In its foreign relations, China is a unitary actor, but decisions taken by its leaders reflect many pressures. In this essay, I analyze the pressures that influence China’s interaction with the world in terms of three spatial dimensions. My approach implies that scale and location create numerous Chinese realities. Not only do Washington and Nepal have different China policies, but Washington’s China is not Nepal’s China. Together the three dimensions constrain the overall direction of China’s foreign relations.

The three dimensions that must be considered to achieve a comprehensive and coherent picture of China’s position in the world are those of a single region-state, a multi-regional power and a global presence. In each of these dimensions China is unique, and each affects China’s external options. In China’s relationships with other states, one or another dimension might be more prominent; the dimensions interact, however, and together they provide the vantages through which China’s leaders view the world.

As a single state, China contains one-fifth of the world’s population and is the world’s largest common market. With the exception of South Asia, all of the world’s major international regions are smaller in population than China alone. China qualifies as a region-state, not simply because of its size, but because its boundaries conform to a natural economic region, its internal structure is clearly differentiated and its localities have distinctive external relationships.

China is also unique as a multi-regional power. Looking across the Pacific, the United States sees China primarily as an East Asian power, but within Asia there are different regions, including Northeast Asia, Southeast Asia and Central Asia, and China is a leading participant in all of these. The significance of China as a regional power is more than the sum of its various regional roles, because multiple memberships in regional organizations influence its posture in each one.

* The ideas presented underwent a long gestation and benefited from much encouragement and advice. I would especially thank the late William Skinner for allowing me to use his latest mapping of macroregions, and Jeff Legro, Jin Canrong, Liu Dexi, Juan Tokatlian, Alice Ba, David Kang, Wu Yu-Shan, Mark Selden, Paul Viotti, Steven Levine and the reviewers for *The China Journal* for their comments. Lastly, because of the comprehensive scope of this essay, not all relevant works could be addressed or footnoted, and I apologize for that.

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Lastly, China is a major economic and political presence in an increasingly complex global environment. Although the United States is the central world power, global interactions are not entirely mediated through the center. For every country in the world, China now looms on the horizon as a major opportunity and challenge. It has become one of the major nodes in a multi-nodal world. The current weakness of the US dollar and the uncertainties of the world economy are likely to strengthen this trend. China does not rival the United States as a global power in terms of national wealth per capita or in military strength, nor is it likely to do so in the foreseeable future, but its multi-polar foreign policy is well adapted to a global situation in which it must cooperate with its partners rather than attempt to dominate them.

**China as a Region-State**

In the broadest sense of the term, a region is a geographical cluster whose members are interactive but not homogeneous and which is part of a larger but less cohesive whole. Thus, I define a “region-state” as a state composed of subunits whose interactions with one another are more salient than their external interactions, but which also have distinct external interests. It follows that a major task of the central government of a region-state is the management of its parts, including the coordination and disciplining of their external relationships.\(^1\)

While it is difficult to draw clear lines between a “state”, a “region-state” and an “empire”, the modal types can be distinguished. Every state has internal differentiation, but to the extent that its externally relevant differentiation is based on factors other than locality, it is not acting as a “geographical cluster of entities”. Moreover, a state with strong geographical differentiation may be part of a larger international region that modifies its autonomy. Belgium and Lebanon would be examples of internally divided states whose domestic differences are strongly affected by external context. As these examples suggest, scale is also a factor in describing local differentiation as “regional”.

On the other end of the spectrum, “empire” certainly implies geographical differentiation within an overarching sovereignty, but empires are based on domination rather than on the more natural interaction of a region-state.\(^2\) Though domination enables integration for both empire and region-states, the parts of an empire do not have to be contiguous if there is naval superiority, and the boundaries of even a land empire are set more by the reach of its army than by the

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1. Kenneth Waltz (*Theory of International Politics* [New York: McGraw Hill, 1979], pp. 114-16) asserts that, without strong sovereign authority within states, unruly regional actors will bring about international anarchy. Waltz’s argument has been contested in theoretical terms, but not often in regard to concrete cases. My discussion of China suggests that diverse economic and social realities can influence a central state’s international policy without threatening its sovereign authority.

2. The traditional Chinese empire did not fit this modal type in its relations with, for instance, Vietnam from 1427 to 1887; however, it was not a single polity, and therefore not a region-state.
interrelationship of its parts. The litmus test between an empire and a region-state would be the effect of chaos. One would expect an empire to fall apart when the capacity for domination ebbed, and a subsequent empire to have different boundaries because it would be conquered by a different army. In a region-state, a new order would eventually emerge with boundaries similar to the old ones. Central order could collapse in a region-state, but resilience as a region would be its hallmark. “Region-state” and “empire” can overlap, however, since the habits of local interaction are affected by political integration. China’s unique combination of historical continuity and demographic scale push the prominence of local differentiation to new heights. Moreover, the policy guidelines of the reform era have emphasized decentralization, and the center has rewarded local leadership for situationally appropriate innovation.³ Rather than making China more homogeneous, modernization has changed the nature of localism from the autarkic self-sufficiency of cellular economies to competitive market localism. China is not, as some thought in the 1990s, coming apart at the seams, but internal differentiation exerts a fundamental influence on external as well as on internal politics. China relates to its “larger wholes” of Asian and global politics both as a region-state and as a sovereign unit.

Historically, China is a region that became a state. The geographical terrain of what is now China is rugged and segmented, and there are Bronze Age remains of various distinctive and autonomous groups.⁴ Cultural contact in the area that became China was as much a matter of warfare as of peaceful interaction, but after the unification of China in 211 BCE by Qin Shi Huangdi China began to approach its current outline.⁵ New dynasties with roots on the periphery added territories in the north and west,⁶ and Vietnam was lost in the tenth century and again definitively in the fifteenth century. Encouraged by the extensive political order, China’s population grew by six hundred per cent from 1400 to 1850, until practically every habitable space was filled.⁷

China’s political and societal development left it with many characteristics of a region. The most obvious feature is a population estimated at 1,330 billion in 2008. If China’s 31 provinces were independent states, three would be in the top 15 most populous countries, and 19 would be in the top 50. Twenty-three Chinese

⁴ Fei Hsiaotung, Plurality and Unity in the Configuration of the Chinese People (Hong Kong: Chinese University of Hong Kong, 1988).
provinces are more populous than Iraq or North Korea. Indeed, if the Chinese Communist Party (CCP) were an independent country, its seventy million members would be the twentieth largest state, on a par with Iran. China is less high-profile in economic than in population terms, but a disaggregated China would still boast 26 of the world’s top 100 economies.

**Map 1: Socio-economic Macroregions of China, 2000**

![Map of China's macroregions](image)

Based on township-level data
G. William Skinner and Mark Henderson
University of California, Davis, January 2007
Used by permission

Besides sheer demographic scale, however, China resembles a region because its borders are natural frontiers, and they function as internal buffers for its demographic and political heartland. With the exceptions of Xinjiang and Tibet, China’s borders are the mountains, forests and nomadic grasslands that stopped the movement of China’s population before the modern era, and the exceptions themselves have formidable external frontiers. Moreover, the non-Han ethnic groups live mainly in the border areas, while the population of the heartland
provinces is almost homogeneous. Even China’s seaward exposure is buffered by coastal islands and the Korean peninsula, although the British navy in the Opium War proved China’s vulnerability from this direction.

The classic portrayal of China’s socio–geographical differentiation is G. William Skinner’s division of China into nine macroregions that have been remarkably stable for at least the past century (see Map 1). Although the macroregions do not correspond to political subdivisions and do not include most of the western half of Chinese territory, they include well over 90 per cent of the population and are much more than spatial metaphors of local traits. As Skinner’s recent research on Hierarchical Regional Space (HRS) demonstrates conclusively, the relationships between urban and rural, rich and poor, developed and underdeveloped are not national or even provincial differentiations, but instead are closely linked to center–periphery relationships within each of the nine macroregions. They have been and remain, as Skinner puts it, “‘natural’ vessels for territorially based socio-economic systems”, remarkably stable, and with their own centers and peripheries. The differences are not merely between coastal Shanghai and inland Sichuan, but between the urban centers of each region and their surroundings. Even a rich coastal macroregion like the Lower Yangtze, with Shanghai as its metropolitan area, has stark gradients of employment, education and government resources. Progress in the reform era has been felt throughout each macroregion, but it has not overcome center–periphery differences.

Besides the natural differentiation of urban-centered macroregions, China’s political sub-units provide an additional overlay of diverse local identities and interests. Some provincial boundaries date back centuries, and provincial personality stereotypes (Shandong: tall, honest, simple; Guangdong: short, innovative, clannish; and so forth) have remained remarkably stable since the Qing. Although China has become more integrated in the process of modernization, the pragmatism of reform has permitted local leaders to feel their own ways to prosperity by pursuing available opportunities. The displacement of the cellular economy of subsistence localism by the more competitive patterns of market localism has led to more interaction, but each locality must play the hand it has

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8 Skinner uses the term “macroregions” because they are the apex of a hierarchy of geographical centers building up from market towns with their associated villages. From the perspective of international regions, we might view these as “micronegions”, but their scale and socio–economic autonomy are impressive even by international standards. G. William Skinner, “Urban Development in Imperial China”, in The City in Late Imperial China (Palo Alto: Stanford University Press, 1977), pp. 3-32.


12 Joseph B. R. Whitney, China: Area, Administration, Nation-Building (Chicago: University of Chicago Department of Geography Research Paper no. 123), Figure 4, p. 43.

been dealt. Central policies favoring the coast in the 1980s and more recently favoring inland provinces attempted to utilize macroregional advantages in the earlier phase and then shifted to equalize the national playing field, but in both cases they represent attempts to cope with the consequences of domestic diversity rather than to transform it.

Despite the socio–economic differences of China’s macroregions and the diversity of provincial political interests, the gulf between China and the outside world is larger than its internal divisions. If China were not a single polity, the primary preoccupation of its parts would still be their interrelationships. The total chaos of the warlord era allowed independent regimes to emerge, but the struggle in the heartland of China remained internally-oriented. If other states were to become involved in alliances and interventions, natural boundaries as well as cultural habit would preserve China as an economic and political arena. China has fallen apart many times, but it has never scattered.

Although China’s centripetal force as a region-state exceeds the centrifugal tendencies of its parts, managing provincial localism and ensuring that the effectiveness of central leadership reaches China’s nooks and crannies remains a constant concern. China’s administrative structure accentuates the importance of comprehensive local leadership at all levels, and the localities are well equipped to shield themselves from unwanted attention from the center. Perhaps the most poignant illustration of local opacity in China is that China’s aggregate growth rate as reported by the provinces is significantly higher than the national rate claimed by the central government. Most provinces report themselves as above average and, while the center can discount their claims, it cannot eliminate the problem.

Although China is a natural region, it is not an isolated one, and the interface between its periphery and neighboring states creates localized interactions as well as state-to-state relationships. Both negative and positive examples abound. From the 1950s to 1978 the economic development of Guangdong and especially of Fujian were retarded because they were considered front-line provinces confronting the capitalist enemies. Meanwhile the mistreatment of people with overseas relatives during the Cultural Revolution helped to alienate ethnic Chinese in Hong Kong, Taiwan and throughout Southeast Asia from the regime.

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14 Hsi-Sheng Ch’i, Warlord Politics in China 1916–1928 (Stanford: Stanford University Press, 1976). As Ch’i observes, “Order had to be reestablished. Whereas everybody hoped to improve his own position against the others, nevertheless he would agree that unity should be restored and authority reestablished” (p. 18).
17 Fujian suffered the additional burden of militarization. Yeung Yue-man, Fujian: A Coastal Province in Transition and Transformation (Hong Kong: Chinese University of Hong Kong Press, 2000).
Guangxi Province was strongly affected by the wars in neighboring Vietnam, and in turn the bloody spectacle of the Cultural Revolution in Guangxi helped alienate Vietnam from China.\textsuperscript{18} Drug addiction is now a major problem in Yunnan Province, next to the Golden Triangle. On the positive side, Shandong and Jilin Provinces played special roles in the improvement of relations with South Korea\textsuperscript{19} in the 1980s and subsequently, while contacts between Xinjiang and the new states of Central Asia similarly helped to pave the way for the formation of the Shanghai Five in 1996. Yunnan Province plays a special role in the Mekong River Development Commission.\textsuperscript{20} While Beijing is indisputably in charge of China’s foreign policy, most “low-politics” interactions with the external world occur directly with more localized partners supervised by various ministries and local governments. As a result, what appears to be one China facing one world is often in reality many Chinese parts facing various worlds.\textsuperscript{21}

The commercial end of China’s external relations is most directly affected by the region-state dimension. There is not a single “China market” and there is not a single production platform. Indeed, there is not just one Chinese government with which businesspeople must deal. Beyond the business question of whose hand to shake, however, the unevenness of development within China’s macrorregions shapes the effectiveness of central policy regarding international issues such as pollution, global warming, food safety and human rights. Conditions in the rural periphery can be shocking to Chinese city dwellers, as was the case most recently with reports of people kidnapped and held in slavery by brick kiln operators in Shanxi and Hebei. Ultimately, 1,340 people were rescued, but a thorough inspection required the central government to investigate 277,000 work units with 12.67 million workers.\textsuperscript{22} Even without such abuses, the requirements of central regulation can easily exceed the capacities of state surveillance. Small coal mines are responsible for a disproportionate share of mine fatalities, but they are the only option for many remote areas. In food and pharmaceuticals, entrepreneurs who can operate across regions and utilize the rural blind spots of the national system are impossible to eliminate. It is facile to assume that such problems exist simply because the national government lacks the sincerity or commitment to be effective.


\textsuperscript{21} This argument was first made in Brantly Womack and Guangzhi Zhao, “The Many Worlds of China’s Provinces: Foreign Trade and Diversification”, in David S. G. Goodman and Gerald Segal, \textit{China Deconstructs: Politics, Trade and Regionalism} (London: Routledge, 1994), pp. 131-76.

\textsuperscript{22} “More than 1000 Rescued from Forced Labor in China”, Xinhua, 13 August 2007.
Politically, however, China is a single state rather than an international region. Other regional leaders such as India, Brazil and South Africa must negotiate regional coordination with neighbors smaller than themselves, but international neighbors can rarely be forced to comply against their own perceptions of their interests. Moreover, the option of reaching outside the region to buffer or even balance against a regional leader makes regional politics in other places contingent on the broader international scene. China, however, is emphatically unitary rather than federal. With the exceptions of Tibet from 1952 to 1958 and the Hong Kong Special Autonomous Region (SAR) and Macao SAR after their reversions in 1997 and 1999 respectively, local governments do not have defined prerogatives vis-à-vis the center. Although the different interests of border provinces are accommodated, challenges to central authority are not permitted. Moreover, if separatism is suspected, as in Tibet and Xinjiang, then security measures are adopted. The turmoil in ethnic Tibetan regions in March 2008 illustrates both the seriousness of local tensions and the determination of the government to maintain order and unity. In a multi-state region, this or that state might think out of the box. In a region-state, any thought of leaving the box is prohibited.

Although the cross-Strait standoff with Taiwan originated in the civil war between the CCP and the Kuomintang, perhaps current issues in the relationship are best understood in the context of China as a region-state. The remarkably generous offers of autonomy first made in Ye Jianying’s Nine Points in 1981 and amplified by later statements reflect the center’s tolerance of localism at the periphery as long as it does not challenge central authority. However, Taiwan remains concerned that the definition of “separatism” would be in the hands of the center, and the center’s current record of multicultural tolerance is mixed at best. As President Ma Ying-jeou’s inaugural address made clear, democratization has enhanced pride in Taiwan’s distinctive identity, and for cross-Strait reconciliation to be acceptable China must confirm that identity rather than putting it at risk.

If we generalize the foreign policy consequences of China being a region structured as a state, the most important feature is the richer geographical texture of sub-national external relationships. Every state has diverse economic interests, but no other state has China’s scale and diversity of sub-units, and these in turn face different external situations. Life in Shanghai is more similar to life in Taipei than it is to life 300 km away in rural Anhui. Such disparity means that China faces the world not at one level of development, but with a broad spectrum of development and exposure. Disparity also induces migration, a demographic convection current whose major effect is domestic, but with international impact.

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23 Besides the opening up of trade and investment, Ye suggested that Taiwan could retain its own army, and that Beijing would not interfere in its internal affairs. See “Chairman Ye Jianying’s Elaborations Concerning the Return of Taiwan to Motherland and Peaceful Reunification” (30 September 1981). Available at: http://www.fmprc.gov.cn/eng/ljzg/3568/117783.htm, last accessed 28 November 2008.

as well. An estimated 750,000 Chinese are now living and working in Africa.\(^{25}\) To view China’s external relations only in terms of central government to central government relations—or even in terms of national categories of economic interests—is to miss a major dimension of the reality of China’s external interactions.

Secondly, scale permits an unusual diversity of external interests among localities, and between localities and the center. The central government is not simply the manager of local diversity, however. The interests (as the center perceives them) of China as a whole often conflict with the preferences of particular localities. It is quite unlikely that Guangdong would have isolated itself in the 1950s had it been an independent state, and in the reform era it is not surprising that smuggling is looked on more kindly by local officials in border provinces than by national ones. China’s self-designation as the “central kingdom” is both a political fact and a constant administrative challenge. The necessary complexity of domestic management and the absence of pressing external threats to its identity and space give Chinese politics a deep domestic centricity. The center’s continuing struggle to ride herd on the external ambitions of its parts is reflected in President Hu Jintao’s August 2006 remarks on foreign affairs management. The first of his five admonitions, outranking even the need for peaceful development, was to put first the interests of the whole party, the whole country, and of the broadest citizenry.\(^{26}\)

Lastly, China as a region-state tends to view its place in the world in global terms, since the world appears to be the next step up from a region. Western imperialism taught traditional China that it was not *tianxia* 天下, “all under Heaven”. However, from the days of the earliest reformers China as a nation was considered at least as a part of a global pattern, if not as a leader of a global transformation,\(^{27}\) and China’s diversity might prolong the vigor of its economic growth. Charles Kindleberger has argued that the life cycle of economic hegemons progresses from youthful risk-taking and innovation to an old age of comfort and coupon-clipping,\(^{28}\) but Kindleberger’s best examples are small states like Venice and Holland. The United States demonstrates that the more complex the national socio–economy the less crisp the life cycle of its golden age. In China,


the scale of the internal market and the hunger of the internal peripheries should work to buffer and extend its dynamism.

**China as Multi-Regional Power**

Regardless of China’s global self-referencing, its importance as an entity and as a rising power is felt first and most intensely by its neighbors. However, China’s situation as a multi-regional power is just as complex as its national situation as a region-state. China is the closest major power to many states, but it is not enclosed by any of their regions. China plays a major role in Northeast Asia, Southeast Asia and Central Asia, but China does not fit as a whole into any one of these regions, and they are too disparate to be considered a unified macroregion. Russia also has multi-regional relationships in Europe, the Middle East and East Asia, but no other country has a neighborhood as varied, complex and separated as China’s. Moreover, in most other cases the regional power is central to its region, while China is central only to itself as a region-state. Indeed, China’s situation of being present in but not inside a number of regions defines the basic challenge of its regional diplomacy.

The scale of China’s reach as a regional power also pushes the limits of the concept. The populations of all the states for which China is a neighbor or the closest major power add up to 56 per cent of the world’s population, with 26 per cent of the world’s GNP. Of course, neighbors such as Russia, Japan and India are regional powers in their own right, and they have other, more important relationships. Nevertheless, there is no other country that has as diverse a regional reach as China. The next step up would be the global influence of Europe and the United States.

Before discussing the specifics of China’s regional relationships, it is important to reflect on the defining characteristics of regions and regional powers in an international context. I define an international region as a contiguous matrix of relationships involving a limited number of states of different capacities situated in a larger political environment. The important elements of this definition are, first, that a region is not simply a category of states but a located set of neighboring states. The British Empire and the Third World are not regions. Also, it is possible to consider the regional characteristics of a located and interacting group of states, regardless of whether it is formally organized. Second, while a number of states comprise a region, they are not all regional powers. A regional power is a state

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29 These figures are for 2001, and include China itself. Excluding China itself, the group would be 44 per cent of the population of the rest of the world and 24 per cent of its GNP. Calculated from the World Bank, *World Development Indicators*, licensed CD version.

30 Regions and regional powers are discussed more fully in Brantly Womack, “Teoría de la asimetría y poderes regionales: los casos de India, Brasil, y Sudáfrica” (Asymmetry Theory and Regional Powers: The Cases of India, Brazil and South Africa) in Juan Tokatlian (ed.), *India, Brasil y Sudáfrica: El impacto de las nuevas potencias regionales* (India, Brazil and South Africa: The Impact of the New Regional Powers) (Buenos Aires: Libros de Zorzales, 2007), pp. 15-34.
whose disparities of capacities with non-powers in the region make the non-powers significantly more exposed in their mutual interactions. A regional power is not necessarily in a position to dominate its region—witness India’s confrontation with Pakistan—but it cannot be mortally threatened by a non-power in the region acting alone.\footnote{The semi-exceptions would be a smaller state threatening a larger one with terrorism or nuclear proliferation. Terrorism raises the level of individual risk but does not directly put the state at risk. Nuclear weapons are more of an “equalizer”, but only at the level of mutual destruction, and fortunately international relations are usually more complex than that.} Third, a region is a subsystem, not a system in isolation. Extra-regional and global politics can intrude into a region. While a regional power is a power in comparison to the non-powers of its region, it is in a more distant relationship to states outside the region, and may be a non-power compared to global powers. Regional powers are thus in a complex relationship even with the smaller states in their region, since these smaller states might be able to interest extra-regional or global powers in their plight. A good example would be Iraq’s invasion and occupation of Kuwait and the consequent US response triggering the Persian Gulf War.

There is a difference between being a regional power and being a power in a region. The United States and, to a lesser extent, Europe are powers in all of the world’s regions, but a global power has the option of being more or less involved in any particular region. The rationale of global involvement in regional affairs is likely to derive from global rivalries and concerns and to be episodic. Whether in conflict or collaboration, there will be a difference of perspective between global and regional actors. What may be a “small war” to a global actor is a historic event to its regional venue.

In contrast to regional definitions that require the division of the world into non-overlapping regions, the above definition permits consideration of China’s relationships with different groups of neighbors.\footnote{The most recent, extensive and impressive attempt to divide the world into discrete regions is Barry Buzan and Ole Wæver, Regions and Powers: The Structure of International Security (Cambridge: Cambridge University Press, 2003).} I will discuss in turn China’s relationship to Northeast Asia, Southeast Asia and Central Asia, and then analyze the effects of multi-regionality on China’s external posture. I do not treat trans-Himalaya as a region, because the formidable natural barrier of the mountains make the relationship to India and the rest of South Asia more a global relationship than a neighborly one.

Northeast Asia is a region without a regional organization; however, it has a good claim to be treated as a region. It is an arena of fairly intense political and economic interaction among neighbors, but one in which institutionalized cooperation has been difficult. It has three unusual features that shape its identity as a region. First, for the past half-century and for the foreseeable future the key regional problem will be the Korean Peninsula, aptly called the “vortex” of the region. Although neither Korean state is a regional power on the level of China or...
Japan, it is their peninsula, and the identities as well as the interests of both
Koreas are at stake. While they cannot disregard other regional and global actors,
their bilateral interactions will not derive from regional interactions. Second, the
stature of China and Japan as regional powers creates bipolarity in the region that
predates the modern era, was accentuated by Japanese imperialism, the Chinese
revolution and the Cold War, and is likely to continue. However, both sides view
their relationship as bilateral rather than simply regional, and the relationship
involves significant interactions outside the region. Third, although the
involvement of the United States in Northeast Asia tends to be episodic and issue-
driven, its role in creating the post-war governments of South Korea and Japan
and the continuing presence of its military have given it a status that might be
called “honorary regional power”. However, the current stalemate over North
Korea’s nuclear ambitions may be an indication of a retreat by the United States
to the status of being merely a global power with influence in the region. In
retrospect, it is possible that former President Carter’s intervention in 1994, which
prevented a likely American military action, was the turning point in the
regionalization of Northeast Asia.

Despite the complex character of the region, there is no question that China is
a full participant in Northeast Asia and a proponent of regional cooperation. It is
the biggest trading partner of the other three states. At the diplomatic level,
China’s hosting of the Six Party Talks is the best indication of its regional
involvement, as distinguished from the sum of its bilateral relationships in the
region. However, even if greater contact and cooperation is possible, it seems
unlikely that Northeast Asia would ever form a cohesive region. Both China and
Japan have only one foot in the region and, although the key regional problem
will not be left to the Koreans themselves, it cannot be managed without them.

Southeast Asia is definitely a region, and China is not part of it. However,
China is the largest neighbor of mainland Southeast Asia, and one of the major
trading partners of maritime Southeast Asia. Moreover, China’s involvement with
Vietnam, first as ally and later as enemy, has given an unusual twist to the
regional relationship, as have the conflicting claims to islands in the South China
Sea. Of all the regions touching China, Southeast Asia has the strongest regional
identity and organization, but the Association of Southeast Asian Nations
(ASEAN) operates by consensus and its external policy is one of openness and
inclusiveness.

In 1990 Southeast Asia was quietly concerned about the implications of
China’s increasing economic strength, the turmoil in China’s domestic politics
and the stalemate over Cambodia. Fifteen years later, despite even more rapid
growth in China’s economy and military, Southeast Asia is less concerned about
China and willing to enter long-term comprehensive agreements such as the
ASEAN–China Free Trade Area. 33 Several factors have contributed to the

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33 For current regional attitudes toward China, see Bronson Percival, The Dragon Looks
South: China and Southeast Asia in the New Century (Westport: Praeger, 2007) and
transformation of the China–Southeast Asia relationship. On Southeast Asia’s part, ASEAN’s membership expanded to include all ten regional states in the 1990s, and it expanded its group diplomacy by using the “ASEAN + X” formula. None of the individual states assumed an attitude of hostility towards China, even though Vietnam and the Philippines were involved with China in border and island crises. For its part, China was quick to readjust its diplomacy after the return of Sihanouk to Cambodia in 1991, and it did not oppose the expansion of ASEAN to include Vietnam, Cambodia and Laos in 1995. Moreover, China has not opposed Southeast Asia’s political, economic and even military interactions with other states. Most importantly, China has expanded its multilateral diplomacy with ASEAN, and has been careful to reassure Southeast Asian countries of its commitment to mutual benefit and stable relations. The turning point was when China assured Southeast Asia during the Asian financial crisis of 1997 that it would not revalue the Hong Kong dollar or the yuan, and was able to keep its promises. Since then, Southeast Asia has been convinced that the opportunities of close ties with China outweigh the risks.

China has played a leading role in the reorganization of Central Asia after the collapse of the Soviet Union. Although it is easy to exaggerate the significance of the Shanghai Cooperation Organization (SCO), which began as the “Shanghai Five” in 1996, it is the only post-Soviet organization for Central Asia as a whole, and its membership and functions continue to expand. Originally the SCO concentrated on pledges of counter-terrorist cooperation, and all five members were states bordering China. With the “Declaration of Cooperation of the SCO” issued in July 2001, economic and cultural cooperation were added to the agenda. Uzbekistan joined at that time and, since the admission of Mongolia to observer status in 2004, there has been a cascade of new interest in membership. Pakistan, India and Iran received observer status in 2005, and in June 2006 the presidents of Afghanistan, Iran, Mongolia and Pakistan attended the annual meeting. The SCO has become a comprehensive regional venue. It sponsors regular meetings of ministers of culture and defense as well as heads of state, and is beginning to sponsor joint military exercises and to discuss a free trade area.

Perhaps the most important effect of the SCO will be the encouraging framework that it provides for energy cooperation. At the SCO’s 2007 meeting, President Putin of Russia and President Nazarbayev of Kazakhstan called for the


The Commonwealth of Independent States (CIS) was formed from parts of the Soviet Union after its dissolution. It includes all of the former Central Asian Soviet Republics except Turkmenistan, which retreated to associate member status in 2005, but it also includes European members and does not aim at regional comprehensiveness in Central Asia.

formation of a Central Asian “energy club”.\textsuperscript{36} Central Asia, including Russia and Xinjiang Province, is an energy producer, but with problematic transportation to energy consumers. China has become a major investor in production and pipeline facilities. Oil from Kazakhstan has begun to flow to China through the Atasu-Alashankou oil pipeline, and Kazakhstan will allow Russian oil to utilize the pipeline as well.\textsuperscript{37} For some oil and gas locations, China would be the most convenient international destination. For others, Iran in particular, purchases by China help buffer the uncertainties of Western markets and politics. For China, overland access to Central Asian oil and gas diversifies and stabilizes the supply pattern, helps develop Western China, and reduces dependence on oil routed through the Malacca Strait.

It would be a mistake to conclude from the success of the SCO that its emergence was inevitable—far from it. If China had publicly criticized Yeltsin for his destruction of the Soviet Union or for his mismanagement of Russia, then a bipolar situation could have emerged in which CIS members would not have risked associating with China. If China were critical of the emergence of ethnic states on its border, and had accused them of fomenting unrest, then the border would have become a line of suspicion and hostility. If China had moved aggressively into Central Asian economies as the Soviet Union collapsed and had tried to maximize its economic gains at their expense, it would have created an atmosphere of alienation that would have precluded future cooperation. Each of these alternative diplomatic directions would have seemed natural if it had occurred, and each would have cost the region its current opportunities for cooperation. China’s relations with Central Asia could now be like Russia’s relations with the Caucasus.

Summing up China’s recent behavior as a multi-regional actor, its general good neighbor policy and its serious engagement since 1995 in multilateral regional venues has been a phenomenal success. Neighboring states could have been intimidated or alienated by China’s increasing relative capacities—indeed, as David Kang has pointed out, this is exactly what most international relations theorists would and did predict.\textsuperscript{38} Instead, China is generally in a situation of strong and sturdy relationships of mutual benefit with most of its neighbors and with regional organizations. It is interesting that the strongest neighbor, Japan, is the greatest exception. History and the personalities of leaders play a role in the alienation, but it is also true that China’s diplomacy seems more competent in asymmetric relations than in more equal situations of rivalry.


It should be emphasized that China’s policy of negotiated multilateral cooperation is a rational policy in China’s self-interest rather than self-sacrificing generosity. The point requires emphasis because the common sense of asymmetric relationships is that the larger power prefers bilateral—divide and rule—to multilateral interactions in order to maximize its power advantage. However, the cost of divide and rule is the alienation of the smaller states. They may be more likely to submit, but they will be less likely to cooperate. The potential advantages of mutually beneficial interaction, especially regional interaction, will be sacrificed. Moreover, because there is a limit to the reach of a regional power, alienated smaller powers are more likely to balance against a domineering neighbor and to invite extra-regional intervention. The success of China’s regional diplomacy in the past decade is testimony to the greater wisdom of strategic multilateral cooperation.

China’s multi-regional memberships enhance the logic of cooperation. The sensitivity of each neighbor and each region to China’s behavior will be commensurate with the disparity between their capacities and those of China as a whole. If China acts cooperatively and engages in multilateral agreements in any one region, there will be indirect positive effects on its soft power in other regions. If China acts aggressively, it is unlikely to be able to do so in all directions at once, but all regions will be reminded of their enhanced vulnerability to China, and will act accordingly. The negative demonstration effect of aggressiveness can be seen in the SCO’s cold reaction to Russia’s intervention in Georgia in August 2008. The wisdom of China’s traditional diplomacy, which was based on the enhancement of central prestige rather than the exercise of greater power, is thus not simply an artifact of pre-modern conditions but rather an appropriate response to a multi-regional situation that has now regained its importance.

Perhaps the best negative proof of the wisdom of a good neighbor policy in a situation of multi-regional involvement is the effect of China’s leftist “friends and enemies” policies in the 1960s. China’s promotion of revolution led to tensions with neutral countries such as Burma and Cambodia and to the militarization of the northern border with the Soviet Union and Mongolia. Fear of China strengthened US leadership in the Pacific despite the lack of an effective NATO-style alliance. Meanwhile, even China’s regional friends, North Korea and North Vietnam, found China’s embrace a bit too warm, and hedged by seeking better relations with the Soviet Union. The reaction of neighbors to the apparent “China threat” was a prerequisite to the successful containment of China from 1950 to 1971.

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39 As an example, China’s interest in divide and rule is a Leitmotiv of Kay Möller, *China und das wiedervereinte Vietnam* (China and Reunified Vietnam) (Bochum: Studienverlag Brockmeyer, 1984).

China as a Global Presence

In the early 1990s, President Bill Clinton could regard China as an unnecessary “card” in the great game that the US had just won with the Soviet Union. Ten years later, it had become obvious that China is important in its own right on the global stage. Not only do the global powers, the United States and Europe, have seriously to reconsider their relationship with China but China has also become a major concern of every other country.

Since China has direct contact with the United States at the global level, it might seem that this dimension of China’s external presence would be easiest to understand and evaluate from an American perspective. To some extent this is true, but the unique situation of the United States as the global superpower and as the center of the post-Cold War economic order tends to create a dichotomous American viewpoint that is not shared by the rest of the world. On the one hand, there is the pessimistic, security-oriented notion that, if and when China reaches parity with the United States, it will challenge American hegemony. On the other is the more optimistic attitude that the benefits of economic openness and the resulting intertwining of national interests in the era of globalization have made the cost of conflict prohibitive. Ambivalence in evaluating China as threat or as opportunity leads to the conflicting policy tendencies of containment and engagement.

While both sides of the American perspective merit attention, they miss a vital aspect of post-war global reality in which China plays a major part. Global interactions have become multi-nodal. Facilitated by the information revolution, external foci of interaction have become more accessible and more important. The transformation has vastly increased the role of the United States, both as central focus and as central pillar of the global order, but the United States is not the only vortex of communication. Unlike the colonial era, not all interactions pass through a metropolitan power. China’s developing relations with Africa, for instance, are led by its direct economic interests, though many in the United States interpret China’s actions as a gambit to challenge American influence. Moreover, while the multi-nodal pattern is asymmetric, it is not hierarchical, if hierarchy implies the capacity of the stronger to force their will on the weaker. Whatever China accomplishes in Africa can only be done through persuasion. The key advantage of larger nodes is that they are centers of attention, but they are not centers of control. Regional powers such as China, India, Brazil and South Africa have become more important, not simply for their immediate neighbors, but also


42 The role of the US dollar as world currency might be seen as the most important exception to multi-nodality. However, the dollar’s domination of world transactions is diminishing, and it is more likely to be replaced by a basket of transnational currencies rather than by another single currency.
for global interconnections. The future outlook of a country such as Argentina is more interrelated with Brazil and the United States than in the past, but it is also contingent on regional integration and on direct relations with China, Japan and other global nodes.

There is no question that China has become a major presence in the global multi-nodal system. Brazil exports more to China than it does to Mexico, and China is ahead of Japan in exports and imports to the European Union. The United States imports more from China than from either Mexico or Japan. Even in a country like Turkey, which lacks convenient transportation routes to China and orients itself toward the European Union, China ranked fourth as a source of imports, almost equal to the United States.43 It is safe to say that there is no national economy in the world, major or minor, that is indifferent to the China market, and that does not expect their economic interaction with China to increase.

More important than the increase in trade volume is the growth of state-sponsored commitments to long-term economic cooperation. This is particularly evident in Asia, where there is even discussion, albeit preliminary, of a unified regional currency.44 Indeed, most of China’s high-technology exports are in fact the joint products of foreign capital and component imports, primarily from Asia. Beyond Asia, the trips of Hu Jintao and Wen Jiabao to South America and to Africa have featured major public commitments to specific projects of long-term cooperation, especially in raw materials and agriculture. The inaugural Sino–African summit in November 2006 brought leaders of 48 African countries to Beijing.

The political implications of China’s global presence are multifaceted. On the one hand, China’s methods of global political interactions have been similar to its regional methods, though naturally not as intense or as explicitly multilateral. China has been a supporter but not a leader in the United Nations. Since 1971 China has recognized any government that would recognize the PRC instead of the ROC on Taiwan, and it has refrained from making relations contingent on domestic politics or even from officially commenting on the internal affairs of other states. In general, China avoids becoming implicated in political crises, and as a result it can usually pass smoothly from being one of the last major governments in an uncritical relationship with a failing regime to being one of the first to establish an equally uncritical relationship with its successor.

The most sensitive and difficult arena for China’s global political presence is when it confronts the global superpower. Generally speaking, China is deferential to the United States, not because it fears the United States, but because it realizes that the United States is central to the current world order. An American perspective highlights confrontation, so deference is harder for Americans to see.

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However, since the spy plane incident of 2001, China has not only been reserved in its official comments on American policies, such as the invasion and occupation of Iraq, but has also controlled the expression of anti-American critical public opinion.

China’s deference is neither an indication of agreement with the United States nor a submission to American power. Deterioration of relations with the United States would destabilize a context of expectations that underlies plans for continued economic growth. Indeed, China must wish the American economy well, since China stands to lose if it goes sour. The United States is the largest purchaser of Chinese goods, at 21 per cent of total exports, and China’s foreign exchange reserves are over a trillion US dollars. Since neither China nor anyone else is in a position to replace the United States as the global political and economic center, the primary effect of the American economic troubles that began in 2008 has been an increasingly chaotic and unpredictable global environment.

China has made the strategic choice to hedge against global uncertainties by pursuing cooperative arrangements rather than domination. Since 1985 China has developed a concept of “multipolarity” (duojihua 多极化) to describe a global situation in which no one power dominates the world and international cooperation is necessary. With the increase in American unilateralism in the 1990s, the concept was adjusted to “one superpower and four strong powers” (yi chao si qiang 一超四强) though, since China remained one of the “strong powers”, only its relationship to the superpower was affected. There are empirical and normative problems with the concept of multipolarity, but it describes well China’s general attitude toward external affairs.

Internal debates over the direction of China’s foreign policy have continued and more voices are now involved in the discussion. The New Security Concept enunciated in the Defense White Paper of 1998 underwent a searching discussion in 1999 in the context of NATO’s war against Serbia and the bombing of the Chinese Embassy in Belgrade. Later, the notion of “China’s peaceful rise” put forward by Zheng Bijian was adopted by the leadership and then quietly discarded in favor of “peaceful development”. Multipolarity and globalization remained core tropes of official discourse, however, reiterated at all appropriate official occasions.

Behind the words lies a particular logic. If there are several autonomous power centers in the world, then no single one of them can simply force its preferences on the rest. Even the superpower must cooperate if its leadership is to be sustained and effective. Inequalities of power are acknowledged in the

formulation—the four are not superpowers, and the rest are not powers—but the point of the concept is that relative power is not decisive. Hard power is thus a resource of limited utility, and it may not be sustainable. The persuasiveness of soft power depends on relationships built on mutual respect and the expectation of mutual benefit. Thus the logic of international cooperation is not grounded on an idealistic notion of friendship but rather on the practical assumption that the collective action of sovereign states must be negotiated rather than forced.

How does the possibility of tension with the United States relate to concerns regarding China as a challenging global power? If a “global power” is a state with capacities comparable to or greater than any other states, then there is only one global power in the post-Cold War world, and it is not China. Moreover, China is unlikely to become a global power in the foreseeable future. If we define a “global presence” as a state with significant and autonomous interaction with the rest of the world, then China is certainly that. However, given the autonomy of a global presence, it is unnecessary and unlikely that a state like China would simply submit to the leadership of the global power. The inevitable differences of interest between the United States and China will remain a source of tension for the foreseeable future. Decreasing American domination is not due to China’s rise but to the inappropriateness of American notions of hegemony in a multi-nodal world. China is not the challenger, but rather the most prominent part of a systemic challenge.

China’s course of diplomacy in the reform era and especially in the last ten years has been very successful. This diplomacy does not require a “lusting for parity” explanation, and the idea of shifting from a successful strategy of negotiated relationships of mutual benefit to a struggle with the United States over who is king of the global hill does not make sense. A head-to-head hot war would be destructive for the world, and a cold war would reduce China’s global access, beginning with the United States. Global polarization might well hurt the United States more than it hurts China, but it would certainly hurt both.

**Conclusion: China and Multipolarity**

Combining China’s roles as region-state, multi-regional power and global presence into a single picture, it is clear that the “Central Kingdom” is still a center, though not the center of the world. Its regional scale and geography give it broad autonomy vis-à-vis its neighbors; its multi-regional relationships magnify its national autonomy in a larger, semi-global context; and its global presence puts it at the forefront of the world’s states in many policy arenas. On the other hand, China is not a global power. It is not in a position to challenge the United States for global hegemony, nor would it profit from a weakening or mismanagement of American global centrality. The post–Cold War world order has been the context of China’s recent success, and it provides the foundation of China’s policy for the foreseeable future. Likewise, China’s success in its global and especially its

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48 The European Union is comparable to the US in capacities, but it is not (yet) a state.
regional relationships has been the result of inter-active and multilateral cooperative policies rather than of domination.

China’s external power is “soft” in the sense that it can persuade other states to cooperate on mutually beneficial objectives, but it cannot force them to comply with China’s wishes. One might say, therefore, that China’s recent success in domestic, regional and global realms has been accomplished with a series of precommitments limiting the range of its future action in order to secure cooperative reduction of future uncertainties. Unlike Genghis Khan or even the Qing emperors, Hu Jintao is in a situation of multi-level interactive management, not of domination. Of course, a greater potential for the arbitrary use of power has been created by success, but unilateral abuse of power would cut the root of current relationships and the security which they provide. China’s current position is more like that of a city market than of a citadel, and much would be lost in a reconfiguration.

As appropriate as China’s policy of multipolarity might be for its multi-dimensional international situation, it is certainly not the case that future changes of direction are precluded. If the United States tries to contain China, China will be tempted to react in kind, and polarization might ensue. Moreover, success is a poor teacher of the limits of power. In time the soft power of persuasion might congeal into the harder power of pressure. Nevertheless, even if the present era of Chinese foreign policy turns out to be a passing golden age of harmony, it has been shaped by the three dimensions of China’s external presence, and these will continue to shape its future.