

China's International Orientation in the Fast-Changing International Situation

Wu Xinbo

The financial crisis is having a great impact on the world economic and political structure. At the same time, it has brought important opportunities to China, a country in a crucial stage of development. The crisis has demonstrated China's importance and positive role in international economy, and provided it with favorable conditions to enhance its international influence and status. Therefore, it has both strategic significance and realistic urgency to identify the trends of international situation changes, observe carefully the opportunities that China faces, think about the country's international orientation and design its foreign strategy in the new situation.

Current Changes in International Situation

In a historical perspective, the current changes in international situation are the third shockwave affecting the international structure since the end of the Cold War. The end of the Cold War was the first wave, which led to the structural change of the international political and strategic pattern. At that time, the strategic superiority and international status of the United States were unprecedentedly outstanding. The 9/11 incident was the second wave, which gave prominence to non-traditional security

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challenges. The incident changed the global security agenda to a large extent and had a great impact on the orientation of the U.S. strategy. The current financial crisis is the third wave, whose great impacts on the international financial system, global trade pattern and world economy are still unfolding. The crisis will further affect the global political structure. To be specific, this financial crisis will bring about changes in the following aspects.

Firstly, the balance of different countries' economic strength is changing faster than before. For some countries, both virtual economy and real economy have suffered severe setbacks under the influence of the financial crisis: wealth shrinking by a big margin and economic growth slowing down. For others, they are able to get through the crisis rather steadily and maintain the momentum of moderate economic growth. Therefore, their economic strength continues to increase. When the first phase of the crisis finishes, the seating order of various countries in world economy will be rearranged.

The second aspect is the change of comparative advantages of different development models. When the Cold War ended, the U.S. model represented by the Washington Consensus obtained a strong position. It seemed that the U.S. model was universally applicable. Nevertheless, the current financial crisis has exposed plenty of problems existing in the U.S. economic development model, including both macro-level ones and micro-level ones, economic problems as well as political, social and cultural problems. The universal value of the U.S. model has declined substantially. At the same time, the positive aspects of China's development model such as political and social stability, gradual reform, the effective regulatory role of the government in economic activities and the emphasis on real economy have attracted greater attention from the international community, and the influence of the "Beijing Consensus" has further expanded. This, undoubtedly, has enhanced China's soft power.

Thirdly, the power in international politics will be redistributed. In the process of addressing the crisis, G20 has played a larger

role, becoming a major platform for international economic cooperation, while the position of the traditional G8 has declined conspicuously and the Western countries' monopolization of global economic governance has been broken down. In the upcoming reform of the international financial system, the emerging economies will have a bigger say. Moreover, the crisis creates opportunities for some countries to translate its economic strength into political influence. Having played a positive role in tackling the financial crisis and maintained economic growth, some nations will remarkably increase their weight in international politics.

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The fourth aspect is the change in international relations. Following the end of the Cold War, the United States defined its friends and foes according to social system and ideology. After the 9/11 inci-

dent, the United States judged countries according to their attitude toward anti-terrorism. Since the outbreak of the financial crisis, it has devoted most of its attention to how to acquire cooperation from other countries in order to overcome the crisis. For that reason, economic considerations have occupied an outstanding position in U.S. foreign relations. When Obama took office, China-U.S. relations got a smooth start, which was closely related to Washington's need to draw support from China to tackle the crisis. The financial crisis will strengthen United States' relations with some countries while alienating that from some other ones at the same time. The financial crisis has also created opportunities for cooperation between countries other than the United States, thereby having a long-term impact on international relations.

In a broader perspective, the current financial crisis occurs in a wider international context, that is, the center of the world order is shifting from the Atlantic to the Pacific and from Europe and the United States to Asia. Fareed Zakaria, editor of *Newsweek*

International, holds that we are living through the third great power shift in modern history: the first is the rise of the Western world, around the 15th century, the second is the rise of the United States, and the third is the rise of China and India. Former French Prime Minister Dominique de Villepan reckons that the world is in the period of civilization shift, and that due to the rise of China, India and other emerging powers, the power order created by European countries and the United States that has governed the world for as long as five centuries is now undergoing fundamental change. These views are insightful. In fact, the reality that the current crisis occurs in the power center of the contemporary world—the United States—has both substantive and symbolic meanings. The substantive meaning is that the U.S. development model has suffered a severe setback and America's position of strength has been harmed, while the symbolic meaning is that the crisis has sent the following message in a very explicit way: the world is shifting to a post-Western or post-American society.

China's Opportunity

The current changes in international situation centered on the financial system have brought an important opportunity to China. Internationally, China gets the opportunity to enhance its political influence, adjust its relations with the existing international system and lift its international status, thus better promoting its national interests.

As a rising big country, China needs to expand its international influence opportunely when its overall national strength is constantly increasing. Generally speaking, China is still a country that accepts the established international rules despite the fact that its influence is continuously growing. This does not match the country's political and economic status as a permanent member of the UN Security Council and the world's third largest economy. President Hu Jintao pointed out in his report to the 17th

National Congress of the Communist Party of China (CPC), “Historic changes have occurred in the relations between contemporary China and the rest of the world, resulting in ever closer interconnection between China’s future and destiny and those of the world.” To play an increasingly bigger role in international affairs is not only the need of China to safeguard and promote its national interests under the new situation, but also the need to demonstrate its demeanor as a responsible big country. Both history and reality show that power does not equal to influence and that power will not turn into influence automatically. To turn power into influence, proper opportunity and proper means are needed. When the U.S. national strength is rapidly growing, Washington is always on guard against the expansion of other big countries’ power and influence, being afraid that those countries would challenge its supremacy. Only when the United States falls into crisis will it think of burden reduction and ask other countries to play a bigger role. In view of China’s economic strength and development momentum, the United States currently values China’s role in particular. Theories like “China-U.S. Super Partnership” and “G2” reflect the U.S. psyche that it fervently wishes to take advantage of China’s strength to address the most serious crisis since the Great Depression in the 1930s. We should actively engage in tackling the financial crisis, promote the recovery of world economic growth, take part in the reform of the international financial system and safeguard its stability, and join the multilateral endeavor to control global climate change, during which we will enhance our say and international status.

Moreover, we should take the advantage of the present opportunity to adjust our relations with the international system so as to achieve a transformation of China’s role in the international community. Since reform and opening up, China’s relations with the international system have undergone a series of changes. In the initial days of reform and opening up, we played the role of a critic, often emphasizing the irrational aspect of the

existing international system and proposing to establish a “new international political and economic order that is fair and rational”. In the 1990s, we stressed the need to integrate into the international community, saying that we need to “follow the international practices”. At that time, our identity was a participant. In late 1990s and early this century, we began to realize the need to make contributions to the international community and hence stated that China was a

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“responsible big country” so as to give prominence to its image as a “responsibility taker”. Under new circumstances, we need to make appropriate adjustments to our role in the international system, to be not only a responsible participant but also a constructive reformer. We should stress that globalization calls for global governance but good global governance relies on the effectiveness of the international system; that the existing international political and economic system is neither very rational in structure nor very sound in function, and therefore, it is necessary to reform it so as to improve its effectiveness and enable it to better serve the interests of all members of the international community.

When dealing with the current changes in international situation, we must avoid making the following mistakes. First, to stay in the old rut and recoil in fear, thus squandering the excellent opportunity. Over-stressing China's internal problems and adopting a passive attitude toward participation in the international rules making process would lead to this result. Second, to be over-optimistic, over-stretching and aggressive. This ends in offending all parties and isolation in the international community. As a result, China's international status and influence would decline instead of rising. Third, to become obsessed with greatness and success after being flattered by others and undertake excess responsibilities and obligations

which are beyond our capacity. As a consequence, we had to swallow the bitter fruit in silence. As a country that has just integrated into the international community, China often attaches too much importance to other countries' opinions on itself, while the United States and other Western countries are good at taking advantage of this mentality of China. With clever rhetoric and undeserved reputation, they tempt China to shoulder more responsibilities than its ability allows and thus make China stuck fast. By and large, we should pay attention to the following three factors—time, situation and degree—when expanding our international influence. We should seize the opportunity, act according to circumstances and progress at a proper pace.

China's International Orientation

To adapt to the rapidly changing international situation and seize the new historic opportunity, we need to rethink and redesign China's international orientation, which involves at least three aspects, i.e., China's international identity, China's international image, and China's way of participating in international affairs.

Different from many rising powers in history that have only one identity, contemporary China has shown its dual character in plenty of aspects. For example, China is already the third largest economy in the world, but it is still a developing country; China is a big political power (a permanent member of the UN Security Council), but it does not belong to the mainstream of the current international system (in terms of values and ideology); China's influence on international affairs becomes larger and larger, but it remains a newcomer in the international system; China has made remarkable progress in military modernization and its military capacity is growing steadily, but its defense technology and equipment still lag behind the Western countries, and its military delivery capability is limited; China is a country with an ancient civilization that dates back to thousands of years ago, but its

national construction and social development are still in the early stage of modernization. Such duality, which will remain in a fairly long period (20-30 years), determines China's mixed identity, which in turn affects the molding of China's international image and its way of participating in international affairs.

Then, what kind of international image should China mold for itself? The general answer is a new-type big country. The reason why it is a new-type big country, not a newly emerging big country, is that the latter mainly refers to the state of power development, showing only the fact that a country's strength is

increasing, without revealing the nature of this power (positive or negative, constructive or destructive), while the former includes innovations in such aspects as the development

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idea, the development model, and values. By declaring that China is a new-type big country, we mainly emphasize its differences from many other major powers in history in such aspects as ideas and development path, which are determined by China's political system, historical experience, cultural tradition and the backdrop of globalization. To establish the international position of a new-type big country, we need to demonstrate the image of a big country that is progressive in ideas, responsible in actions and mature in diplomatic style.

First, the image of a progressive big country. According to the logic of realism or the main experience of human history, the rising of a major power is often associated with wars, aggression and expansion, thereby becoming a challenger and destabilizing factor of the existing international system. However, China's national features (including its culture and experiences in modern history), its political system and the present environment of globalization determine the fundamental differences between China and those major powers in history that rose by means of aggression and expansion. A rising China is not a destabilizing

factor but a positive force that pushes forward world peace and development and promotes human progress. To show that China is a progressive big country, we must put forward a series of progressive ideas concerning how to handle the current international relations that would on the one hand reflect China's values and guiding principles in foreign policy to help it occupy the moral high ground in international politics, and on the other bring important inspirations to the international community so as to be accepted by the latter gradually. Since mid-1990s, China has proposed some valuable ideas, such as the new security concept featuring mutual trust, mutual benefit, equality and coordination, the new cooperation concept featuring pursuit of common development, cooperation and win-win results, the new political concept featuring promotion of multi-polarization of international politics and democratization of international relations, and the new cultural concept featuring respect of civilization diversity and mutual learning. Although the above ideas are rational, we still need to constantly explain them in public speeches, expound them in theory and popularize them in practice if we want them to be widely accepted by the international community. At the same time, we need to unremittingly put forward new ideas as the situation changes, enrich China's image as a progressive big country, consolidate its moral advantages and abandon those outmoded principles and concepts in the spirit of keeping advancing with the times so as to avoid giving people an impression that China sticks to the old-fashioned ideas and refuses to change.

Second, the image of a responsible big country. Since mid-and late 1990s, China has paid more and more attention to the molding of the image of a responsible big country and remarkable progress has been made in this regard. China must continue to consolidate and perfect this image by actively participating in international affairs and undertaking appropriate international responsibilities. In the field of international economy, China should energetically promote international cooperation at both

bilateral and multilateral levels, oppose trade and investment protectionism, push forward the reform of the existing international financial and trade systems and attend the key forums on world economy (G8+X or G20). In the field of international security, China should gradually increase the transparency of its national defense, develop military exchanges with other countries, continue its participation in international peace-keeping operations within the UN framework, and take appropriate responsibilities and conduct international cooperation in such aspects as fighting pirates and safeguarding the freedom of navigation. In the field of international politics, China should let the UN to play the dominant role in international affairs, actively participate in the resolution of regional hotspot issues, protect the legitimate rights and interests of developing countries and promote international cooperation in tackling climate change, protecting environment and developing new energy. As its overall national strength increases continuously, China needs to provide more and more public goods for the international community, for instance, the security of international sea lanes, international disaster relief, humanitarian aid, development assistance for developing countries, the creation of regional and international cooperation mechanisms and the formulation of rules of the game.

Under the new international circumstances, "being responsible" has another meaning, i.e., to initiate necessary reforms of the international system. We should clearly express the following views to the international community: practice has shown that the existing international political system (the UN) and international economic system (the WTO, IMF, etc.) can neither effectively deal with various challenges faced by the international community nor promote the interests of various members of the international system in an equitable way. Therefore, reform is inevitable, and it is selfish and irresponsible to deny the necessity of reform or prevent the implementation of the reform. China is willing to participate in the reform of the international system in a constructive way and play the role of a big country that is really

responsible for the international community. Of course, in practice, China needs to think carefully how to make the reform able to accommodate the legitimate requests of the majority of countries in the world as well as serve its own national interests. To achieve that, we should actively take part in the design of the reform program, strive for a bigger say and guide the reform to move in the direction favorable to China while making sure that the existing system operates normally.

Third, the image of a mature big country. Since China has joined the international system not for long and its experience in communicating with the outside world is insufficient, its way of communication can easily leave people an impression that China is an “immature and inexperienced” country. However, as its national strength increases, its confidence grows and its experience in international communication accumulates, China should gradually demonstrate the image of a mature big country, showing “confidence, frankness, flexibility and maturity” in its diplomatic style. The country needs to be familiar with the current mechanisms of international communication and the rules of the game, and learn to express itself in a way that can be easily accepted by the other parties. China should not try to evade and hide its own problems, but admit their existence frankly and demonstrate its resolve and confidence in solving them. It should face the doubts and criticisms raised by the outside world with tolerance and give reasonable explanation and appropriate refutation. With regard to practices in international exchange with Chinese characteristics, we should adjust those outmoded and unreasonable ones in a timely manner while sticking to the effective ones. We should be good at bringing into play the social and civil forces so as to increase our resources for international communication. We should learn to speak in different voices so that our room for maneuver in international negotiations can be expanded. Moreover, we should be skillful at combining principles with flexibility and advance and retreat in proper degrees so as to have plenty of room for maneuver. We should be

adept at maneuvering among different countries and powers, engaging in diplomatic negotiations, and protecting national interests. We should also be good at using moral factors to safeguard our national interests so that our conduct in seeking national interests can be legitimized.

In view of the development stage (economic and political) China is in and its historical and cultural background, China's participation in international affairs and its pursuit of greater international influence will be a long and complicated process, and will face constraints from at home and abroad, both objective and subjective, and of hard power as well as soft power. Therefore, we need to handle well the following relationships in guiding thoughts and tactics.

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First, the relationship between responsibilities and rights. As China's national strength grows, the international community expects China to take greater international responsibility. And China's increasingly strong sense of a responsible big country has made us willing to contribute more to the international community. What warrants our attention is that we should combine our ever-growing responsibilities with our rights and status in the international system. China's rise will be achieved in the existing international system, but its share of rights in the system is somewhat small. To change this situation, we need to link responsibilities with rights and increase China's share of rights in the international system by holding more and more "responsibility shares" and "rights shares". This way of gradually increasing China's responsibilities and rights will not bring too heavy a load for us to bear but will make our request for more rights and higher status fair, reasonable and easier to be understood by the international community.

Second, the relationship between the domestic aspect and the international aspect. During the past 30 years, one of the

important ideas for China's development is to push forward domestic development through the international means, i.e., to promote domestic economic development by exploring the international markets and attracting foreign capital and to give impetus to domestic reform in thinking, institutions, working style, etc. through integration with the international community. To enhance our country's international status and influence in the future, we need to rely more on domestic resources and promote the international aspect through the domestic aspect. The domestic resources refer to not only the material base provided by economic growth, but more importantly, the achievements we have made in national construction, which include the new economic growth model, the construction of political institutions, the building of a harmonious society and the new development ideas, etc. If we could find a successful model of modern state building that is widely acknowledged by the international community, our country's international influence would be greatly enhanced without doubt.

Third, the relationship between the regional level and the global level. On the one hand, China has to get more and more involved in affairs outside its own region since it is a permanent member of the UN Security Council and since global issues caused by globalization have become prominent. On the other hand, China's security and development needs and its influence are mainly in the Asia-Pacific region. Only when our relations with neighboring countries are consolidated and the regional platform is well built, can we invest more resources in global affairs and play a bigger role therein. In view of that, we should put the focus on our own region when participating in international affairs and distributing our resources, in the order of first the neighborhood, then the Asia-Pacific region, and finally the whole globe. This should be the basic idea for designing our participation in international affairs.

Fourth, the relationship between hard power and soft power. In the past 30 years, China mainly relied on hard power, especially its growing economic strength, to enhance its international status,

while the accumulation and exploitation of its soft power lagged behind. History and the current reality have shown that a country's international status and influence need to be underpinned by both hard power and soft power. Hard power is the basis, to be sure, but soft power can complement and magnify the effect of hard power. Big discrepancy between hard power and soft power will limit the role of hard power. For example, in recent years, China's overseas economic and assistance activities were often distorted and demonized. To some degree, the year 2008 was the starting point for China to exploit its soft power because in that year China demonstrated its outstanding mobilization and organization abilities to the world and revealed the great potential in giving scope to its soft power by actively addressing the horrific Wenchuan earthquake and successfully hosting the Beijing Olympic Games.

Fifth, the relationship between China's mixed identity and its multiple resources. It is true that the mixed identity complicates our participation and handling of international affairs, but it also provides us with the resources and space that many other big countries can hardly get. For example, on the issue of the UN Security Council reform, we can speak either as a permanent member of the Security Council or as a representative of the developing nations. On the issue of international economic system reform, we can either rely on our own economic weight to seek a bigger say, or unite with other developing nations to make requests that accommodate the interests of developing countries. Since China's mixed identity will exist for a fairly long period, we should be good at exploring and exploiting the multiple resources brought by it.

Sixth, the relationship between discourse and leading position. In a considerably long period, the objective of our participation in international affairs is to strive for a bigger say, not to compete for a leading position. To strive for a bigger say has two purposes: one is to better protect and reflect our national interests, and the other is to enable us to participate in rules-making. However, due

to limited strength, we are not in a position to expect a leading position yet. To acquire leading position needs further growth of China's strength and further change of the international power balance. For that reason, the aim of our participation in international affairs in a fairly long period is "to raise voices" but not "to make a final decision", to which we must be sober-minded. In this way, we will not feel disappointed or lose interest in participating in international affairs just because we cannot influence agenda setting and the final results of the game.

Promoting International System Transformation in a Proactive and Steady Way

History shows that major changes in the international situation will always affect the world setup and lead to corresponding adjustments and changes in the international system. International system is "an abstract entity composed of sovereign nation-states and regulated by international laws and institutions, and a combination of fixed relationships formed through interactions between various actors (mainly nation-states) in international arena". Though comparatively stable, the international system may experience changes. For instance, the two World Wars and the end of the Cold War have all impacted the international system greatly. In international relations (IR) theory, different schools have different interpretations on the causes of changes in the international system. Realists believe that the main factors causing the changes include actors and the resulting modification of power distribution among them, changes in system norms and changes originating from outside the system, while liberalists hold that the driving forces for international system transformation are the development of external technology, changes in the relative importance of different issue areas, and the increase of new actors or the replacement of state actors by new ones. Besides that, liberalists also admit that changes may occur within the general power structure among nations. No

matter which school of IR theory you refer to, according to the current international political and economic reality, the factors that promote changes of the international system are increasing and becoming more and more salient. The rise of big countries and the change of power balance among various countries, the development of globalization and the challenges for global governance, the increase of non-state actors and the rise of their influence (both positive and negative), all are exerting greater and greater pressure on the running of the existing system. Therefore, transformation of the international system is inevitable.

If the causes of international system changes have some kind of objectivity because they originate from the development trend of international politics and economy, then the process and results of international system changes have subjectivity to a large extent because they depend on how the main actors in international system promote and mold these changes. For China, on the one hand, it should recognize the necessity of international system changes and be good at seizing the opportunities; on the other, it should promote the changes in a constructive way, making sure that the process is steady and the results are rational. China should pay particular attention to the following points when promoting international system changes.

Firstly, it should start from promoting the transformation of the international economic system. The great changes in the international system in the 20th century (World War I, World War II and the end of the Cold War) were all caused by changes in the international political power structure, while the driving forces of the current international system change mainly come from changes in the international economic power structure, i.e., the change of the ranking of major economies, the declining role of G8 and the increasing status of G20, and the reform of the voting rights of the IMF and the share ownership of the World Bank, etc. All the above changes make it clear that changes in the international economic system are inevitable. For China, to start international system change from the economic aspect is not only

because the trend of changes in economic power balance has become more and more obvious, but also because the redistribution of economic power is less sensitive than that of political power. In addition, China's globalized economic interests need badly better protection by means of increasing China's say in the international economic system.

Secondly, China should adopt a more proactive attitude toward the reform of the international political system. To be specific, it should support the reform of the UN Security Council. The reform of the UN Security Council is inevitable not only because big economic powers, such as Germany and Japan, wish to be permanent members of the Council, but also because the vast majority of developing nations hope to adjust the composition of the permanent members so as to enhance the Council's representativeness. Although China is already one of the five permanent members, its influence is insufficient because the majority of the Perm Five are developed Western countries. By adding developing countries to the permanent members of the Council, China can enhance its influence and say in this important decision-making mechanism. Furthermore, adopting a proactive attitude toward the reform of the UN Security Council can prevent China from being regarded as a country with vested interests that opposes reform, thereby improving its image as a responsible big country.

Thirdly, China should actively participate in building a regional system in East Asia. In the post-Cold War period, there are two general trends in the development of the international situation: globalization and regional integration. Globalization calls for the establishment of global governance mechanisms, while regional cooperation generates new regional systems. Regional systems are themselves important components of the international system, and the development of new regionalism has led to the regionalization trend of international politics. Therefore, the establishment and development of regional systems will have a bigger and bigger impact on international relations. Globally speaking, the regional system in Europe is the most developed, while Asia lags behind

comparatively in this regard. However, during the past 10-odd years, the development of regional cooperation in East Asia has been creating favorable conditions for the establishment of an East Asia regional system. China should seize this historic opportunity and work with other members of the region to build a regional system featuring cooperation, mutual benefit and equal participation. An East Asia regional system in which China plays an important role will not only better promote China's political, economic and security interests, but also effectively enhance its influence in the global system.

Finally, China should well handle the U.S. factor in the transformation of the international system. On the one hand, although the United States encounters severe setbacks and difficulties at present, it does not mean that it will decline from now. On the other hand, due to the rise of China, India and other countries, the relative power advantage of the United States is on the wane. Against this backdrop, the United States will constantly ask other countries, especially China, to share international responsibilities while doing its utmost to maintain its leadership in international affairs. Washington is very sensitive to any intention and action to challenge its leadership, and it is even more so if this challenge comes from China, a country with different political system and ideology from the United States. That requires us to handle our relations with the United States prudently so as to prevent the sharpening of China-U.S. contradictions. At the same time, we need to promote in theory a new outlook on international rights, that is, the right of managing international affairs belongs to the international system, a country's rights in the international system depends on the responsibilities it takes and the way it fulfils its obligations, and international rights can shift peacefully within the international system. The above proposition will help China legitimize its request for increasing its rights in the international system and give less prominence to the competition and challenges that China is supposed to pose to the United States. ^①