

China's New Leadership: New International Ambitions?

15 April 2013, Egmont Palace, Brussels

Summary of the Expert Seminar

Egmont – Royal Institute for International Relations hosted a seminar on China's foreign policy, gathering an expert group of European scholars and practitioners. This event was held under the Chatham House Rule.

The seminar started with an assessment of China's new leadership, one month after the completion of the transition, and the role of the communist party in formulating Chinese foreign policy. The role of specific figures, such as newly appointed State Councillor Yang Jiechi was discussed, together with the potential role of more prominent figures and foreign policy-makers in the Chinese Politburo. Leaders of state owned enterprises are also involved in Chinese economic diplomacy, as they have recently joined the Chinese delegation in trips abroad. The importance and symbolism of the new leadership's first visits abroad, in Russia and Africa, was also discussed while emphasizing the 'normality' and continuity of such trips. Overall, it was assessed that foreign policy remains a peripheral issue for China's leadership and that no drastic changes were expected from this transition.

The participants reviewed some of the current contentious issues that presently face China and its Asian neighbours. Conflicting claims over the South China Sea between China and other regional countries were debated. Some negotiations occur within a legal framework, relying on the "law of the sea". Yet, relations between China and its neighbours remain tense, as illustrated by the fact that Beijing is making moves to marginalize the Philippines, thereby challenging the current ASEAN partnership and potentially resulting in the dismantling of the Chinese-South East Asian agreement.

A similarly delicate situation characterises the problem of the Diaoyu/Senkaku islands, where both China and Japan (and Taiwan) claim sovereignty. Tension is mounting and there is an unease surrounding the high risk of accidents around the area. However, both the Navy and the Ocean administration are unwilling to communicate with Japan and have instead decided to reinforce Chinese patrols around the islands. Cross-straits relations were also identified as a possible flashpoint. In response to these challenges, a participant referenced a quote from British Prime Minister Edward Heath when he said "events, dear boy, events", reinforcing the fact that it is impossible to anticipate how countries will react to events until they happen.

North Korea was another topic for discussion. Participants wondered whether or not Beijing will go beyond the UN Security Council sanctions. As it currently stands, China has enforced strong controls over ships in the East China Sea and attempts to lever North Korea's trade and financial dependencies on China, notably through the freezing of assets.

A speaker identified two new areas in China's foreign policy: cyber security and the protection of Chinese citizens abroad. Cyber security includes acts of sabotage, the purposeful disruption of a state's communication system, and acts of (industrial) espionage. Cyber warfare has become another growing concern as attacks are difficult to predict and

perpetrators difficult to catch. China is particularly concerned about cyber security, since it regards it as a threat to its fundamental objective: regime stability. The EU and China have recently launched a dialogue on these cyber issues, which features a high potential for cooperation, according to one participant.

The other new Chinese priority relates to the protection of Chinese nationals living abroad. The number of “overseas Chinese” is growing and they are fast becoming one of the largest migrant groups working abroad today. The term “overseas protection” refers to the attempt of various Chinese institutions to provide protection for these citizens. A recent report by SIPRI noted that the “protection of citizens has been cautiously ad hoc, due to the fact that the Chinese government is unaware of how many Chinese passport holders are overseas at any one time (estimates put the number at 5.5 million in 2011, up from 3.5 million in 2005.)”¹ Recent attacks on Chinese citizens abroad and instability in regions where a diaspora resides have forced Chinese consular authorities to provide protection and assistance, and to develop crisis management planning. Attacks on nationals have been on the rise since 2004, when 14 Chinese citizens were killed in Afghanistan and Pakistan. Attacks continued to increase globally, leading to the evacuation of citizens from states such as Egypt, Japan, Libya, Chad, Haiti, Lebanon and Thailand.

On EU-China relations, a participant highlighted the fact that Europeans are trying to lure China into the liberal order, arguing that it is in Europe’s strategic interest to keep the liberal order afloat whilst also trying to benefit from China’s growth and trade opportunities. It was also said that the EU should not try to preach or even persuade China into this order, but that it should instead develop a more subtle approach. Chinese diplomacy was deemed to be too naïve at times; and the unwillingness to take on more responsibility in international relations was criticized.

Relations with China have been for a long time a strong component of EU foreign policy. Relations began to strengthen since the development of the EU-China strategic partnership in 2003. This partnership was originally based on trade but has grown to include other areas such as foreign affairs and security policies. The EU and China have a large number of dialogues on all these issues, some being more effective than others. The question was raised whether the EU should not propose to merge its trade and strategic dialogues (currently on separate tracks), following the US-China model of the ‘Strategic and Economic Dialogue’, in order to lever its economic power over its weaker foreign and security policy. However, it was assessed that such suggestion would likely be rejected by Beijing and that it would have more negative than positive consequences for both dialogues.

The EU-China relationship is very important for both sides. The EU is China’s biggest trading partner, China also provides the EU with the second greatest number of imports. Both sides are dependent on each other for investment, trade, development and innovation. The discussion ended with exchanges on the EU’s lack of China strategy (for instance in terms of trade and investment), which can lead at times to counter-productive, if not divisive policies.

Drafted on 17 April 2013.

¹ Duchâtel Mathieu, and Bates Gill. *Overseas citizen protection: a growing challenge for China*. Stockholm International Peace Research Institute (SIPRI), 12 February 2012.