
China's Two-Track Foreign Policy

From Ambiguous to Clear-Cut Positions

Alice Ekman

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Center for Asian Studies

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IFRI
27, RUE DE LA PROCESSION
75740 PARIS CEDEX 15 – FRANCE
Tel: +33 (0)1 40 61 60 00
Fax: +33 (0)1 40 61 60 60
Email: accueil@ifri.org

IFRI-BRUXELLES
RUE MARIE-THERESE, 21
1000 – BRUXELLES – BELGIQUE
Tel: +32 (0)2 238 51 10
Fax: +32 (0)2 238 51 15
Email: info.bruxelles@ifri.org

WEBSITE: Ifri.org

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Executive Summary

This analysis examines the current ambiguities, priorities and approaches of Chinese foreign policy from a practitioner's perspective, taking into account experiences of Beijing-based diplomats (interviews conducted in 2011 and 2012), in addition to recent Chinese foreign policy positions and official communications.

It leads to the following conclusions:

- The Chinese position on many foreign policy issues (climate change, nuclear proliferation, etc.) is hard to identify, even by practitioners in regular contact with Chinese diplomacy.
- If ambiguity remains, it is not only because of strategic opacity; on a majority of issues, China has not clearly decided on a position.
- Depending on the issue at stake, China adopts different foreign policy approaches. Two main approaches can be identified: when "core interests" are involved, China has a clear position and may adopt a more proactive foreign policy if needed. For other interests, the Chinese position is often undecided, and remains flexible depending on situational changes. In these cases, China adopts a passive foreign policy approach.
- Rhythm and relationship to time also differs according to this divide: China's diplomacy tends to be much more anticipative and its decision-making process faster and more streamlined when dealing with "core interests" than with other interests.
- Lately, China's definition of "core interests" is enlarging (inclusion of South China sea, of economic interests in general terms, etc.). This certainly reflects a reorientation of China's foreign policy, but not a turning point.
- China's foreign policy is likely to remain based on these two different approaches in the short and medium run, for several reasons: it is in China's interest; domestic and international pressures for a more proactive strategy are limited; current foreign policy institutional mechanisms as well as the absence of clear-cut ideological foundations prevent the emergence of a more consistent strategy and; above all, the central government's top priority remains domestic stability.

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Introduction

At present, the logic behind China's foreign policy is hard to grasp - China's recent positions on various international issues have remained difficult to analyze, and even more so to anticipate. From Libya to Sudan, Syria to Iran, Chinese engagement is often varying and references to traditional principles of Chinese diplomacy such as "non-interference" are conditional.

The question is often whether China's foreign policy can maintain a limited level of political engagement in international affairs while its economic engagement is rising sharply in most parts of the world.

So far, China has managed to play on both its status as a developing country and a global power depending on the interests at stake. Many argue that this situation is no longer tenable, that Beijing has to play a more active role in international affairs, especially following the autumn 2008 global financial crisis and the ensuing economic turmoil, which confirmed China's global stature. But Beijing has so far not abandoned its transitory status and self-image as a developing country that should be relieved of the responsibility for leadership in the international arena.

Is China's foreign policy currently at a turning point? Is Chinese practice of diplomacy showing signs of a new strategic orientation? If yes, is it tending towards a stronger engagement in international affairs? These questions have often been addressed from a macro-level perspective, but an analysis of the practice of diplomacy is also helpful to better understand the current trends shaping China's foreign policy. The perception of practitioners working in or for China on a day-to-day basis provides an interesting framework for analyzing China's foreign policy approach, objectives and potential evolutions in the short and medium run.

The present paper summarizes and classifies the current trends shaping Chinese foreign policy on the basis of accounts by Chinese and Western diplomats (interviews conducted in 2011 and 2012), as well as recent foreign policy positions and official communications. The final aim is to provide a framework for analysis of China's current and forthcoming foreign policy choices.

Alice Ekman is an Associate Research Fellow at the Ifri Center for Asian Studies and an Adjunct Professor at Sciences Po, Paris.

Editor's note: The final draft of this paper was submitted in July 2012 and as such does not directly analyze more recent events.

Ambiguity in Chinese Foreign Policy

KEY POINTS

- China's position on many foreign policy issues is hard to identify, even by practitioners in regular contact with Chinese diplomacy.
- If ambiguity remains, it is not only because of strategic opacity: on a majority of issues, China has not clearly decided its position.
- China pursues a two-track foreign policy, depending on the interest at stake. The decision-making process, tone and timing are typically streamlined, fixed and rapid when "core interests" are involved, whereas a much more passive, flexible and often undefined approach is taken on issues involving non-core interests.

Practitioner's accounts: Perceptions of foreign diplomats working with China

A shared perception of ambiguity

From a practitioner's viewpoint, dealing with China is often a difficult task. The vast majority of non-Chinese diplomats posted in Beijing¹ have trouble finding information on and defining the position of China on many international issues.

Although in regular contact with their Chinese counterparts, the extent to which foreign diplomats have difficulty identifying in clear terms Beijing's foreign policy strategy and positions on a majority of issues is astonishing. This difficulty is shared among the vast majority of diplomats interviewed, independently of the country they represent.

The general impression is that Chinese foreign policy is drafty, that positions are disjointed and speeches sometimes contradictory. "*What is the Chinese position on nuclear proliferation?*": a diplomat based in Beijing regrets that he is unable to provide a precise answer

¹ Interviews have been conducted in 2011 and 2012 in Beijing with senior diplomats (Ambassadors and Counselors mainly) of 15 different countries (EU members mainly, minority of American and Asian countries).

after three years working in China on this specific issue.² Other diplomats point out their difficulty in understanding China's position on global warming and sustainable development, for instance, or on counter-terrorism and an array of other issues involving multilateral cooperation. More recently, Beijing's position and successive contradictory statements on Libya – in particular the condemnation of a military intervention after its abstention from voting on the UN Security Council Resolution 1973, which ultimately enabled a military intervention - generated the astonishment of several countries and their representatives in Beijing, whose contacts with Chinese ministries often did not help them to gain a better understanding.³ In general terms, the majority of practitioners working with China are often unable to anticipate Beijing's foreign policy decisions and reactions.

Undetermined positions?

Chinese officials are repeatedly asked what their position is and whether or not their country can engage, and most of the time they are unable to answer. The absence of a clear response is often interpreted by non-Chinese diplomats in two ways:

- It is a strategic silence. The answer is known, the position is set, but the Chinese side prefers not to answer in order to gain a strategic advantage.
- It is not a strategic silence. The answer is unknown, the position is not set - or is not known at that level - and the Chinese counterpart has no other choice but to give an ambiguous answer.

Knowing what is the real reason behind ambiguous statements is a difficult guess, especially in an opaque context. Indeed, the difficulty of accessing information can be explained by the strong opacity surrounding Chinese foreign policy institutions and decisions, which has existed since the creation of the People's Republic of China and did not disappear with the professionalization process of diplomatic institutions initiated in the mid-1980's. The PRC's Ministry of Foreign Affairs (MFA), for instance, remains one of the most secretive foreign ministries in the world. In this context, opacity continues to be an obstacle for the majority of diplomats working in China, as they have a very limited amount of information at their disposal regarding Chinese foreign policy institutions and the

² Interview, a European Embassy, Beijing, 2011. Unless stated otherwise, quotes are from interviews with the author.

³ « Right after the Chinese condemnation, we went with the Ambassador to the [Chinese] Ministry of Foreign Affairs in Beijing to understand what was happening, but the explanations we received were not very clear, and sometimes very confusing. We came back to our Embassy without a clearer picture of the situation », Minister-Counselor, a European Embassy, Beijing, July 2011.

mechanisms behind Chinese positions on a majority of issues. Even very experienced diplomats, appointed to Beijing at different periods of time, have been unable to fully understand the basic mechanisms of China's foreign policy decision-making process.⁴ As a result, foreign officials often try to develop new methods of collecting information while working in China, by building – for instance – a new network of contacts and approach to information gathering. In particular, many of them are trying to develop contacts with the International department of the Central Committee of the Communist Party⁵, because they consider that it may provide information that the MFA is not always aware of.⁶

But the difficulty in deciphering China's position on many international issues has several origins, and opacity is only one of them. In fact, both interpretations of the perceived ambiguity of Chinese positions (hidden for strategic purposes or real) may be relevant at the same time, and are not mutually exclusive. Voluntarily ambiguous positions – for instance, Beijing's unclear ambitions in the South China Sea, where it refers to the old 9-dash map drawn by Tchang Kai-shek in 1947 – surely have strategic aims.

However, the most commonly-shared analysis among practitioners is that silence and ambiguity are *not* strategic. Many experienced diplomats who have developed such a conviction point to position changes⁷ but also institutional contradictions (on Iran, for instance, the Ministry of Defense and the Ministry of Commerce have different perspectives). Many underline the increasing number of institutions involved in the foreign policy decision-making process (Party, People's Liberation Army, Ministry of Defense, Ministry of Foreign Affairs, Ministry of Commerce, state-owned enterprises, provincial and municipal governments, domestic security officials, think tanks, among other institutions), the difficulties to jointly deciding on issues involving several institutions, and the contradictory statements between institutions.

⁴ “In China more than in previous positions abroad, it is very hard to know how foreign policy decisions are made, who is making the decision...I try to adapt, talk with a variety of contacts, and put pieces of information together to try to get the bigger, more accurate, picture. But this is not an easy task.”, a Western Ambassador and career diplomat (10+ overseas assignments), Phone Interview, Beijing, September 2011.

⁵ 中国共产党中央对外联络部 - zhongguo gongchangdang zhongyang duiwailianluobu.

⁶ Interviews, senior diplomats, Beijing, 2011-2012.

⁷ “Sometimes the Chinese position is ambiguous. I have the impression they haven't decided, in one way or another. For instance, the Sudan policy is not clear, but maybe it is because they didn't really have a policy, they didn't themselves have a clear-cut view (...)”, senior diplomat, a European Embassy, Beijing, July 2011.

"I am not sure anymore if I can say where the power is. In my field [nuclear proliferation], the MFA is held back by the Ministry of Defense. They often take care, at the end of a sentence, to let me know. But on certain issues, like Iran, the Ministry of Commerce is quite strong I think (...) Several institutions are involved, it depends on the issue. (...) What is much less clear is: what are the most influential voices for the final decision? I am not sure my Chinese counterparts know the answer neither."

Senior diplomat, a European Embassy, Beijing, July 2011.

A two-track foreign policy

Diplomats working in Beijing often identify different approaches according to the issue involved. On some issues, China's position is very clear, whereas ambiguity prevails regarding many others. Two broad categories of issues can be identified:

- Issues related to China's "core interests"
(核心利益 - *hexin liyi*)
- All other issues.

According to Beijing's official statements,⁸ "core interests" refer mainly to issues involving the nature of the regime (leadership of the Communist Party), national sovereignty and integrity (Taiwan, Tibet, Xinjiang, and more recently the South and East China seas). It also includes, in broader terms, issues related to domestic economic development and energy security, which have become clear objectives of China's foreign policy in recent years. The definition of core interests is not fixed and has expanded in recent years (as will be further discussed below). The "core interest" labeling has significant consequences on the treatment of the issue, as it means that, according to China's diplomatic vocabulary, the country has the right to use the various elements of power at its disposal, including the military option.

⁸ Among the latest official definitions of « core interest » comes from State Counselor Dai Bingguo: "What are China's core interests? My personal understanding is: first, China's form of government and political system and stability, namely the leadership of the Communist Party of China, the socialist system and socialism with Chinese characteristics. Second, China's sovereignty, territorial integrity and national unity. Third, the basic guarantee for sustainable economic and social development of China (...)", Dai Bingguo: adhere to the path of peaceful development, Waijiaobu wangzhan, 6 December 2010
(戴秉国：“中国国务委员戴秉国：坚持走和平发展道路”外交部网站).

A different treatment of core and non-core interests

In practical terms, there exists a significant difference of treatment between core and non-core interests. For issues of “core interest”, the position of China is often taken, well-known and inflexible. The institutional mechanism is simplified: the Chinese Communist Party (CCP) is the key player, it coordinates the decision-making process and arbitrates the final decision, often via its International Liaison Department (中联部 - *zhonglianbu*). Other institutions, such as Ministries, usually do not interfere deeply in the decision-making process; they are in charge of executing decisions made by the Party.

On the contrary, for other issues, the position is often untaken and remains flexible. In these cases, zigzagging is a common practice of Chinese diplomacy, and the position tends to be formulated step by step in reaction to the context (political or security situation in the country concerned, position of other countries, new stage in the negotiation process, etc.). The approach to problem solving appears rather passive – at least it is perceived as such by some practitioners.⁹ In addition, the institutional mechanisms used for issues not related to “core interests” is different. In general terms, decisions are made at two different levels depending on the issue – usually much higher in the Party hierarchy for issues related to core interests (up to the Standing Committee) than for other issues. In the latter cases, the decision-making process often involves a significant number of institutions, with sometimes contradictory perspectives. In these cases, the Party does not play the role of a coordinator. As a result, lack of coordination may sometimes lead to contradictory statements and a slower decision-making process. The slower pace of the decision-making process is also reflected in the slower rhythm of related external communications and exchanges, giving some diplomats the impression that their Chinese counterparts are playing a “waiting game” during meetings¹⁰ or leading to time-based confrontations during international summits. China’s foreign policy tone and vocabulary also vary greatly depending on the issue involved: the extreme toughness of some statements related to “core interests” often contrasts with the softer tone used to discuss other issues.

Most countries adopt different foreign policy behaviors and use various decision-making processes from one issue to another, depending on their own national interests. In this sense, China is not necessarily different from other countries. But what is striking in the case of China is the strong asymmetry of approaches: on the majority

⁹ “I have the impression that my Chinese counterparts behave like: ‘there is a problem, then we don’t really need to take a position on it, except if we are really obliged to’ (...) I have progressively understood how to deal with this ambiguity. I have understood that we don’t need to resolve all contradictions.”, senior diplomat, a European Embassy, Beijing, July 2011.

¹⁰ Interview: Ambassador, a European Embassy, Beijing, July 2011.

of issues, the Chinese position remains flexible. It is only on a minority of issues (often related to national unity - Taiwan, Tibet - or access to resources) that China has a clear, fixed position. Chinese foreign policy is at the same time planned and at the same time unplanned, as some Chinese officials admit themselves:¹¹ planned to protect the few “core interests” identified, but unplanned regarding issues considered as “secondary” for the country. There exists a double Chinese foreign policy – rigid and flexible at the same time – depending largely on whether the issue is deemed to be a “core interest” or not. In this context, failure to understand the strategy behind China’s positions is natural, given that there does not exist one single guiding strategy, but two very different approaches.

The table below summarizes major trends underpinning the two-track approach, though nuances certainly exist.

Table 1: A two-track foreign policy

| | “Core interests” (核心利益 <i>hexin liyi</i>) | Other interests |
|--|---|--|
| Issues | Taiwan, Tibet, Xinjiang, Human rights, energy security, South and East China seas territorial disputes (since May 2010), <i>mainly</i> . Main categories: <ul style="list-style-type: none"> - Political stability - National sovereignty, unity and territorial integrity - Economic development in broad terms, including access to resources. | Majority of international issues |
| Position | Taken – fixed | Untaken - flexible |
| Tone | Firm | <i>Varying</i> |
| Overall approach | Proactive | Passive |
| Number of institutions taking part in the decision-making process | Limited (the CCP, <i>mainly</i>) | Numerous |
| Pace of the decision-making process | <i>Rather fast</i> | <i>Rather slow</i> |
| Recurrent principles | <i>“Peaceful development”, among others</i> | <i>“Bide our time and build up our capabilities” (taoguang yanghui), non-interference, among others.</i> |

Source: author's own compilation, built upon converging empirical results collected through interviews with Chinese and non-Chinese foreign policy officials based in Beijing, 2011-2012.

¹¹ Interviews, Think tanks, Beijing, March 2012.

The regional priority

What is also noteworthy when analyzing China's two-track foreign policy is the geographical asymmetry: East and South East Asia currently concentrate a majority of issues identified as core interests. Beijing's approach tends to be much more rigid in the region than in other parts of the world, as recent tensions in the South China Sea (tensions with Vietnam and the Philippines) and around the Diaoyu/Senkaku islands with Japan have shown. China has become more assertive with some of its neighbors, notably those with border disputes over maritime territories. This geographical asymmetry is likely to grow. The South China Sea is now clearly identified as a core interest, along with access to natural resources and energy security, and China is also facing a more difficult context in the region, with the recent consolidation of American influence in the Asia-Pacific (Australia, Singapore, Philippines, Vietnam, etc.), and competition for leadership in building economic partnerships (notably the Trans-Pacific Partnership Agreement, or TPP).

China's Narrow Definition of Foreign Policy

KEY POINTS

- China's foreign policy priorities are exclusively planned out according to domestic priorities
- China's current definition of foreign policy is narrow: it is a tool at the service of domestic economic development and political stability.
- As a result, China's foreign policy approach remains passive (low level of initiative, minimum risk-taking), except when "core interests" are at stake.

A passive and pragmatic approach

An overall persistence of passivity

If China's foreign policy has no clear-cut position on many issues, it is because the passive approach prevails. Only ten years ago, Jiang Zemin told an American reporter, as the US President George W. Bush stood at his side: "*You asked about Iraq. The Iraq problem is relatively far away from us. But I think, as I made clear in my discussion with President Bush just now, the important thing is that peace is to be valued most.*"¹² Hu Jintao cannot pronounce a similar kind of statement today, as China's diplomatic and economic ties in the region have deepened, but the passive approach continues to prevail nonetheless. Deng Xiaoping's principle of "taoguang yanghui" (韬光养晦 – "Bide our time and build up our capabilities", or more commonly, "Keeping a low profile") remains a reference for Chinese officials, who often mention it in formal and informal communications, and no less frequently in recent years.¹³ In an effort to calm the concerns of foreign countries, particularly neighbors in Asia, State Councilor Dai Bingguo – who is recognized as the real head of Chinese diplomacy – referred three times in a December 2010 speech to *taoguang yanghui* and Deng Xiaoping's approach, and to the concept of "peaceful development" (和平发展 - *heping fazhan*).

¹² Quoted by The Economist, "What a difference a decade makes", February 28, 2012.

¹³ Often mentioned during interviews conducted in 2011-2012, Beijing.

The concept was then developed further in a white paper published in September 2011, which underlines that “*China is committed to pursuing a defense policy, which is defensive in nature*”.¹⁴

In many situations, China is adopting a passive approach, rarely taking the initiative and often engaging *a posteriori*. For instance, the EU and China have joined efforts in fighting piracy in the Gulf of Aden, but the Chinese engagement in the anti-piracy SHADE group only became significant after China suffered attacks on its own ships in the region. Previously, China was only semi-engaged in the operations, with four Chinese ships in the Indian Ocean but no structure of command. The engagement has been increasing progressively in reaction to attacks in the region.

Chinese diplomacy also adopted a rather passive approach in response to the US-India nuclear deal in 2006-2008, for instance. Some non-Chinese diplomats who closely followed the deal argue that China did not play an active role during the process, that it did not lobby hard enough, and that it was eventually obliged to support it because it did not want to be isolated.¹⁵ This interpretation may of course be a matter of debate – such weakness exists in most countries that have a preferred foreign policy approach (passive or active) and some difficulties to adapt - but it certainly underlines the overall passive approach of Chinese foreign policy.

The passive approach of Chinese diplomacy often generates asymmetric relations, in which one side has a clear aim, but the other side does not. The difference of approaches sometimes impacts the negotiating balance, as some practitioners underline:

“We have far more policy objectives than China has (...) China has a very quiet policy – sometimes they take a position because they have to. They are just trying to keep quiet as much as possible. (...) We can't really trade priorities, because there is nothing they want from us, contrary to us. (...)"

Ambassador, a European Embassy, Beijing, July 2011.

The passive approach does not mean that China never formulates initiatives in international issues. Once again, it depends on the interests at stake (“core” or not) and as China’s stake in the global economy grows it is likely to find more proactive engagement to be in its best interest. China’s diplomacy is sometimes active in conflict resolution. For instance, it tried to calm recent tensions between South Sudan and Sudan, a zone related to the “core interest” of energy security as the region accounts for roughly 5% of China’s oil imports. Although its mediation may not be seen as a full success, China certainly contributed to reducing tensions and continues to follow the situation closely.

¹⁴ White Paper: “China's Peaceful Development” (中国的和平发展 – *zhongguo de heping fazhan*), Information Office of the State Council – 国务院新闻办公室The People's Republic of China, Beijing, September 6th, 2011.

¹⁵ Interview, senior diplomat, a European Embassy, Beijing, July 2012.

A pragmatic approach

In fact, the general belief guiding China's passive foreign policy approach is related to the economic context, and is similar to that which guides domestic policy. It could be summarized as follow: *China is a developing country, the priority is therefore economic development, and the rest is secondary.* That is in substance the approach often perceived during discussions with Chinese academics, even in recent years.¹⁶ That is also the perception of many non-Chinese practitioners working in Beijing.¹⁷ Economic development and foreign policy became closely intertwined with China's launch of pragmatic governance more than three decades ago. The year 1978 marks the beginning of a new era of domestic reforms guided by pragmatism, but also the beginning of a new foreign policy era guided by the same pragmatism. The famous Sichuan proverb quoted by Deng "No matter if it is a white cat or a black cat; so long as it can catch mice, it is a good cat."¹⁸ - symbolizing the pragmatism of the era of reform and opening-up and the decline of ideology - should be understood from a domestic but also an international perspective. The emphasis on economic results currently applies to foreign as much as domestic policy.

In general terms, China's foreign policy planning since Deng has been shaped by economic priorities rather than any particular ideological concept. Concepts such as South-South cooperation (often used in statements on relations with BRICS or African countries) are referred to when necessary, but do not reflect a deep ideological bias. Chinese leaders themselves acknowledge in key foreign policy speeches, without any embarrassment, the dilution of ideology over the last 30 years.¹⁹ In some statements, ideology itself implies a negative meaning.²⁰

¹⁶ Interviews, International Relations academics / think-tank analysts, 2012, Beijing.

¹⁷ "This all has to do with Deng Xiaoping...The approach is : we [China] are engaged in a development process, so we should not do anything that could damage this positive time. Do not involve yourself in issues that you can't win." Interview, senior diplomat, a European Embassy, Beijing, July 2011.

¹⁸ 不管白猫、黑猫，逮住老鼠就是好猫 - buguan bai mao, hei mao, lizhu laoshu jiu shi hao mao.

¹⁹ "More than 30 years of reform and opening up has brought about earth-shaking changes in the country: from "taking class struggle as the key principle" to focusing on economic development and building socialist modernization on all fronts, from planned economy to socialist market economy through reform across the board, from a closed society and over emphasis on self-reliance to opening up and international cooperation, from emphasis on ideology in external relations to advocating harmonious co-existence of various social systems and development models and developing external relations in an all-round way.", State Counselor Dai Bingguo: adhere to the path of peaceful development Waijiaobu wangzhan, 6 December 2010 (戴秉国：“中国国务委员戴秉国：坚持走和平发展道路”，“Zhongguo guowu weiyuan Dai Bingguo: jianchi zou heping fazhan zhi lu”，外交部网站)

²⁰ "It has also become very unpopular for some countries to identify friends and foes on the basis of ideology and gang up under various pretexts in quest of dominance of world affairs". *Ibid.*

Chinese diplomatic institutions themselves are guided by pragmatism. The professionalization process taking place within the Ministry of Foreign Affairs and other diplomatic institutions over the last two decades has contributed to reducing the influence of ideology within these institutions: Chinese diplomats are increasingly professionals and the recruitment, training and organization of personnel is mainly based on academic and professional skills, while ideological recruitment criteria and teaching currently entail a symbolic meaning.

Chinese foreign policy at the service of domestic priorities

Domestic economic development

China's top foreign policy priority is domestic economic development. The promotion of one's own economy is the aim of most foreign policies, but in the case of China, this priority is so important that it often appears in official communications as if it were the only one. The white paper on China's peaceful development, issued in September 2011²¹ - its first on the topic since 2005, and one of the rare official documents on foreign policy - could be read as a statement on domestic economic reforms, or as a part of China's 12th Five-Year Plan. The starting point of the white paper is the reform and opening-up policies in 1978 and the main question addressed throughout the text is how to carry on such policies in an efficient manner. The economic focus dominates the paper from the beginning to the end: an entire sub-section is dedicated to "Accelerating the shifting of the growth model", and arguments are often supported by macroeconomic indicators. Economic vocabulary ("prosperity", "domestic market", "promote development", "modernization", "build a society of higher-level initial prosperity", etc.) is more frequent than diplomatic terms, references to international issues are scarce, and the concept of "peaceful development" (*heping fazhan*) appears to be mostly referring to peaceful economic development.

Opening to the outside world appears in official communications as a necessary process for domestic economic development, but never as a strategic goal with a stated political or ideological dimension. When the white paper states that "China will never close its door to the outside world, and will open itself increasingly wider", it is mainly supported by economic arguments ("China cannot develop itself with its door closed").²² In official terms, the aims of Chinese diplomacy are all related to domestic economic

²¹ White Paper: "China's Peaceful Development" (中国的和平发展 – zhongguo de heping fazhan), Information Office of the State Council - 国务院新闻办公室The People's Republic of China, Beijing, September 6th, 2011.

²² *Op Cit.*, Part I. The Path of China's Peaceful Development: What It Is About.

development.²³ Institutional evolutions also provide indications that domestic economic development is the top priority of China's foreign policy: the growing weight of the Ministry of Commerce is noticeable - in comparison with the Ministry of Foreign Affairs for instance - as well as the influence of major state-owned companies.

If China's economic development occupies such a significant place in the order of foreign policy priorities, it is because it is the top aim of all Chinese governments since the launch of the era of 'reform and opening-up' (*gaige kaifang*) in 1978. It is also because economic growth is key to maintaining political stability. The Communist Party is well aware that its legitimacy has been strongly supported by its ability to provide economic growth and any significant, uncontrolled slowdown of the economy may affect such legitimacy. Sub-aims such as access to natural resources are logically becoming part of the "core interests" because they are necessary to fuel growth at home. China's "non-interference principle" remains a keyword in official foreign policy communication for pragmatic rather than ideological reasons. It fits well into the general framework of the passive approach. Most of all, the concept is related to Beijing's most important core interest: political stability. The principle responds to the domestic fear of regime change.

In this context, Beijing's definition of foreign policy is extremely narrow: it is a *tool* at the service of domestic economic development and political stability. There exists a very strong relationship between China's domestic and foreign policies. This is the case in many countries, but in China's case the central government places foreign policy at the *full* service of domestic policy.

²³ "The central goal of China's diplomacy is to create a peaceful and stable international environment for its development"; "To achieve modernization and common prosperity for the people is the overall goal of China's pursuit of peaceful development"; "To build a society of higher-level initial prosperity in an all-round way which benefits over one billion Chinese people is the medium-and long-term goal of China's pursuit of peaceful development." among other statements. *Op Cit.*, Part I. The Path of China's Peaceful Development: What It Is About.

Persistence of the Two-track Approach

KEY POINTS

- China is engaging more often in international issues in order to protect its national economic interests and citizens.
- However, there are currently no signs indicating the development of a new Chinese foreign policy strategy.
- The two-track approach (“core interests”/ other interests) is likely to remain in the short and medium run. It is from this divide, and current domestic context and priorities, that China’s foreign policy should be understood.

The ambiguous re-positioning of China in the hierarchy of world powers.

New engagements, new vulnerability

The position of China in the world has been changing at a very fast pace since the mid-1990s, and during the last 10 years in particular. Beijing has expanded the number of official diplomatic relations, and developed existing ones further. At the same time, it has joined various trade and security agreements, and developed bilateral trade with an increasing number of foreign countries on all continents. For instance, trade with Africa grew from \$10 billion in 2000 to \$150 billion in 2011. China’s integration into the international community also deepened. It became a regular participant in many international summits - the G20 for instance, in which it became a key member in the wake of the global economic and financial crisis.

All these developments have considerably expanded China’s global reach, and appear effective from an economic viewpoint. But China’s new strength also creates vulnerabilities. With its increasing interests abroad, China is more dependent on external factors, such as the political and economic context of the countries in which it is heavily investing. China’s economy is increasingly open to external forces, from the price of oil - needed to fuel domestic growth - to the eurozone debt crisis - which has impacted Chinese export industries and generated unemployment in south-eastern provinces.

Complicating matters further for Chinese diplomacy today is that it has to assume the role of a protector for its citizens and interests abroad – a role that it seldom experienced previously. First of all, it has to protect its massive investments and supplies of natural resources, and this may represent a difficult task in politically unstable areas. In Sudan for instance, in an attempt to secure energy resources and protect investments China was forced to play a significant role in negotiating with the opposition and, subsequently, the neighboring enemy of its long-time ally as the creation of South Sudan became imminent.

In addition, Chinese diplomacy increasingly has to deal with the kidnapping of workers, for instance in Sudan or Yemen. In Libya, during the troubled period leading to the fall of Muammar Gaddafi, China not only had to protect its vast economic interests, but also its citizens: in March 2011, Chinese authorities had to evacuate 36,000 workers from the countries. The evacuation involving a military deployment beyond China's borders was widely covered by official media as a success and was very well-received in China, whereas previous failures remain in memory (Chinese oil workers kidnapped and killed in Ethiopia in 2007, for instance). Similar situations can arise in many countries. It is estimated that the number of Chinese workers abroad has increased from 3.5 million in 2005 to 5.5 million in 2011. The Chinese government and several state-owned companies have had to respond to many emergency situations in recent years involving the physical security of workers operating in unsafe areas for the continuity of resource flows. Moreover, as China's economic and human presence increases overseas, it also has to take care of its image among local populations, which has been tarnished in some African and Asian countries.

More generally, Beijing has become conscious of the downsides of its traditionally passive foreign policy approach. Previously, China's risk assessment capacity was underdeveloped, including in countries with high levels of political risk. But recent cases of Chinese interests and citizens being at risk (Libya, Sudan, among others) are now widely analyzed within Chinese think tanks,²⁴ with the aim of learning from past failures. It is likely that China will develop its risk assessment procedures further in unstable countries, and take into greater account the political situation of the countries in which it is investing.

Limited engagement

Beijing has become more engaged in international affairs in recent years. It has not only embarked on 'compulsory' engagement (protection of economic interests and citizens), but also on more 'voluntary' initiatives: China is the first contributor of UN peace-keeping operations (taking into account the number of Chinese

²⁴ Interview, International Relations academics / think-tank analysts, Beijing, July 2012.

peacekeepers), a major provider of development aid,²⁵ and a participant to a growing number of humanitarian interventions. Despite this increased diplomatic action, many engagements are still limited in quantity, depth and location, in comparison with China's new global status, and the majority of these engagements are the continuity of domestic concerns. For instance, China's status and participation in international organizations has risen with its economic performance, from the G20 to BRICS summits, but initiatives have been fairly rare and constructive participation on long-term issues such as global warming or nuclear proliferation remains limited.

Towards a new Chinese foreign policy strategy?

An emerging debate

As China's power increases, Deng's maxim of "keeping a low profile" sounds increasingly irrelevant, even contradictory to some practitioners. Calls for a fundamental restructuring of foreign policy as well as 'ideological innovation' are numerous within China.²⁶ At the same time, Beijing is facing increasing international pressure to assume global responsibilities commensurate with its economic interests in foreign countries. Many Western powers are increasing their calls for a deeper Chinese involvement in multilateral issues, from global warming to the Iranian nuclear question, and are wondering if the growing economic engagement with the rest of the world will lead to a growing political engagement. As a result, China finds itself in a tough dilemma in some cases. In the case of Iran, countries including the United States, Israel and Saudi Arabia, as well as several EU member states, are urging China to adopt a harder position on Iran and its nuclear ambitions. Yet, this would be to the detriment of China's considerable interests there, threatening in particular the expansion of its national oil companies in the country and Chinese energy security more broadly. An increasing number of countries want China to be more active internationally, if not more assertive. As Chinese firms continue to expand overseas, Beijing is likely to find itself under greater international pressure to influence the policies of countries in which its firms have an influence.²⁷

²⁵ Such aid amounted to RMB 256 billion by the end of 2009, including 106 billion without compensation, according to the White paper on the topic, published in Beijing in April 2011, but exact figures remain a matter of debate. Phoenix Weekly, January 5th, 2012 (2012 #1).

²⁶ Interviews, International Relations academics, Beijing, July 2012.

²⁷ Downs, Erica S. "New Interest Groups in Chinese Foreign Policy." Testimony to the U.S.-China Economic and Security Review Commission. Brookings Institution. http://www.brookings.edu/testimony/2011/0413_china_companies_downs.aspx. September 15, 2011.

Calls for a restructuring of foreign policy are also increasingly numerous inside China. Debates about the direction the country should adopt in international affairs are emerging within national think tanks and universities.²⁸ Some scholars, as well as officials, are wondering if it is time for China to adopt a more proactive foreign policy. The confidence gained as China becomes economically stronger sometimes leads to the general belief – among conservative academics in particular - that it is no longer right to accept international norms that have been defined primarily by western powers. Within the Party, several left-wing senior officials, as well as military cadres, are wondering if it is time to quit the “defensive” foreign policy approach.

The debate also develops within Chinese public opinion, especially when regional tensions arise. Many bloggers and netizens often criticize the Chinese position in the South China Sea as being too “timid”. The recent crisis with the Philippines on the disputed Scarborough Shoal led in May-June 2012 to numerous calls on the Internet for a tougher Chinese position. And for many years, the Chinese population and the diaspora have been criticizing the “insufficient” protection of Chinese citizens and minorities abroad, from Indonesia to Sudan. Earlier this year, the potential Chinese participation in the European Stability Mechanism was criticized as “*too kind*” by many individual commentators, who consider that it is not the role of a “*still poor country*” such as China to give money to the “*rich country*” of Europe. Critics of a “too passive” Chinese foreign policy often emerged from the most nationalistic part of the population, but have also come from more moderate observers depending on the issue at stake. At the same time, fears about a strong China are multiplying in the rest of the world particularly among South East Asian neighbors and the region as a whole. The recent increase of the defense budget (from \$14.6bn to \$106bn in 12 years – according to official figures, underestimated according to some analysts)²⁹ tends to reinforce such fears. In this context, some Chinese academics such as Wang Jisi, Dean of Peking University's School of International Studies, see a contradiction between domestic and external pressures.³⁰

²⁸ Interviews, International Relations academics / think-thank analysts, Beijing - Shanghai, July 2012.

²⁹ Blasko, Dennis J. “An Analysis of China’s 2011 Defense Budget and Total Military Spending — The Great Unknown”, China Brief Volume: 11 Issue: 4, The Jamestown Foundation, March 10, 2011.

³⁰ “We will have to deal with pressures from abroad to remain modest and prudent, while domestically we are faced with complaints that China has been timid” Wang Jisi, to The Guardian, “China’s foreign policy is playing catch-up with its new status”, Tania Branigan, Thursday 22 March 2012.

A new, broader definition of “core interests”

The definition of “core interests” itself is also a matter of debate within Chinese think tanks. The term has been increasingly referred to by Chinese official sources since it started receiving attention among media and experts in November 2009, when it was inserted in the U.S.-China Joint Statement between Hu Jintao and Barack Obama during the latter’s state visit to China,³¹ and its definition is expanding. Since May 2010, the South China Sea appears in some official communications as part of China’s core interests, and the White Paper on China’s Peaceful Development (September 2011) refers to core interests in the following terms: *“China is firm in upholding its core interests which include the following: state sovereignty, national security, territorial integrity and national reunification, China’s political system established by the Constitution and overall social stability, and the basic safeguards for ensuring sustainable economic and social development.”*³²

The definition of core interests increasingly integrates the protection of Chinese economic interests in foreign countries, as well as access to resources. Such a definition is likely to keep expanding with the increase and diversification of Chinese direct investment abroad, and reflects a change in Beijing’s foreign policy behavior towards more engagement for the protection of its interests. More generally, domestic economic changes have expanded China’s foreign policy priorities. The “go out” policy for instance, encouraging major Chinese companies to develop a global strategy and carry massive investment overseas, has been highly supported by Chinese diplomacy and has led to a growing need to protect such investments, particularly in unstable areas. However, this evolution does not so far indicate a radical shift in Chinese foreign policy strategy. The two-track approach is likely to remain in place, at least in the short and medium run.

Continuity of the two-track approach

What is important to bear in mind when attempting to forecast the future direction of China’s foreign policy is the strong relationship between foreign and domestic policy. The two are currently so entangled that a shift in foreign policy approach cannot take place without a sweeping change in domestic policy. Even if in recent official communications, such as in the 2011 white paper on “China’s Peaceful Development”, responsibility is now mentioned, it is still

³¹ See graph “People’s Daily articles with references to “core interests”, p. 4 in Swaine, Michael D., *China’s Assertive Behavior, Part One: On “Core Interests”*, China Leadership Monitor, No. 34, Winter 2011, http://www.carnegieendowment.org/files/CLM34MS_FINAL.pdf

³² Part “IV. China’s Path of Peaceful Development Is a Choice Necessitated by History”, White Paper : « China’s Peaceful Development » (中国的和平发展 – zhongguo de heping fazhan), Information Office of the State Council - 国务院新闻办公室The People’s Republic of China, Beijing, September 6th, 2011.

marginal, and the order of priority is clear: domestic economic development remains the top priority.³³ As long as pragmatism is the guiding approach for Beijing and domestic economic development and political stability are its very top priorities, China's definition of foreign policy will remain narrow and its engagement limited. Foreign policy strategies are often built upon key values or ideological missions (promotion of democracy, south-south cooperation, gender equality, etc.), in addition to the pragmatic defense of national interests. In the case of China, the current absence of clear-cut ideological foundations prevents to some extent the emergence of a more consistent Chinese foreign policy strategy.

In general terms, the emergence of a new foreign policy strategy is quite unlikely in the short term as it would first of all require a major change of governing approach at home towards less pragmatism. There is no sign that such a change has been initiated, or that new foreign policy concepts or guiding principles are emerging in China - “taogang yanghui” (“Bide our time and build up our capabilities”, or more commonly ‘keeping a low profile’) and “hexin liyi” (“core interests”) remain key references. In any case, the time needed to question Deng’s era – a domestic and foreign policy approach in place for more than three decades – would be so significant that the construction of a new foreign policy can only be a long-term process.

Moreover, the Party is more concerned than ever about its legitimacy as the political succession associated with the 18th Party Congress takes shape. Ensuring a successful leadership transition makes stability the top priority in the short run. The tense context at home (Bo Xilai case and its consequences, among other scandals) is currently absorbing most of the Party’s efforts to preserve stability. In this domestic context, foreign issues are not of utmost importance, except if core Chinese interests are at stake. Faced with pressing domestic issues, the new team – led by Xi Jinping and Li Keqiang – will certainly be as, if not more, busy keeping domestic stability than their predecessors were, and it is very unlikely that the domestic/foreign policy hierarchy will be further skewed in this context.

Nationalistic pressure at home is unlikely to modify this hierarchy. During the last three years, with the development of social networks and in particular Weibo – the popular microblogging platform counting now more than 300 million registered users -

³³ “Following the introduction of the policies of reform and opening-up to the outside world in the late 1970s, China adopted and implemented a three-step strategy for achieving modernization. (...)The central goal of this three-step development strategy is to improve people's material and cultural lives, and make the people rich and the country strong. Meanwhile, as its comprehensive strength increases, China will shoulder corresponding international responsibilities and obligations.”, part II. What China Aims to Achieve by Pursuing Peaceful Development in White Paper: “China's Peaceful Development” (中国的和平发展 — zhongguo de heping fazhan), Information Office of the State Council - 国务院新闻办公室The People's Republic of China, Beijing, September 6th, 2011.

foreign policy issues have been more widely discussed among the Chinese public. Pressure is significant regarding regional issues, as shown by the strong Internet participation following tensions with Philippines about the disputed Scarborough Shoal and with Japan about the Diaoyu/Senkaku Islands, but in general terms the Chinese public opinion remains to some extent much more passionate about domestic issues (inflation, corruption, etc.) than international affairs. The position of China in the world, especially in comparison with the United States, is a source of passion and interest for the majority of the population, but is often secondary compared to domestic concerns. The order of priority remains unchallenged: for the Chinese authorities as much as for the population, domestic economic development is the top priority.

An evolution of China's foreign policy approach would also require a change in institutional mechanisms. A more anticipative and streamlined decision-making process is unlikely to emerge from the current, heavily bureaucratic and institutionalized structures of Chinese diplomacy. Chinese foreign policy institutions are increasingly numerous and this phenomenon reinforces the complexity of the decision-making process in China. The Ministry of Foreign Affairs, for instance, has been losing power since the country's opening up and currently appears to be one of the weakest Chinese foreign policy institutions³⁴ - its role remains mainly to execute decisions taken at the highest level. Conversely, the power of other ministries such as the Ministry of Commerce has been increasing and state-owned enterprises (China's national oil companies and China Development Bank, in particular) are also influencing China's diplomacy to a greater extent.³⁵ With more players involved, reaching a general consensus is becoming more difficult on many secondary issues. Hu Jintao started to improved interagency coordination on all types of foreign policy-related decisions, at both the central and provincial levels of government in recent years,³⁶ but significant lack of coordination remains, in particular between civilian and military organisations.³⁷

Moreover, the current structure and strong hierarchy of Chinese foreign policy institutions are more suited for dealing with issues involving bilateral, rather than multilateral cooperation. The Ministry of Foreign Affairs, for instance, is very segmented by region/geographical area, with an emphasis on bilateral relations.

³⁴ "The MFA has almost no room for maneuver. The person in front of you cannot make a proposal.", senior diplomat, a European Embassy, Beijing, July 2011.

³⁵ Downs, Erica S. "New Interest Groups in Chinese Foreign Policy." Testimony to the U.S.-China Economic and Security Review Commission. Brookings Institution.

September 15, 2011, http://www.brookings.edu/testimony/2011/0413_china_companies_downs.aspx

³⁶ See Medeiros, Evan S., China's International Behavior: Activism, Opportunism and Diversification, RAND Corporation, 2009, pp. 194-5.

³⁷ On the divisions between the civilian, intelligence, and military decision-making structures, see Medeiros, Evan S., *Op Cit.*, pp. 198-9.

Some transversal issues require the involvement of numerous foreign policy institutions, and cooperation with an increasing number of departments – which remains difficult in the current Chinese institutional context.³⁸

One might wonder if the long-lasting pressure from many Western countries to hear a clear position from China could influence the creation of a new Chinese foreign policy strategy. But it appears that this pressure is unlikely to influence the Chinese side to be more active and willing to take initiative, especially in a context in which Chinese officials are becoming more confident. Indeed, in recent years, especially since the autumn 2008 global financial and economic crisis, a majority of Western diplomats interviewed underlined the increasing confidence of their Chinese counterparts. Confidence has been noticed in the communication style but also the availability of Chinese officials, which is becoming more limited.³⁹

This is also noticeable during the negotiation process: to many of their Western counterparts, the Chinese representatives appear more confident during the negotiation process - the tendency is less to reach a solution through compromise, which used to be the norm, but rather a “winner-take-all zero-sum game.”⁴⁰ However, this confidence does not necessarily mean clearer positions in foreign policy strategy. On the contrary, Chinese officials are, to some extent, more confident than before in stating ambiguous positions.

In conclusion, the dynamics of change are weaker than the reasons for supporting the continuity of the two-track approach. It is very unlikely that a new Chinese foreign policy strategy will emerge in the short and medium term. This would require significant domestic political and institutional changes that have not been initiated so far, and that could only be completed in the long run.

³⁸ “I do not think most Chinese diplomats have a complete image of bilateral relations, everyone is expert on a specific field of the relation. It is so hierarchical that we sometimes need to have several interlocutors to talk about a single topic. Maybe the only one who has the full picture is the Ambassador of China in [our country], maybe...I am not even sure.”, senior diplomat, a European Embassy, Beijing, July 2011.

³⁹ “The access is much more difficult than before. For instance, when I left China in the early 1990s after serving as Ambassador, the Minister [of Foreign Affairs] received me. Later, when I served again as an Ambassador at the beginning of the year 2000, the Minister at the time invited me for dinner. Now it would be quasi unthinkable. I am Ambassador again but I do not think it is possible to meet the Minister. These changes, the access to senior officials becoming more and more difficult, can be explained by two factors. First of all, Chinese foreign affairs officials and diplomats are much busier than before, then do not have as much time as they used to, with the multiplication of diplomatic relations. They travel more as well, etc. Second, and most of all, China is well conscious of its new and rising position as a global power, and thus act accordingly. (...) The Chinese clearly gain more confidence in themselves during the last few years (...) In Washington, the situation is similar: it is difficult to access to representatives of a major global power.”, Ambassador, a European Embassy, Beijing, July 2011

⁴⁰ Interview, Ambassador, a European Embassy, Beijing, July 2010.

Concluding Remarks and Recommendations

Analyzing Chinese foreign policy through the framework of domestic priorities

Experimental foreign policy

China has never experienced the status of great power in a truly globalized context. This is the first time and it appears that Beijing has not fully prepared for global leadership. Its diplomacy now has to adapt to a more complex era. As a retired Chinese diplomat summarizes: "*Before Chinese diplomacy was very easy, you just had to repeat the three same sentences, but now, the new generation of diplomats has to talk about climate change and all these things.*"⁴¹ The reality of Chinese foreign policy has to be understood from this perspective by taking into account the fast pace of its development in recent years and the constant adjustment that this requires. It is misleading to believe that every move is strategic, that Beijing's foreign policy behaviors are always the result of clear-cut and planned decisions. Chinese foreign policy is currently under transition and does not currently appear elaborated from a practitioner's viewpoint. Interviews in 2011-2012 with both Chinese and foreign diplomats as well as an analysis of current foreign policy institutions confirm statements made in this sense by several Chinese academics: "*Beijing's foreign policy is not sophisticated. Its diplomatic machinery is a little bit rusty*".⁴² The current, heavy institutional structure often slows down the foreign policy decision-making process and it appears that no key ideological concepts or values are currently guiding a clear-cut strategy.

More generally, practitioners' accounts reveal that the ambiguity of China's decisions is sometimes strategic, but that in many cases it is the mere reflection of the absence of a clear position. Chinese foreign policy is currently in an experimental period. Strategic planning exists regarding some issues - regarded as "core interests" – but not on all issues on which China is asked to formulate a

⁴¹ Interview, Beijing, 2011.

⁴² Zhu Feng of Peking University's Centre for International and Strategic Studies, cited by Tania Branigan, "China's foreign policy is playing catch-up with its new status", *The Guardian*, 22 March 2012.

position. In many cases, China's position is not set and remains very flexible.

Domestic priorities

China's foreign policy is still following Deng's approach of '*keeping a low profile*' in international affairs, but it should be now added '*...as much as possible*', given the new position of China in the world. The Chinese leadership must now face obligations incurred through its growing economic engagement with the rest of the world. The imperatives for China to respond to challenges and defend its interests in an increasing number of foreign countries, either implicitly or explicitly, is making it more difficult for the PRC to keep a passive role in international affairs. From time to time, China is taking some distance with its non-interference principle, as it did with Libya, though this should be interpreted as an exception rather than a turning point in China's passive foreign policy.

China's foreign policy will still play catch-up with its new status, because it is obliged to do so in order to protect its economic interests and citizens in foreign countries. In countries where it has interests, it is likely that China will continue to use its growing leverage⁴³ as a key source of investment (in Sudan, for instance) in order to avoid conflicts and shape outcomes according to its own national interests. But many forthcoming international issues, which appear secondary from a domestic perspective, will not necessarily generate any particular interest, attention or participation from Beijing.

A fundamental change of approach has yet to take place and is unlikely to occur in the short run, as the Party's top priority is to maintain political stability and promote economic growth. China's ability to take up new international responsibilities is not restricted so much by its commitment to the "non-interference principle", but rather by its current domestic priorities and concerns. China's current definition of foreign policy is extremely narrow: it is a mere extension of domestic policy. In this context, the domestic political and economic context explains much of China's foreign policy behavior. The vast majority of China's foreign and security decisions can be directly traced to domestic factors such as the state-society relationship, and the political and economic context. Domestic priorities will continue to affect the foreign policy choices that China makes in the next five years under the new Politburo Standing Committee, except if a radical change in political and economic

⁴³ Evan Ellis, analyzing the case of Chinese presence in Latin America, recalls that such leverage may come from multiple sources, including growing dependence of the region's governments on Chinese loans and investments (case of Ecuador and Venezuela, for instance), reliance on Chinese purchases (significant Chinese copper and potassium nitrate purchases to Chile, iron for Brazil, and soy for Brazil and Argentina, for instance), or expectations of future access to Chinese markets – in "The Expanding Chinese Footprint in Latin America: New challenges for China and dilemmas for the US", *Asie. Visions* 49, Ifri, February 2012.

priorities occurs. Ambiguities will certainly continue to surround Chinese positions on many international issues, and understanding the two-track approach of Chinese foreign policy may help to face them more appropriately.

Taking the two-track approach into account

When analyzing China's foreign policy, the definition of "core interests" should be taken very seriously, because it is currently at the center of Beijing's choices. The approach, decision-making process, institutions in charge, pace and tone differ greatly depending on the category of the issue at hand. For issues related to "core interests", China's position is taken, and the approach is usually active and anticipative. On other issues, China's position is often untaken, flexible, and reactive.

The definition of "core interests" is currently expanding, and any new issue included in this definition means that China will adopt a tougher position on it. On the contrary, it is likely that China continues to adopt a passive approach to any issue that is not directly related to the identified core interests.

The recent position of China in the South and East China Seas indicates the "regional priority" is likely to remain. This is especially true as pressures from domestic public opinion remain strong: the Chinese authorities, concerned more than ever about their own legitimacy, may face domestic reluctance to a softer position in the region whereas the majority of the population is calling for a tougher stance.

But there are currently no signs indicating that this two-track approach will disappear. Conversely, there are significant political and institutional obstacles to the development of a more consistent foreign policy strategy. Because China's definition of foreign policy remains narrow – a tool for domestic economic development and political stability – and based on the core interests / other interests divide, engagement options should not be overestimated. China will still refrain from playing an active role in many areas of international affairs whenever it can do so. Some might wonder if the approach used for "core-interests" can progressively be used for issues not related to core interests. The change seems unlikely. China's passive approach will not disappear as long as the order of priority remains the same, that domestic economic development and political stability remain the very top concerns of the central government. The relationship between domestic and international priorities is extremely tight in China, and it is only from a domestic perspective that the often puzzling positions of Beijing in international affairs can appear to make more sense.

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