Towards China’s Great Power Diplomacy under Xi Jinping

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Under the fifth generation of leaders, a conceptual shift in China’s foreign policy is becoming abundantly apparent. Xi Jinping is more clearly jettisoning long-standing Deng Xiaoping’s foreign policy dictum of “hide and bide,” calling for big power diplomacy and a great revitalisation of the Chinese nation. This is not merely rhetoric. China is becoming more active in its closest neighbourhood and Asia, and is expanding its influence worldwide. Apart from coining new diplomatic catchphrases to win hearts and minds, China is establishing new institutions as an alternative to the Western-led global architecture, to reflect its ascendancy and normative power.

From Keeping a Low Profile to Forging Ahead

In March, two years had passed since Xi Jinping assumed chairmanship of the PRC. It seems apparent that China under the fifth generation of leaders is more active in foreign policy than in previous years. Moreover, the main player is Xi, who not only grasped crucial posts in the state and party administration with one hand, but also overshadowed high-level officials whose portfolios included foreign affairs.

The assumption that Xi Jinping is shifting away from Deng Xiaoping’s foreign policy dictum of “keeping a low profile,” as he more boldly accentuates China’s rising international status and conducts active and assertive foreign policy, appears increasingly certain.1 The Chinese leader perceives the current global order as in the midst of changes, which creates an opportunity or even necessity for China to take the lead. This is a strategic foreign policy goal, almost officially announced by Xi in his statement that the PRC should establish “great power diplomacy with Chinese characteristics,”2 while Deng’s principle is being replaced by phrases such as “active and pressing on”3 or “forging ahead.”4

1 Yan Xuetong, “Cong taoguang yanghui dao fenfa youwei” [From keeping low profile to forging ahead], Guoji Zhengzhi Kexue, no. 4, 2014, pp. 1–35.
2 “Xi Jinping chuxi zongyang waishi guozou huiyi bing fabiao zhongyao jianghua” [Xi Jinping attended the Central Foreign Affairs Work Conference and delivered an important speech], Ministry of Foreign Affairs of the People’s Republic of China, 29 November 2014. Chinese experts explain the specific meaning of the “great power,” which they also call “leadership-type great power:” to take responsibility with confidence that the world needs China. This model differs from the traditional type of hegemonic power.
China’s strategic foreign policy goal to regain superpower status remains, as it has for years, unchanged. However, since Deng’s term, China’s diplomacy has been rather low profiled, focused on a stable and peaceful environment and good relations with other countries, for domestic reasons. It was a pragmatic choice. After Mao’s disastrous economic and social experiments, and then the Tiananmen pacification under Deng, which resulted in China’s isolation, foreign policy served mainly as a tool for economic development.

Nowadays, the situation is different. On the one hand, China is feeling strong, and overwhelmed by external pressure to take responsibility and abandon its “free riding” approach, but is still under-represented and sidelined in existing global governance institutions. On the other hand, Beijing is facing new economic challenges, such as the lowest economic growth in two decades, and declining exports and investments, which make the current development model less effective. Against this backdrop, China is under pressure to conduct more active diplomacy to preserve its smooth development and domestic stability, but also to satisfy its own sense of pride and to become a leader that creates norms and builds new institutions to reflect China’s rising position.

Under Xi’s leadership, one can observe a conceptual shift in foreign policy stance. Apart from economic rationales, which are still highly relevant, more emphasis is simultaneously placed on political goals such as “the rejuvenation of the Chinese nation,” the “Chinese Dream” slogan interpretation. Xi Jinping is talking about two centenary goals that China should achieve. By 2021 (the 100th anniversary of the CPC) it should be an affluent society, doubling its 2010 GDP and income per capita, and by 2049 (the 100th anniversary of the PRC) it should have become a prosperous and harmonious country based on socialism with Chinese characteristics. It seems that neither of them can be achieved without active diplomacy. The PRC is to play a greater role in the world, contribute to the global governance system (or build a new one), become a rule-setter not only a follower, promote Chinese values, and safeguard its core interests such as sovereignty and territorial integrity, not rarely applying coercive means and drawing on its sense of fait accompli.

Expanding Presence in Three Foreign Policy Circles

China’s diplomacy might be analysed through the “three circles” framework. The concept assumes that foreign policy is focused on three areas, which might be depicted as three concentric rings with China in the centre. The first circle embraces the closest neighbourhood. The second circle extends to the whole Asia-Pacific region, in which China would like to be a real leader. The third indicates the whole world and highlights Beijing’s ambitions to be a global superpower. This order of foreign policy directions is being observed under Xi as well. It is a result of an assessment of the current global situation, for example, the recent economic crisis, the U.S. pivot, new economic initiatives, non-traditional threats, China’s increasing clout, and the decline in the United States’ influence. But there is a slight change of emphasis. Xi pays much more attention than his predecessors to the neighbourhood and the Asia-Pacific region, and is definitely more active on the global scene, diversifying and extending China’s involvement in the third circle.

The Neighbourhood and the Asia-Pacific Region

Under Xi, the closest neighbourhood and the Asia-Pacific region (the first and second circles) are at the core of China’s foreign policy activities. Beijing’s aspiration to be a regional leader is connected with a perception of the rising role of the continent and the economic benefits that can be drawn from the

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6 “Xi Jinping: Minzu fuxing shi ziuda Zhongguo meng” [Xi Jinping: Rejuvenation of the Chinese nation is the biggest Chinese dream], Takanpao, 29 November 2012; “Xi Jinping zai shier jie quanguo dahui yici huiyi kaimu shang fabiao zhongyao jianghua” [Xi Jinping delivered an important speech at the first session of 12th China National People’s Congress], Xinhua, 17 March 2013.
7 Yan Xuetong, „Cong…” op. cit., p. 15.
8 The concept of China’s three foreign policy circles has been borrowed from the book: A. Halimarski, “Trzy kręgi polityki zagranicznej Chini” [Three circles of China’s foreign policy], Warsaw, 1989.
neighbourhood, but it also encompasses security threats. China, facing its own internal challenges, anxiously seeks a stable neighbourhood and close relations with this region. The Asia-Pacific region might be an engine of Chinese growth as an outlet market, a place for investments using Chinese money, workforce and technologies, thus changing the country’s image as a technologies recipient (or thief) and as a factory for the world, manufacturing low-quality products.

Nevertheless, the region is full of potential threats such as terrorism, inter-ethnic conflict, cross-border crime, drug and weapon trafficking, piracy, nuclear threat, and territorial disputes that have recently become tense. What is more, the U.S. pivot, seen in Beijing as a means to contain China, has become a springboard for the PRC to pay greater attention to the Asia-Pacific region and sometimes to flex its muscles. China’s need for economic growth, narrowing the development gap between the western and eastern parts of the country, and bearing in mind the lack of economic integration in the region, are strong impulses to tie the neighbourhood to its own development.

This greater interest in the first and second circles is noticeable in recent diplomatic activities. In late October 2013, only a year after assuming the post of the CPC secretary general, Xi Jinping convened an unprecedented, first ever party Work Forum on Neighbourhood Diplomacy. The meeting was attended by the highest party and state officials. The aim was to define strategic goals for the next five to 10 years. The available information about the meeting indicates that there were two main subjects of discussion, the economy and security. What is more, Xi, for the first time, used the expression “being active (or enthusiastic) and pressing on,” and highlighted that the neighbourhood plays “an extremely important and strategic role” in China’s diplomacy. He admitted that Asia is closely tied to Chinese ambitions and interests. The periphery is to serve the “great rejuvenation of Chinese nation,” and safeguard national sovereignty and security.

The rising role of Asia in the global order is praised at regional forums organised in China (the so-called hosting diplomacy approach) At the 4th summit of the Conference on Interaction and Confidence-Building Measures in Asia (CICA)10 in Shanghai, in May 2014, Xi announced the “New Asian Security Concept” and later on the “Asian Community of Destiny” slogans. Both of them (“Asia for Asians” concepts) aim to spur countries to cooperate on security issues without assistance from non-Asians, arguing that Asia is strong and wise enough to take care of its own security.11 An even bolder announcement was presented at the APEC summit in Beijing, in November 2014, where Xi called for implementation of the “Asia-Pacific Dream” translated as China’s ambitions to be an Asian ruler and norm-setter. Xi tried to show his soft face on the matter of mending relations with Japan, as he met the prime minister, Shinzo Abe for the first time in almost three years and announced a consensus to launch preliminary talks about the Asia-Pacific Free Trade Area (FTAAP), China-led economic integration idea supposed as a counter-proposal to the TPP, led by the United States.12

Furthermore, the most important foreign policy strategy, the Silk Road, was announced in Asia. In September 2013, paying a visit to Kazakhstan, Xi Jinping unveiled the Silk Road Economic Belt concept, while a month later in Indonesia he disclosed idea of the 21st-Century Maritime Silk Road. The proposal was reiterated by the prime minister, Li Keqiang, at the ASEAN+1 in Brunei at the celebration of the 10th anniversary of the ASEAN-China strategic partnership. In March this year, at the Boao Forum, held under the slogan of “Asia’s New Feature: Towards a Community of Common Destiny,” Xi presented his strongest praise of Asia, as a continent that had coped successfully with colonialism, Japanese militarism, poverty and crisis. Now, using its own development model, Asia is dealing well with current problems such

10 CICA is an inter-governmental forum that focuses on security issues in Asia. The first summit was held in 2002. CICA’s members are 26 Asian countries. In 2014, China assumed CICA chairmanship, which will last until 2016. During that time, Xi Jinping is promoting this organisation as the main Asian security forum.
12 “Mouqiu chijiu fazhan, gongjian yatai mengxiang. Zai yatai jing he zuzhi gongzhang lingdaoren fenghui kaimushi shang de jianghua” [Seeking sustainable development; building together Asia-Pacific Dream. Speech delivered at the opening ceremony of the APEC summit], Renmin Ribao, 10 November 2014.
as the global economic crisis and becoming a world economic centre. At the forum, China unveiled the long-awaited Silk Road blueprint. The document underscores Asia as the crucial part of the concept, listing the regions included in this strategy as Central, Western, South, Southeast and East Asia, and the Indian and Pacific Oceans.13

China is also very active in safeguarding its core interests, such as sovereignty and territorial integrity. Assertive actions to confirm Beijing’s control over disputed islands (for example, the Paracels and Spratly in the South China Sea) such as land reclamation, building military and economic facilities there, and extending its jurisdiction over these areas, have led to a rise in regional tensions. While on the Diaoyu islands on the East China Sea, under de facto Japanese control, the PRC is exerting pressure on Tokyo to admit that the dispute exists. One of China’s most vexing moves was the unilateral decision to establish the East China Sea Air Defence Identification Zone (November 2013) over Diaoyu, which overlaps Japan’s South Korea and Taiwan zones.

Going Global

Apart from the involvement in the first and second circles, it is beyond doubt that China is going global as well. In November 2014, Xi conveyed another party conference, but this time on overall diplomacy. The 4th Central Foreign Affairs Work Conference was also a rare event, of which there had previously been only three, in 1971, 1991 and 2006.14 The fact that Xi held the caucus almost two years after becoming state leader (Hu Jintao organised such an event three years after assuming office) is a signal of China’s new and active diplomacy.

The main line of the conference was an appeal to build “big power diplomacy with Chinese characteristics.” Xi argued that the world is facing new tasks, and that the global order is changing, becoming more complicated and complex. This situation, together with China’s successful development, creates a “strategic opportunity” for the PRC. China is in the midst of implementing its main goal of the great rejuvenation of the Chinese nation, Beijing’s relations with the world are closer, while the world is becoming more dependent on China, as the “Middle Kingdom” becomes more influential. Under these circumstances, the PRC should promote global governance and international order reforms through increasing the representation and voice of China and other developing countries. China should be active and creative, and contribute more to the world’s development and create a new model of international relations. What is more, the PRC should work on its soft power, prepare its own positive “stories,” and build a “global network of partnerships.” An important element of the conference was also the firm stance on China’s core interests and territorial integrity, emphasising that, under no circumstances, can the PRC sacrifice its national core interests.15

China’s activities in the third circle are noticeable. The best example is the Silk Road strategy, often seen as China’s global pivot.16 It is an idea of global scope, extending to Europe (including the Baltic Sea), the Persian Gulf, the Middle East, the Mediterranean Sea and Africa,17 and is a comprehensive foreign policy tool. The Silk Road is being used to indicate China’s global ascendency, rising international clout, and expanding influence all over the world, and as a response to the U.S. pivot and an instrument to launch or re-invigorate relations with distant partners with which cooperation has not been very close so far. Moreover, the concept is visualised as a two-way economic strategy, not only to export Chinese overcapacities (as the “go global” strategy assumes) but also to facilitate the import of raw materials, food,
and technologies, and to establish preferential economic areas along transport corridors to spur trade and investments. Further, the Silk Road is also presented as China’s contribution to the global economy. Moreover, it is a way to diversify and develop the transport network in order to shorten transport times, given the instability in the sea-lanes in Southeast Asia, but simultaneously to increase China’s presence on the seas and transform the country into a real maritime power.

China is definitely expanding and diversifying its foreign policy directions. Central and Eastern Europe (CEE) and Latin America are good examples. In recent years, China has been active in reinvigorating ties with 16 CEE countries, establishing a new cooperation format (16+1) with annual meetings of heads of governments. Simultaneously, the PRC almost diffused concerns about criteria that were used to create the new formula, or worries that it may undermine the EU’s China policy. In the case of Latin America, Xi visited this continent twice and these trips and other initiatives are interpreted as China’s increased activity in the United States’ backyard. In January, Beijing initiated the China–Community of Latin American and Caribbean States (China–CELAC) formula. Participants adopted five-year plan and decided to organise such summits every three years.

Apart from expanding and diversifying foreign policy directions, China is building its image as a “responsible power” (a slogan often used by Chinese leaders). Among these initiatives is the latest evacuation of foreign citizens from Yemen, by Chinese military vessel. The Ministry of Foreign Affairs highlighted that, for the first time, China had evacuated foreigners from the dangerous zone.

What is more, China is taking the opportunity presented by the changing global situation. This approach is noticeable in strengthening relations with BRICS countries. Xi visited all BRICS states as the PRC chairman, and China is trying to become an informal leader of this format. At the 6th BRICS summit in Brazil, in July 2014, members decided to institutionalise cooperation by establishing the New Development Bank and Reserve Fund. The fact that new bank headquarters is in Shanghai seems to be evidence of China’s skilful diplomacy, bearing in mind previous disagreements about the bank location, structure, and so on.18

Special attention should be paid to China-Russia relations. The PRC is using the Ukrainian crisis to play with Moscow. Beijing’s “neither support nor condemn” approach towards Russia’s role in the crisis gives China an opportunity to use Russia for economic and political reasons. Both countries finalised (probably on Chinese terms) a long-awaited gas contract. Moreover, a few months later a preliminary deal for another gas supply (from the western direction), which is needed more by Russia than by China, was signed. But on the other hand China has not recognised Crimea as Russian territory, and maintains good relations with Kyiv (Li Keqiang met Ukrainian president, Petro Poroshenko, in Davos, and assured him that the PRC respects Ukraine’s sovereignty, independence and territorial integrity19); giving the West a nod that China respects international law.

Finally, China’s more active and assertive diplomacy is noticeable in relations with the United States. From the Chinese point of view, ties should be based on the “new model of great power relations” framework, an idea disclosed by Xi Jinping in 2012. It is widely acknowledged that this slogan applies most commonly to relations between the United States and China. The concept assumes that each side respects the other’s core interests and major concerns, and that they increase mutual understanding and enhance cooperation on global issues. It seems that this slogan is aimed at accommodating China’s interests in relations with Washington on Beijing’s terms, and at accentuating the PRC’s rising international clout.20 There are plenty of examples of China’s growing self-confidence in cooperation with the United States. CICA, promoted as the main security architecture in Asia (without the U.S.), the new economic mechanisms aimed at undermining the U.S. and the global economic governance order that it leads, and the Silk Road

(representing China’s pivot to Asia and the world)21 are only a few examples. What is more, the recently announced “global network of partnerships,” another of Xi’s foreign policy slogans, indicates an opposition to the notion of alliances, which apparently refers to the U.S. alliances (for example, U.S. military ties with Asian countries). For Xi, to be in an alliance means to have a foe, while a partnership stresses cooperation based on mutual benefits.22

New Institutions

China does not limit its activities to slogans and new initiatives, conducting extensive trips and hosting huge international events. Beijing is gradually becoming a rule-shaper. Under Xi, China is establishing new institutions to show its normative power. They are aimed at creating, to some extent, an alternative global architecture to the one that has been formulated and governed by the West, and in which China and other emerging powers are under-represented.

The most impressive are new economic bodies. At the BRICS summit in mid-2014, the first concrete step towards reshaping the Western-dominated international financial architecture was taken, when the New Development Bank and Reserve Fund were established. But most resonant was the decision to establish in Beijing the inter-governmental, China-led Asian Infrastructure Investment Bank, AIIB (plus the $50 million Silk Road Fund, which started operation at the beginning of this year), seen as a challenge to the Japan-led Asia Development Bank and the Bretton Woods system. It seems that U.S. Congress decisions of December 2014 not to pass IMF reform, which includes handing more voting power to emerging markets such as BRICS countries, was one of the most important drivers for this step. Signed in October 2014 by 21 Asian countries, a preliminary agreement as well as a deadline (31 March 2015) to apply for founding member status, triggered a worldwide scramble for accession. Despite almost open dissatisfaction from Washington, which sees the AIIB as a threat to the standards of development assistance and non-transparent rules, and suggestions that Europe and other U.S. allies should not join the bank, many European countries submitted applications. China’s offer packed in a rhetoric that the bank is not to replace the Bretton Woods institutions, but is to bridge the infrastructural gap in Asia, assuring that founding shareholders may decide about the shape and rules of the bank, as well as offering prospects of access to infrastructural projects in Asia and the Asian market, resulted in a spectacular Europe–U.S. rift and a diplomatic victory for China. Apart from banks, initiatives such as the FTAAP, China’s newly signed FTAs (for example, with Australia, South Korea, Switzerland and Iceland (respectively, the first developed and huge Asian economies, and the first European economies), China’s activity in negotiating RCEP, new economic corridors between China and neighbouring countries, and China’s new domestic free trade zones (in Shanghai, Tianjin, Fujian, and Guangdong), which are aimed at closer international cooperation, are also important new economic institutions that indicate China’s agenda-setter potential.

China is also trying to set up new security-oriented bodies and comprehensive political mechanisms to facilitate wide-ranging cooperation with specific regions. Among them are CICA as the main security forum in Asia, but also ADIZ, which is claimed to be a means to protect state sovereignty and land and air security, but inevitably to highlight China’s political and military clout. Meanwhile, political bodies embrace various new cooperation formats such as the 16+1 formula (and new mechanisms and forums within this format) or China–CELAC forum, to reinvigorate relations with so-far neglected countries and regions.

On the Road to Superpower Status

It seems clear that Xi Jinping is abandoning passive diplomacy and investing heavily in enhancing China’s image as a major regional and global leader with creative proposals and peaceful intentions. So far, there has been no official confirmation of jettisoning Deng’s “hide and bide” principle, and such an announcement should not be expected. Instead of announcing superpower ambitions, which may promptly reinvigorate the

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perception of China as a threat, Beijing is skilfully using arguments of ongoing changes in the world, mainly the economic crisis, which have proved China’s strong position and caused the United States’ power of influence to decline. Under these circumstances the PRC is gradually filling a gap using its values of peace, harmony and reciprocity, and its own economic and technological achievements (currency reserves, technologies, and experience in infrastructural projects) to take part in the construction of a new economic global governance system.

The expression that Xi’s predecessors’ foreign policy was based on “earning money” while Xi’s policy is based on “face” or “making friends” is the best synopsis of the current leader’s diplomacy. Utilising well-associated slogans and concepts such as the Silk Road, partnerships, and a “community of destiny,” and by de-escalating tensions when they become hot, to avoid open conflict (for example, better ties with Vietnam and Japan despite recent territorial rows) seems to be a thought-out strategy for building China’s superpower status. Peaceful and friendly rhetoric is difficult to reject. What is more, Beijing’s new initiatives based on a sense of reciprocity (for example, the Silk Road) might be beneficial for other countries. China’s new diplomacy might also be perceived as a response to the worldwide (mainly U.S.) lament that Beijing does not take responsibility in the global arena. Bearing in mind the fact that, despite China’s efforts to increase its role in existing global governance institutions, its voting share is still not satisfactory, China’s decision to initiate new mechanisms seems to be justified. An invitation for other countries to join the AIIB in order to shape its rules is another well-made move. This step not only increases the probability of this initiative’s success, as the presence of developed counties gives this project more credibility, but it also highlights China’s power to persuade.

It is beyond doubt that China’s new great power diplomacy, combined with more assertive activities, may have an impact on the EU. In March/April 2014 Xi Jinping paid a landmark visit to Brussels, becoming the first Chinese chairman to visit the EU headquarters. A few days later, China published its second EU policy paper (the first one was published in late 2003). Nevertheless, despite assurances that the EU is China’s strategic partner, it seems that it is playing a lesser role in China’s diplomacy than before the crisis, and is still perceived more as an economic partner that a political power to be reckoned with. As its economic position is not as strong as it was before, the EU’s international influence has somewhat declined. Acting as an “independent pole” in the international system is difficult, and the EU can hardly play the role it wants to play. Under these circumstances, greater attention from EU’s leaders to relations with China, and more coordination on the EU level, such as consultation about the EU and Member States’ position on particular issues as they arise (such as Member States joining the AIIB), may improve the EU’s position in China’s diplomacy and be more beneficial for EU interests.

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23 Author’s personal communication. See also: Yan Xuetong, “Cong…,” op. cit., p. 15.