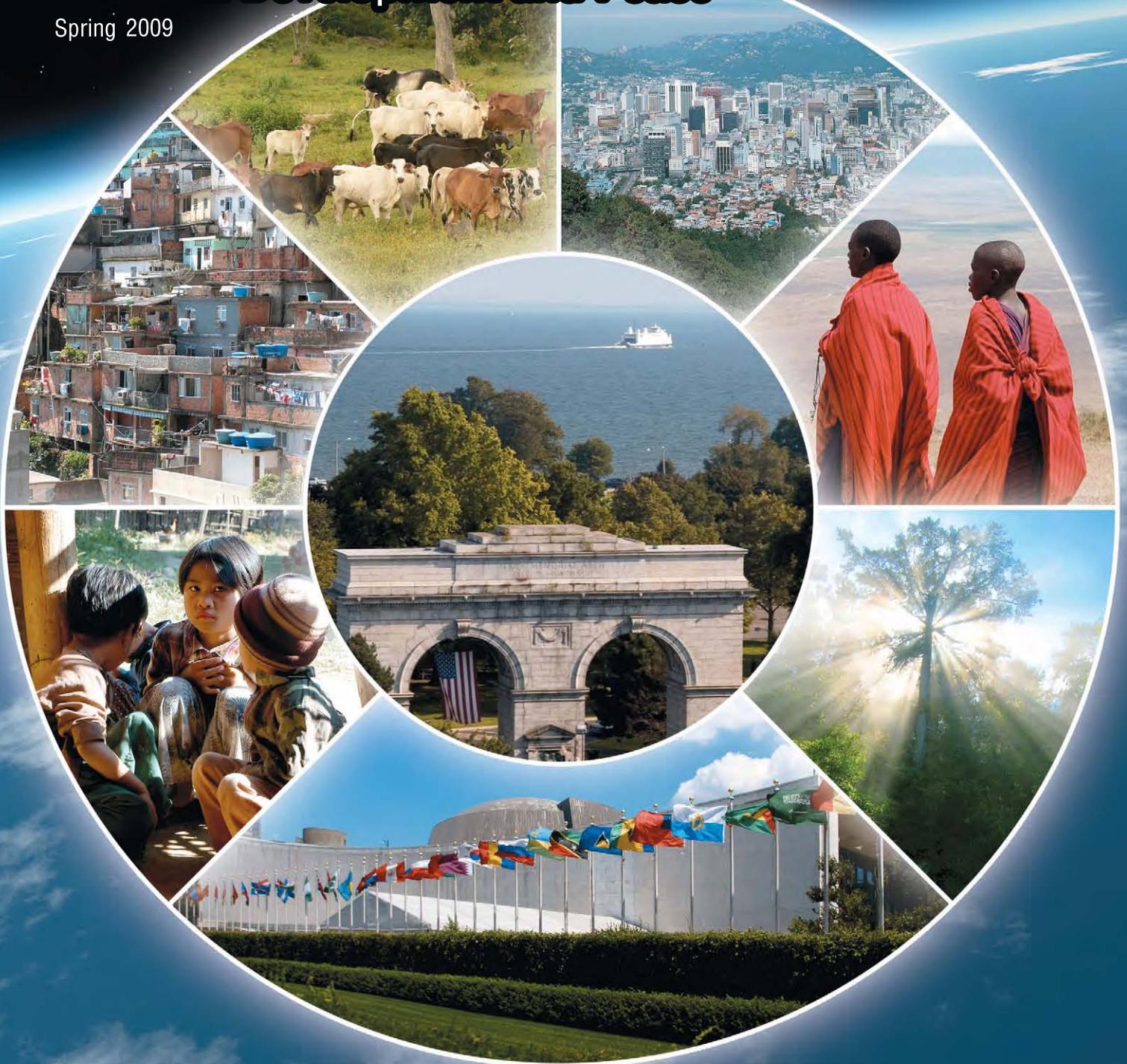


The Journal

of Global Development and Peace

Spring 2009



A Publication of the International College of the University of Bridgeport

China's New Diplomacy Since the Mid-1990s Rationale, Reactions, and Significance

Zhiqun Zhu



Abstract

In a matter of a decade since the mid-1990s, China's role in international affairs has been changed from being a bystander to an active rule-maker. What is the rationale behind China's new diplomacy? How does the international community react to China's new diplomacy? What are the implications for international political economy? This paper attempts to answer these questions by 1) examining the causes and considerations for the paradigm shift in China's diplomacy, 2) analyzing the mixed responses from the international community especially China's neighbors and the United States, and 3) discussing challenges for China itself and for global development in general.



Antananarivo
view from the
sky -
Tananarive city
- Madagascar.

Biography

*Dr. Zhiqun Zhu received a Ph.D. in political science from the University of South Carolina. He has taught at Hamilton College in New York, University of South Carolina, and Shanghai International Studies University. In the early 1990s, he worked as the chief information assistant to the Consul for Press and Cultural Affairs at the American Consulate General in Shanghai. Professor Zhu is the author of *US-China Relations in the 21st Century: Power Transition and Peace* (Routledge, 2006). He has published several book chapters on Asian political economy and US-China relations. His research articles have appeared on *Asian Perspective*, *Global Economic Review*, *Journal of International and Area Studies*, *Journal of Asia-Pacific Affairs*, *Journal of Chinese Political Science*, etc. Dr. Zhu was named a POSCO Fellow by the East-West Center in Hawaii in 2006. He is frequently sought by the news media to comment on US-East Asian relations and Chinese politics.*

Confucius, giant pandas, and pirates in Somali, what do they have in common? They are all related to China's new diplomacy. To expand its soft power, China has established over 300 Confucius Institutes globally by early 2009; to demonstrate its peaceful and friendly intentions, China has resorted to smile diplomacy, panda diplomacy, good neighbor diplomacy and other public relations offensives; and China has taken more global responsibilities such as hosting the Six-Party Talks and sending naval warships to fight piracy off the Somali coast. In a matter of a decade, China's role in international affairs has been changed from being a bystander to an active rule-maker. What is the rationale behind China's new diplomacy? How does the international community react to China's new diplomacy? What are the implications for international political economy? China's foreign policy has undergone several major transformations since the end of the Cold War. Immediately following the Tiananmen Square incident, as major Western powers imposed sanctions on China, the PRC leadership endeavored to develop China's relations with its immediate neighbors. Deputy Prime Minister and Foreign Minister Qian Qichen, nicknamed the "godfather of contemporary Chinese diplomacy", masterminded these efforts. The "good neighbor diplomacy" (*mulin waijiao*) worked. As a result, relations between China and the 10-member Association of Southeast Asian Nations (ASEAN) greatly improved and disputes over the Spratly Islands were temporarily shelved, making way for further economic and political cooperation. In 1990 Japan became the first great

power that decided to lift economic sanctions against China. The Republic of Korea normalized and established diplomatic relations with the PRC in 1992 and severed formal diplomatic ties with Taiwan.

By the mid-1990s, as Chinese economic power continued to expand and China became more confident, talks of revitalizing the Chinese nation were prevalent inside China.

Increasingly the Chinese government and the Chinese public began to consider China as one of the great powers in the world. Built upon its successful "good neighbor diplomacy",

China refocused on the big powers in its foreign relations. Chinese leaders started to travel to major capitals and invited their foreign counterparts to Beijing. Most notably, this "great power diplomacy" (*daguo waijiao*) resulted in President Jiang Zemin and President Bill Clinton's exchange of visits in 1997 and 1998. As a symbol of China's growing importance in the global economy, China was eventually admitted into the World Trade Organization (WTO) at the beginning of the new century, after some 13 years of tough negotiations with the United States.¹

China's foreign policy has undergone several major transformations since the end of the Cold War.

Since the mid-1990s China has been seeking oil and other energy and natural resources in Africa, the Middle East, Latin America and the Caribbean, Central Asia, the South Pacific, and Southeast Asia. This new "energy diplomacy" (*nengyuan waijiao*) has become a key component of Chinese foreign policy in the new century. China desires a world order that is peaceful and conducive to its continued economic growth and stability at home. China's trade and investment continue to grow and reach every corner of the world. By the end of 2008, China's foreign exchange reserve had reached over \$2 trillion.

A striking feature of China's new diplomacy is that it has become more nuanced, sophisticated and flexible. The scale and scope of the new diplomacy notwithstanding, China is still learning to be a global power and to reconcile its own interests with those of the international community. While enjoying widespread support in the developing world, China's diplomacy has also been met with concerns, suspicions, and criticisms, most notably from the United States and several other Western democracies.

Paradigm shift

The primary rationale of China's new diplomacy is economic, rather than ideological or political. China's investment, trade and other economic activities abroad, together with its efforts to expand cultural and social exchanges and to enhance its soft power globally, are an integral part of its strategy to present

China as a peaceful, friendly, and constructive great power in the international political economy of the 21st century.

China's diplomacy is experiencing a paradigm shift now. Major changes in China's new diplomacy include:

- ✦ From being "passive" to being "active"
 - ✦ From "bringing in" (*yin jin lai*) to "going out" (*zou chu qu*)
 - ✦ From exercising "hard power" to expanding "soft power"
- The doctrine of "peaceful rise" or "peaceful development"

In international affairs China has become more active, as evidenced by its role in the Six-Party Talks over North Korea's nuclear programs and its policies as part of the international efforts to deal with Sudan, Iran and piracy on high seas. Before the mid-1990s, China's predominant political, economic, and diplomatic strategies had been to bring foreign investment and technology into China to help China's growth. Since the mid-1990s China has been reaching out for energy and to enhance China's soft power. China deeply cares about its international image, and wants to be perceived as a peaceful and responsible great power. The concept of "peaceful rise" or "peaceful development" has become a fundamental guiding principle of China's new diplomacy.

Though realism and liberalism may partially explain what China has been doing in international political economy since

the early 1990s, social constructivism seems to offer a better theoretical framework to understand China's policy shift and adjustment. ² Identities and concepts like "responsible stakeholder" and "peaceful rise" are relatively new for China. If "anarchy is what a state makes of it", then new ideas such as "a harmonious society", "peaceful rise" and "responsible stakeholder" can also be created and practiced by states. China is clearly learning to become a new player in the increasingly interdependent world.

At the beginning of the 21st century, the primary motivation for Chinese foreign policy is economic and much of China's growing power comes from its economy, which is entering a new "going out" phase. After years of functioning as a foreign investment-driven export platform, China is moving up the "value chain." Its companies are searching for new markets and technologies and are using the foreign currency earned from trade to purchase foreign assets. As a latecomer to the global oil game, China has focused on oil-bearing regions neglected by Western countries because of political turmoil, insecurity, and economic sanctions and embargoes. Many of the resources it is acquiring are in Third World countries, where instability and bad governance have kept Western multinationals away.

China is sometimes accused by Western countries of ignoring human rights abuses in countries like Sudan. China considers itself a socialist developing country that is not interested in lecturing others as Western powers have been doing. But because

of its size and growing importance in international political economy, China is often held to a higher standard. China faces a dilemma about how to reconcile its own national interests and the interests of the international community especially Western powers.

Its companies are searching for new markets and technologies and are using the foreign currency earned from trade to purchase foreign assets. As a latecomer to the global oil game, China has focused on oil-bearing regions neglected by Western countries because of political turmoil, insecurity, and economic sanctions and embargoes.

As a rising global power, China's every move is scrutinized by the international community, especially the United States. Though China does not seem to want to challenge US supremacy, concerns are growing about how China is going to use its power. To assuage such concerns, China has worked very hard to project its "soft power" and enhance its peaceful image around the world.

Good-bye to the traditional “non-interference” policy?

The Chinese government and Chinese public have become more confident now as China is playing an increasingly important role in global and regional affairs. Ac-



According to a 1995 poll by the Horizon Group, a New York-based human resources management and consulting firm, when Chinese citizens were asked their views on “the most prominent countries in the world,” one third ranked the United States most prominent, and only 13 percent chose China. In 2003, the Horizon Group polled Chinese citizens again, and this time, nearly 40 percent picked China as “the most prominent country in the world”.³ In the past, “Whenever the issue

of peacekeeping came up, China would either not participate or abstain,” says veteran diplomat Wu Jianmin, who served as a junior diplomat at the United Nations in the early 1970s, because peacekeeping did not fit China’s idea of nations minding their own business. Now, Wu notes, China has some 8,000 peacekeeping troops overseas. The message seems to be that it’s now acceptable to interfere in other countries’ affairs, as long as there’s a United Nations mandate. “We are a part of the existing international system,” explains Wu, who later served as China’s ambassador to France and President of the China Foreign Affairs University, “We are its beneficiaries. The international system is evolving and we are participating in it and constructing it.”⁴

Indeed, China is gradually becoming more responsive to international demands to put diplomatic pressure on authoritarian regimes such as Sudan, North Korea and Myanmar. China’s special envoy on Sudan’s Darfur refugee issue, Liu Guijin, responded to foreign criticism that Beijing is shielding the Khartoum regime from censure by saying that “China’s basic policies on the Darfur question are not substantially different from those of Western nations. We agree that the international community should speak with one voice and exert equal influence on the Sudanese government and rebel forces ... or, as Western nations prefer to say, exert pressure.”⁵ China has sent engineers and peace-keeping forces to Sudan as part of the UN operations. At the end of 2007, China was involved in 7 peace-keeping operations in Africa. It had more peacekeepers in African than any other

permanent members of the UN Security Council.⁶ Beijing's initiative in the Six-Party Talks on North Korea's nuclear program also suggests that China is departing from its traditional policy of "non-interference" in the internal affairs of other countries.

Until the mid-1990s, China had shunned multilateralism in foreign policy for fear of becoming a target of attack by a united West. Gone are those days. In 2006 alone, China hosted several major international conferences, attracting over 60 heads of state or heads of government. In June, the Shanghai Cooperation Organization summit was held in Shanghai. In October, China hosted the China-ASEAN summit. In November, the summit of the China-Africa Forum was held in Beijing. And in December China hosted a multilateral energy conference. Through a combination of growing economic clout and increasingly sophisticated diplomacy, China has established solid and productive relationships throughout Asia, Africa, Latin America, the Middle East, Central Asia and other parts of the world.

China has come to realize that growing hard power must be accompanied by soft power. If other countries mistrust its intentions, more power will lead to less security. China's progress in building soft power is visible in the growing numbers of young people around the world studying the Chinese language. In many media reports, China is portrayed as an economic success story for its rapid development and achievements in pulling millions of people out of poverty.

Since the beginning of the 21st century, China has been playing a much bigger role in international affairs. From North Korea to Iran, from Sudan to Zimbabwe, China is aligning its policy with that of other major powers. "There is a trend ... of China making decisions that reflect the international perspective more than the narrow Chinese perspective," says David Zweig, a professor of Chinese international relations at the Hong Kong University of Science and Technology. He points to the way Beijing has worked closely with Western countries over Darfur since 2007. "China is learning on this," Professor Zweig adds. "They want to be a responsible player" in world affairs.⁷

International responses

Developing countries generally welcome China's more active role in international political economy. They like China's trade and investment. China's successful economic reforms offer a useful example and development model for these countries. China is broadening the menu of choices for these developing nations as they attempt to achieve the long-delayed economic and social development.

According to Obiageli Ezekwesili, the World Bank's vice president of the African region, Africa needs investments of some \$22 billion annually to improve its infrastructure networks alone if it is to have global competitiveness. In addition, some \$17 billion is required to maintain existing infrastructure.⁸ China has intensified its support to Africa's economic

development since the beginning of the 21st century. It has renewed its commitment to give more financial and technical assistance to the continent, help it train professionals, reduce tariffs on products imported from Africa and cancel debts. China's experience in lifting millions of people out of abject poverty and its development model are appealing to many developing countries. "The fundamental lesson of China's transformation for Africa is embracing of reforms and integration into the market as a response to internal problems by finding solutions that enable citizens to take advantage of facilities that globalization offers," commented Ezekwesili.⁹ Many countries in Latin America and the Caribbean, the Middle East, Southeast Asia, and Central Asia are eager to expand trade with China, despite



some domestic concerns that imported Chinese products are crowding out local businesses.

Compared with many developing countries, some Western countries especially the United States have a more mixed response to China's new diplomacy. China and the United States have converging interests in certain aspects, such as pro-

-moting peace in the Middle East, combating poverty in Africa and Latin America and the Caribbean, and fighting piracy on high seas. For example, the United States supported China's naval mission to the Gulf of Aden near Somalia in December 2008 as part of the global efforts to eliminate piracy in the area.

The two countries' interests also diverge. China's "no political conditions attached" trade and investment policy is at odds with America's efforts to advance human rights and good governance in the developing world. By having good relations with authoritarian governments at the expense of human rights and good governance, China is perceived to be supporting those regimes, which greatly harms China's international image and runs counter to its pledged role to be a responsible player in international political economy.

Anxiety is discernable among some American policy makers regarding China's expanding diplomatic role around the world. Despite its repeated assurance of a "peaceful rise" policy, Beijing's long-term motivations are less clear. Some analysts fear the United States is losing influence in the developing world. In July 2008, U.S. Undersecretary of Defense for Policy Eric Edelman told the US Senate Foreign Relations Committee that "China's full-court press to establish influence and connections in Africa and Latin America may be seismic in its future implications for the United States."¹⁰

Some analysts are even talking about an "axis of oil" that links China with Russia,

Iran, Sudan and Venezuela. These authoritarian regimes could pose the most serious threat to the United States and its democratic allies since the collapse of the Soviet empire, according to Joshua Kurlantzick, a visiting scholar at the Carnegie Endowment. Others such as Randall Schriver, a former US deputy assistant secretary of state, are less pessimistic and argue that the growing Chinese reliance on the outside world for energy could actually drive China and the United States toward closer cooperation, since both powers want to keep shipping lanes open and encourage stability in oil producing regions.¹¹

Whether the so-called “Beijing Consensus” challenges the “Washington Consensus” remains debatable, overall, China’s new diplomacy has been successful. China has promoted friendly relations with most of the countries around the world. Many developing countries regard China as a successful model for their own economic and social progress.

In Africa and Latin America, China’s trade and investment have promoted local development. An increasing number of countries hold a more favorable view of China than the United States. In the Middle East, China enjoys good relations with both Israel and the Arab nations and is playing a constructive role in the Middle East peace process. In Southeast Asia, many believe that China is filling the vacuum left over by the United States after the

Cold War. Even with US allies such as South Korea and Australia, China has made headway towards presenting a very positive image through its sophisticated diplomacy.

A few other countries are following China’s footprints in strengthening relations with the developing world. India is copying many of China’s practices in terms of seeking economic resources and diplomatic support to ensure that it is not left too behind by China. In April 2008, India hosted its first India-Africa summit in New Delhi, which was attended by leaders from Egypt, Ethiopia, Ghana, Kenya, Libya, Algeria, Senegal, South Af-

rica, Nigeria, Tanzania, Uganda and Zambia. Two documents, the Delhi Declaration and the Africa-India Framework for Cooperation, came out of the first India-Africa summit. The Delhi Declaration was a political document to cover issues of bilateral, regional and international interest to India and Africa, including positions on the reforms of the United Nations, climate

change, WTO and international terrorism. The Framework for Cooperation focused the areas of multi-cooperation on human resources, institutional capacity building, education, science and technology, agricultural productivity, food security, and the development of the health sector and infrastructure. Indian companies have made robust investments in Africa in

In Africa and Latin America, China’s trade and investment have promoted local development.

recent years, and India's trade with Africa has increased from US\$5.5 billion in 2001-02 to over \$30 billion in 2007-08, said Shri Anand Sharma, Minister of State for External Affairs of India.¹²

China's active diplomacy also compels other powers to strengthen their ties with the developing world lest they are out-competed and forced to accept a secondary role in the ongoing developments of that region's political economy. The Fourth Tokyo International Conference on African Development (TICAD IV) convened in Yokohama from the 28th to 30th of May 2008, marking the fifteenth anniversary of the TICAD process, which was first launched by Japan in 1993. This summit-level conference brought together representatives from 51 African countries, 74 international and regional organizations, the private sector, civil society organizations, notable individuals, as well as 34 partner countries, including the G8 and Asian countries. In the opening session, then Japanese Prime Minister Yasuo Fukuda delivered a keynote address in which he stressed Japan's resolve to work together with African countries and the international community towards a "vibrant Africa." He announced Japan's intention to double its ODA to Africa by 2012. According to Fukuda, Japan will offer up to US\$4 billion of ODA loans to assist Africa in infrastructure developments, and Japan will double its grant and technical cooperation for Africa over the next five years. He also pledged to extend financial support of US\$2.5 billion, including the establishment of the Japan Bank International Cooperation Facility for African Investment, and other

measures to encourage private Japanese investment in Africa.¹³

Implications for international political economy

China's new diplomacy has significant implications for international political economy and raises several challenging questions for China itself. For example, will China be at loggerheads with the United States as the two economies compete for resources in the Middle East, Africa, Latin America and elsewhere? If these regions lack natural resources, will China still be interested in them? Can China's development model be copied by other developing countries? How can China achieve a balance between defending its own national interests and becoming a more responsible and more respectable global power?

Development of alternative energy resources

According to some scholars, China's economic security depends on three "Es", namely, economic growth, energy security, and environmental protection. The three variables are dynamically linked with one another. With rapid economic growth, China's energy security has become increasingly salient in ensuring sustainable development. Energy security means security of supply—sustainability of access to global energy resources—and security of demand—efficiency of energy consumption and environmental protection.¹⁴

About 80 percent of China's power is still

generated by coal, the dirtiest source of energy. China already has eight or nine of the world's 10 most polluted cities.

China, India and other emerging markets are in the midst of exceptional economic booms and need cheap energy to keep growing and modernizing. The environmental consequences of surging energy use by these economies cannot be underestimated. William Chandler, an energy expert at the Carnegie Endowment for International Peace, estimates that if the Chinese were using energy like Americans, global energy use would double overnight and five more Saudi Arabias would be needed just to meet oil demand. India isn't far behind. By 2030, the two countries will import as much oil as the United States and Japan do today.¹⁵ Other emerging economies such as Brazil, Russia, South Africa, and Indonesia also have greater needs for energy and export markets.

High oil prices and environmental deterioration have become driving forces behind the development of alternative energies. China began tapping into renewable energy in the late 1980s amid worries that pollution and related health and environmental issues caused by rapid industrialization could cause social unrest. China has strengthened research and development of alternative and renewable energies. In the long run, nuclear power will become one of China's main energy sources. China currently has nine operable reactors and two under construction, with a further 19 having been proposed.¹⁶ The Daya Bay nuclear power plant and Qinshan are big nuclear power plants already in operation. By 2010, nuclear power, hydropower, solar power, tidal

power, geothermal power, and biomass will have risen from 5 percent in 1990 to 10 percent of China's power resources.¹⁷

China has proposed a new concept of "green GDP", with emphasis on protecting the environment while promoting GDP growth. In 2007 China spent \$10 billion—about 7% of the world's total investment in green energy, making China the 2nd largest investor in renewable energy. By 2020 China aims to have 15% of total energy consumption in renewable sources, requiring a further \$398 billion in investment.¹⁸

Renewable energies such as wind, solar, and biofuels are expected to grow into a \$100 billion market over the next 15 years in China, making it a global powerhouse in renewables. "China is rapidly moving into a world leadership position in the industry," observed William Wallace, an adviser to the United Nations Development Program in Beijing.¹⁹

China remains largely agrarian. One obvious strategy is making biofuels and biogas out of the vast amount of agricultural and animal wastes, which can be used as a substitute for imported oil. China is

"green GDP", with emphasis on protecting the environment while promoting GDP growth. In 2007 China spent \$10 billion—about 7% of the world's total investment in green energy, making China the 2nd largest investor in renewable energy.

looking at industrial scale production of biogas, using agricultural, forestry, and municipal wastes. Development of alternative energy sources is not only a challenge for China but other emerging markets. Western countries can certainly help in this respect by providing technology and training.

Better public relations

China's economic engagement with the rest of the world is generally beneficial for China and for other developing countries. But China's image in the Western world is still tarnished. Western governments are far from satisfied with China's contribu-



tions as a global player.

Chinese Foreign Minister Yang Jiechi said that China would shoulder more responsibility for world affairs, but he cautioned that this was not just to please specific countries. "Frankly speaking, China, as a developing country, cannot undertake a level of obligation that goes beyond its capacity," he said. "I would like to emphasize that we are not taking international responsibilities to serve the interests of certain countries."²⁰

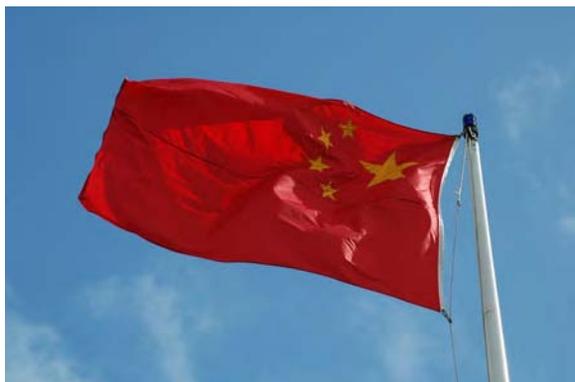
In fact, the downplaying of its capabilities has become a part of China's foreign policy. Nevertheless, China needs to do a better job in explaining to the West and its neighbors, for example, why China (legitimately) needs to increase its military budget, what China's intentions are as its power continues to grow, and how China and other powers can cooperate to promote peace and development around the world.

Establishing Confucius Institutes is just one way of promoting its soft power. Aiming to set up some 500 Confucius Institutes by 2020, China is careful to point out that these cultural centers aren't pushing any ideological agenda. "Confucius Institutes do not teach Confucianism (as a religion). They don't promote any particular values," says Zhao Guocheng, an Education Ministry official in charge of the institutes. "They're just an introduction to Chinese culture, and they're established at the invitation of foreign people who want to understand China."²¹

A Confucian rule says, "Don't do unto others what you wouldn't wish upon yourself." Confucius' message on soft power was clear: Lead by moral authority, not force. Keep your own house in order, and others will follow your example. China must follow this golden rule in its new diplomacy.

The biggest challenge for China in the years ahead is perhaps its handling of Taiwan and Tibet. Any mishandling will immediately harm China's international image.

Taiwan and Tibet



These two Ts will continue to be a heavy burden for China for a long time to come. It is perhaps understandable why China pushed hard to squeeze Taiwan's international space when Taipei's pro-independence government under Chen Shui-bian constantly provoked China, but people in Taiwan and elsewhere may ask: why are you so ruthless? At least some of China's diplomatic success might be nullified by its tough handling of Taiwan. The "check book" diplomacy through which Taiwan and the PRC buy over diplomatic allies are not only wasting huge diplomatic resources but are harmful to cross-Taiwan Strait relations.

To placate the Taiwanese public, the majority of whom still prefer the "no independence and no unification" *status quo*, the PRC government has to change its strategy.²² Instead of denying Taipei's international space, Beijing should confidently encourage and help Taiwan to continue to play some role in international economic and cultural affairs. Even in some international organizations that are strictly for sovereign states such as the World Health Organization, where the

health conditions of the Taiwanese public are not reported, China must be flexible and creative so as to allow Taiwan's interests to be represented. It makes sense for Taiwan to be included in these non-political forums since the condition of the 23 million people there is not just a political issue. Though Beijing considers "cross-strait" relations a domestic affair, how Beijing treats Taipei is closely monitored by other countries. Fundamentally, if China cannot resolve the Taiwan issue peacefully, then China's claim to be a peaceful power will not be validated.

After Taiwan's power transition in May 2008, President Ma Ying-jeou and the ruling KMT have been working to improve cross-strait relations, abandoning the pro-independence policies practiced by the Democratic Progressive Party in the previous eight years. To reciprocate, the PRC has also demonstrated goodwill towards Taiwan. At the end of 2008, the so-called "three direct links" across the Taiwan Strait—shipping, flight, and mail—became reality. Chinese President Hu Jintao expressed his government's wish for Taiwan's meaningful participation in the international community, with priority for Taiwan's participation in the World Health Organization. On New Year's Eve of 2009, President Hu proposed in a major policy speech that the two sides of the Taiwan Strait should engage in efforts to promote military confidence building and discuss Taiwan's participation in international organizations. Despite noticeable improvements in cross-strait relations, the final resolution of the Taiwan issue remains remote.

While the Taiwan situation has somewhat improved, the Tibet issue is likely to emerge as a more serious challenge to the PRC in the years ahead. Tibetan protests against Chinese rule in March and April 2008, especially disruptions of the Olympic torch relay in London, Paris, and San Francisco by pro-Tibet activities, highlighted China's dilemma in Tibet.

The Dalai Lama enjoys widespread popularity around the world. He has repeatedly said that he does not seek independence, only genuine autonomy, for Tibet, but the Chinese government is skeptical of his sincerity and considers him the source of violence and instability in Tibet. China is also suspicious of the Dalai Lama's intentions of establishing an autonomous "large Tibetan area" within China. That large Tibet region would cover a quarter of China's territory and is completely unacceptable to China.

The Dalai Lama and his supporters have accused China of carrying out "cultural genocide" in Tibet, while the Chinese government and many Chinese feel that the Dalai Lama ignores Tibet's economic and social progress and that the Chinese government's efforts to help Tibet develop by pumping in billions of *yuan* every year go unappreciated.

Despite the fact that Tibetan economy has been growing with massive financial support from the central government, China is being accused of having a poor human rights record in Tibet. Due to China and the West's different interpretations of human rights and different perceptions of the current status of Tibet,

China faces an uphill battle in defending its Tibet policy.

Concluding remarks

Probably few events in the 21st century international political economy will be as significant as the re-emergence and exercise of Chinese power. By the early years of the 21st century, China had fully integrated itself into the international economic and political system. China's close cooperation with the developing world in trade, business, energy, and cultural exchanges is a potent and successful example of South-South cooperation.

However, China will be a half-baked "responsible stakeholder" if it cannot satisfactorily deal with "problem countries" such as Sudan, Zimbabwe, Iran, and North Korea. China's relations with these countries will be scrutinized by the international community. In addition, China's policies towards Taiwan and Tibet will also be closely monitored by other countries.

Aware of the tragedies in history associated with global power transition, Chinese leaders seem determined to develop a peaceful path for China's rise. The fourth generation of the PRC leaders, under President Hu Jintao and Premier Wen Jiabao, developed the theory of "three harmonies (*san he*)" – *hexie shehui* (a harmonious society), *hexie shijie* (a harmonious world), and *heping fazhan* (peaceful development), the theory that guided China's domestic and international policies. China has attempted to project a peaceful image in the world, despite .

concerns about its increasing military budget. From the 1997 Asian financial crisis to the North Korea nuclear issue and to the 2008-9 global economic downturn, China has behaved responsibly.

China's new diplomacy is a reflection of China's national interests. With continued growth of its economy, China is expected to widen and deepen its global search for energy and other resources and to expand its political clout. Meanwhile, China also strives to develop peacefully. It is actively promoting "soft power" by promoting cultural, educational and societal exchanges. Though its new diplomacy has become more sophisticated, China is still learning to be a responsible and respectable great power. One hopes that China's new diplomacy will continue to benefit not only China but the rest of the world in the 21st century.

References:

1. For a discussion of major debates about China's WTO membership in US-China negotiations, see Zhiqun Zhu, "To Support or Not to Support: The American Debate on China's WTO Membership," *Journal of Chinese Political Science*, Vol. 6, No. 2 (Fall 2000): pp. 77-101.
2. For an introduction to constructivism as an international relations theory, see Alexander Wendt, "Anarchy Is What States Make of It: The social construction of power politics," *International Organization* 46 (Spring 1992): 391-425.
3. Joshua Kurlantzick, "China's Charm: Implications of Chinese Soft Power," *Policy Brief*, No. 47 (June 2006), Carnegie Endowment for International Peace.
4. Anthony Kuhn, "China Alters Its Role in World Economy, Diplomacy," *National Public Radio* (www.npr.org), All Things Considered, March 31, 2008.
5. Ibid.
6. "Achieving the Millennium Development Goals in Africa: Working with China," Department for International Development (DFID), United Kingdom, November 2007.
7. Scott Baldauf and Peter Ford, "China Slammed for Arming Zimbabwe's Mugabe," *The Christian Science Monitor*, April 23, 2008.
8. Xin Zhiming, "An Example for Africa: Top WB official says continent can learn from China," *China Daily*, March 6, 2008: p. 13.
9. Ibid.
10. Craig Simons, "China's Influence among African Nations Spurs Concerns," *The Atlanta Journal-Constitution*, November 30, 2008. <http://www.ajc.com/services/content/printedition/2008/11/30/chinaafrica.html>
11. "Gallop Demand Raises Big Questions," *Financial Times*, October 20, 2006: p. 4.
12. "India-Africa Co-op Discussed Prior to Forum Summit," *Xinhua*, April 7, 2008.
13. *Japan Info*, Vol. 11, Consulate General of Japan in New York, June 2008.
14. Xuecheng Liu, "China's Energy Security and Its Grand Strategy," *Policy Analysis Brief*, the Stanley Foundation, September 2006.
15. Jad Mouawad, "The Big Thirst," *The New York Times*, April 20, 2008.
16. "Gallop Demand Raises Big Questions," *Financial Times*, October 20, 2006: p. 4.
17. Xuecheng Liu, "China's Energy Security and Its Grand Strategy," *Policy Analysis Brief*, the Stanley Foundation, September 2006.
18. "Freeman Facts: Renewable Energy in China," *Freeman Report*, CSIS, Wash-

-ington, D.C., October 2008.

19. Bay Fang, "China's Renewal: Hungry for fuel, it emerges as a leader in alternative energy," *U.S. News & World Report*, June 12, 2006: p. 37.
20. Anthony Kuhn, "China Alters Its Role in World Economy, Diplomacy," *National Public Radio* (www.npr.org), *All Things Considered*, March 31, 2008.
21. Anthony Kuhn, "China Tries to Export Culture as Influence Increases," *National Public Radio* (www.npr.org), *All Things Considered*, April 2, 2008.
22. According to a survey by Taiwan's Mainland Affairs Council (MAC) in December 2008, 91.8% Taiwanese surveyed prefer the *status quo* across the Taiwan Strait, broadly defined. It is the highest support for maintaining the *status quo* since Taiwan began to conduct surveys on cross-strait ties in the 1980s. See "Most People Welcome China Links, But Suspect China: Poll," *Radio Taiwan International*, December 26, 2008.

