7 Reform and Chinese foreign policy

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Although Chinese foreign policy certainly underwent a profound transformation with the inauguration of the "reform and opening policy" at the end of 1978, it also retained elements of continuity. Among these elements are:

1 An essentially goal-rational foreign policy that sets clearly prioritized strategic objectives. Some goals have been constant throughout, such as the emphasis on sovereignty, independence, and China's achievement of Great Power status. Others have been specific to a particular time period (the "general line") while retaining pragmatic flexibility with regard to tactics. This realism and pragmatism entails a willingness to reassess that foreign policy and make significant adjustments from time to time, without necessarily acknowledging doing so (e.g., Tiananmen).
2 A tendency toward rhetorical hyperbole and a love for the language of absolute values and norms ("principles"), often belying the pragmatism with which policies are actually implemented. While the PRC has been involved in wars or violent altercations more often than most countries in the course of its brief existence, it does so only on the (perceived) firm ground of "principle."
3 A penchant for "preceptorial diplomacy," i.e., persuading other countries to parrot certain "principles" to establish a common normative basis for further discussions. These principles may be general, as in the "Five Principles of Peaceful Coexistence," or they may be tailor-made for a particular relationship, as in the agreements set forth in the "three communiqués" (for Sino-American relations), the "three fundamental obstacles" to normalization of Sino-Soviet relations in the 1980s, the "basic agreements" set forth on three ceremonial occasions to govern Sino-Japanese relations,[1] or (most recently, to govern third nations' postures toward Taiwan) the "Three Nos." Extraordinary emphasis is typically placed on the preliminary enunciation of these principles, failing which the whole relationship may be declared in jeopardy, not "normal."

The basic differences between Maoist and reform policies are none the less profound. The fundamental difference is the practical abandonment of world

revolution as the top-priority foreign policy goal in favor of the maximization of China's national interest. Granted, this shift was not as dramatic as it might appear, inasmuch as goals dictated by national interest were often smuggled into the definition of the functional requisites of world revolution – one may argue, for example, that the PRC never engaged in war unless its national interests were at stake. But the commitment to revolution was far more than rhetorical: after all, China did endorse and encourage wars of "national liberation," including sending weapons, military equipment, and sometimes advisors, risking war with the capitalist superpower; and it did become involved in a protracted altercation over ideological principles with the Soviet Union. None of these actions could easily be justified in terms of national interest. The Maoist focus on revolution pitched the whole approach to foreign policy in a provocative direction, emphasizing crises and contradictions in the capitalist world – stability is relative, struggle is absolute, even under communism. Revolution is necessarily violent (seizure of power via the ballot box, as in Italy or France, is "revisionist"), a third world war between capitalist and socialist forces inevitable. Amid this continuing world revolution, Mao relied on a few basic principles first clearly articulated during China's revolutionary war: isolate the "principal contradiction," unite with all others who can be induced to cooperate in dealing with the common enemy, do not allow secondary contradictions (e.g., conflicts about ideology, personality, etc.) to prevent you from being flexible on tactics so long as it serves your strategic objective. Thus in 1949 China after momentary hesitation and despite significant reservations adopted a "lean to one side" grand strategy to counter the hegemony of the United States, whose inveterate ideological hostility toward international communism (and concomitant containment policy) made it the principal external threat to PRC security. When the Sino-Soviet alliance soured and the Soviet military buildup along its Asian frontier compounded the ideological dispute between Beijing and Moscow, and as Washington demonstrated the limits of its military ambitions in Southeast Asia and signalled its plans for retrenchment in the Nixon/Guam Doctrine, Mao decided the Soviet Union was the superpower posing the more serious threat, and China adopted a "lean to the other side" strategy of Sino-American rapprochement. In retrospect, the 1971–2 *caesura* may be considered the first manifestation of the "reform" impulse in Chinese politics; although subsequently justified ideologically in terms of Mao's "Three Worlds" paradigm, it clearly came in response to power-political necessities.

Since the Third Plenum of the 11th Party Congress in December 1978, most of this revolutionary strategy has been postponed into practical irrelevance, and although "Mao Zedong Thought" remains an ideological cornerstone of the People's Republic, the official reconstrual has eviscerated it. Taking advantage of widespread disenchantment with the Cultural Revolution, Deng and his followers had by the Sixth Plenum of the 11th Congress (June 1981) largely dismantled Mao's doctrine of continuous revolution: "class struggle" (which Mao deemed the "key link") and "turbulent" mass movements were declared essentially *passé*, "politics in command" (viz., prioritization of the ideology and

the "relations of production") was turned upside down, giving pride of place to the "forces of production" (i.e., the economic base). In foreign policy (now subordinate to domestic modernization priorities), the export of revolution and the support of insurgent liberation movements in the Third World gave way to a "peace and development" line (meaning in effect that China would support whomever was in its economic interest to support). Fresh analyses of the international correlation of forces resulted in the discovery that war was not inevitable, leading to reconciliation with the Soviet Union, a steady reduction in military spending, "a search for consensus while reserving points of contention."

The purpose of this essay is to describe and analyze this transformation in greater depth. The first section reviews the structural dimension of foreign policy change. In the second section, the evolution of foreign policy during the reform era will be chronologically reviewed and analyzed.

The organization of foreign policy

As in all aspects of politics and administration during the reform era, foreign policy making has been the beneficiary (or victim) of increasing institutionalization of the division of labor, higher educational preparation of officials, and more collective decision making. The three main institutional participants in the foreign policy process are the state, the Communist Party, and the PLA; several other organs have relevant auxiliary roles, such as the intelligence services.[2]

Of the seven organs of the state listed in the 1982 constitution, which has remained authoritative with only piecemeal amendment throughout the reform era, three are formally relevant to foreign policy making: the National People's Congress (in its capacity to ratify treaties), the restored (in 1982) position of chief of state (who receives and delegates ambassadorial personnel), and the State Council. As the first two are essentially ceremonial we shall focus on the State Council, which actually runs China's foreign policy apparatus. Four of the State Council's current complement of twenty-nine ministries and four commissions (as of March 1998) are concerned with foreign policy: the Ministry for Foreign Trade and Economic Cooperation (MOFTEC), the Ministry of Foreign Affairs (MFA), the Defense Ministry, and (in specialized cases) the People's Bank, which has ministerial rank. MOFTEC, a direct descendant of the Ministry of Foreign Economic Relations and Trade (MOFERT), was established adjacent to the MFA in 1982 (renamed in 1993) to administer foreign trade and investment in a tandem arrangement analogous to Japan's division between its Foreign Ministry and MITI; by the late 1980s MOFTEC had become, with the increasing emphasis on economic development and integration into world markets, the second most important ministry involved in foreign relations. The MFA (*waijiaobu*), the queen (and largest) of the ministries by dint of its long favored position under Zhou Enlai, is similar in structure to foreign ministries in other countries. It comprises a General Office (consisting of a Secretariat and a Confidential Communications Bureau), five internal affairs departments, and eighteen external affairs departments.[3]

The internal departments are functionally organized to manage personnel and direct information traffic. The external affairs departments include both regional departments (e.g., Africa, North America and Oceania, Taiwan Affairs, Western Europe, Hong Kong and Macao, Latin America) and functional departments (e.g., protocol, consular, international organizations, policy research, translation). Below the departments are divisions, such as the US Affairs Division under the North American and Oceanic Affairs Department.

Leading MFA personnel include the Foreign Minister, a series of vice foreign ministers (*fuwaizhang*), a score of assistants (*waijiao buzhang zhuli*), and the MFA spokesman (*waijiaobu fayanren*); below them is a small army of ambassadors, general consuls (*zongling shi*), consuls (*lingshi*), chargés d'affaires (*linshi daiban*), etc. These are career officials, who have had remarkable stability of tenure: fully 87 percent of all officials at or above ambassadorial rank in 1966 survived through 1979. Chinese diplomatic personnel are typically area specialists rather than generalists, often with excellent language training and cultural sensitivity to "their" area. At the apex of this pyramid, the reform era has seen three foreign ministers: Wu Xueqian (from November 1982 until being forced out in the wake of his son's involvement in the Tiananmen protests), Qian Qichen (1989–98), and Tang Jiaxuan (1998–). Of the three, only Qian could be considered a political heavyweight, one of the three foreign ministers (after Zhou Enlai and Chen Yi) to be promoted to the Politburo since Liberation (in 1992); though he yielded his position as Foreign Minister to Tang in 1997 (perhaps because Qian had been a known Qiao Shi acolyte, perhaps because some in the military considered him too "soft" on the West), he has retained Politburo membership and a visible presence in the foreign policy process.[4] Tang Jiaxuan, who did not receive regular membership in the Central Committee until his promotion, is a well-educated career MFA official with a grounding in Sino-Japanese affairs – and as such he seems to have been adversely affected by Jiang Zemin's confused and disappointing November 1998 Tokyo summit.

Given its constitutionally sanctioned "leading role," the Chinese Communist Party (CCP) has the final word over both state and armed forces in this as in all political decision making. Formally speaking the leading decision-making forum is the Central Committee (CC), which in turn delegates power to the twenty-four-person Politburo and thence to its still tinier (currently seven-member) Standing Committee (PBSC; in the early 1950s, and again briefly in the mid-1980s, the Secretariat eclipsed the Standing Committee, but since 1989 its leading role has been reaffirmed). Yet even the PBSC is deemed too large and cumbersome to make foreign policy decisions: during the Maoist era these were made by the team of Mao Zedong and Zhou Enlai (with Zhou increasingly relegated to the position of implementor). In the reform era the ambit was widened somewhat to a "leading nuclear circle" initially consisting of Deng, Chen Yun, Hu Yaobang, and Zhao Ziyang (1979–89), then of Deng, Yang Shangkun, Li Peng, and Jiang Zemin (1990–3), and finally of Jiang Zemin and Li Peng.[5] This "core" is given institutional status via the CPC Central (Committee) Foreign Affairs Leading Small Group (FALSG), consisting of key members of the PBSC

and of government and party foreign affairs agencies. Inasmuch as this is a non-standing committee with no permanent staff, the Central Processing Unit (or *guikou*) for the implementation of its decisions is the Foreign Affairs Office of the State Council. Owing to its special status and problems, Taiwan alone does not fall under the jurisdiction of this *guikou*; in 1987, a CPC Taiwan Affairs Group (TALSG) was created, headed by Yang Shangkun, its CPU being the Taiwan Affairs Office of the State Council. These two committees, both now chaired by Jiang Zemin, have eclipsed what was for a long time the dominant non-standing foreign affairs committee, the CC International Liaison Department (*duiwai lianluobu*, ILD), with eight regional bureaus as well as functionally organized "movement" sections (union issues, peace commission, youth organizations, and women's leagues). But since the fall of the International Communist Movement in the early 1990s, the ILD has fallen into desuetude. Now chaired by a mere CC member, Dai Bingguo, the ILD has been relegated to the task of maintaining liaison with other political parties – at one time this meant communist parties, but since the collapse of the International Communist Movement in 1991 the ambit was broadened to include first socialist parties and eventually virtually all parties.[6]

Though the PLA, legatee of an historically close relationship with the CCP, has seen its political influence wax and wane over the years, since 1989 both the military and security forces seem to have been in the ascendancy, largely in reaction to the "turmoil" at Tiananmen and the ensuing collapse of the communist bloc. Whereas active military officers are eligible for any governmental or party positions (two currently serve on the Politburo), the highest venue for their official political influence is the CC's Central Military Commission. Somewhat unexpectedly, Jiang Zemin has been able to exert his command over this organ since his appointment as chair in the fall of 1989 despite his total lack of military experience – due to the unequivocal support of Deng Xiaoping, the early (1992) elimination of the "Yang brothers clique" (and the absence of rivals in the line of succession with better military credentials), plus Jiang's own skill in meting out promotions and other perquisites. Yet the other side of Jiang's successful control of the PLA is that the PLA has been able to utilize these appointments to enhance its collective political power. The PLA's power base is now extensive, enabling it virtually to articulate its own foreign policy. In 1997 alone, the PLA received over 150 delegations from 67 countries and five continents on visits to China, including 23 defense ministers; about 100 PLA delegations travelled to 70 foreign countries. Since being urged by Deng to go into business in the 1980s to compensate for steadily diminishing budget allocations, the military has acquired its own interests, and these are not only strategic. The foreign policy input of the military has increasingly reflected vested business interests – whether China should join the Missile Technology Control Regime (MTCR) or sign the Non-proliferation Treaty (NPT) or sell missile or nuclear technology to Pakistan – it is perhaps no coincidence that China cast a rare UN Security Council veto to prevent any public criticism or sanctions against Pakistan when the latter conducted underground nuclear tests (following India's tests) in May 1998. This

may change following the PLA's forced relinquishment of economic interests in 1998, but it is important to bear in mind that this surprisingly swift divestiture involved only the services and not the national defense industrial sector. The PLA had many contacts with its US counterparts in the 1980s, but these were curtailed after Tiananmen and not resumed (partially) until 1997. Meanwhile, the military's interests with the Russian Federation have blossomed: since 1991 Russia has become China's major weapons supplier, selling tanks (T62s), supersonic fighters (Su-27s), submarines, and high-tech destroyers, even an old aircraft carrier (the *Varyag*). The military is officially represented in some high-level negotiations, such as the series of post-1991 five-power talks on frontier security with the former Soviet republics, leading to the April 1996 border treaty and the April 1997 treaty stipulating mutual frontier demilitarization and confidence-building measures.

In 1994, Deng in a sort of swan-song endorsed the functional division between party and state (*dang zheng fenkai*) as a primary constituent of reform, one of the most important operational implications of which was a systematic effort to reduce military influence in politics. This policy, however, proved an early casualty of Jiang's need to consolidate his power, as Jiang snapped up every available political office (including chief of state and chair of the CCP's Central Military Commission (CMC)) to consolidate his succession. In June 1994 Jiang appointed nineteen new generals, giving the PLA leadership his own imprimatur. In the mid-1990s the CR practice of seconding PLA officers to high political positions was revived, and the CMC was expanded (e.g., two new vice-chairs) to accommodate its added responsibilities in foreign affairs and reunification policy.[7] Military officers became most politically engaged in those issues deemed consistent with their professional responsibilities (and ardent nationalism), notably the Taiwan issue; after Lee Teng-hui's "alumnal" speech at Cornell in June 1995, military leaders began attending meetings of the FALSG and the TALSG (General Xiong Guangkai replaced civilian Wang Zhaoguo as Secretary-General of the TALSG), and the leadership was brought under such concerted attack that Qian Qichen and Wang Zhaoguo had to make self-criticisms. Yet the political results of this massive attempt at intimidation were so mixed in Taiwan (where Lee Teng-hui was re-elected by a landslide and popular interest in reunification nosedived) that their intervention damaged military credibility, enabling Jiang to replace Liu Huaqing and Zhang Zhen (with whom his relationship had been problematic) with loyalists Chi Haotian and Zhang Wannian at the 1997 15th Congress (whom, however, he excluded from the PBSC). The PLA's escutcheon had also been tarnished by widespread military involvement in illegal commerce, and perhaps by discomfiting popular memories of the history of military intervention in Chinese politics (martial law in 1949–54, military intervention in the Cultural Revolution, the Tiananmen crackdown).[8] Military participation in controlling the summer 1998 Yangtze flood, widely popularized in the media, has helped to alleviate that image, and in any event military preparations for "localized warfare under conditions of high technology" have continued to enjoy pride of place in China's annual budget

allocations as well as in personnel appointments. Though it is difficult to measure the political impact of that buildup very precisely, it seems to have placed China somewhat out of step with most other powers in the region, who have been more interested in cashing in their peace dividends.

The role of China's secret service organs in the foreign policy process is for obvious reasons not well advertised. There are now three operational agencies: the Public Security Bureau, or PSB (*gonganbu*), the Bureau of State Security, or BSS (*guojia anquanbu*), and the Bureau of Investigation, or BI (*diaochabu*); these are all under the supervision of the Commission for Politics and Law, which since the involuntary retirement of Qiao Shi at the 15th Congress in 1997 has been chaired by Luo Gan, a former Qiao protégé with close links to Li Peng. The BSS is the descendant of the General Directorate of Intelligence (*qingbao zongshu*) established under the Government Affairs Council in 1949, eliminated in 1953, re-established as the party's Central Intelligence Department in 1955, shut down during the Cultural Revolution, and revived gradually under Zhou Enlai's auspices in the early 1970s. In 1983 the Party's CID was merged with the counterintelligence branches of the Ministry of Public Security's 1st Bureau to form the State Council's BSS (closely guided by the party's Central Security Committee, or *zhongyang baomi weiyuanhui*), designed mainly to cope with domestic dissidents or overzealous foreign journalists.[9] If the mission of the BSS is counterintelligence, that of the BI is intelligence – collecting sensitive information from abroad. Since the advent of reform its purview has broadened to include commercially relevant "high-tech," though as recent headlines surrounding release of the Cox Report attest, its interest in classic strategic secrets such as nuclear warhead miniaturization has not disappeared. As in the United States and many other countries, the PLA has its own foreign-policy-relevant security organs: the 2nd and 3rd Directorates of the PLA General Staff Department (the former concerned with human-source intelligence, the latter with signal and imagery intelligence gathering) and the so-called Liaison Directorate (*zhongzheng lianluo bu*) of the General Political Department all appear to be involved in collecting information relevant to military security, including high-tech weapons data. The most important source of unfiltered information to the foreign affairs establishment is the New China News Agency (Xinhua She), which publishes a series of news digests of varying degrees of confidentiality (e.g., Cankao Ziliao, Guoji Neican, Cankao Xiaoxi); according to some conspiracy theorists, the two journalists killed in the May 1999 bombing of the Chinese embassy in Belgrade were engaged in analysis of a downed US stealth bomber, for instance. Analytically processed information is routed through the foreign affairs research institutes: the Institute of International Studies is the official research arm of the MFA, which submits confidential briefing papers and also publishes *Guoji Wenti Yanjiu* (*Journal of International Studies*), but other "think tanks" include the Chinese Institute for Contemporary International Relations (the research arm of the BI), the China Institute of International Strategic Studies (established in 1979 under the General Staff Department), and the Chinese Academy of Social Sciences

under the State Council. These think tanks acquired considerable prominence during the tenure of Zhao Ziyang, but whether the MFA pays much attention to their briefings is debatable.[10] Given the censorship and propagandistic distortion of the official news media, the role of intelligence in China's foreign policy learning process is vital.

Despite the growing salience and complexity of formal organization in the Chinese foreign policy process, the personal equation remains highly relevant, as manifest in the influence of informal groups in decision making and the occasional discrepancy between formal position and actual power. The organization of informal influence is a notoriously elusive quarry for research, as it is expressly forbidden, and thus one must rely on the grapevine (*xiaodao xiaoxi*) and occasional leaks. Informal networks are constructed on a combination of ascriptive and associational attributes, and although networks are often stable over long periods membership is by no means mutually exclusive and in a given showdown members usually have an option whether to participate and in what manner. In the context of reform the old nodes (e.g., the PLA field armies) have tended to become less relevant, replaced by new nodes such as old college ties (increasingly relevant with the higher educational attainments of the third generation), the "secretary clique," the "princelings" (*taizidang*), or Jiang Zemin's "mainstream faction" (*zhuliupai*). Informal groupings are amphibian, tending to surface only in the context of perilous uncertainty, as for example during succession crises. A notorious example is the 1972–6 cleavage between the followers of the "two maidens" (*liangwei xiaojie*), Mao's niece Wang Hairong and Tang Wenshang, young amateurs who had exclusive access to Mao during his terminal illness, and "Lord Qiao" (Qiao laoye, aka Qiao Guanhua), the foreign minister who represented the career professionals in the MFA. Even after one identifies a coherent "loyalty group" it is not always self-evident what its policy preferences are on a specific issue (which are generally irrelevant in any event, as key decisions are made at the top).

One noteworthy tendency during the reform era has been for personal loyalty groups to shift to bureaucratic politics, "where you stand is where you sit," as a consequence of the lower salience of ideology and reduced penalties for association on behalf of special interests. A bureaucratic base is not identical with a loyalty group (though they may overlap, as loyalty develops over time), inasmuch as it may be expected to dissolve immediately in the case of a personal career crisis. But it is more easily identifiable and its foreign policy interests may be rationally inferred from an organizational chart. Thus the MFA's geographically defined departments may be expected, *ceteris paribus*, to defend the interests of "their" country or region, and it is thus possible to identify (on the basis of bureaucratically vested interests) those governmental ministries, regions, and economic sectors more (and less) apt to support the policy of "opening to the outside world."[11] Thus the position of specific groups on any given issue should in principle be calculable from the conjuncture of their bureaucratic interests with international and domestic business cycles and other relevant economic data; more thorough and specific empirical research on this relationship is surely needed.

The evolution of foreign policy during reform

The evolution of China's foreign policy in the course of reform may be roughly sub-divided into four periods: the attempt to build an anti-Soviet united front culminating in "quasi-marriage" with the United States (1978–82), the implementation of Deng's "independent foreign policy" (1982–9), China's post-Tiananmen, post-Cold War reintegration into the international community (1989–95), and the current bid for Great Power status under Jiang Zemin (1995–9). During each period, without departing significantly from the "peace and development" line articulated at the outset of the reform era, Beijing undertook significant new policy measures to adapt to changes in the ongoing dialectic between domestic needs and the international environment.

Although Deng Xiaoping at the famous Third Plenum began to articulate the philosophical outlines of the new foreign policy orientation that would characterize his regime, for the first few years China's Great Power diplomacy was essentially continuous with the course set during Mao's waning years. This was dictated by the logic of the "strategic triangle," in which China's security depended on its relationship with the two superpowers, the Soviet Union was identified after 1969 as the world's most powerful "hegemonist" and main threat to China's national security, and China hence moved into closer collaboration with the United States as the cornerstone of a "united front" (including Japan and Western Europe) to be assembled to counter the "polar bear." The Sino-American "marriage" was celebrated by normalization of diplomatic relations, largely on Chinese terms, at the end of 1979, and was followed by good faith Chinese efforts on behalf of this quasi-alliance in its February incursion into Vietnam and its support for anti-Soviet *mujahideen* rebels in Afghanistan.

Yet the honeymoon proved remarkably brief. In 1982 Deng inaugurated a new "independent foreign policy of peace," announced by Hu Yaobang at the 12th Party Congress, and later the same year initiated a series of semi-annual "normalization" talks with the Soviet Union. Ideologically, the way was prepared for this shift to a more balanced (not equidistant, as that would also constrain China's room for maneuver) position between the superpowers with a deletion of "revisionism" from the polemical vocabulary and the inclusion of the United States (with the Soviet Union) under the epithet "hegemonists"; indeed, it put Beijing in a more defensible position vis-à-vis the Third World, where Reagan's "counterrevolutionary" foreign policies were highly unpopular. But the shift was strategically rather than ideologically motivated. With the doubling of US arms budgets and announcement of "comprehensive confrontation" under Reagan (and as Moscow became bogged down in Afghanistan and Cambodia) China deemed the strategic balance of power to be more stable, its security less at risk. Beijing could not get much more from Washington than it had already gotten, the CCP leadership probably reasoned, whereas further Chinese reliance on Western strategic collaboration would only trigger further Soviet armament efforts and hence indirectly aggravate its own security dilemma. Any consequent Chinese efforts to upgrade its own arsenal would not only detract from the other

three "modernizations" but increase Beijing's growing dependency on Western arms markets, thus reducing its diplomatic freedom of maneuver.

In addition to shrewd triangular analysis a more visceral factor played a role in Beijing's shift, whose importance has frequently been underestimated: Taiwan. Normalization of Sino-American relations coincided with the advent of a new and unprecedentedly generous policy of "unification" with Taiwan, in which the island state was assured of "one country, two systems" with "a high degree of autonomy," and encouraged to engage in "three links" with the mainland. This new policy was in part meant to mollify Washington for breaking its mutual defense alliance with Taiwan in the absence of any guarantee not to use force by Beijing, but it also introduced to Taipei for the first time plausibly attractive terms for peaceful and prosperous unification. If China regained Taiwan, Beijing no doubt reasoned, that would be ample dowry for marriage to the world's leading bourgeois hegemonist. Hence Taipei's counterattack, in the form of a furious lobbying campaign that induced Congress to pass the Taiwan Relations Act within a few months of normalization, caught Beijing quite by surprise, and it was not pleased. The provisions of the Act seemed to erase, at one fell swoop, many of the gains of the Second Communiqué. Beijing's dismay was compounded by the election of Taiwan's "old friend" Reagan in November 1979 and by the resumption after a year's moratorium of US arms sales to Taiwan. This precipitated a rather stormy period in bilateral relations, only partially alleviated by the August 17, 1982 Third Communiqué, which promised (conditionally) to reduce and eventually curtail arms sales. "The change of our views on global strategies is affected above all by the changes the US has introduced," Deng stated in 1984. "The biggest shift that was caused by US changes is with regard to the Taiwan problem."[12]

As part of its move from revolutionary offensive to power balancing, China softened its "realism" somewhat to reassess the role of international organization, agreeing for the first time to participate in peacekeeping activities (even to help pay for them). China joined a wide range of intergovernmental organizations in the 1980s, including the IMF, World Bank, Asian Developmental Bank, International Atomic Energy Association, UNCTAD, UNICEF, UNESCO, WHO, MFA, and over 200 international agencies concerned with the development of science and technology. An active participant in UN discussions, it used its General Assembly vote (and Security Council veto) in support of various Third World proposals, criticizing both superpowers (although PRC economic relations with other Third World countries remained strictly business – no fraternal revolutionary aid, as in the Maoist era). China's position on arms control and disarmament issues was also redefined – thus Beijing participated in the activities of the UN Disarmament Commission, in 1982–7 attending seven of the eleven conferences of the commission in Geneva, contributing its critique of superpower nuclear arsenals.

Meanwhile, as to superpower relations, Beijing's frustration with Washington was soon put into perspective by disappointment with Moscow's dilatory response to Chinese calls to remove the "three fundamental obstacles." In the

wake of Reagan's 1984 summit visit and Shultz's 1985 announcement of an end to further concessions and a strategic tilt toward Tokyo, Beijing thus set limits on its independent foreign policy posture, compromising on hitherto sensitive disputes and consolidating strategic ties with the United States. The Reagan administration reciprocated by increasing the flow of US technology to China and by minimizing public references to remaining differences over Taiwan.[13] Beijing's interest in rapprochement with the Soviet Union proved at the triumphant climax to their protracted negotiations to be relatively modest: the joint communiqué adopted at the May 1989 "normalization" summit did not project a vision of future cooperation in either the security or the economic realm.

The sharp international reaction to China's brutal suppression of the Tiananmen protest again seems to have caught CCP leaders quite by surprise. They seem to have expected things to blow over after a few months, but the coincidence of the crackdown with the collapse of communist regimes elsewhere dazzled the West with the prospect of an "end of history" and it was diverted from returning to China immediately. The Soviet Union's complete collapse, unrelieved by massive Western aid or spontaneous economic recovery, eliminated the third leg of the triangle, with the result that bilateral friction was no longer counterbalanced by either Washington's strategic need for Beijing or Beijing's strategic need for Washington, and tended to escalate. China's sudden relief from visible threats to its national security could not fully be appreciated in the context of a legitimacy crisis aggravated by an ideological vacuum, and military expenditures for the first time after nearly a decade of annual reductions[14] began to escalate annually by double digits, despite a temporary economic recession (1989–90) and no visible strategic threats looming on the horizon.[15]

Yet Beijing was able to rise to this grave foreign policy challenge by making four significant adjustments. First, given the unprecedented absence of Great Power threats, Beijing for the first time lowered its sites from the international chessboard to the regional arena. In the early 1990s Beijing normalized relations with all remaining ASEAN members on the basis of the Five Principles of Peaceful Coexistence (and non-recognition of Taiwan), and China's neighbors reciprocated by moving into the vacuum left by fleeing Western investors. Hong Kong, Taiwanese, and South Korean investment capital flooded into southern China in record quantities beginning in 1989 – thus demonstrating, perhaps, that the notion of "Asian values" had a germ of truth. Japan, too haunted by its own past to waste much time on recriminations, was the first major power to make steps toward reconciliation: on August 11, 1989 Premier Toshiki Kaifu announced that cooperation with China would continue in accord with the joint Sino-Japanese declaration of 1972, and (in response to Chinese urging) Japan the following year remitted the frozen yen loan promised by Takeshita in late 1988. This prepared the stage for the Kaifu visit in 1991 (the first visit by the leader of a leading industrialized democracy since the crackdown), and in the visit of the emperor himself in 1992, commemorating the twentieth anniversary of normalization (and offering a long-sought apology for Japanese war crimes).

The target of numerous Chinese complaints in the 1980s (Japanese investors had been frightened by Baoshan and other such abrupt Chinese economic reversals), Japan had become by the mid-1990s China's largest foreign trade partner (with whom China now enjoyed a consistent positive trade balance) and second or third largest investor.

Second, though barely avoiding a diplomatic *faux pas* when it considered recognizing the abortive conservative coup in August 1991, China quickly overcame its reservations about the collapse of European socialism and the inauguration of Yeltsin and normalized relations with the Russian Federation and all former Soviet Republics, and in the fullness of time the initially suspicious relationship was to develop into a quite warm one, as by 1991 China had become Russia's leading arms market (compensating the Russian Federation for declining international sales in the wake of the triumph of US "smart" munitions in the Gulf War). The evident failure of democratic capitalism to emancipate the Russian economy eliminated the danger of a Russian demonstration effect, while China's embrace opened the way to Moscow's backdoor participation in the thriving Asian economic dynamo in the wake of its exclusion from an expanding NATO. Border talks with a diplomatic team consisting of all four former Soviet Republics (Russia, Kazakhstan, Kyrgyzstan, and Tajikistan) culminated in successful border treaties and agreements on frontier demilitarization and confidence-building measures jointly signed in 1996–7, and in 1998 the demarcation of the Sino-Russian border was finally completed. True, the (nonmilitary) economic relationship, after a promising beginning in the early 1990s, has proved disappointing to both sides (largely due to the collapse of the Russian economy), but the formation of a "strategic partnership" in 1997, by evoking the old Sino-Soviet "bloc" without actually reviving it, has improved both countries' diplomatic leverage at no visible cost.

Third, without in the least apologizing for its ferocious overreaction to the student demonstrations, Beijing for the time being quietly adopted a somewhat more progressive stance toward reform. Instead of retrenching, as had been anticipated, following Deng's 1992 "southern voyage" (*nanxun*), additional reforms were launched, further freeing domestic prices and opening China to international markets to an unprecedented degree; this ushered in a massive influx of private investment capital hoping to take advantage of China's potentially enormous market. The political arena having been placed out of bounds, China's officialdom and middle classes "plunged into the sea" (*xia hai*) of commerce with a vengeance, and the economy rebounded with double-digit growth (and initial high rates of inflation). While continuing to articulate its (now perforce increasingly anti-American) polemic against superpower hegemonism in international forums, China demonstrated a growing willingness to play by Western rules: it finally (after a final series of underground nuclear tests ending in 1996) joined the Nuclear Non-Proliferation Treaty (NPT) and the Comprehensive Test Ban Treaty (CTBT), as well as the Chemical Weapons Convention and Biological Weapons Convention, and vowed to abide by the MTCR.[16] Beijing even began to respond a bit more diplomatically to human

rights concerns, preparing a series of plausibly argued white papers; particularly during annual Congressional deliberation of China's Most Favored Nation status, China was always willing to release a few dissidents and go on a shopping spree for US imports.

Fourth, as in previous periods when China's relations with the Great Powers frayed (e.g., the 1960s), Beijing revived its diplomatic contacts with the developing countries – none of whom had imposed sanctions or joined the world-wide chorus of recrimination. Thus a mid-1989 Politburo directive announced that "from now on China will put more effort into resuming and developing relations with old friends (in Africa) and Third World countries."[17] "In the past several years we have concentrated too much on one part of the world and neglected the other," Deng reflected during his summer 1990 vacation at Beidaiho. "The USA and other Western nations invoked sanctions against us but those who are truly sympathetic and support us are some old friends in the developing countries. … This course may not be altered for 20 years."[18] Thus a series of high-level visits (by Yang Shangkun, Qian Qichen, and Li Peng) was conducted in 1989–90. China also joined Malaysia, Singapore, and assorted others in a defense of "Asian values" and developing countries' right to immunity from superpower intervention in the name of parochial Western values. China also supported the Third World proposal to launch a new international economic order, according to which developing countries, while retaining "full and eternal sovereignty" over their own natural resources, should be granted full access to Western markets without protectionist barriers or disadvantageous terms of trade. True, China's support for Third World causes remained essentially rhetorical, as it declined to join most Third World organizations, and in those mainstream groups that it did join it participated in debates but shied away from the functional committees and subsidiary bodies where business is actually transacted.[19] Still, to many in the Third World, the PRC remained the only major power willing to articulate some of their interests and concerns on the world stage.

Thus by the Fourth Plenum of the 4th CC in November 1994, the most plausible *de facto* dividing line marking the advent of Jiang Zemin's solo reign (Deng lived on until February 1997, but made no public appearances and was reportedly on life support), China seemed to have reintegrated itself into the international community far more successfully than seemed conceivable given its pariahdom only a few years ago. Deng, having been primarily responsible for this public relations disaster in the first instance, can take considerable personal credit for this miraculous recovery, urging colleagues not to panic but calmly to persevere in their work, staunching a revival of Sino-Soviet polemics during the Soviet collapse in 1989–91, successfully regenerating reform momentum in 1992, and, last but not least, setting forth and adhering to a succession regime with far greater surety than he had exhibited in the 1980s. As he was quoted in his "24-character principle" for handling world affairs enunciated in late 1989: "Observe developments soberly, maintain our position, meet challenges calmly, hide our capacities and bide our time, remain free of ambition, never claim leadership."

Despite having been chosen to succeed Zhao Ziyang as Party Secretary in the context of a legitimacy crisis, as a provincial dark horse with many career liabilities and few outstanding qualifications, Jiang Zemin in the course of time proved himself a worthy successor – not least by playing the delicate role of crown prince for so long without faltering. In a series of masterfully arranged confrontations he progressively eliminated a number of formidable rivals – the "Yang brothers clique," Chen Xitong, finally Qiao Shi – and was fortunate enough to see most of the older generation who might have attempted to assert seniority pass away. In an amazing series of personal appearances (he toured virtually every Chinese province and important city in the course of his internship, sagely evading the factional snarl in the capital), Jiang proved himself a commanding presence and a master of euphonious ambiguity. Within a year of his formal succession he had put all doubt about his staying power aside, eliminating some of the structural ambiguity of Deng's regime by having himself named to every formal leadership position available.

Filially hoisting the flag of Deng Xiaoping's Theory and claiming only to adhere to his patron's reform course, Jiang has not claimed any foreign policy innovations. Indeed, the fundamental reform line of peace and development has been retained, the primacy of domestic political economy with foreign policy in an auxiliary role,[20] the continued deradicalization of ideological rhetoric. As a younger and more vigorous man (indeed, an indefatigable traveler) and an orotund public speaker, Jiang has been in many ways a more capable representative of Dengist foreign policies than Deng himself. Inasmuch as Li Peng, Zhu Rongji, and Qian Qichen have also shown a penchant for the grand tour, China's interests and achievements have been amply showcased in national capitals and international forums.

Yet Chinese foreign policy has under Jiang's leadership already begun to show certain distinctive features – partly because Jiang is after all his own person, partly because of altered circumstances. Personally, Deng has displayed a paradoxical combination of extravagant showmanship and extreme caution. China's circumstances are no longer those of a scorned pariah but of a widely admired paradigm of market transition: after nearly two decades of reform and economic hypergrowth the prevailing mood has thus been that China has "arrived" – a mood encouraged by the obvious pride and optimism of "President Jiang" (Jiang zhuxi). I would argue that this has resulted in at least three foreign policy innovations that may be identified with the incipient "Jiang era." First, China has rejoined Great Power diplomacy, now riding the vehicle of "partnerships." Second, in its relations with the rest of the Asian region China has shown an inclination to revive a form of neotraditional diplomacy. And third, China has, despite profuse denials, shifted from Deng's policy of demilitarization to one of military modernization.

Notwithstanding Deng's admonitions to never seek a leadership position and never engage in power politics, China has embarked in what Jiang calls "Great Power strategy" (*daguo zhanlue*). The new international vehicle is not an alliance, not even a "friendship" alliance (for it is not mutually exclusive), it is decidedly

not a "military bloc," nor is it a "united front" (for it is no longer based on common opponent); it is a vaguely privileged bilateral relationship based upon comprehensive cooperation. The first "partnership" was proclaimed with the Russian Federation on April 23, 1997, followed quickly by a partnership with France (May 16, 1997), and later by partnerships with Pakistan, the United States, South Korea, the European Union, even Japan (no socialist countries, oddly enough), all of which were hailed in similar rhetoric, aiming grandiosely toward the twenty-first century. At the center of such "comprehensive" cooperation within partnerships is "consultation" (*xieshang*), which seems to feature building a strong personal relationship with other leaders – thus the Sino-Russian and Sino-American partnerships have entailed the construction of "hotlines" to the Kremlin and the White House. A partnership is clearly a labor-intensive and quite ceremonial affair, entailing regularly scheduled summits and frequent between-summit consultations. But it is also more than that. It is in effect a practical realization of China's vision of a "new international order" (*jianli guoji xin zhixu*) through "multipolarization" (*shijie duojihua*), and concomitant rejection of "hegemonism, power politics, conflict and confrontation." This new international order is to consist of a series of carefully cultivated, discrete bilateral links based on reciprocal advantage. The international system will consist of a wheel (but a wheel without a rim, given Beijing's fear of collusion) with China at the center. The strategic logic of these partnerships seems to be essentially that of the triangle, with Beijing in the "pivot" position, but now extended indefinitely.

There is no direct evidence that China has any intention of establishing some sort of "neo-tributary" system among client states in East Asia, an argument by analogy that would no doubt be vehemently denied by those to whom it is applied. Yet it is striking the inordinate concern under Jiang with prestige and ceremonial ritual, betraying a decidedly hierarchical view of the international order. Great Power summitry presupposes a tacit agreement that status will be shared, but in other international relationships due deference is expected. This is to say that China (and its leaders) expects to be addressed in a manner appropriate to its status, failing which all communication is typically cut off, blocking communication when it is most needed. Such deference from abroad is duly celebrated in China's domestic media, bolstering the legitimacy of PRC leaders as international notables. Thus the historically troubled relationship with Taiwan or Vietnam seems at least in part to be attributable to the latter's annoying insistence on equality; the diplomatic relationship with Taiwan in particular is replete with intense (if usually petty) protocol disputes, which have made communication extremely difficult (though one must say in this regard that the Chinese on the eastern side of the Strait have had their own ways of inhibiting communication). In the case of the November 1998 Tokyo summit China let it be known just before it took place (after two delays) that it expected to receive a written apology for war crimes similar to that recently submitted to Seoul. When Tokyo refused, Jiang refused to sign the joint communiqué, leaving the statement unsigned.

China's post-Tiananmen military modernization and its budgetary accounting have been the focus of several studies with conflicting results, partly because the official budget figures do not include all expenditures that would be included in Western arms budgets, and the magnitude of unrecorded expenditures is inherently uncertain.[21] Less important in this context than the precision of the official budget figures is the trend line: following a decade of spending decreases, spending has begun to increase, according to the official figures, by some 11–14 percent per year. Initially this could understandably be attributed to the labile situation after Tiananmen, but after ten years, domestic tranquility has presumably been restored (and in any case responsibility has been transferred to the People's Armed Police). During the early 1990s high budget figures could be rationalized by double-digit inflation, but in the past few years inflation has been eliminated, indeed replaced by deflation, while military budgets have continued to rise at the same annual rate. It is true that much of China's arsenal is obsolescent and "objectively" requires modernization, that the PLA requires compensation for shutting down its commercial sector in 1998, and that international arms markets are glutted and hence offer cut-rate purchase opportunities. Moreover, China is not the only Asian country to have increased its arms spending lately (though it is the only one whose military budget survived the Asian financial crisis unscathed). The point is that this does represent a departure from Deng's legacy.

Jiang's innovations have resulted in what from the current vantage point looks like a mixed picture. The revival of Great Power relationships via partnerships appears to have been an outstanding success – with the sole exception of Japan, in which full partnership has been complicated by an implicit rivalry for regional leadership. China's neotraditional new order in East Asia has received more mixed reviews. The 1995 confrontation with Manila over Mischief Reef in the Spratlys, followed in 1995–6 by the use of coercive diplomacy to intimidate Taiwan, did not incur material losses or plunge the country into war, but incurred few gains and was in many respects counterproductive, leading *inter alia* to an expanded interpretation of the Japanese–American Mutual Security Treaty and to tentative plans to install Theater Missile Defense systems in Japan and Taiwan. This response to a more powerful China's diplomatic activism threatens, as in the classic security dilemma, to undermine the PRC's security even as its force projection capabilities increase.

Conclusions

Chinese foreign policy during reform and opening may in general be considered highly successful, in contrast with the more dramatic aspirations but meager results of the Maoist era. While striving for less, China has achieved more: a stable and peaceful environment in which to pursue modernization, the restoration (*huigui*) of Hong Kong and Macao, and an improved relationship with Taiwan. Albeit not entirely by dint of its own efforts, China has been absolved of national security threats and enjoys amicable relations with all powers capable of

posing such a threat. Deng Xiaoping's foreign policy achievements seem to me particularly impressive, and hence warrant closer examination. His basic method was first to stabilize relations with the major powers (i.e., those potentially capable of threatening the PRC's survival) and then to make other gains around the margins. Inheriting a threatened and dependent position in the "strategic triangle," he succeeded in subtly readjusting China's triangular position in such a way that Beijing could "play" the triangle to its own advantage. Though this involved reconciliation with a power to whom Mao had sworn eternal enmity on ideological grounds (and to whom Deng himself did not have warm feelings), Deng did so upon exacting what he deemed an appropriate and necessary price. This made possible China's steady reduction of military expenditures in a no longer threatening international environment. Having thus stabilized China's relationship with the superpowers, he reoriented China's international position from exclusive identification with the Third World to an all-azimuth diplomacy, finding First World countries to be far more economically useful than "old friends" in the Third. To resolve the Hong Kong and Taiwan dilemmas he made parallel offers to both of unprecedented magnanimity, which Hong Kong accepted, while Taiwan, in an inherently stronger position, equivocated. Finally, while Deng admittedly dropped the stone on his own foot at Tiananmen (to use a Maoist expression), he showed extraordinary skill in removing it.

Jiang Zemin, from an inauspicious and frequently scorned beginning, has been able to consolidate his leadership and to put his own mark on Chinese foreign policy within an amazingly short time. He has contributed to the institutionalization and professionalization of the foreign policy apparatus, while providing vigorous high-profile personal leadership to the continuation and furtherance of Deng's basic policy line. At the same time, we argue that he has also introduced certain innovations. With the notion of a "partnership," China has been able to build a series of relationships with the other major powers that enhance its attractiveness as a partner while maximizing its own leverage and flexibility by not firmly aligning with any particular state or group of states. Rather than explicitly identifying China's international friends and foes (as Mao might have done), Jiang's strategy seeks to establish partnerships with each as a way of binding their interests to China's and reducing the likelihood that any will be able to cobble together a hostile coalition. Though one may argue that such partnerships have amounted to mere window-dressing for existing links that make no commitments but elicit few tangible advantages, they project a vision of multipolarity that exerts a certain appeal in the post-Cold War strategic vacuum, and may have enhanced China's incipient Great Power status. China's relationships with smaller powers in the Asian region and the Third World have on the whole also been positive, thanks in part to the diplomatic competition with Taiwan at this tier. The problem for Jiang, to judge from the admittedly anecdotal evidence imparted by some of his keenest critics among Beijing's policy intellectuals, is that he combines a love for grandiloquent rhetoric and Mao-size achievements with a tendency to try to please everyone in his expanded decision-making arena, with the paradoxical result that he has

been put down as "soft" (*ruan*) for policies no less harsh than those of his predecessor.

Notes

1 Viz., the "joint declaration" of 1972 on the occasion of formally normalizing Sino-Japanese relations, the "Sino-Japanese peace and friendship agreement" negotiated in 1978, and the "Five Principles for the Future Course of Bilateral Relations" negotiated by Li Peng on the occasion of the twenty-fifth anniversary of diplomatic normalization in November 1997.

2 For an excellent overview of the structure of the Chinese foreign-policy-making establishment, see Robert G. Sutter, *Shaping China's Future in World Affairs* (Boulder: Westview, 1996).

3 See Lu Ning's outstanding study, *The Dynamics of Foreign-Policy Decisionmaking in China* (Boulder: Westview, 1997), pp. 21–31 *et passim*.

4 Especially in 1994, Qian Qichen was reproached in a public letter from the National Defense University of "right deviationism," specifically for being too conciliatory toward the United States and in the negotiations with the United Kingdom over the retrocession of Hong Kong. See *Zheng Ming*, 1 May 1994, pp. 10–12. To thus proceed against a Politburo member and one of China's four vice-ministers indicates that his critics must have had a base at least as high as the Central Committee. Since 1995 Qian's public foreign policy pronouncements have been harder line, particularly on Taiwan.

5 Ning, *Dynamics*, pp. 20–40.

6 By late 1998, the ILD had established party-to-party relations with some 300 political parties and organizations from 130 countries and regions on five continents; following the June 1998 Clinton visit, overtures were even made to the American Democratic and Republican parties.

7 Willy Wo-Lap Lam, *The Era of Jiang Zemin* (New York: Prentice Hall, 1999), pp. 164–5.

8 Thus for the first time in more than twenty years, the military has no representation on the Standing Committee of the Poliburo (though Generals Chi Haotian and Zhang Wannian have full Politburo membership). Military intervention in the economy is a different matter, as indicated by widespread popular support for the PLA's yeoman service during the disastrous floods of the 1998s.

9 Personal communication from Professor Murray Scot Tanner, based on his research on public security.

10 Ning, *Dynamics*, pp. 107–43.

11 For example, see Paul A. Papayoanou and Scott Kastner, "Assessing the Policy of Engagement with China," University of California Institute of Global Conflict and Cooperation, San Diego, CA, Policy Paper No. 40, July 1998.

12 As quoted in Peter J. Opitz, *Zeitenwechsel in China: Die Modernisierung der chinesischen Aussenpolitik* (Zurich: Interfrom, 1991), p. 25.

13 See Sanqiang Jian, *Foreign Policy Restructuring as Adaptive Behavior: China's Independent Foreign Policy, 1982–1989* (Lanham, MD: University Press of America, 1996).

14 From 1980 to 1989, China's military spending dropped from 16.9 percent of GDP to 8.34 percent. Jian, *Restructuring*, p. 147.

15 For example, China's defense budget according to official figures amounted to RMB 28.97 billion in 1990, compared to 25.10 billion in 1989; this grew by 15.2 percent in 1990, 12 percent in 1991, 12 percent in 1992, 13.5 percent in 1993, 20 percent in 1994, 21.25 percent in 1995, 11.3 percent in 1996, 14.7 percent in 1997, and 12.8 percent in 1998. Lam, *Era of Jiang Zemin*, p. 169.

16 Samuel S. Kim, "Chinese Foreign Policy in Theory and Practice," in Samuel S. Kim (ed.), *China and the World: Chinese Foreign Policy Faces the New Millennium* (Boulder: Westview, 1998).
17 *Foreign Broadcast Information Service – China*, 3 October 1989, p. 3.
18 As quoted in *Zheng Ming*, August 1990, p. 15.
19 Samuel S. Kim, "International Organizational Behavior," in Thomas Robinson and David Shambaugh (eds.), *Ideas and Interpretations in Chinese Foreign Policy* (New York: Oxford University Press, 1993), p. 9.
20 For example, China's trade dependency ratio had by 1997 reached 40 percent, which is quite high for a large continental power with its own domestic market. By 1994 China had become the largest creditor of the World Bank.
21 For example, cf. Richard A. Bitzinger and Chong-Pin Lin, *The Defense Budget of the People's Republic of China* (Washington, DC: Defense Budget Project, 1994); and Shaoguang Wang, "Estimating China's Defence Expenditure: Some Evidence from Chinese Sources," *China Quarterly*, no. 147 (September 1996), pp. 889–911.