to hierarchies and bandwagoning.<sup>12</sup>

The current crisis opens the door to alternatives to the Washington Consensus that can be briefly defined as liberalization, privatization and deregulation. Thus Joshua Cooper Ramo describes what he was the first to call the Beijing Consensus: the constant search for innovation, the rejection of increasing GDP as the sole indicator of progress (and consideration of other indicators such as durability of the economic system and wealth sharing), and the principle of self-determination. And while Arif Dirlik rejects the idea that

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For example, in *The Dragon's Gift*, a book reviewed in *Books and Ideas* (http://www.booksandideas.net/When-China-met-Africa.html), Deborah Brautigam points out that China justifies its policy in Africa by the fact that it is merely replicating the techniques by which China itself was developed a few decades ago (especially the reliance on foreign aid "mixed with other forms of economic engagement" coming from the west and Japan, p. 3).

<sup>&</sup>lt;sup>12</sup> Cf. Barry Buzan, "China in International Society: Is 'Peaceful Rise' Possible?", *The Chinese Journal of International Politics*, Vol. 3, 2010, at note 37.

<sup>&</sup>lt;sup>13</sup> Wang Shaoguang, "Adapting by Learning: The Evolution of China's Rural Health Care Financing", *Modern China*, Vol. 35, no. 4, July 2009; Sebastian Heilmann, "From Local Experiments to National Policy: The Origins of China's Distinctive Policy Process", *The China Journal*, No. 59, January 2008, pp. 1-30.

Chinese development can really serve as a model, given that it contains many inconsistencies and pitfalls, he does recognize that:

In the PRC, the search for autonomy and self-determination has taken... a multilateralist approach to global relationships which contrasts sharply with the increasingly unilateralist direction US policy has taken over the last two decades. The most important aspect of the Beijing Consensus may be an approach to global relationships that seeks, in multinational relationships, a new global order founded on economic relationships, but which also recognizes political and cultural difference as well as differences in regional and national practices within a common global framework.... A century of revolutionary socialist search for autonomy, bolstered by recent economic success, qualifies the PRC eminently to provide leadership in the formation of an alternative global order.<sup>14</sup>

These considerations suggest that for China the barriers to the construction of an Asian community are not insurmountable. In fact, even though things are far from being settled, since this community's precise scope and its exact membership and administrative structure are still to be defined, the community would clearly be based on a different model of international relations and a decentralized world order that are already taking shape. The Chinese model would not appear to be incompatible with the ASEAN way, which is not really defined by general principles or ideals, but by a method of negotiation and conflict resolution that governs relations among Asian countries. This method has to do with the search for compromise and harmony, a principled courtesy and rejection of conflict, an elitist diplomacy that settles tensions with discretion, a mistrust of rationalism and legalism, and a principled non-interventionism bound up with the respect owed to the sacrosanctity of national sovereignty. The East Asian community's operational style is ready-made, so to speak. Nevertheless Japan and China still have to find a new strategy of reconciliation, and to make their nationalism rest on a new, less conflictual and less bitter version of their history.

Therefore, the creation of an East Asian community has the capacity to serve the interests of China in many respects. However, that does not relieve this emerging power from having to deal with several big and inescapable challenges. Acquiring a clearer view of its own identity and of its social ideal has become a priority. Yang Yao attributes China's economic success and political stability to its "disinterested government" – meaning that it plays the detached role of an umpire in the conflicts of interest that divide different social and political groups – and to the legitimacy that it has gained thanks to the constant improvement in the living conditions of the Chinese population. He adds that China's gradual adoption of the principles of neo-classical economics has greatly increased inequalities. And the central

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<sup>&</sup>lt;sup>14</sup> Arif Dirlik, "Beijing Consensus: Beijing 'Gongshi'", *Globalization and Autonomy Online Compendium*, 2006, p. 5.

government of China is no longer managing to assuage the demands of its population through social measures (campaign reforms, health system reforms, and so on) the scope of which is limited particularly because of lobbying by local governments and private businesses, the fervor of which – according to this Beijing University economist – can be restrained only by democratic procedures. In other words, if the Chinese regime ends up carrying out true democratization, this will be in response to domestic pressures much more than to international ones.

#### **Further Reading**

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