

Understanding China

Perspectives on Current Chinese Domestic and Foreign Policy



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When Speaker of the U.S. House of Representatives Nancy Pelosi visited Taiwan on August 2, 2022, the world's attention was focused on China's reaction and resulting tensions expected from this occurrence. In her statement after landing in Taipei, Pelosi wrote:

「In the face of the Chinese Communist Party's (CCP) accelerating aggression, our congressional delegation's visit should be seen as an unequivocal statement that America stands with Taiwan, our democratic partner, as it defends itself and its freedom.」

China's reaction issued worries all around the globe, as the war in Ukraine had reinforced the realization that sudden escalation and war were still possible in this world. The concern is not unjustified. China's foreign policy strategies and its current handling of domestic affairs appear unpredictable. In particular, tangible possibilities of escalation regarding Chinese 'core interests' predate the war in Ukraine. China's assertive behavior in the field of foreign policy has grown continuously and more substantially due to numerous causes deeply rooted within domestic and foreign affairs.

On these matters, the Konrad-Adenauer-Stiftung Korea Office and the Sungkyun Institute of China Studies at Sungkyunkwan University hosted an international seminar on July 4, 2022, inviting scholars and experts in the field of China studies as well as international relations and foreign policies of China, South Korea, the United States, and the European Union.

The experts held discussions on the status-quo of China's domestic affairs, and shared insights into Chinese foreign affairs in the context of U.S.-China relations, as well as their assessments of the numerous grounds of China's current and future foreign policy strategy. This report is a summary of those discussions.

Defining the status-quo in China's domestic politics, economy and society

Three factors are influencing China's current and future political paradigm: practices, ensuring legitimacy, and willpower.

- Practices
(Continuation and change of political patterns)

Is China's political change path-dependent or path-independent? Whereas a path-dependent change focuses

on the continuation of the practice, and path-independent change focuses on the change aspect of the practice, for the outlook of China's political change, it is necessary to observe the political persistence and changes and the factors that either promote or constrain such development.

- Ensuring legitimacy
(Support of party members and the nation)

Ensuring legitimacy is the basis and a compulsory requirement within China's legal government system.

In order to ensure the legitimacy of party rule of the CCP, two types of legitimacy are needed: The historical legitimacy in which the party establishes the state and the promotion of achievement legitimacy in which the expansion of economic performance is enabled through new reforms. The CCP is in need to improve historical legitimacy and achievement legitimacy and strengthen national ideology as a standard for new national and social integration.

- Willpower
(Intention and ability)

The methods to secure the legitimacy of the government, such as reinforcement of ideology, learning, and propaganda as a continuation and change of existing practices and accumulation of social causes, are dependent on how the supreme leader's will to power is emphasized and expressed. However, instead of directly revealing the supreme leader's will, the focus is on strengthening Xi Jinping's power. The focus of Xi and the Chinese government is on the centralization of power, including the politburo and the central committee of the CCP.

However, China's aim of power centralization does not align with the current state of affairs within China's society. China's current state of affairs seems increasingly unstable and uncertain. The Chinese political system is currently in a state of tremendous pressure. In the context of domestic affairs, the country finds itself in a period of uncertainty. With the disruption of supply chains and the country's Zero-COVID approach, the consequences of harsh lockdowns and hunger lead to a heavily impacted and strained social contract between the people and the government.

The economic difficulties within the country are not solely linked to China's COVID policy. The economic hardships were already foreseeable due to the structural slowdown, which was present even before the pandemic began. Furthermore, external and internal

factors such as global inflation, energy, food crisis, strong self-reliance, and declining employment rates further strain the economy and society. Furthermore, with China's societal circumstances, its overall comprehensive power is declining in comparison to the United States. Social power in China is profoundly lacking in the aspects of education and creativity, whereas social risk has been high due to the country's COVID-19 approach and its continuously aging society.

Due to Chinese fear of overly strong influence by the West, the Russian war against Ukraine, and the U.S. approach to contain China, such as the Indo-Pacific Strategy plus IPEF, QUAD and AUKUS, overall pressure within the country increased rapidly within the last years.

Understanding China's foreign policy

In the context of diplomatic tactics, China will strive for four strategies:

- Strengthening diplomatic alliances through political and economic support to authoritarian states and underdeveloped countries in Asia, Africa, and Latin America,
- Emphasis on multilateralism and expansion of the influence of multilateral diplomacy through international organizations and regimes,
- Strengthening relations with countries with preexisting ties such as Russia, Pakistan, Iran, Cuba, North Korea, Cambodia, Laos, and Myanmar,
- Persuasion of EU and Asian countries to remain neutral.

China's set of foreign policy instruments could be seen threefold, used in order to react to the U.S. approaches toward China: accommodating, adapting, and challenging. One example of this perspective could be China strengthening economic and security cooperation with South Pacific countries. First, the PRC had been enhancing economic support. On April 19, 2022, the Ministry of Foreign Affairs of China announced the signing of a security agreement with the Solomon Islands. Between May 26 and June 4, 2022, Wang Yi, PRC State Councilor and Foreign Minister, visited eight countries in the South Pacific. The trip was followed by a videoconference with the Cook Islands Prime Minister and Prime Minister and Foreign Minister of Niue and the execution of the second China-Pacific Islands Meeting in Fiji.

However, China's foreign policy is not solely countering U.S. strategies, but aims to follow core interests, such as affairs regarding Hong Kong, Xinjiang, and Taiwan.

From Beijing's perspective, further strain on Sino-American relations emerged as the U.S. continuously solicited pressure over the past years. In China's view, infringement of its security and core interests persist. The outlook on China's foreign policy gives reason to expect more coercion and assertiveness.

Predictions for future directions of China's foreign policy

Fundamental changes in Chinese politics will not eventuate in the near future. Instead, measures such as Chinese sanctions and economic coercion will remain regular instruments. The coercion strategy of China will continue, as exemplified in the case of Australia's bandwagoning with the U.S. and Taiwan affairs. In general, China seems to be open to specific areas that can expand the cooperation space with the U.S., such as climate change; however, the Xi Jinping administration adheres to a strong position that it will never concede on core interests related to national sovereignty, such as the Taiwan and Hong Kong issues.

Fundamental changes in Chinese politics cannot develop as the underlying principles and foundations are deeply rooted in Chinese law and party regulations, including the constitutions of the state and the communist party, and due to the integration into party ideology. The centralization of power, restriction and limitation in the engagement with the rest of the world, as well as Chinese assertiveness and hawkishness in international affairs, will continue in the future.

Conclusion

China currently endures a great amount of pressure internally and externally. Within domestic affairs, societal risk has been at an all-time high alongside low employment rates, hunger, and its Zero-COVID approach. Experts in the seminar assessed that pressure inside the country increases with its aging society and strong self-reliance. Alongside the government's assignment to resolve these internal causes of instability, additional external pressure is put on China due to U.S. approaches and strategies to contain the country and the perceived infringement of its core interests and values. Whereas some experts assess that the Chinese political paradigm could change in the course of the next year, others underline that changes in foreign policy and diplomacy will not occur, but that the PRC's behavior will rather stay assertive and confrontational. Especially in the context of China's core interests regarding Taiwan or Hong Kong, the Chinese administration will remain within its original stance.

About Konrad-Adenauer-Stiftung Korea Office

Konrad-Adenauer-Stiftung supports the intensified and deepened dialogue with like-minded partners across the globe, especially in Europe, NATO, but also the Indo-Pacific region, that share our interests and values. This specifically includes the Republic of Korea. The KAS Korea Office therefore aims to foster the foreign and security policy dialogue between selected representatives from politics, science, and the military on regional and global challenges relevant to Korea and Germany alike. Since 2021, KAS is running a particular series of activities on the perspectives and options in Korean foreign, security and defense policy against the background of increasing systemic competition and decoupling, analyzing obstacles, difficulties and potential for cooperation with the People's Republic of China.

About the author

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