Chinese Nationalism and Approaches toward East Asian Regional Cooperation

Suisheng Zhao, University of Denver
December 2009

This paper is based on “New Regional Security Architecture for Asia,” a CFR project directed by Senior Fellow Sheila A. Smith.
The Council on Foreign Relations (CFR) is an independent, nonpartisan membership organization, think tank, and publisher dedicated to being a resource for its members, government officials, business executives, journalists, educators and students, civic and religious leaders, and other interested citizens in order to help them better understand the world and the foreign policy choices facing the United States and other countries. Founded in 1921, CFR carries out its mission by maintaining a diverse membership, with special programs to promote interest and develop expertise in the next generation of foreign policy leaders; convening meetings at its headquarters in New York and in Washington, DC, and other cities where senior government officials, members of Congress, global leaders, and prominent thinkers come together with CFR members to discuss and debate major international issues; supporting a Studies Program that fosters independent research, enabling CFR scholars to produce articles, reports, and books and hold roundtables that analyze foreign policy issues and make concrete policy recommendations; publishing *Foreign Affairs*, the preeminent journal on international affairs and U.S. foreign policy; sponsoring Independent Task Forces that produce reports with both findings and policy prescriptions on the most important foreign policy topics; and providing up-to-date information and analysis about world events and American foreign policy on its website, CFR.org.

The Council on Foreign Relations takes no institutional position on policy issues and has no affiliation with the U.S. government. All statements of fact and expressions of opinion contained in its publications are the sole responsibility of the author or authors.

For further information about CFR or this paper, please write to the Council on Foreign Relations, 58 East 68th Street, New York, NY 10065, or call the Director of Communications at 212.434.9400. Visit CFR’s website, www.cfr.org.

Copyright © 2010 by the Council on Foreign Relations®, Inc.
All rights reserved.
Printed in the United States of America.

This paper may not be reproduced in whole or in part, in any form beyond the reproduction permitted by Sections 107 and 108 of the U.S. Copyright Law Act (17 U.S.C. Sections 107 and 108) and excerpts by reviewers for the public press, without express written permission from the Council on Foreign Relations. For information, write to the Publications Office, Council on Foreign Relations, 58 East 68th Street, New York, NY 10065.

This project has been made possible by grants from the Robina Foundation, the United States-Japan Foundation, and the Korea Foundation, and by support from CFR’s program on International Institutions and Global Governance. CFR’s Japan programs are made possible in part by the generosity of the following corporate sponsors: Canon USA, Mitsui & Company, Mitsubishi Heavy Industries America, Mitsubishi International Corporation, Sony Corporation of America, and Toyota Motor North America.
Introduction
China’s rise has been accompanied by an outburst of nationalism, driven from two different directions: top-down and bottom-up. From the top, the Communist state has launched an extensive propaganda campaign of education in patriotism since the 1990s to ensure loyalty in a population that was otherwise subject to domestic discontent. From the bottom, nationalism erupts in mass demonstrations, like the protests against the North Atlantic Treaty Organization (NATO) in May 1999 and Japan in early 2005. Chinese nationalism has thus become one of the most important domestic forces behind Chinese foreign policy, including China’s approaches toward East Asian regionalism. It both motivates and constrains China’s participation in regional cooperation.

China has recently embraced a more multilateral strategy to achieve three nationalist goals: (1) to create a stable and peaceful peripheral environment for economic growth and political stability, on which the political legitimacy of the Chinese Communist Party (CCP) now depends; (2) to suppress ethnic nationalism among the minorities in its border areas and maintain its frontier security and prosperity; and (3) to enhance its position with other major powers in the region, particularly Japan and United States.

China’s national interests, however, also limit its participation in regional cooperation. Its competition with Japan has made it difficult for China to play a leading role in Northeast Asia. More importantly, concern over the possible erosion of state sovereignty and the imposition of Western values has led China to prefer an informal approach, emphasizing voluntarism and consensus-building rather than legally binding resolutions. This soft approach has prevented many regional institutions from evolving beyond talk shops to effectively resolve conflicts in the region.

This paper is divided into four parts. The first part looks at Chinese nationalism. The second part examines China’s effort to build a network of multilateral institutions in its periphery. The third part analyzes China’s strategic consideration of regional cooperation. The last part focuses on China’s soft approaches toward regional cooperation, which have limited its role in regional institution-building.

Nationalism and the Communist State
A volatile mix of rising pride and lingering insecurity in the post–Cold War world has prompted Chinese nationalism, representing an aggregation of political forces from the Chinese government and Chinese people. A shared objective of holding the nation together during the turbulent rise to great power status has reinvigorated the loyalty of the Chinese people to the state.

The Communist state has exploited nationalism to help restore the legitimacy of the Communist regime and build a broad base of national support during the transition toward a post-communist society. For a while after market-oriented economic reform was launched, the Communist state was not able to advance any new ideology as an integrative force to compensate for or replace the declining communist ideology. This situation not only greatly weakened mass support for the CCP and eroded its basis of legitimacy but also led some Chinese intellectuals to turn to liberal ideas and call for Western-style democracy, leading to the massive anti-government Tiananmen demonstrations in spring 1989.1

After Tiananmen, former CCP Chairman Deng Xiaoping and his successors, Jiang Zemin and Hu Jintao, have wrapped themselves in the banner of nationalism, which, they found, retained a most reliable claim on the Chinese people’s loyalty and the only important value shared by both the regime and its critics. Facing Western sanctions, pragmatic leaders moved quickly to position themselves as the defenders of China’s national pride and interests. Its nationalist credentials have been bolstered in the fight against Western sanctions, for the 2008 Olympic Games, and against Taiwanese independence.

The discovery of nationalism has coincided with the rise of pragmatism as the dominant thinking of the Chinese people and their leaders. Chinese people would use any means to become rich and Chinese
leaders would adopt any approach that would help the quest for power and wealth. Pragmatism, which by definition is behavior disciplined by neither a set of values nor established principles, was vividly expressed by Deng’s “cat theory,” which said, “A cat, whether it is white or black, is a good one as long as it is able to catch mice.”

Pragmatic nationalism identifies the Chinese nation closely with the Communist state. Nationalist sentiment is officially expressed as aigu, which in Chinese means “loving the state,” or aiquozhuyi, “patriotism.” As Professor Michael Hunt observes, “By professing aigu, Chinese usually expressed loyalty to and a desire to serve the state, either as it was or as it would be in its renovated form.” From this perspective, Chinese pragmatic nationalism is state-centric. The Communist state as the embodiment of the nation’s will seeks the loyalty and support of the people that comprise the nation itself.

Reinforcing Chinese national confidence and turning past humiliation and current weakness into a driving force for China’s modernization, nationalism has become an effective instrument to enhance the legitimacy of the Communist state. The nationalist card is particularly effective when China faces challenges from hostile foreign countries. As a Chinese official said, “If Chinese people felt threatened by external forces, the solidarity among them would be strengthened and nationalism would be a useful tool for the regime to justify its leadership role.” It is interesting to see that although corruption and some other social and economic problems have undermined the legitimacy of the Communist regime, many Chinese people have sided with the Communist government when it is criticized by foreigners. No matter how corrupt the government is, foreigners have no right to make unwarranted remarks about China and Chinese people. Many Chinese people have been upset by the pressure from the United States and other Western countries on issues of human rights, democracy, Tibet, and Taiwan because they believe that the United States has used these issues to demonize China in an effort to prevent it from rising as a great power.

Nationalism is an effective instrument of the Communist state because a historical sense of injustice at the hands of foreign countries is deeply rooted and a qiangguomeng (the dream of a strong China) is sincerely shared by all walks of Chinese people. Nationalism is a set of modern ideas that centers people’s loyalty upon the nation-state, either existing or desired. It did not exist in China before the nineteenth century as China was an empire, not a nation-state. China’s political elite began to embrace modern nationalist doctrines for China’s defense and regeneration only after China’s disastrous defeat by British troops in the 1840–42 Opium War, which not only led to the eventual disintegration of the Chinese empire but also its loss of national sovereignty to imperialist powers. Since then, a recurring theme in Chinese politics has been a nationalist quest for China’s regeneration to blot out humiliation at the hands of imperialists. Almost all powerful Chinese political leaders since the early twentieth century, from Sun Yat-sen and Chiang Kai-shek to Mao Zedong, Deng Xiaoping, Jiang Zemin, and Hu Jintao, have shared bitterness at China’s humiliation and determination to restore China to its rightful place in the world of nation-states.

Sharing similar aspirations, Chinese leaders have competed to offer nationalist programs for building a nation-state. As a result, at least three strands of nationalism have occurred in modern China. One is ethnic nationalism, which sees a nation as a politicized ethnic group and often produces a state-seeking movement to create an ethnic nation-state. The second is liberal nationalism, which defines nation as composed of citizens who not only have a duty to defend their own state but also to pursue individual rights in the government. The third is state nationalism, which defines the nation as a territorial-political unit. The state speaks in the name of the nation and demands citizens to subordinate their individual interests to those of the state.

Chinese nationalism started as an ethnic state-seeking movement led by the Han majority to overthrow the minority Manchu dynasty. After the fall of the Qing dynasty in 1911, both the Kuomintang (KMT) and Communist regimes defined the Chinese nation as a multiethnic political community and
endorsed only state nationalism. Ethnic nationalism has remained alive only among China’s frontier ethnic minorities, such as the Tibetans and Mongols, who are denied the right to establish separate states because doing so would pose a serious threat to the unity of the multiethnic Chinese state.

Liberal nationalism was introduced to regenerate China through political and social reforms in the early twentieth century. Liberal nationalists identified with the Chinese state against foreign imperialism and, in the meantime, pushed for participation in the political process against the authoritarian state. Before the founding of the People’s Republic of China (PRC) in 1949, liberal nationalists often came into conflict with the KMT regime, which was seen as repeatedly violating individual rights. Some liberal nationalists, therefore, allied with the Chinese Communist Party (CCP), which appealed to the Chinese people for building an independent and democratic new China. After the founding of the People’s Republic in 1949, however, many liberal nationalists quickly discovered that the CCP was not better than the KMT in protecting individual freedom. Taking advantage of the Hundred Flowers Campaign in 1957 to criticize the CCP monopoly of political power, many of them were brutally purged.

Deng Xiaoping’s call for thought liberation and post-Mao reform in the 1980s created new opportunities for the reemergence of liberal nationalism. But because of the dangers associated with criticizing the state, many liberal nationalists blamed China’s authoritarian culture for the lack of modernization in China. They called for the rejection of Chinese tradition and the adoption of Western culture and models of development. After the end of the Cold War, liberal nationalists specifically promoted democratic ideals as the best means for China’s national regeneration. Mainstream intellectual discourse in China, however, shifted drastically in the 1990s, largely in response to a deterioration of China’s relations with the United States and rising advocacy for the containment of China in the Western media. Many liberal nationalists began to suspect that the Western powers were conspiring to prevent China from rising to the status of a great power, and they became critical of the Western powers, particularly the United States and Japan.

Liberal nationalism has been expressed most often as popular nationalism, which propelled the anti-Japanese demonstrators into the Chinese streets in 2005, and the anti-American demonstrators in 1999. Holding high expectations for the government to fulfill its promise of safeguarding China’s national interests, popular nationalists have routinely accused the Communist government of being too chummy with Japan and soft in dealing with the United States in recent years. The Communist state is criticized as neither confident enough nor competent enough to safeguard China’s vital national interests. They have called for popular participation in the government in general and particularly in foreign policymaking, an arena that has long been a monopolized domain of the state.

**Building a Network of Multilateral Institutions in China’s Periphery**

The increasing assertiveness of popular nationalism posed a daunting challenge to the Communist state, which has tried to maintain political stability and its monopoly of power for rapid economic development. Nationalism has thus become a double-edged sword: both a means for the government to legitimate its rule and a means for the Chinese people to judge the performance of the state. To make use of nationalism while avoiding nationalist outbursts on the street, the Chinese government has based its legitimacy on its ability to provide political stability and economic prosperity, including a peaceful, stable, and friendly periphery. As a part of an effort since the early 1980s, Chinese leaders have devised a regional policy known as *zhoubian zhengce* (periphery policy) or *mulin zhengce* (good-neighbor policy).

In making the periphery policy, however, Chinese leaders have been tested by the contradiction between bilateralism and multilateralism. Historically, China has been wary of participating in multilateral institutions because of its concerns about the possible erosion of state sovereignty or exploitation by foreign countries to constrain China’s actions. The post–Cold War era, however, has witnessed the rise of multilateralism in international and regional affairs, creating more and more pressure on China’s
traditional diplomacy. Many of China's small neighbors have preferred to deal with China in multilateral settings because China's market potential, military capability, and enormous size both excite and threaten these small Asian states. China's conduct of relations with them on a bilateral basis could put them at disadvantage and raise their suspicions that Beijing might seek to exploit divisions among them to assert influence.

Coping with China in a multilateral setting not only gives them the power of collective bargaining but also enhances their security by “embedding China in a web of multilateral structure.” This power of collective bargaining is particularly important for the small states that retain areas of contention in relations with an increasingly powerful China, which has maintained assertive positions on its territorial and sovereignty claims in the South China Sea and has not hesitated to flex its military muscles to reinforce these positions. China's neighbors are therefore better situated if they can deal with China in collective bargaining institutions like the Association of Southeast Asian Nations (ASEAN).

Having realized that its rapid economic growth seemed threatening to some of its neighbors, Beijing has decided to take part in East Asian collectivism, which may provide new mechanisms for China to dispel concerns about its growing strength. Making an effort to convey the image of a responsible power willing to contribute to regional stability and cooperation, China began to engage East Asian states by moving beyond traditional bilateralism with a more welcoming attitude toward multilateral regional institutions. A Chinese scholar describes China's changing attitude as a change in its strategic thinking from emphasizing *zhìwù yuēshū* (self-constraint) to *jiēshòu yuēshū* (accepting constraint), which means accepting “the collectively made rules, action norms, and institutional arrangements and keep the promises and responsibilities.” China's negotiation of and signature to the *Code of Conduct in the South China Sea (PDF)* with ASEAN in 2002 was a turning point in China's strategic thinking.

China's embrace of multilateralism in regional cooperation came at a time when increasing interdependence among East Asian countries called for building regional institutions to facilitate cooperation on transnational issues. These transnational issues cover a wide range of security, economic, and social development areas, such as radial ethnic nationalism, terrorism, transnational crimes, proliferation of weapons of mass destruction, trade, regional currency arrangements, environmental protection, disease control, and natural disasters. China shares an interest with many of its neighbors to find collective ways to handle these issues.

China is particularly concerned by radical ethnic nationalism around its frontiers. China shares land borders with fourteen countries. Many people in China's outskirts are non-Han Chinese that have close cultural connections with ethnic communities across the border. These ethnic groups are known as *kuāijǐng mínzú* (transborder nationalities) in Chinese terms. According to China's official figures, there are over thirty transborder nationalities on China's frontiers. Ethnic nationalism remains alive among some ethnic minorities in China's frontiers, such as Tibetans, Uighurs, and Mongols, all of whom Beijing has denied the right to establish separate ethnic states. Chinese leaders always warn that the "nationality issue is the most crucially important issue involving our nation's fate, development, and stability." Beijing has emphasized the positive role of economic development in its frontiers to mitigate potential unrest among ethnic minorities.

Many of China's neighbors share China's strategic concerns. For example, China, Russia, Kyrgyzstan, and Uzbekistan have all cast militant Islam as a central enemy of their respective states. China shares interests with Russia and Central Asian states on energy cooperation as they seek future supplies and look for alternative energy markets. In the northeast frontiers, China shares concerns with Korea, Japan, and Mongolia on cross-border management and the ongoing instability in the Korean peninsula. In the southeast maritime frontiers, China shares concerns with ASEAN countries on fishing, maritime resources, sea lanes, and transborder crime. And in the southwest frontiers, China shares interests with South Asian countries in fighting terrorism, transborder crime, and transnational disease.
Cooperating with its neighbors to cope with these transnational issues not only improves China’s relations with East Asian countries but also enhances China’s national security and economic development, particularly stability and prosperity along its borders. From this perspective, former Chinese vice premier Qian Qichen said, “China has made endeavors to promote the cause of regional cooperation in East Asia” because “regionalism can provide a suitable framework for responding to the challenges of globalization and can pave the way for proper governance that can eliminate ‘beggar thy neighbor’ competition among nation-states.”

Beijing has therefore become an enthusiastic proponent of multilateral cooperation with neighboring countries and has constructed a network of regional institutions along its periphery in four main issue areas. In politics, China is a dialogue partner of the ASEAN ministerial meetings, a member of the ASEAN-Regional Forum (ARF), and a founding member of East Asia Summit (EAS). With ASEAN, China worked to create ASEAN Plus Three and ASEAN Plus One. In security, China launched the Shanghai Cooperation Organization (SCO) in 1996 and has hosted the Six Party Talks since 2003. In economics, China joined the Asian Pacific Economic Cooperation (APEC) forum in 1991 and the Chinese president has attended the APEC summit since its first gathering in 1993. China even hosted the 2001 APEC summit in Shanghai and is an active member of the Tuman River Cooperation Project. In social development, China is a signatory of the Greater Mekong River Environmental Protection Mechanism, East Asia Environmental Protection Annual Conference, and Public Health Cooperation Mechanism.

A Chinese scholar calls these regional institutional arrangements a network of “peripheral institutions” (zhoubian zhidu), in which China occupies a geographically central position. He clarifies that this network does not represent the center-periphery relationship in the traditional sense of hierarchy but purely in the sense of geography. This is a reflection of China’s new concept of “peripheralism” (zhoubian zhouyi) based on the principles of yu lin wei shan, yi lin wei ban (becoming friends and partners with neighbors) and aimed at mu lin, an lin, and fu lin (building an amicable, tranquil, and prosperous neighborhood).

As an active member of a growing number of regional institutions, China has engaged in a dizzying array of meetings, agreements, and cultural exchanges with neighboring countries. In particular, China has made major commitments to ASEAN Plus Three, SCO, and the Six Party Talks, the three multilateral institutions that it sees as the most important for its periphery’s security and prosperity. In particular, China has paid a special attention to ASEAN-related regional organizations. Envisioning ASEAN as playing a leading role (zhudao zhuoyong), ASEAN Plus Three serving as the main channel (zhu qudao), and the East Asia Summit as its supplement in an East Asian region-wide cooperation, China has established a very close relationship with ASEAN. China became ASEAN’s consultation partner in 1991 and has institutionalized the practice of participation in annual consultation and dialogue with the ASEAN foreign ministers since then. China’s status was upgraded to ASEAN’s dialogue partner in 1996 and its relationship with ASEAN expanded dramatically after the 1997 Asian financial crisis.

In the wake of the Asian financial crisis, many Asian countries sought the assistance and leadership of the United States and Japan. But both the United States and Japan responded slowly. In contrast, China made a highly symbolic move to announce its “stand-by Asia” policy by refusing to devalue its currency. A Chinese devaluation would have set off competitive devaluation across the region. This “beggar thy neighbor” competition would have had devastating economic and political consequences for the whole region. To coordinate efforts during the crisis, former Chinese President Jiang Zemin was invited to meet with his ASEAN counterparts in Kuala Lumpur, Malaysia, in November 1997 and then joined the leaders of Japan, South Korea, and ASEAN members the next month. The latter meeting became the beginning of two leading regional institutions: the annual ASEAN Plus One and ASEAN Plus Three summits.
Jiang attended the first ASEAN Plus One Summit, at which he announced the establishment of a good-neighbor and mutual-trust partnership with ASEAN for the twenty-first century. Since 1999, these summit mechanisms have become institutionalized and the Chinese premier has never missed the annual ASEAN Plus One and ASEAN Plus Three Summit. To assure ASEAN countries that China intends to play by the rules of these institutions, China, in 2003, became the first major power to sign the Treaty of Amity and Cooperation and the Declaration on the Conduct of Parties in the South China Sea. These documents commit all signatories to peaceful resolutions of outstanding issues.

As a result of China’s active participation in East Asian regional cooperation, “China is clearly more popular and the target of less suspicion than in the past among many Asian governments, elites and popular opinion, and its economic importance as an engine of Asian growth has increased,” argues Professor Robert Sutter of Georgetown University.\(^\text{13}\) China’s East Asia strategy has helped dissipate skepticism about the “China threat,” create a relatively peaceful periphery for its modernization programs, and increase China’s influence in the region. China’s “growing regional role reflects both an increase in underlying power resources (fueled primarily by rapid economic growth) and improvements in Beijing’s ability to translate power into influence via effective diplomacy.”\(^\text{14}\)

**Power Calculations**

China’s regional cooperation strategy also aims at enhancing its position with other major powers in East Asia, particularly its two powerful rivals: Japan and the United States.

For historical, geopolitical, and economic reasons, Japan always occupies a central place in China’s Asia policy calculations. Beijing’s active participation in East Asian multilateral institutions, to an extent, reflects its concern over Japan’s attempt to gain leadership in regional cooperation. China has been wary of Japan’s emphasis on the U.S.-Japan security alliance as a crucial component of regional security cooperation and has suspected that Japan’s objective is to constrain or hedge against a rising China in order to play a strategically dominant role in the region.\(^\text{15}\) As a result, these two Asian giants have been locked in a competition for influence and leadership in East Asian regional cooperation.\(^\text{16}\)

Sino-Japanese competition has given smaller states, particularly ASEAN states, a unique opportunity in regional cooperation. For example, before the first East Asia Summit in 2005, China was alarmed by Japan’s vision of an East Asian community that includes values such as human rights, freedom, and democracy. Accusing Japan of advocating these values as an instrument to restrain China’s role in regional cooperation, China opposed Japan’s motion of enlarging EAS membership to include non-Asian democracies. But Beijing ultimately accepted the principle of “open regionalism” because ASEAN, rather than China or Japan, was going to take a leading role in the creation of the EAS.

Balancing U.S. influence in the region is another strategic reason for China’s participation in East Asian regional cooperation. Since the end of the Cold War, China has been alarmed by the possibility of a U.S.-dominated power distribution at both global and regional levels, preferring instead multipolarity (duojiuhua) in which China could play a balancing role. China, however, is not in the economic or strategic position to adopt a traditional strategy of hard balancing based on arms build-up and countervailing military alliances. Beijing has therefore discovered a strategy of soft balancing, which uses “international institutions, economic leverage, and diplomatic maneuvering to frustrate American intentions.”\(^\text{17}\) As Samuel Berger, former U.S. national security advisor, noted, “China’s attitude toward regional cooperation in Asia has evolved considerably in recent years” because “it realized that it could gain political influence through regional arrangements, particularly those that excluded the United States.” He particularly singled out three regional institutions: ASEAN Plus Three, the SCO; and the East Asia Summit, to make his point.\(^\text{18}\)

Indeed, China started a diplomatic offense to develop friendly economic and security relations with the ASEAN countries in the early 1990s largely because it realized the importance of building good
relations with these Southeast Asian countries to break out of U.S. sanctions and expand its diplomatic space after the Tiananmen protests in 1989. The crackdown had little negative impact on China’s efforts to improve relations with its Asian neighbors as the human rights records of these countries were as bad China’s. To some extent, these Asian governments were sympathetic toward China’s authoritarian rule and struggle against Western pressures. Capitalizing on the desire among many Asian leaders for freedom from outside interference on a range of issues such as human rights, intellectual property, and the environment, the Chinese government refrained from pushing ideology or attaching conditions on its partnerships with East Asian countries. Some of China’s neighbors argued that Asian regionalism should be limited geographically to Asian countries, excluding the United States. The concept of exclusive regionalism led to the creation of ASEAN Plus Three, in which China became an active player.¹⁹

As a U.S. National Defense University report suggests, while the “balance of power in East Asia is stable and favors the United States,” the “balance of influence is tipping toward Beijing” because of China’s “diplomatic engagement with other Asian countries, skillful use of commercial diplomacy, and a more welcoming approach to participation in regional institutions.”²⁰ China’s efforts to construct a network of institutions along its periphery have made the integrity of the U.S.-centered hub-and-spoke framework increasingly anachronistic. In this case, while ASEAN members will still favor a regional balance of power, “they will most likely find it antithetical to their evolving economic and political interests to adopt measures that were patently aimed at circumscribing, much less confronting, China’s regional influence.”²¹

In addition to ASEAN Plus Three, the Shanghai Cooperation Organization is another important regional organization launched to balance U.S. influence in the region. The SCO consists of China, Russia, and four Central Asian States. At first a talking shop on issues of borders and territory among China and its Central Asian neighbors, the SCO was gradually institutionalized to address political and military crisis and shared transnational issues. The six countries have agreed to engage in political, military, and intelligence cooperation to maintain regional security. Although the SCO claims that it is not aimed against any third country, an Australian newspaper stated in the wake of the first SCO summit that “The newly formed Shanghai Co-operation Organization, bracketing China, Russia and four Central Asian republics, is poised to emerge as a potent force against United States influence.”²²

The SCO conducted its first counterterrorism joint military exercises in Kyrgyzstan in 2002 and China in 2003. These exercises were followed by the Peace Mission 2005, a joint Chinese-Russian military exercise, in which observers from four other SCO member states were invited to attend. Coincident with the military exercises, the 2005 SCO summit published a declaration on “World Order in the Twenty-First Century” and called for Washington to set a timetable for the withdrawal of its military from Uzbekistan and Kyrgyzstan. One observer believed that the SCO declaration was “to target perceived U.S. domination in international affairs.”²³ U.S. Congresswoman Ileana Ros-Lehtinen echoed at a hearing that the SCO intensified Russian and Chinese efforts “to isolate the United States politically, militarily, and economically from Central Asia.”²⁴

China’s willingness to play a leading role in the Six Party Talks is a milestone in establishing China’s strategic importance as a rising power in multilateral diplomatic negotiations. It has helped not only make the United States work closely with China to maintain peace and stability in the Korean peninsula but also made it more difficult for the United States to use force. China therefore gained some diplomatic leverage over the United States. As one study found, “U.S. diplomats simply became more mindful of avoiding actions that would irritate Beijing, especially at sensitive junctures in the Six Party negotiations.”²⁵

Beijing became upset when North Korea announced its withdrawal from the Six Party Talks on May 25, 2009, because Beijing would lose leverage over the United States if the Six Party process ended without a result. This is one reason Beijing joined the United States in adopting UNSC Resolution 1874, condemning North Korea’s May 2009 nuclear test and imposing new sanctions on June 12, 2009. To
implement the UN resolution, China imposed a travel ban and asset freeze on some North Korean officials proposed by the United States and other Western nations, even though it caused tensions in the China-North Korea relationship. But Beijing became wary when it discovered that the Obama administration proposed direct U.S.-North Korean talks to bring North Korea back to the nuclear negotiating table in early September 2009. Bilateral negotiations between North Korea and the United States would put China at a disadvantage in its relations with both countries.

Chinese president Hu Jintao sent a special envoy to Pyongyang to repair its relations with North Korea soon after the U.S. announcement. At the meeting, North Korean leader Kim Jong-Il said that his country was ready to engage in “bilateral and multilateral talks” without stating explicitly that “multilateral talks” would be conducted in the Six Party format. According to Chinese officials, however, this was “a strong indication that the country might be close to rejoining stalled negotiations aimed at ending its nuclear weapons programs.”

As a follow-up, Chinese premier Wen Jiabao made a three-day trip to North Korea to show “official goodwill” beginning on October 4, 2009. The visit raised speculation that it could include an announcement about the dormant Six Party Talks. China Daily reported, “China would be unlikely to send such a high-profile visitor if it had not received some sort of assurance from Pyongyang that the talks—in limbo for nearly half a year—might be saved.” Wen’s visit, nevertheless, did not produce a breakthrough as Kim told Wen that his country’s return to the Six Party Talks would depend on the outcome of bilateral talks with the United States. As a result, the Chinese official news coverage on the visit focused mostly on “China’s pledge to strengthen bonds with the North Korea and their relationship as boon to regional peace and stability” in light of the sixtieth anniversary of bilateral ties. China’s behavior shows that Beijing wants to play a leadership role in the Six Party Talks to maintain leverage over the United States in regional security dialogues.

An Informal and Soft Approach Toward Regionalism

Becoming increasingly active in East Asian regional cooperation and institution-building, China is still constrained by some domestic and external factors that may limit China’s role.

The first limiting factor is competition with Japan. Japanese prime minister Yukio Hatoyama proposed an “East Asian community” along the lines of the European Union in a meeting with President Hu only five days after launching his Democratic Party of Japan-led government. Although Beijing welcomes Hatoyama’s willingness to forge a closer relationship with other Asian economies, Tokyo’s pursuit of an East Asian community has put Beijing on alert because Beijing envisages the East Asian community as composed of ASEAN Plus Three, while Japan includes Australia, India, and New Zealand. One Japanese news analysis quoted a senior Japanese diplomat as saying that it would be in Japan’s interest to include India in the group as a counterbalance to China. Hatoyama’s proposal “effectively sparked a leadership race between Japan and China in shaping the future of one of the most quickly developing regions in the world.” The competition has created an opportunity for some small states, particularly some ASEAN states, to take the driver’s seat of East Asian regional cooperation.

The second limiting factor is China’s hesitation to build regional institutions that produce binding resolutions, which may undermine state sovereignty and facilitate U.S. or even Japanese efforts to impose Western values of liberalism and democracy. The sovereignty issue has been a central concern of the Chinese government. For historical and realistic reasons, Chinese leaders have taken a positive position toward state sovereignty in its diplomatic activities. Memories of the long century of national humiliation have produced a deep fear among Chinese elites about the possible erosion of sovereignty by imperialist powers. In realist terms, the state sovereignty principle has been a sword of the Chinese government to cut down domestic dissidents and ethnic separatists at home and a shield with which to
ward off external criticism of China's domestic practices, including political suppression and human rights abuses.

Under President Hu, China has promoted the concept of a “harmonious world” when dealing with everything from state affairs to neighborly relations. According to a discussion among Chinese foreign affairs specialists, the “world of harmony” signifies, first of all, the importance of the coexistence of diversified civilizations. Tolerance, which is free of restrictions by any ideologies and social systems, plays a paramount role in bringing about peaceful coexistence. The U.S. and Japanese promotion of regional institutions based on liberal ideology therefore threatens the efforts of the Chinese leadership to forge a harmonious order based on different values and ideologies. China has tried to build regional organizations where the nation-states respect each other’s sovereignty, interests, and ideologies in deciding economic and security matters.

In this context, China has become increasingly interested in the regional triangular cooperation with Japan and South Korea after the first summit of this group in late 2008. As one study indicates, China saw many advantages in advancing this format. First, it puts the states on a level playing field where values will not interfere; Japanese moves to pressure China over human rights would provoke retaliatory pressure over the history issue that South Korea would not easily ignore. Second, it opens the door to a three-way Free Trade Arrangement (FTA), which China eagerly desires. Third, such a triangle would coexist with the alliance triangle led by the United States and, in some fashion, undercut it. In the disruptive stalemate that has marked Japanese politics since 2007, Asianism has gained ground almost by default.

As a result, China has preferred an informal and soft approach toward regional cooperation to avoid legally binding resolutions that could infringe on its sovereignty. Most East Asian countries have shared China’s preference. As a matter of fact, East Asian regionalism has been defined primarily by voluntarism, consensus decision-making, consultative procedures, and noninterference in domestic affairs. This soft approach, generally known as the “Asian way” of regional cooperation, is different from North American and European regionalism where formal procedure, rule-making, and enforcement are emphasized. Wu Jianmin, former president of China’s Foreign Affairs College, characterized this East Asian approach by five “Cs”: consultation, consensus, cooperation, comfort level, and closeness. He emphasized “comfort level,” explaining:

“Comfort level is a unique Asian concept and there is not the concept in the Western world. What does it mean? It is when a decision is made and it is not difficult in principle but not feels comfortable for some countries. In this case, all other countries may wait for while until everyone feels comfortable.”

The soft, Asian way of institution-building is rooted in “the traditional Asian distaste for treaty-defined institutions,” reflecting the region’s unique culture, history, and evolving socioeconomic and political conditions. In comparison with European states, which share similar cultural backgrounds—including common linguistic roots, Christianity and the historical legacy of the Roman Empire—Asian nations do not share cultural backgrounds to such a significant extent. Cultural and ethnic suspicions, therefore, have become a major barrier for building rule-based regional institutions. In addition, Asian countries represent a wide array of political regimes and philosophies, from communist to authoritarian, from constitutional monarchies to military dictatorships, from personal dictatorship to bureaucratic governance, from democratically elected governments to single-party systems. Even where governance is accomplished through democratic institutions, political styles vary and are in flux.

Moreover, the humiliating experiences of many Asian countries at the hands of imperialist powers still shadow their perception of the future. While many Asian countries were victimized by colonial powers in the nineteenth and early twentieth centuries, they have ironically embraced the Western concept of
sovereignty with a vengeance. As one scholar observes, no nation in the Asian, however willing to compromise in the interest of attaining the common objectives of regional institutions, “is ready to surrender sovereign rights over its domestic affairs and foreign relations.” Small or weak nations are suspicious of what they see as attempts by the great powers to reassert influence in new ways. So, too, is China reluctant to abandon elements of sovereignty to regional institutions without strong evidence that there is more to be gained from doing so.

As a result, China has felt comfortable with the relationship-based interaction and consultation in East Asian regional institutions. For one thing, the Chinese government has successfully prevented the status of Taiwan and Tibet from being discussed at any regional forum. A Chinese scholar’s study of China’s informal and formal arrangements in regional cooperation found: “The peripheral institutions between China and its periphery countries are mostly informal. They are the collective actions to carry out regional governance based on consultation and consensus among member states. The operation of these peripheral institutions relies on the support of the sovereignty states.” His study suggests that most of the East Asian regional institutions, including the EAS, ASEAN Plus Three, and ASEAN Plus One, are informal, and only the SCO and a few economic and environmental treaties are formal. According to him, “even for the few formal peripheral institutions, they are very limited in their authorization to play an autonomous role that would infringe state sovereignty.”

Indeed, most regional institutions in which China has taken part are little more than talk shops. China has felt comfortable working with ASEAN as the core institution in regional cooperation partially because the famous “ASEAN way” has emphasized consultations, dialogue, and consensus and explicitly resisted building enforcement or punitive mechanisms that could interfere in the internal affairs of member states. Even as a member of the ASEAN Regional Forum, China has prevented its territorial disputes with Southeast Asian countries from becoming subject to multilateral scrutiny.

Specifically, China has prevented the ARF from moving from confidence-building to a higher stage of preventive diplomacy and openly rejected the concept of “conflict resolution” because of its worry about the implications of foreign intervention in China’s domestic affairs. In particular, China is concerned that conflict resolution as an instrument “would legitimize the involvement of third parties in preempting or resolving a crisis, which China, with existing boundary disputes and irredentist claims, would prefer to settle on its own terms without undue external involvement.” Thus, “Beijing rejected all attempts to enter into multilateral discussions on the Spratlys or other island groups in the South China Sea, which it asserted (as it still does) were part of Chinese territory.” Partially due to China’s insistence, ARF has retained its informal approach toward regional security consultation for its member states to exchange information through dialogue, build confidence, signal concerns, and issue public statements of agreement on their lowest common objectives.

**Conclusion**

To a great extent, Chinese nationalism has defined China’s approach toward regional cooperation in East Asia since the end of the Cold War. China’s participation in regional cooperation has therefore been shaped mostly by the following three considerations. One is the importance of these institutions in relation to China’s domestic economic development, political stability, and national security. Second is the distribution of power among the members, particularly whether Japan and the United States play leading roles. Third is the level of institutionalization that these organizations have achieved, particularly whether they make binding decisions that may require an erosion of state sovereignty. The bottom line is that China’s behavior in these organizations is guided by its ability to maximize both its national interest and its national autonomy.
Endnotes

1. This part of discussion of Chinese nationalism is based mostly on this author’s book, A Nation-State by Construction: Dynamics of Modern Chinese Nationalism (Stanford, CA: Stanford University Press, 2004).
8. China was concerned with revolts among Turkic-speaking Muslim Uighurs in its northwest frontiers (inspired by the example of Taliban-controlled Afghanistan) just as Russia was bogged down in guerrilla war with Muslim nationalists in Chechnya and Tajikistan.
16. As a Chinese scholar admitted, “Although Chinese senior officials in charge of Asian affairs such as Vice Foreign Minister Wang Yi denied that by indicating that the Chinese side had no intention to compete with Japan regarding closer regional ties, competition is not something that can be easily disregarded.” Ren Xiao, “Between Adapting and Shaping: China’s Role in Asian Regional Cooperation,” Journal of Contemporary China, vol. 18, no. 59, March 2009, p. 319.
34. Wu Jianmin, “dongya dexing zhengzai xingcheng,” (East Asian Characteristics are forming), Renmin Ribao, November 15, 2005.