

China needs a grown-up foreign policy for a changed era

by Geoff Raby

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At the key 19th Party Congress in October 2017, Xi Jinping set out his signature policy – Socialism with Chinese Characteristics for the New Era – which, unusually early on in his term, was inscribed into the Party's Constitution as Xi Jinping "Thought". Socialism with Chinese Characters was Deng's contribution to the Party's corpus. Xi added "for the New Era".

While hardly something to be whistling under the shower, or humming driving to work, it was a singular theoretical and policy development. Essentially, Xi declared that China had succeeded with its thirty-year quest to become a moderately prosperous economy. The Party had delivered unprecedented material well-being. In doing so, it had ensured its political legitimacy. It was now time to enter a new era. Quality of life and not just material growth was to be emphasised.

Substantially improving the environment, expanding services, especially health and aged care, moving up the value-added chain in manufacturing and developing advanced technologies all became top policy priorities. Such is the nature of China's unique system of economic, political and social organisation, when the Party's leadership is united around a new policy direction implementation is swift and usually effective.

The New Era is well and truly underway. Over the past 12 months, Beijing has had a record number of low-pollution clear days. Indeed, so effective has the Party been in pursuing advanced technologies, the US has become seriously alarmed and is seeking to resist China's efforts.

Since the New Era dawned, however, China's foreign policy has been challenged on many fronts. While it was timely for Xi to dump Deng Xiaoping's maximum which had guided China's international relations – "bide your time, hide your strength" – and adopt a more assertive policy, China has not changed how it conducts itself internationally to match its recently acquired great power and new assertiveness.

The brittleness and prickliness of China's foreign policy, most of its diplomats, academic commentators and think tanks, comes from an older era when China was legitimately concerned about its status in the world, whether its concern would be recognised and its voice heard as an equal participant in the international system. That time has long passed, but foreign policy practice has not moved on.

The Communist Party for its own ends has indoctrinated the population so completely in the "Century of Humiliation" – from the Opium Wars to the liberation from Japan – that a disagreement with a foreign power or a perceived slight almost immediately is held up as further proof of the perfidiousness of foreigners and the need for China to defend its sovereignty.

This Century-of-Humiliation mind seems to justify behaviours which, far from advancing China's most pressing foreign policy need to create a welcoming and peaceful international environment to support China's continuing economic development, are creating anxiety, mistrust and fear. The result is that countries big and small have become suspicious of its intent and have begun resisting and pushing back against China.

China harms itself more when it tries to influence another country through bullying, as it did to South Korea when Seoul accepted US anti-missile batteries being installed along its border with North Korea. Or the UK over a visit of the Dalai Lama, or Norway over the Nobel Committee's awarding the Nobel Peace Prize to dissenter Liu Xiaobo. Or as it is doing now to Canada over the detention of Huawei executive Meng Wanzhou, or as it has been doing towards Australia over a string of perceived slights and grievances.

This is not the behaviour of a confident strong country that respects national sovereignty. Such behaviour is watched around the world and the effect is counterproductive. No state can bend to this type of pressure. It is no way to make friends and influence people.

It is why that Trump's actions to "get tough on China" are well received, whatever else people may think of him. It is why the German Confederation of Industry is leading a European-wide call for actions to restrict China's investment. China receives little sympathy these days.

Given its size China's actions will no longer be ignored. Its reach is global. Today, it would be hard to find a corner of the world where China is not present through trade, investment and tourism.

As the United States learnt after WW2, if a country has global interests it needs to have friends and allies globally. China has relatively few of the former and none of the latter. Notwithstanding the huge sums China spends on building its soft power around the world, the return on its investment has been poor. Chinese state-funded Confucius Institutes have divided university campuses around the world. Funds lavished on global media have not attracted audiences commensurate with the expenditure.

The much vaunted and over-hyped Belt and Road Initiative was an inspired concept serving both China's commercial and foreign policy objectives (making friends), while benefiting destination countries with access to infrastructure. Its execution has, if anything, been inimical to both China's foreign policy objectives and the economic interests of destination countries. Wherever the BRI has gone, it has sown discord and political division. From Malaysia to Sri Lanka, BRI projects have been stalled or rejected.

China must try to find ways to lead by example and provide a positive, constructive role and avoid pettiness and vindictiveness. If China says that islets in the South China Sea should not be militarised, then China should not do so. If it agrees to act to prevent state-sponsored cybercrime, then it should do so. If it is critical of US behaviour that undermines the effectiveness of the WTO, then it should provide leadership on trade and investment by joining with others to open markets and reduce barriers. If China is unhappy that countries restrict its investment in critical infrastructure, then China should open its own infrastructure to foreign investment.

China is just too big and important in the world today to conduct its foreign policy as if it were a victim. The Century of Humiliation is long past. The world recognises the extraordinary achievements of the past 40 years and all sensible and fair-minded people welcome it.

In the New Era, China's foreign policy should of course be active and engaged with the world. China should understand that differences do not mean disagreements and disputes but rather issues between states that need to be managed carefully. Recognising China's global reach and influence, its best interests will be served by building trust and confidence in its behaviour.

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