



Chinese Politburo

International Challenges: Multilateralism,
Sovereignty and the Beijing Consensus

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Multilateralism, Sovereignty and the Beijing Consensus

Introduction

The past decade of Chinese foreign policy has been defined by a gradually increasing willingness to act multilaterally, especially within the East Asian region. Given its past history of skepticism towards international institutions and inclination towards a strategy of realpolitik with its neighbors, this shift in paradigm has caught many observers off guard. In a statement to the United Nations General Assembly, former Foreign Minister Li Zhaoxing asserted that “multilateral cooperation should become the principal vehicle in the handling of international affairs” and that

multilateralism is an effective way to deal with the common challenges of humanity. It is an important means to resolve international disputes. It is a forceful promotion and guarantee for the benign development of globalization. It is also the best way to promote democratic and law-based international relationships.¹

Although the emphasis on multilateralism was initially placed within the realm of economic affairs, the focus has gradually been shifted towards regional security initiatives. In the early 1990s, China facilitated the creation of the ASEAN Regional Forum – an expansion of the Association of Southeast Asian Nations to include China, Russia, and the United States – and embarked on a series of joint initiatives that included the Joint Declaration on Strategic Partnership for Peace and Prosperity and the Declaration on the Conduct of the Parties in the South China Sea in 2002. It has been a leader in regional forums like the Shanghai Cooperation Organization, as well as a stakeholder in ad hoc diplomatic initiatives like the Six Party Talks on North Korea’s

¹ http://english1.peopledaily.com.cn/200403/07/print20040307_136794.html



nuclear weapons program. Furthermore, China agreed to accede to the Treaty on the Southwest Asia Nuclear Weapon Free Zone, as Premier Wen Jiabao expressed hope that Beijing and its neighboring countries would continue to “institutionalize defense cooperation” in the future².

China made even quicker progress in the area of economic multilateralism. It is now an active member in the WTO, World Bank, Asia Pacific Economic Cooperation (APEC) forum, and the East Asia Summit (EAS). China even holds sway in the International Monetary Fund, placing second to only the United States in the number of shares it owns and votes it possesses. However, even with its membership in more international economic institutions like the IMF and the World Trade Organization, China has displayed much more willingness to reform its own domestic policies than use its increased presence in the international economic arena to influence the policies of others.

This reflects a core principle of the Beijing Consensus – an alternative set of ideas regarding how the world works in direct contrast to the Washington Consensus long practiced by the United States. It emphasizes a respect for national sovereignty – never attaching conditions vis-à-vis domestic governance to economic aid packages or trade deals like the United States does – primarily because it doesn’t want other nations interfering in its domestic affairs.

Ultimately, China needs to be the premier defender of national sovereignty and territorial integrity in the international arena. Whether it be the issue of ethnic unrest in Xinjiang, cross-strait relations with Taiwan, or economic policy vis-à-vis the United

² http://english.people.com.cn/200610/30/print20061030_316510.html



States, China needs to demonstrate that an alternative set of values regarding how the world works – based on shared interests and mutual respect – in fact exists in international relations.

History

Chinese foreign policy history since the early 19th century has been characterized by both hubris and humiliation. The “Middle Kingdom” suffered a string of defeats to foreign nations within a span of a few decades, including the Opium War against Britain in 1839 and the Sino-Japanese War of 1894. For a long time, the British had been running a large trade deficit with China, as Chinese traders made large fortunes exporting tea and silk. In order to turn the balance of trade, the British began exporting opium to China in the early 19th century. When the formal trade regulator that Britain sent to China refused to bow down to Chinese officials, the Emperor ordered his men to seize and burn all British opium. In 1839 the British sent an expeditionary force of ironclads to China and soundly defeated the Chinese “junk” boats.

The British were products of a very different international system than the one the Chinese were living in. Chinese saw themselves as the center of the world – as the “Middle Kingdom”. Historically, all of China’s neighboring countries in Asia had sent annual tributes to Beijing in deference to the Emperor of China. In Europe at the time, the concept of sovereignty reigned. Ambassadors were sent to foreign nations as equals, and so the British saw no reason to bow down to Chinese officials. As a consequence of its defeat in the Opium War, the Chinese yielded many treaty ports to Britain’s sphere of influence. Within these treaty ports, extraterritoriality applied: foreign laws had



jurisdiction while Chinese law had no effect. Additionally, China had to submit a large indemnity payment for damages that the British incurred during the war. China was humiliated, but it vowed to bounce back.

The Chinese reaction to defeat in the Opium War was to initiate a modernization effort similar to the Meiji Restoration in Japan. The Tiyong Movement sought to preserve Confucian heritage and essence (ti) while learning Western technology and practical knowledge (yong). In the late 19th century, the first groups of Chinese students were sent to Europe, the United States, and Japan to receive western academic training. Furthermore, the government gave authorization to buy modern weaponry from the West. With new knowledge, new weapons, and a newfound confidence, China prepared to rise once again into a central role in world affairs.

The Sino-Japanese War of 1894-95 was an opportunity for China to test the strides that it had made with the Tiyong movement. With a radical faction in the traditional tributary nation of Korea beginning to side with Japan, the Qing dynasty decided to intervene on behalf of a conservative faction that still paid deference to China. The results were disastrous. Even with the Tiyong Movement, China had developed neither a modernized national army nor the advanced military organization structures needed to succeed in prolonged military confrontation. As a result, Chinese troops were slaughtered by the thousands, while Japan suffered very light losses. China's navy was trounced, while Japan lost only one major ship.

Defeat in the Sino-Japanese War proved to be even more destructive to the Chinese psyche than the losses of the Opium War. Japan was not Britain; it was not a European nation. Losing to a fellow Asian country who once had paid tribute to the



Chinese Emperor was an unprecedented event. China was forced to plead for peace, and Japan received Taiwan and several key ports in Manchuria as a result of the Treaty of Shimonoseki.

China's foreign relations prospects improved greatly after the many decades of internal civil war and domestic political struggle that occurred from the 1920s to the 1940s between Mao Zedong's Chinese Communist Party and Chiang Kai-shek's Nationalist Party, or Kuomintang (KMT). The 2nd United Front, a temporary and fragile alliance between the CCP and KMT in the late 1930s and early 1940s, proved effective enough to withhold a Japanese invasion into China while the United States and other allied nations soundly defeated Japan in World War II. After CCP successfully defeated the KMT and initiated the founding of the People's Republic of China, military forces from the fledging Chinese nation fought American forces to a virtual standstill in the Korean War of the early 1950s. To this day, communist North Korea and democratic South Korea remain independent states because of the military deadlock that had occurred between China and the United States.

Although the KMT claimed itself to be the rightful governing leadership of China and the international community formally recognized the Republic of China for several decades, Chinese relations with the United States and prominent international institutions like the United Nations were largely normalized by the 1970s. In 1971, Beijing replaced Taipei as the holder of China's permanent seat in the UNSC. After Mao's death in 1976 and the closing of the most painful chapter in China's political history – the Cultural Revolution, China presented the world with a new vision. For more than ten years, it was embroiled in a political civil war engineered by Mao's paranoia and ego, but now things



were different. The efforts of Deng Xiaoping and the 2nd generation of CCP leadership to reform China economically gave the world hope that political reforms may soon come as well. In 1979, the United States officially recognized the government in Beijing as the sole legal government of China after almost a decade of “ping-pong” democracy – a warming of diplomatic relations initiated by President Richard Nixon.

Current Status

“Responsible Stakeholder”

Today, the United States and broader international community recognize China as an emerging economic power and have called for it to become a “responsible stakeholder” in a peaceful and prosperous era of international relations. China has developed significant trade relationships with many nations, especially the United States. International observers have often characterized the US-China economic relationship as symbiotic – a recognition of China’s substantial holdings of US debt and US the largest consumer of the exports that have driven China’s spectacular economic growth.

In recent years, many of the diplomatic spats between China and the US have centered on what American leaders perceive as unfair Chinese currency deflation and what Chinese leaders perceive as unfair American tariffs and trade quotas. A defining feature of Chinese macroeconomic policy is its trend of pegging the Chinese renminbi to the US dollar, so as to prevent decreases in economic returns from the thriving export sector that drives the Chinese economy. Meanwhile, it can be argued that American leaders – ever sensitive to public opinion and domestic politics – have been driven



towards trade barriers and tariffs by influential and money-backed political interests in Washington.

Another source of tension between China and United States has to do with US grievances regarding Chinese economic ties to developing nations such as Sudan, Iran, and Venezuela, among others. China has demonstrated diligence and determination in searching for new economic opportunities and trade partners, but these efforts have nonetheless drawn the ire of American observers. Diplomatic tensions like these demonstrate how foreign policy spats have increasingly shifted from economic to political issues.

Xinjiang

The recent growth of Islamic fundamentalism is of large concern to the Chinese government. If one divides China diagonally by a line extending from the southwestern region of China to the northeastern region of the country, 90% of China's population would reside on the eastern side of this line. The northwestern side of this line is what causes Beijing much headache – it is populated primarily with minorities, some of whom are very poorly integrated into the national culture. Given the growth of Islamic fundamentalism in the past few decades, the Chinese government has become increasingly focused on maintaining stability in the nation's western regions.

Religious politics has entered into central Asia following the Soviet Union's collapse in the late 1980s. China's response has centered on an effective multilateral organization – the Shanghai Cooperation Organization. Originally known as the “Shanghai Five”, the SCO is unique because it is the first organization in which China



has played a founding leadership role. China has played a major leadership role in encouraging the nations of Central Asia to come together in a regional organization to promote both security and economic cooperation. These nations are almost all authoritarian, and the region has been a source of friction between American and Chinese foreign policy goals. Whereas the U.S. has extended its goal of democracy promotion into central Asia, China will undoubtedly continue its support of authoritarian regimes in the region, in hope that they will continue to guard China's oil supplies and restrain Islamic fundamentalists who threaten Chinese territorial integrity in the country's western Muslim regions.

Oil is large reason why China is so incentivized to keep its western regions in check. Xinjiang is a vast, sparsely populated area, but nonetheless one is endowed with large deposits of oil, natural gas, and minerals. China is determined to prevent this valuable province from descending into instability through ethnic strife and violence. Additionally, developments in the broader region are beginning to factor into Chinese concerns as well. If control of Pakistan were to fall into fundamentalist Islamic hands, there would clearly be significant implications for Chinese security policy in the region. Concerns of this type have contributed to China's willingness to support American initiatives to fight terrorism in Afghanistan. However, Beijing remains vigilant for potential moral hazards to US presence in the region: China wants to make sure that US activities do not inadvertently increase the ability of terrorists to recruit from local Muslim populations within and near China's borders.

Unrest and instability within the Xinjiang Uighur Autonomous Region have centered on Uyghur efforts to obtain self-determination. Although the overwhelming



majority of Chinese citizens identify as Han Chinese, the inhabitants of Xinjiang are mostly Uighur – part of a Turkic ethnic group that calls Eastern and Central Asia home. The Uighur are spread throughout the region, with many communities living in Kyrgyzstan, Uzbekistan, and Kazakhstan. Recent instances of unrest have occurred in March of 2008 and July and September of 2009. The July 2009 riots in the Xinjiang capital of Urumqi were particularly unsettling. What began as a series of Uighur street protests after the death of two Uyghur migrant workers in the eastern province of Guangdong morphed into an attack campaign targeting Han Chinese. By the end of the month, over 1,000 protesters had been arrested, 197 people died, and 1,721 others were injured. In the immediate aftermath of the riots, mosques were temporarily closed and communication services were shut down. To this day, an armed police presence remains in Urumqi.

Taiwan

Tensions in the Taiwan Strait have ebbed and flowed with the rise and fall of the Cold War. As Beijing and Taipei paid close attention to one another, the wheels of change churned in both China and Taiwan. In Taiwan, efforts at economic and political liberation by Chiang Kai-shek's son and political heir, Chiang Ching-kuo, produced a vibrant capitalist and democratic state. In China, economic reforms by Deng Xiaoping sought to merge market economics with one party control. Deng famously said, "I don't care if it's a black cat or white cat. As long as it catches mice, it is a good cat." Many hoped that Deng's economic reforms would also bring liberalization to Chinese politics. Thus, relations between China and the United States warmed up in the late 1980s.



However, this trend came to a stunning halt with the 1989 student demonstrations in Tiananmen Square.

In 1995, the Third Taiwan Strait Crises occurred when China “test-fired” six nuclear payload capable missiles, landing within 60 miles of Taiwan. This incident was triggered when President Lee Tenghui of Taiwan announced a private visit to the US for the purpose of attending a class reunion at Cornell University. Beijing perceived the visit negatively, accusing the US of giving Taiwan tacit diplomatic recognition by allowing him to attend many government functions. In response, China also rebased F-7 and F-8 fighters to locations much closer to the South China Sea.

In March 1996, China again test-fired missiles that landed 30 miles from Taipei. The Clinton Administration responded by deploying the Nimitz battle-group to the Taiwan Strait, in clear show of support for America’s fellow democracy. In 2000, Chen Shui-bian was elected as Taiwan’s first non-Kuomintang president. His election represented a major shift in Taiwanese politics – whereas the Kuomintang had always maintained that Taiwan was a part of China (and that it was the legitimate government of China), Chen declared that Taiwan should be a separate nation. Chen was reelected in 2004. His years in office marked a particularly cold period in cross-strait relations.

Current relations between China and Taiwan have been shaped far more by domestic political dynamics in Taiwan than by US backing or any other reasons. The KMT was recently elected back into the president’s office with Ma Ying-jeou, a Harvard educated lawyer considered far more moderate than his predecessor, as their leader. As a result, cross-strait relations have warmed up considerably in recent years. Business and trade relations have been strengthened as both nations now allow cross-strait flights to



run on a regular basis. The KMT has upheld its stated belief that Taiwan is still a part of China, and diplomatic meetings between Chinese and Taiwanese officials have occurred at the highest levels in Beijing.

Though relations between China and Taiwan have somewhat stabilized, Taiwan remains one of the most volatile aspects of China's relationship with the United States. The Obama Administration recently announced \$8 billion in arm sales to Taiwan, consisting of Patriot missiles, Blackhawk helicopters, harpoon missiles, and communications equipment. Though the United States has refrained from selling Taiwan what it wants most, new F-16 fighter jets and submarines, China has nonetheless expressed strong disapproval of this recent move.

The United States maintains a policy of strategic ambiguity vis-à-vis the China-Taiwan issue. Its government fears a potential moral hazard problem, so it stops far short of committing military support for Taiwan in the event of a cross-strait confrontation. Ultimately, the United States is committed to the One China Policy and does not support independence for Taiwan or unilateral moves that would change the status quo. For Beijing, this means not using force or the threat of force. For Taipei, it means exercising prudence in all aspects of cross-strait relations. For both sides, it means no statements or actions that would unilaterally alter Taiwan's status. The United States will continue the sale of appropriate defense equipment to Taiwan, however there is no doubt that Taiwan cannot depend on the US in the event of a cross-strait conflict not started by China. US foreign policy towards the Taiwan Strait can be summed up best by former President Clinton's "Three No Policy" – no independence for Taiwan, no two states, and no membership in international organizations in which sovereignty is required for Taiwan.



While there is little doubt that Taiwan would be left on its own in the event of a cross-strait conflict not started by China, the United States has nonetheless shown much support – rhetorically, if nothing else – for its fellow democracy. The ambiguity in US policy towards Taiwan has led to many instances of foreign policy swaggering and can lead to much headache for Beijing if the situation is not handled delicately.

The new administration in Washington has shown eagerness to maintain America leadership on most international policy issues. While China takes no issue with American global leadership, especially in the context of our stated policy of harmonious relations and peaceful economic growth, the Standing Committee of the Politburo should take note of any potential infringements on the sovereignty and territorial integrity of nations. Washington has historically shown a tendency towards unilateralism, a stance that has often brought about the trampling of other states' national sovereignty. It is within China's interest to defend against further intrusions of this kind – domestically, regionally, and internationally.



Questions to Consider:

“Responsible Stakeholder”

1. Many scholars have noted that the symbiotic economic relationship between China and the United States is ultimately unsustainable. How will China respond to international pressure to let the renminbi increase in value? How will these potential policies affect Chinese workers and citizens?
2. How will China continue to increase its presence in prominent multilateral international institutions? Can an alternative set of institutions be created to back a case for Chinese regional leadership?
3. How will China handle criticism of its trade and economic relationships with developing nations across the world?

Xinjiang

1. How is China poised to placate those who engage in protests in a way that does not threaten national security? If Beijing continues to make concessions to the Uyghur, will other groups respond and begin to demand similar provisions?
2. China is bordered on the west by many countries. Through multilateral institutions such as the Shanghai Cooperation Organization, many of these nations have agreed to return escaped criminals to our jurisdiction. However, an increasing number of criminals are escaping to places as far as Germany and the United States. How should China address this problem?
3. Despite efforts to curb illegal publications, nonconformist media organizations still exist in China. How do we ensure journalists do not lose sight of their higher



duty to the Party, and what is China's response to dangerous information leaks from the Internet?

Taiwan

1. How should China respond to American foreign policy swaggering and continued arms sales to Taiwan?
2. Is an American policy of strategic ambiguity beneficial or destructive to China-US relations vis-à-vis the issue of Taiwan?
3. Given that cross-strait relations are increasingly dictated by Taiwan's domestic political shifts than by any other factor, how does China deal with the fact that Taiwan's democracy can produce less-than-ideal political outcomes?



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