

# **International System in Transition: China's Forward-looking Strategy and Policy**

## **I. Introduction**

With the 21st century unfolding, the mankind is looking forward to as well as shaping the future trends of the world. Given that the international society is exploring and designing a new blueprint, therefore, new theories, strategic framework and policy measures for constructing the international system are urgently needed. The contemporary international system, based on sovereign and nation state actors characterized by equal sovereignty, is confronting with tremendous challenges. The system, ranging from its basic structure to organic bodies, from values to cultures, from rules and norms to behaviors and practices, is undergoing a historic period of transformation. Various actors, such as traditional power, emerging powers, IGOs, NGOs, civil societies and transnational corporations are all seeking for the best possible positions and maximizing their roles in this historic process. Consequently diverse ideas and strategies emerge to compete for the leader of the era.

“International system” refers to a unity of opposites where various international actors interplay and also refers to a relatively stable order that contains rules, regimes, shared values and directions. International system, once established, is relatively stable and from which the leading states can often benefit in a way of transcending time and space. Therefore, state actors and non-state actors alike are particularly concerned with the maintenance, update and construction of the system. Thus, their corresponding calculations, plans and measures constitute their very strategies and policies regarding the international system.

Whereas the academics at home and abroad are concentrating on theories concerning the study of international system, the author would like to single out the dimension of strategy and policy and the timeframe of the upcoming decades. My purpose is to explore the evolving trends of the contemporary international system, the strategic planning of traditional and emerging powers, the countermeasures of international and regional organizations, traditional and non-traditional security issues and their solutions, China's perspective on international system and China's strategy and policy, *etc.* With that, this author hopes to advance the study of international system through dealing with the reality and planning in advance, which will facilitate China to develop apace and the international society to gain a win-win opportunity.

The upcoming 20 to 30 years are critical to the transformation of the international system, during which China will be in the transitional period from the reactive acceptance of the existent international system to actively shaping the new one. Under the guidance of the concept of the “harmonious world”, China is now defining its position in the transformation of the international system, consummating its views on

the international system and promoting the system to forge ahead in the same direction of the history. Therefore, China should establish its own strategy and policy on international system as well as provide the world with public goods of the forward-looking, strategic and thoughtful nature. At the same time, China should coordinate its domestic and external strategies, and strike an overall balance between an ideal international system and a realistically possible one.

## **II. Estimation of China's Strength and Role**

### *1. China's Own Estimation*

As regards China's strength and role in the world affairs, it has its own estimation. China is the most populated country in the world and its economy has achieved remarkable developments after near 30 years' reform and opening-up. The GDP of China in 2006 was ¥ 20.94 trillion *yuan*, an increase 10.7% over the previous year. However, the consensus on how to evaluate China's strength has not yet been reached domestically. The mainstream opinion is that China is still a developing country. The Chinese leaders have frequently said that China is the largest developing country in the world with a population of 1.3 billion, a not-high stage of economic development and a behind-the-100th position in the world's rank of GDP per capita. China needs to keep on working hard for a fairly long time before it can become a then middle-level developed country.

The reasons why China still will be a developing country in a long run are as follows: Firstly, the basic national conditions are big population and weak foundation. Premier Wen Jiabao once mentioned, "China is still and will remain to be in the primary stage of socialism for a long time. The primary stage is the under-developed stage."<sup>1</sup> Second, the weakest part of China's CNS composition lies in the lack of creativity of thinking and institution. China has a long way to go in carrying out its civilization and modernizing its thinking. China's ideas have not yet been in the mainstream of the world. China is only at the stage of "reforming" but not "renovating" its institutions. The creativity of policy, institution, legislation and mechanism is more within China. Third, China's CNS remains behind those of the world major powers'.

### *2. Overseas Estimation*

There have been various overseas estimations on whether China is or will be a world power. Generally speaking, these estimations can be summarized into three groups of opinions.

The first claims that China will be a world power in the 21st century. The U.S. Times

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<sup>1</sup> Wen Jiabao, *Historical Tasks in the Primary Stage of Socialism and China's Foreign Policy*, People's Daily, February 27, 2007.

magazine carried a cover story entitled “China: Dawn of a New Dynasty” about the coming of the Chinese century. This article said that China’s economic and diplomatic power is continuing to rise. Its foreign investments and appetite for raw materials have already transformed the world’s economies. In this century, the relative power of the U.S. is going to decline. So the 21st century is China’s century.<sup>1</sup>

The second group people think that China has no chance to become a world power. It is their view that from the perspective of global development, the United States will remain the world’s sole superpower and leading global power, and that from the perspective of China’s development, China still does not have the essential elements of being a world power. Dr. Sheng Lijun, a Chinese scholar who conducts research in Singapore, said that China is lack of three decisive elements to become a superpower, namely, security superiority, leading hard and soft power.<sup>2</sup>

The third school expects a collapse of China. Mr. Gordon G. Chang, a Chinese American lawyer, published in 2001 a book titled *The Coming Collapse of China*. He asserted that the current Chinese political and economic institutions could last for five years at most. The Chinese economy is declining now and approaching to a breakdown. The collapse will take place before rather than after the Beijing Olympic Games in 2008. However, very few people agree with this and this number continues to dwindle.

### 3. *World’s reaction to China’s emergence*

The Western developed countries take China’s economic rise as both an opportunity and challenge. Many developed countries see China’s rapid economic development as a historic opportunity. They have two countermeasures to deal with China’s economic rise: utilizing opportunity and keeping superiority. As to utilize opportunity, they strive for an advantageous position in the new round of China’s economic upsurge. As to keep superiority, they use the collective force to regulate China by agenda setting and norm making. Some others suggest that the West should preserve its superiority in science, technology and economy, and establish a U.S.-Europe Free Trade Area so as to prevent China from taking the place of the West and becoming a world economic power.<sup>3</sup> Speaking of challenges, the Western countries in general and the United States in particular are concerned that China’s increasing CNS will not only challenge the West in the economic field but also affect its leading position in international system.

Most of the developing countries hope to share the achievements of China’s reform and opening-up as well as ask China to perform the duties of a developing power. Their demands of China on various fronts, such as politics, economy, security and diplomacy, are increasing along with the fast growth of China’s CNS. They hope that China can

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<sup>1</sup> Michael Elliot: “The Chinese Century”, *Times*, January 22, 2007, pp.15-25.

<sup>2</sup> Cf: Sheng Lijun: “China and the United States: Asymmetrical Strategic Partners”, *The Washington Quarterly*, Summer 1999, pp.147-164.

<sup>3</sup> <http://www.southcn.com/news/international/china/200609200060.htm>.

take more international obligations and social responsibilities.

### **III. China's Strategic Opportunities and International System**

#### *1. China's important strategic opportunities*

At the beginning of the 21st century, the Chinese leadership put forward the concept that the first 20 years constitute an important period of strategic opportunities to the country. This period has two aspects, domestic and international. The following focuses on the main opportunities and challenges confronted by China internationally.

The main opportunities are as follows. Firstly, the dynamics of the long cycle is that the global economy, the international politics and the world science have all entered in a new cycle. China can fully use the favorable conditions of global economic growth, the reconfiguration of the international politics and the development of the world science to promote the domestic modernization and cooperation among the countries.

Secondly, peace and development remains to be the main theme of the current era. In the upcoming decades the world will generally maintain peace and stability. No world war will erupt and China is not likely to get involved in any major wars. Most countries, especially the major powers attach great importance to the interactions both bilaterally and multilaterally. They prefer to use the political, economic, diplomatic and cultural means to solve their problems each other. The coordination and dialogue among the major powers, the different regions and the country groups has been strengthened, thus enabling China to strive for a peaceful environment for development for a relatively longer period of time and concentration on economic development.

Thirdly, China has a favorable environment for the development of economy, science and technology in general. In terms of economy, the sustainability of the world economic growth and the dynamics of the Asia-Pacific economy have laid the foundation for the stable and sustainable development of China's economy. After China's accession to WTO and the completion of the transition, China's economy has increasingly integrated into the world economy and the room for its development has been broadened. In terms of science and technology, the development of modern science and technology has offered strong impetus for the progress of the mankind and also the conditions for those countries lagged behind to catch up with the developed countries. China's backward advantages have been more prominent in science and technology.

Finally, the sub-regional, regional and trans-regional cooperation provided China with more and greater arenas. Under the guidance of its good-neighborly policy, China has established various kinds of partnership with its neighboring countries, which makes

the surrounding sub-regional cooperation mechanisms, such as the SCO, ASEAN and GMS, positive platforms for China's constructive interaction with the neighbors. It has also significantly improved China's surrounding environments. China has made a step forward in trans-national cooperation, for example, China has substantial cooperation with Latin American and African countries, which has created some conditions for China's "Going-out strategy".

The major challenges to China are how to achieve more recognition and less international misunderstanding on the road of peaceful development, how to maintain the enduring and stable development of Sino-U.S. relations, how to tackle the serious potential troubles in the surrounding areas and how to meet the challenges of the world economic cycles.

## *2. From reactive utilization to strategic shaping*

China convened a national conference in 2006 on its foreign affairs for the first time since the founding of the People's Republic of China and the conference re-emphasized that China should maintain and utilize the important period of strategic opportunities.<sup>1</sup> In the process of gearing to and utilizing the international environment, China is now going to the direction of strategically shaping the environment instead of passively utilizing it. During the Asia Financial Crisis in 1997 and the North Korean nuclear crisis started in 2002, China has shown its proactive initiatives in the international system. The intention and capability of China's integration of institution building and China's development has found embodiments in the three China-sponsored conferences in 2006: SCO Summit, the 15th Anniversary Summit of China-ASEAN Dialogue, and China-Africa Forum. In recent years, China has consecutively issued White Papers on foreign and defense policies, which shows China's enterprising and planning on diplomacy and security. China is giving strategic thoughts to and conducting academic discussion on such important issues as international system, international configuration of powers, international order, world economy and co-existence of civilizations, thus showing the maturity of a responsible power. Furthermore, China has put forward the concept of "harmonious world", which has elevated its own vision to a new historical height.

China is not yet able to play a leading role in the international system with its present CNS and international influence, however, this does not mean that China can sit idly and accomplish nothing. China is trying to seize upon and utilize this important period of strategic opportunities from the perspective of the international system building in order to further promote its modernization program.

## **IV. Concept of "Harmonious World" and Views on International System**

### *1. Context and development of the concept of "harmonious world"*

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<sup>1</sup> *People's Daily*, August 24, 2006.

The concept of “harmonious world” has been deeply rooted in the Chinese culture and foreign relations. In 1955, China initiated with India and Myanmar the Five Principles of Peaceful Co-existence. In the time of reform and opening-up, China again presented that peace and development are the two main themes of the current era, and declared China’s determination to stick to the road of peace and development. Contemporarily, China’s ever-increasing CNS has turned it into a developing power with enhancing influence in the world. This change of China’s international status has prompted China to study relevant theories with a view to acquiring the moral and theoretical commanding heights at the time of rapid growth of material wealth. In a word, China needs broad international visions and high sense of responsibilities from the historical perspective, equipping itself with both the theories and principles of international relations conforming to the trends of our times, and the creative and forward-looking foreign policy and strategy.

Under this circumstance, the concept of “harmonious world” was shaping up. In April 2005, President Hu Jintao put forward for the first time the concept of “harmonious world” to the international society at the 50th Anniversary of Asian-African Conference at Bandung.<sup>1</sup> Later he made further elaboration on this concept at the 60th Anniversary of the United Nations in September 2005, which had laid a foundation for China’s basic stance on the “harmonious world”.<sup>2</sup>

The presentation of the concept of “harmonious world” has a distinctive feature of our times, reflecting the joint efforts of international society in seeking cooperation and shared benefits under the circumstances of globalization. With the deepening of globalization and interdependence of national interests of all countries, the international society is confronting with increasing demands for a consensus on the ways and directions of future world development. At the contemporary age of oversupply of material wealth and scarcity of intellectual thinking, the international society is eagerly looking for new thoughts and ideas to interpret the complex nature of the international relations as well as solutions to our problems. China’s argument for promoting the construction of a “harmonious world” is a useful experiment for alleviating world conflicts and tensions. At present the world is far from tranquil. There are no final solutions to the problems of peace and development. The contradictions in the world tend to proliferate and diversify. As a result, the mankind has to a long way to go before realizing the aspirations of universal peace and common development. The promotion on the construction of a “harmonious world” provides a

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<sup>1</sup> President Hu said: “We should carry forward the fine tradition of the Bandung Conference that seeks common ground while putting aside the differences, advocate greater openness and tolerance, respect the diversity of civilizations, religions and values, honor the right of all countries to independently choose their own social systems and modes of development, promote amicable coexistence, equal-footed dialogue and common development and prosperity of all civilizations in the effort to build together a harmonious world”, “From the Glorious Past to a Bright Future: Building a New Type of Strategic Partnership between Asia and Africa”, (April 22, 2005, Jakarta), *People’s Daily*, April 23, 2005.

<sup>2</sup> Hu Jintao: “Striving to Build a Harmonious World of Enduring Peace and Common Prosperity: Speech at the Summit for the 60th Anniversary of the United Nations”, (September 15, 2005, New York), *People’s Daily*, September 16, 2005.

new perspective to address challenges faced by the international society, which can, to the maximum extent, ease contradictions, reach consensus, maintain peace, and sustain development.

The concept of “harmonious world” is conducive to enhance the peaceful coexistence of civilizations under the guideline of “peaceful but differentiated” amidst of the loudening of “Clash of Civilizations”. In the history of humankind, every civilization made positive contributions in its own way to the progress of mankind. These various civilizations still manifest distinguished characteristics on the world stage in contemporary times. Consequentially, the respects for the existence of pluralistic civilizations and development modes are the fundamental points of both departure and destination for China’s promotion of building a “harmonious world”. The concept of “harmonious world” has its global basis, since there all exists the idea of “peace” in world major civilizations. Some scholars had made the following comments on Mr. Ban Ki-moon’s being elected as Secretary-General of the United Nations: The current international system was in need of fresh wisdom, philosophical thinking and behavioral mode. Since there had been too many conflicts in the world, what we need now is a good officer and mediator with the character of the combination of good liaison and strong will as well as a good sense of moderation, instead of being belligerent and aggressive. <sup>1</sup>

## *2. Basic conations and profound significance of the concept of “harmonious world”*

The concept of “harmonious world” presently still needs being substantialized and enriched. “Harmonious world” is the logical extension of the ideas of “harmonious society” and “harmonious region”, but not their simple magnification. The afore-mentioned China’s national conference on foreign affairs sketched out the connotation of ‘harmonious world’: “Building a harmonious world is both the inevitable premise for us to stick to the road of peace and development, and the important condition for us to realize peace and development. We should strive to enhance the mutual respect, consensus, and harmonious coexistence with other nations, with the respect for the rights of peoples of various nations to choose independently their own social institutions and developing road, as well as support for the equality of every country in dealing with international affairs so as to promote the democratization of international relations. Strive to deepen mutual cooperation, common prosperity, and mutual benefits, while advancing the sharing of outcome of economic globalization and technological progress and promoting universal prosperity. Strive to promote the exchanges, mutual understanding, and common development among different civilizations, to advocate for world pluralism, and to advance the development and progress of human civilizations. Strive to enhance the mutual trust, dialogue, and cooperation among all the nations, with a view to tackling jointly various global issues faced by humankind, promoting peaceful settlement of international

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<sup>1</sup> [http://xmzk.xinminweekly.com.cn/tg/200610/t20061023\\_1147209.htm](http://xmzk.xinminweekly.com.cn/tg/200610/t20061023_1147209.htm).

disputes, and maintaining world and regional security and stability.”<sup>1</sup>

The concept of “harmonious world” constitutes the guiding principle for China’s international strategy. Firstly, China needs the comprehensive grand strategy in the process of modernization, which is mainly composed of domestic development strategy and international strategy. Secondly, the mutual reinforcement of harmonious world, harmonious region and harmonious society forms the integrated Chinese strategic thinking both domestically and internationally, and facilitates the synchronizing management of internal and external affairs, and enables China to hold initiative in the historical process of meeting the challenges from globalization and digitalization. Thirdly, “harmonious world” is the linkage of various forces in the world, the natural result of “peace, development, cooperation”, and the ultimate goal of China’s international strategy. Fourthly, “harmonious world” raises Chinese diplomacy from just policy measures to the more advanced level of theoretical creation and strategic planning, with the systematization, theorization, and universalization of Chinese diplomacy from the different aspects of politics, economy, security, and culture. In addition, this concept has also addressed the deficiency of past Chinese diplomacy in theoretical and systemic building. Fifthly, the concept of “harmonious world” responds to some concerns and worries of international society about China, which is helpful to the improvement of China’s international environment. Lastly, the concept of “harmonious world” is an important public good for the international society supplied by China, reflecting China’s high sense of responsibility. By putting forward the concept of “harmonious world”, China not only expresses the legitimate demand and claims of developing countries, but also strives for the making the international order more just and rational.

### 3. *“Harmonious world” and international system*

The concept of “harmonious world” is a kind of upper- echeloned idea closely related to views on international system, falling into the category of universal values. The concept of “harmonious world” creates amicable circumstances for the identity and consensus of international system in the world, with the two factors of Concept and System beneficially interactive with each other, and constitutes the basis for the common value of new international system. The international system directed by the concept of “harmonious world” should be based on but transcend the sovereign state so as to update and shape the international system from a more macro-global standing.

The concept of “harmonious world” needs the support of international regimes. The visions enunciated by the concept of “harmonious world” have to experience the transformation process of turning aspiration into reality, with international regimes as an important platform. As the components of international regimes, international institutions, rules, and norms assume the vital function of transformation. In this period of transformation of international system, various international institutions, rules, and

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<sup>1</sup> *People’s Daily*, August 24, 2006.

norms are also in the adjustment period, which has provided space and opportunities for the implementation of the concept of “harmonious world”. With the rapid growth of CNS, it has been feasible for the developing powers such as China, India, Brazil, South Africa and the groups or regional organizations of developing countries to work effectively in the transformation of international system.

To build a harmonious world requires stable major power relations. Currently, “with the accelerating adjustment of international power configuration, the pragmatic cooperation among major powers also increased.” “The overlapping of interests and interdependence among major powers has been deepened.”<sup>1</sup> The established and emerging powers as well as country groups are the main supporters of international system. They now reallocate their interests and adjust their relations mainly in non-military ways. The intersecting of interests and pragmatic relations facilitates a smooth transformation of contemporary international system and lays foundation for the phased progress of the “harmonious world”.

After defining the overall goals of the “harmonious world”, it has been the major task of international society for the upcoming decades to ensure a smooth transformation of the international system. The foremost point is to fully utilize all the reasonable elements of the existent international system. The various actors should translate their ideas and consensus into policies, with a view to safeguarding the stability of international order, multilateral nature of international institutions, restrictive function of international norms, and universality of international rules. Only by so doing can we fully implement those fair and reasonable parts of the existent international system.

The second step is to update properly and timely the existent international system. Since the existent international system was shaped around the end of Second World War and completed during the Cold War period. In the age of globalization and multipolarization, its historical limits are emerging: The international order includes some unfair and unreasonable parts; the international norms mostly reflect Western values; and the international organizations and rules mainly serve the interests of developed countries. The major tasks of international society are to advance the process of democratization of international relations, insist on the representativeness of international institutions, increase the fairness of international order, and enhance the voice and benefits for developing countries in international rule- and norm-setting processes.

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<sup>1</sup> Li Zhaoxing: “International Situation and China’s Diplomatic Work in 2006”, *Qiushi*, No.1, 2007, p.9.

#### 4. “Harmonious world” and China’s diplomatic strategy

As regards China’s diplomacy, the concept of “harmonious world” “goes further than those previously presented such as ‘the Five Principles of Peaceful Coexistence, Establishing New International Economic Order, Equality of Every Nation’, and encompasses many more issues of today’s world, which has special meaning under the circumstances of globalization and multipolarization.”<sup>1</sup> The concept of “harmonious world” has steered us to plan and implement new century’s Chinese diplomacy in a broader scope and with farsightedness, and to establish comprehensive Chinese diplomatic strategy, so as to view and deal with world affairs from the perspective of transcending the traditional state-to-state relations as well as make harmonious dialogues between different civilizations and religions.

The most important strategic mission for China’s diplomacy presented by the concept of “harmonious world” is that, China should declare what kind of the future world we are pursuing at this critical juncture of rapid growth of China’s CNS as well as the important transformation of the international system. The concept of “harmonious world” is conformed to the principles of the Charter of the United Nations, keeps the characteristics of the Chinese culture, and embraces the element of “peace” of other major civilizations. Just as a European scholar had put it, “the cultural differences between Europe and Asia implies creative potential, which could promote the progress and development of human spirit and realize the peace through the encounter of cultures.”<sup>2</sup> The concept of “harmonious world”, on the one hand, represents the goals Chinese government and people are striving for, on the other hand, matches the unfolding trends of the international society. Therefore, it has gained more and more acceptance throughout the world.

While constructing the international system jointly with other countries, China should selectively determine its key objectives, make progress according to the designated sequence, and achieve the goal gradually. Under the premise of taking full consideration of interests of the whole humankind, in the upcoming decades China should focus on international system of functions and regions closely related to its core and substantial interests. In international political and security sub-systems, the major goal is to preserve the pivotal role of the UN and upgrade the capacity of tackling non-traditional security problems. In international economic field, the focus is to improve the WTO and enhance financial risk management. In international energy sub-system, the main objective is to gradually establish orderly and constructive interactions between the energy producers and consumers. In international health sub-system, the principle is to make full use of its function of preventing massive epidemics and reducing catastrophe. In the regional sub-system of Asia, the major issue is regional framework on economic cooperation and security, especially the issue

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<sup>1</sup> These are views of Professor Wang Jisi of Peking University, cited from: “The Idea of ‘Harmonious World’ Reflects the Transformation of China’s Diplomatic Strategy”, *21st Century Economic Report*, December 8, 2006.

<sup>2</sup> Heinrich Beck and Gisela Schmirber (eds), *Creative Peace Through Encounter Of World Cultures*, Chinese Social Sciences Publishing House, 1998, p.312.

of Northeast Asian security one. In Africa and Latin America, the emphasis is to increase strategic mutual trust and prevent conflict of interests between China and all the relevant parties.

It has to be noted that, the concept of “harmonious world” does not negate the complexity of contemporary world situation, not to mention to abandon the struggle on basic principles. Just contrarily, China will continue to oppose hegemony and power politics, insist on fairness and call for justice, advocate for democratization of international relations and opposition to unilateralism. China’s diplomacy will also take full account of the destabilizing elements in world situation and possible conflicts and wars, make relevant preparations correspondingly.