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## CHINA'S DEVELOPING ROLE IN THE INTERNATIONAL BALANCE OF POWER SYSTEM

#### A Thesis

### Presented to

The Faculty of the Department of Government
The College of William and Mary in Virginia

In Partial Fulfillment

of the Requirements for the Degree of

Master of Arts

by Yiqun Pei 1988

## APPROVAL SHEET

# This thesis is submitted in partial fulfillment of the requirements for the degree of

Master of Arts

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Approved, Auguest 1988

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Clayton M. Clemens

Dedicated to my parents and sister.

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#### ABSTRACT

The purpose of this thesis is to study the China's developing role in the international balance of power system.

Balance of power is traditionally defined as a theory of maintaining an equilibrium of capibilities within the world system. However, this is inadequate to explain the current world system and the new development of Chinese foreign policy. This is because Chinese power is growing in a system in which the superpower hegemony is already established. Therefore Chinese balance of power policy must be aimed at decreasing the relevance of the superpower struggle to the rest of the world rather than trying to balance the superpowers in a traditional fashion.

The current successful domestic economic reforms, the Four Modernizations program, and the open-door foreign policy have greatly increased China's national capibility. China believes that her developing role in the current international system will be identify with the developing countries of the Third World to protest the superpower's hegemony and achieving the world peace.

## CHINA'S DEVELOPING ROLE

IN THE INTERNATIONAL BALANCE OF POWER SYSTEM

#### CHAPTER I

#### TWO MEANINGS OF BALANCE OF POWER

## 1. Traditional Balance of Power in Chinese History

Power, which connotes the political, economic, and military strength of a nation state, has been regarded as a crucial factor in the international political system throughout the history.

Traditional analysis describes power as the possession by a state of capability, assessed in terms of tangible assets such as military forces, manpower potential, productive capacity, resource endowment and geographical situation; together with intangible factors which include strategic situation, national morale, levels of technical skill, and political and economic factors. It can be said to influence a nation's stability, independence and prosperity; it also has the capacity to coerce and destroy a society and the state system. Even in ancient China, various states struggled for power and tried to maximize it in order to suppress rival states.

<sup>&</sup>lt;sup>1</sup>Margot Light & A.J.R. Groom, <u>International Relations: A Handbook of Current Theory</u> (Colorado: Lynne Rienner Publisher Inc., 1985), p. 115.

Early in the third century, the Chinese Emperor's rule the Han Dynasty became corrupt. After some years of of fighting, the entire empire was divided into three hard parts, and three independent states emerged. This period was known in Chinese history as that of the Three Kingdoms and lasted from 220 A.D. to 265 A.D.. This forty-five-year of period of Chinese history was filled with severe conflicts. Whenever a dominant power tried to gain mastery of society and coerce the weak countries, the two weak countries would ally against it, and thus the balance of power was always seen in full operation.

According to Brougham, "the whole object of the of power is to maintain unimpaired balance the nations".2 independence of The balance of power represents "the mutual preservation of freedom and independence, by guarding againt the preponderance and usurpation of an individual".3 The founction of the balance of power is to prevent the establishment of hegemony and preserve the independence of nation states.

In ancient China, the military actions of the Three Kingdoms served both the security of each kingdom and the preservation of the balance of power. The fundamental aim

<sup>&</sup>lt;sup>2</sup>Edward Vose Gulick, <u>Europe's Classical Balance of Power</u> (New York: W.W. Norton Company Inc., 1967), p. 31.

<sup>&</sup>lt;sup>3</sup>A. H. L. Heeren, <u>History of the Political system of Europe and its Colonies</u> (New York: W.W. Norton Company Inc., 1969), pp. 12-13.

of the balance of power was to insure the survival of independent states. To preserve each kingdom's existence was the main duty of the kindgdoms under the balance of power.

During the Three Kingdoms period, the northern part of China was controled by Caocao, who founded the state of Wei, which ranged north to the Great Wall and south to Yangzi River. In order to secure the survival of the Kingdom, preserve state power, and achieve the state's well-being, Caocao implemented a policy of decentralizing the state power and pursuing the military dictatorship. One of his most famous policies was the creation agricultural colonies. Under this policy, several tens of thousands of dispossessed peasants organized and formed paramilitary groups. They farmed during times of peace and were called up to the frontier when war occured. The creation of agricultural colonies helped to spur economic growth and to strengthen national power. By the year 252 A.D., Wei had become the most powerful kingdom among the three.

In southwestern China, Liu Bei founded the state of Shu. Within his ruling circle, Liu had two close friends. They swore brotherhood and promised "to live and die as one in the service of their country and their people," 4 an

<sup>&</sup>lt;sup>4</sup>Kuan-Chung Lo, <u>Three Kingdoms</u> (New York: Pomtheon Books, 1976), p. 16.

allegiance that became famous as the Peach Garden Oath.

In southeastern China, there was another state called Wu. Both Shu and Wu were weak states and felt threatened from the North. In order to defend themselves against Wei, they formed an alliance to protect themselves from the domination of this highly powerful sovereign state.

In the balance of power system, the alliance was the primary means of keeping the balance. It was the commonest means of checking preponderance and preserving the state system. "It is by leagues, well concerted and strictly observed, that the weak are defended against the strong, that bounds are set to the turbulence of ambition, that the torrent of power is restrained." Through alliances, an equipoise of power is maintained.

The meaning of preserving the balance is that no state should be much superior to the others. All states should be about equal in strength. Nations should prepare for their defense, as soon as they perceive anyone becoming dangerously powerful. Failure to do so is "an inexcusable breach of duty". 6

The prevention of hostile predominance was central to the balance of power. To create this equality and defensive preponderance was the aim of the balance of

<sup>&</sup>lt;sup>5</sup>Gulick, p. 61.

<sup>&</sup>lt;sup>6</sup>Gulick, p. 32.

power system in the Three Kingdoms period.

For the sake of consolidating its own power and hegemony, the strong and well-equiped troops of Wei started their expansion to the South in 253 A.D.. invaded the Wu's territory, and extended their control to the whole country. Shu could not afford to see Wu so decisively crushed for it would become a threat to itself. Shu felt obliged to take care of Wu and to prevent the excessive aggrandizement of Wei for its own security. prevent Wei from becoming too powerful was to protect Shu and Wu from slavery. In the famous battle of Red Cliffs, the combined forces of Shu and Wei successfully defeated Caocao's troops. Caocao was forced to withdraw back to the North.

In the balance of power, the best way to preserve the individual state is to preserve the system of which it belonged. The severe conflict between the Kingdom Wei and combined troops of Shu and Wu were the struggle of preserving or breaking the state system. Since the balance of power theory aimed at the survival of the state system, war was always regarded as a means of preventing the breakdown of that system. In the Three Kingdom period, preserving the nations survival took precedence The incidence of war was not evidence of the ineffectiveness or absence of balance of power, but that incidence indicated wide spread practice of the such

balance of power, of which war was an instrument.

Geography used to be regarded as one of the most important part of power in Chinese history. The strategic position and geographical extent not figured in the equation of national defense determined, at least in part, the resources necessary to sustain the population and contribute to the national economic well-being. Relative endowments of natural resources and raw materials may affect the power of a States rich in raw materials are nation significantly. less dependent on the outside and hence less vulnerable to negative sanction. At the same time they are better able apply both positive and negative sanctions opponents. In the Three Kingdom period, power was most directly a matter of territory and geographical position.

After the Red Cliffs Battle, Shu's troop occupied the province of Changchou. One of Liu Bei's sworn brothers was sent to be the commander there. Since this province was in the middle of the Three Kingdoms, its strategic location made it very important. Both Wu and Wei were envious and in the following year of the Red Cliff Battle, Wu and Wei made a coordinated strike to Changchou. One month later, Wu and Wei seized it and divided the territory between them. Wu captured Liu Bei's sworn brother, and delivered his head to Caocao. Since the

execution of Liu Bei's brother and military occupation violated the Peach Garden Oath, Liu Bei abandoned the alliance with Wu and a revenge war followed.

After several years of fighting, the Three Kingdoms finally came to a tragic end. None of the Kingdoms succeeded in gaining the power to reunify China. Instead, the Three Kingdoms were torn apart, and fell into the control of warlords. The dream of a unified China was not realized until four hundred years later.

According to Chinese famous novelist Lo Kuan-Chung, "The empire, long divided, must unite; long united must divide". Potential conflict was permanent throughout the Three Kingdoms period. The desire of a strong kingdom to dominate the weak kingdoms and the disequilibrium of power often resulted in crises. There is no reason to expect the potential for conflict to abate. Even though the peace is not the ultimate goal of the balance of power, such a balance can promote peace. To assess this possibility, it is necessary to explore the elements of the balance of power.

### 2. New Balance of Power in the Contemporary World

Balance of power theory, as traditionally defined above, is inadequate to explain the current world system and the new development of Chinese foreign policy. Since

 $<sup>^{7}</sup>$ Lo, p. 3.

World War II, great changes have taken place in the international system. Instead of the wartime's alliance, the United States and the Soviet Union initiated a worldwide competition for the political and military mastery of Europe, Asia and Africa, which was known as the "Cold War."

Since then the world had been dominated by the power rivalry between the United States and the Soviet Union. The economic capabilities, military strength and the enormous nuclear arsenals allow both the US and USSR to remain as superpowers with the unique ability to affect world stability and peace. America's involvement in both the Korean and Vietnam War, the Soviet's intervention in Czechoslovakia and the military occupation of Afghanistan and other rivalries between the two superpowers in the Middle East, Asia, Africa, and South America clearly indicate that the two superpowers have established a hegemonic regime in the world system.

Within this new world system, where does China fit in the global strategic balance? And how will China's growing involvement in the international system affect the world power balance?

Since 1949, when the new Chinese government was founded, China has made a rapid development in its political, economic, and military capability. Especially in the last decade the policy of initiating an ambitious

economic modernization program and building up the nation's military strength enabled China to play a more active role in the international system. The desire for national power, international prestige, and economic prosperity has become the paramount goal of the country.

China's large population, extensive territory with rich natural resources, and its recent impressive economic development has forced a change in the global power balance. The growth of China's capability gives China an asset in the global power competition.

Because of its great power potential, China has become the most effective independent power in the global system, capable of exerting significant influence. However, since China's power is growing in a system in which superpower hegemony is already established, Chinese balance of power policy must be aimed at decreasing the relevance of the superpowers' struggle to the rest of the world, rather than trying to balance the superpowers in a traditional fashion.

Dramatic changes on the world scene have encouraged China to align closely with the Third World countries. Now China has endorsed a broad united front against the two superpowers' domination and rivalry in the Third World. This united front includes all Third World countries, regardless of their social system or political structure. China will also support the nations of world which are

subject to imperialist aggression, interference and control.

The Chinese people believe that since the essential feature of today's imperialism is rivalry and the open struggle for world hegemony, the contradiction between the superpowers is irreconcilable. Therefore, the Third World's and China's most compelling security concern is to counter the superpowers' political and military challenge. China is determined to unite the Third World countries to promote the world stability by decreasing the superpowers' importance to the rest of the world.

China characterizes its own global role as that of the anti- imperialist supporter of the Third World. In the Chinese view, the Third World countries must overthrow colonialism and the superpowers' control over territory and resources and free themselves from domination and oppression. The awakening and growth of the Third World will be the major event in the contemporary international relations.

China believes that the struggle of the Third World countries against the control of the United States and the Soviet Union is the main feature of the international politics. And it has a significant impact on the development of the international relations. Containing the rivalry between the two superpowers and reducing the level of conflict therefore becomes the paramount goal of

the Chinese foreign policy.

Since China is the major force to balance the struggle between the two superpowers and the Third World countries, China pursues very distinctive balance of power strategies. As former Chinese premier Zhou Enlai predicted, China's significant role among the developing nations will "successfully prevent the backstairs deal between the two superpowers to divide the world between them."

<sup>8</sup>Michael Yahuda, Towards the End of Isolationism: China's
Foreign Policy After Mao (New York: St. Martin's Press, 1983),
pp. 197-8.

#### CHAPTER II

#### THE EVOLUTION OF CHINESE FOREIGN POLICY

The development of the Chinese foreign policy has been characterized by major changes, which were made both in accordance with the domestic situation and in the context of changes in the international system. Briefly outlining the evolution of Chinese foreign policy may help us to understand the basic role that China plays in the world politics.

China develops its foreign policy in accordance with political realities, ideological considerations, the quest for security, and its needs and urges for economic development. An analysis of the development of Chinese foreign policy since October 1949 reveals four distinct stages of evolution: (1) the two-camp concept and alliance with the Soviet Union; (2) the policy of peaceful coexistence among developing countries and Sino-Soviet split; (3) the Three World theory and antihegemony policy; and (4) the newly reformed foreign policy since 1978.

#### 1.Two-camp Concept and Sino-Soviet Alliance

When the new Chinese government was established in 1949, the United States and the Soviet Union had already

developed their power to the point where they had appeared as the greatest powers in rivary that affected world peace. The competition for power and influence between the United States and the Soviet Union divided the world into two hostile camps, socialist and imperialist. Chinese leaders publicly endorsed the Soviet view of a bipolar world dominated by an intense struggle between these two camps. The Chinese role in world affairs from 1949 to 1953 was largely determined by this rivalry.

During this early period, China and the Soviet Union officially formed an alliance. The first agreement signed by two countries was the thirty-year Treaty of Friendship Alliance and Mutual Assistance. This treaty expressly based upon shared security and economic needs, both countries agreed that, in the event of either of them being attacked by Japan or the United States, the other would immediately render military and other assistance with all the means at its disposal.

People may ask what was the impact for this allignment? And why China declared the policy of "leaning to one side"? By analysing both domestic and international factors, we can see that there were mainly three kinds of motivations underlying Chinese policy and the formation of Sino-Soviet alliance.

First, the formation of the Sino-Soviet alliance was because that both countries perceived the common external

threats to national security. As Michael Ward indicated, the fundamental idea of alliances is that the alliances are formed in response to a perceived threat. Such threats create the cohesion through which alliances form and persist. The most common hypothesis in the alliance theory indicated that the external conflict increases alliance cohesion.

When CCP proclaimed the establishment of the People's Republic of China in 1949, the new Chinese leaders knew that their regime was still weak and vulnerable. United States had filled the postwar vaccum in Asia, occupied Japan, and it was still linked to the nationalists Despite the gradual steps the Americans were in Taiwan. taking toward disengagement from China, Beijing's leaders believed that the U.S., with Japan as a base, still posed a potential threat of serious proportions, which Moscow's military backing could help to counterbalance. Soviet point of view, since they also faced the most threatening enemy ---- American, a Sino-Soviet alliance could significantly strengthen the entire socialist camp and bolster Soviet postition vis-a-vis the imperialists not only in Asia but globally as well.

Second, the economic considerations were another factor of Sino-Soviet alliance. Although the Chinese

<sup>&</sup>lt;sup>1</sup>Stephen M. Walt, "Alliance Formation and the Balance of World Power," <u>International Security</u>, Vol 9, No 4 Spring, 1985. p. 21.

Communists dealed with rural problems quite successfully, they had almost no experience in administering large urban areas and developing modern industry. Determined to embark quickly on an ambitious development program, China looked naturally to the Soviet experience and were eager to obtain Russian technical assistance, advice and aid.

Besides, the economic embargo initiated by the United States against trade with China clearly compelled Beijing to become more dependent economically on the Communist bloc than it otherwise would have been. In late 1949, Mao rejected the idea that China could expect real economic help from the capitalist countries, and Beijing began to reorient China's economy away from the west and toward the Communist bloc.

When Chinese Premier Zhou En-lai stated about Sino-Soviet alliance, he indicated: "The generous and unselfish economic assistance on the part of the government of the USSR had made it possible for us to cope with the economic blockade established by imperialist states, and to insure quick successes in the work of restoring the economy." As a result, many new economic ties reinforced the military and political alliance.

Third basis of the Sino-Soviet alliance was the shared ideology and world outlook of CCP and CPSU made it possible

<sup>&</sup>lt;sup>2</sup>Alfred D Low, <u>The Sino-Soviet Dispute: An Analysis of the Polemics</u> (London: Associated University Press, 1976), p. 71.

to form the alliance between two countries.

During this period both CCP and CPSU seemed to have a deep sense of common goals and to face common enemies. Both the Chinese and Russian leaders appeared genuinely to believe that the ideology could be the prime motivator of their foreign policies and the common values could unite the two countries and prevent serious clashes of national interests.

For most of the decade after 1949, the keystone of China's foreign policy was its alliance with the Soviet Union. They not only signed a millitary pact that linked their basic security interests, but also developed farreaching relations in economic, social, scientific, education and other field. In dealing with the rest of the world, China and the Soviet generally followed parallel policies. As Mao Tse-tung wrote, during the opening exhibition of the Economic and Cultural Achievements of the Soviet Union held in Beijing:

We are proud of the fact that we have so powerful an ally. The might of the Soviet Union is an important condition for the overall rise in the economics and cultures of the countries of the camp of peace and democracy, and an important factor in the struggle for peace throughout the world and for the progress of mankind.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup>Doak A. Barnett, <u>China and the Major Powers in East Asia</u> (Washington, D.C.: The Brookings Institutuion, 1977), p. 36.

### 2. Policy of Peaceful Coexistence and Sino-Soviet Split

In 1955, at the Bandung Conference, Zhou Enlai announced the famous five peaceful coexistence principles --- Mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each others' internal affairs, equality and mutual benefit, and peaceful eoexistence --- as the guide for relations among the developing nations.<sup>4</sup>

In this Bandung phase of its foreign policy China had attempted to construct a united front consisting largely of non-aligned governments, in the expectation that under China's leadership such a diplomatic coalition would gradually erode American power in Asia and establish the legitimacy of Chinese interests and objectives.

As we observed, in the early years of the People's Republic of China was founded, the Chinese foreign policy was motivated by a profound sense of dissatisfaction with the prevailing international order. China's new leaders were intent on re-establishing her territorial integrity, regaining her freedom of action and developing a military capability commensurate with security requirements. The alliance with the Soviet Union Seemed provide China achieving these goals.

During the beginning period of Sino-Soviet alliance, the ties between the two countries seemed so close, the advantages of cooperation so great, and the costs of a rift so obvious

<sup>&</sup>lt;sup>4</sup>James C. F. Wang, <u>Contemporary Chinese Politics</u> (New Jersey: Prentice-Hall Inc., 1985) p. 272.

that there was every reason to expect the leaders in both countries would do everything possible to maintain the alliance.

However, the rift between two countries developed gradually, and in each major phase the level of conflict escalated and the nature of the conflict changed.

The origin of Sino-Soviet disputes can be traced to the Soviet Twentieth Party Congress in April, 1956, which was the scene of Khrushchev's famous denunciations of Stalin. Khrushchev also enunciated the new principles of the Soviet foreign policies, indicating that in contrast to Lenin's views transition to socialism was possible without revolution and that wars with the capitalist countries would no longer be inevitable as Lenin had judged them to be. Khrushchev's stress on the noninevitability of war, the possibility of a nonviolent transition to socialism, and the idea of peaceful coexistence with the United States set a new stage for the Soviet foreign policy.

However, none of these was acceptable to Mao, especially Khrushchev's assertion that peaceful coexistence had always been and remained the fundamental principle of the Soviet Union foreign policy. With this assertion, the Soviet Union had diminished the significance of the Sino-Soviet alliance, as it began to hold different view points on the external threat from those of China 's.<sup>5</sup>

<sup>&</sup>lt;sup>5</sup>Barnett, p. 53.

While the Soviet argued for a relatively cautious strategy toward the noncommunist world, Mao, proclaiming that the "east wind prevails over the west wind," urged a more militant worldwide struggle. He believed armed struggles were necessary for successful revolutions, and in order to achieve the national objectives both the Soviet Union and China would have to apply increased pressure on the United States.

1958 marked a turning point in the Sino-Soviet relations. The Chinese launched the Great Leap Forward, which was based on labor-intensive, decentralized cottage industries. Each rural community was to develop its own industrial infrastructures. This was accompanied by a mass campaign to combine numberous farms into self-sufficient communes.

The project, pursued with utopian fervor, was meant to break a new, better and faster path to communism, rather than just following the model developed by the Soviet Union. Moscow viewed this with consternation: if it succeeded, China might rapidly overpass the Soviet Union; if it failed, China might be a burden for Soviet. Mao broke an alternative trail, thus challenging the absolute authority of the Soviet Union. To Khrushchev, Mao "had aspirations to be the leader of the world communist movement."

In the meantime, there was a crisis in Taiwan. Facing the nuclear threat from the United States, the Chinese sought a

<sup>&</sup>lt;sup>6</sup>Barnett. p. 33.

<sup>&</sup>lt;sup>7</sup>Barnett, p. 53.

commitment from the Soviet Union for nuclear protection, but no Soviet support was forthcoming.

In 1960, Khrushchev stopped the Soviet economic assistance and suddenly withdrew all the Soviet experts working in China, so as to pressure China into obedience. This move had an extremely damaging economic impact on China.

By 1969, the tension between China and the Soviet Union had become so intense that the limited Sino-Soviet armed conflict broke out on a small island of Ussuri. The immediate consequence of these March border clashes was the intensified fortification of military installations on both sides of the border. These border clashes represented the final climax.

#### 3. Three Worlds Theory and Antihegemony Policy

The demise of Sino-Soviet alliance changed China's foreign policy orientation. Paralleling the deterioration in Sino-Soviet relations was the introduction of a new element on Chinese analysis of international situation. In early 1970s, Mao introduced the Three World theory to form a new Chinese foreign policy. In 1974, during the talk with Kaunda of Zambia, Mao Zedong defined that the United States and the Soviet Union belonged to the First World; Japan, Europe and Canada formed the Second World; and the rest of developing countries belonged to the Third World. He confirmed socialist China belonged to the Third World. Since it experienced the same sufferings as most other Third World countries, China always support the struggle of the Third World countries against the imperialism, hegemony and colonialism.

What are the main features of the three worlds theory? First, the Chinese have discovered the world realistically in terms of the widening disparity between the majority of the people, who live in developing countries; and the affluent people, who live in the developed countries. The superpowers continue to exploit the people of the Third World by paying low prices for the raw materials from the developing countries and raising the export prices of the manufactured products sold to them.

Second, the explanation of the struggle between the First World and Third World, with the support of the Second World is well fit into the Chinese traditional ideological framework.

Third, China's policy of supporting the Third World was an integral part of China's policies towards the two Superpowers and an instrument for preventing the United States and the Soviet Union from freezing the international status quo to the detriment of Chinese interests. By supporting the Third World countries, China could make use of her enhanced international prestige in the Third World to develop a broad coalition to alienate the Soviet Union and gain additional leverage in her relations with the United States.

China regarded the Soviet Union as socialist-imperialists.

In order to further its aggression and expansion, the Soviet

Union was always trying to fool people by "flaunting the sign

board of a natural ally of the developing countries."8 China warned the third world people to guard against the socialist-imperialist enemy.

Antihegemonism has become a major objective in Chinese foreign policy in 1970s; one communique after another, signed by China and various friendly nations, has contained this expression in varying degree of intensity. China believed Superpower hegemony was the main source of instability and turmoil in the world and therefore, to safeguard world peace, the most important task for the people of the world was to oppose hegemonism.

The United States was viewed by the Chinese as the superpower which was striving to prserve its vested interests and which was thus less dangerous than the Soviet Union. The Soviet Union, the socialist imperialists, is trying hard to extend its sphere of influence. China believed that the Soviet socialist imperialist was more aggressive and adventurous of the two superpowers and is the major threat to world peace and security.

## 4. Triangular relations and the independent foreign policy since 1978

Early in the 1970s, when Henry Kissinger went to Beijing to arrange top-level talks, both sides began to explore

<sup>8&</sup>quot;China and Third World," Beijing Review, 18 Jan. 1971,
p.12.

rapprochement. During that period, to China the United States was a less formidable threat than the Soviet Union. After all, Americans were withdrawing from Asia soil, while Soviet troops were massing on the Chinese border. Rapprochement with the US would eliminate the danger of a two-front cold war. Therefore, the detente with US became a matter of national security. In 1979, the full establishment of the diplomatic relations between the two countries brought forth a new era. Since then the new global triangular relationship has been established, which has dramatically changed international politics.

Following about twenty years of hostilities, in the late 1970s China took the initiative and sought a new structure of relations with Moscow through renegotiations. In April 1978, Beijing emphasized that the difference between two countries should not hamper the development of normal state relations. Soviet diplomats was also ready to accept the Chinese offer to resume talks. The negotiating process began in September 1978. However, because of the Soviet invasion of Afghanistan, it was not resumed until 1982. Since then, contacts between China and the Soviet Union in many areas have been expanding. In 1984, Soviet top leader Arkhipov visited China, and the next the Chinese vice primer Yao Yilin made a trip to Moscow. agreements were signed regarding the economic, Several new cultural, and technological exchange between the countries.

Why is the People's Republic of China interested in

pursuing detente with the Soviet Union? This Chinese intention of mending the long-standing split with the Soviet Union has sometimes been regarded by the West as the Chinese playing the "Soviet card". Is this the case? In order to clarify this question, we should study the recent Chinese domestic political shifts and see how it generates the foreign policy.

In order to challenge a stronger power, a nation-state may undertake certain kinds of strategies, which involves increasing the capabilities through internal economic growth, increasing its military capiblity. In the current trade, and Chinese economic and political reform, China is trying to maintain a delicate balance between central political and economic control on the one hand, and individual initiative and reliance on market forces on the other. The economic reform brought about the changes in the Chinese foreign policy. The two emphases of these changes are to maintain a peaceful international environment and to open to the outside world through trade and investment. These elements of changes are regarded as the key elements of China's present By opening to the outside world and maintaining peaceful enviroment, China aims at winning more friends, gaining access to advanced Westen technology, and speeding up China's economic development.

The effort that China made to improve the relations with the Soviet Union can shift China's national priorities away from confrontation with foreign enemies towards domestic

economic reconstruction. Since China and the reform and Soviet Union have the longest common border in the world, they their bilateral relations to normalize lessen the possibility of military conflict in Asia. If the Soviet Union were ready to meet China's three-point proposal --- no Soviet support for Vietnam's occupation of Kampuchea; the withdrawal of Soviet troops from Afghanistan; and the reduction of Soviet troops along the Chinese border to their pre-1965 level. Sino-Soviet relations could be normalized, and this would be a great contribution to establishing peace and stability in the Therefore, China's policy to improve the relationship with the Soviet Union is certainly not the policy of playing the "Soviet Card".

It is important to note that the main theme of the Chinese contemporary foreign policy is independence. According to the Party secretary Hu Yaobang's speech, China's independent policy is based on the following principles: never attaching to strategic relations or an alliance with any big power or bloc of powers, standing by other third world nations, opposing hegemonism and safeguarding world peace; striving to establish and develop friendly ties with all contries on the basis of the five principles of peaceful coexistence; and upholding the current foreign economic policy so as to boost economic and technological exchanges on the basis of equality and mutual benefit. 9

<sup>9</sup>Beijing Review, 22 Apr.1985, p. 8.

This new foreign policy bears three fundamental doctrinal changes. First, the "three world theory", which had been used in effect to justify a global "united front" against the Soviet Union, was shelved. China nevertheless continues to insist on the importance of the Third World.

Second, the doctrine of the "inevitablity of war" with the imperialists also was abandoned. Since this had been an area of severe disagreement with Moscow, the reversal removed a huge obstacle to an eventual reconciliation between the two countries.

Third, Beijing subscribes to the view that it is possible for China to have conflictual relations with socialist countries, just as it is possible to have cooperative relations with the capitalist nations. This shift anticipated a Chinese readiness to recognize the Soviet Union once again as a socialist country. It also anticipated cooperation and conflict with the USSR.

The new Chinese foreign policy shows that China will never align itself with any big power or bloc of powers nor will it succumb to the pressure from any big nation. China will also attempt to establish and develop relations with other countries on the basis of the five principles of peaceful coexistence. China regards itself as a developing, socialist country, belonging to the third world. It is China's basic foreign policy to strengthen its unity and co-operation with the other Third World nations. The Chinese people always have scorned

ideology and behavior that show dislike towards the poor the and favour towards the rich, and that display arrogance to the and cowardice to the strong. In its actions, China upholds the principle that all nations, big or small, are equals. We share a common destiny with the other Third World countries, and we show good faith in our dealings with them. supports their just struggle and upholds their China legitimate rights and interests in international affairs. handling their relations with the other third world nations, China strictly abides by the Five Principles of Peaceful Coexistence and never interferes in their internal affairs.

China's foreign policy follows the principle of opposing hegemonism and safeguarding peace. This policy is no temporary expedient, but is based upon a long term, overall strategy. It againsts whoever seeks hegemony. It may emphasize opposition to Soviet hegemonim at one time and censure of US policy at another; China bases their position on their judgment of the world situation, rather than on what is called an equidistant diplomacy.

The Chinese independent foreign policy is beneficial to peace and stability. This new policy has number of components, including improving relations with the Soviets; continuing friendly ties with America; and renewing friendship with the Third World. It is not true to say that China is seeking a position of equidistance from the two superpowers. According to Hu Yaobang's speech at tewlveth Party Congress, China

opposes any state that pursues hegemonism and expansionism. On the Afghanistan and Kampuchean issues, for example, both China and the United States oppose the armed invasions by the Soviet Union and Soviet-backed Vietnam. However, the United States has met with opposition from both China and the Soviet Union in its support for Israeli aggression and for the racist regime in South Africa.

In terms of the logic of the triangular relationship, it seems that any alliance or conflict between the Unite States the Soviet Union would be detrimental to China, and the improvement of relations between any two parties would be beneficial to the third. Therefore, China welcomes improved relations between the United States and the Soviet Union. are no strategic relations between China and the United and the Soviet Union, because of the difference between foreign policy objectives of the three countries. the As a developing socialist country, China is most interested in a long standing, peaceful international environment for purpose of realizing the goal of the modernization. The United States and the Soviet Union, as superpowers, have global interests. They maintain a military presence in many regions of the world, and contend with the each other for overall superiority.

Since 1978 the Soviet leadership has embarked on a long-term effort to achieve military superiority over the United States. The world situation again will become more

#### tense.

China, with its one billion people, vast territory and rich natural resources, and devoted to a socialist modernization drive, is an important peace-keeping factor. Because it can best help preserve world peace and stability by pursuing an independent foreign policy for peace, the policy has won the support of the Chinese people. And because the policy meets the desire of the people around the world who strive for lasting peace, stability and common development, it has received their deep appreciation.

#### CHAPTER III

# A PROFOUND DOMESTIC REFORM GENERATE THE OPEN-DOOR POLICY

During the past decade, China has opened itself to the world economy in an unprecedented fashion. Overnight, China has become the newest industrializing country. The rapid development in the industry, agriculture, national defense, and science and technology introduced bold new domestic and foreign policies. In this chapter I shall discuss the most current economic and political issue --- Reform, and its implication for the Chinese foreign policy.

# 1.Ten-Year Turmoil

The ten-year "Cultural Revolution" that took place between 1966 and 1976 caused serious damage to China economically and politically. As Chinese leader Deng Xiaoping indicated, it is an economic, cultural, political, and educational "catastrophe" for China.

There were mainly three economic crisis during that period. The first crisis occurred in the early part of the Cultural Revolution. As the result of most government agencies and enterprises were under the nationwide

investigation, the production was in a state of anarchy. The total output value in industry and agriculture fell by 9.6 per cent in 1967 and by a further 4.2 per cent in 1968. The Second crisis took place in 1974 when the "gang launched a political movement to criticize Confucius, which was actually directed against Zhou Enlai. The consequences of this movement caused the industrial and agricultural output value fell further to 1.4 percent.<sup>3</sup> Third crisis happened after Xiaoping's second emerge from the government. When Deng Xiaoping took charge of the central administration in 1975, the economy started revive. However, the "gang of four" launched another movement so called "against the right attempt to reverse past verdicts"3 diviationist time the political and economic damage was even more The nation that had just been restored to order serious. was plunged into chaos again. By the end of 1976, the ten-year nationwide turmoil almost brought the Chinese national economy on the brink of collopse. The industrial production was of low quality. Agricultural production was barely keeping abreast of population growth. 200 million peasants were living in a state of semi-

<sup>&</sup>lt;sup>2</sup>Guangyuan Yu, "An outline of economic development," <u>China's Socialist Modernization</u> (Beijing: Foreign Languages Press, 1984), p. 6.

<sup>&</sup>lt;sup>3</sup>Ibid. p. 7.

<sup>3</sup>Ibid.

starvation. Continual harassment of intellectuals had left behind the science and technology and educational system in shambles. The economic "self-reliance" and political isolation made China's economy fall further behind the developed countries.

The political and economic crisis became the catalytic event for the Four Modernization program in 1978. Realizing how backward it was and how far behind it had fallen because of the ten years lost in the Cultural Revolution, the new Chinese leader came to the conclusion that it would be dangerous to Chinese sovereignty in a highly militarized and technological world if they did not do something dramatic to catch up. The paramount goal of achieving the national well-being, raising of people's living standard, and the maintenance the power of the state constrained them to take drastic steps --- working towards the four modernizations.

# 2. Four Modernizations Program and New Economic Reform

The Chinese four modernizations program originally initiated in early 1975, when the Fourth National People's Congress convened. Regarding to the problems that 800 million hardworking Chinese peasants were no substitute for advanced technology and unskilled workers were cheaper than industrial countries' robots, but they could not achieve the precision and quality demanded by the

international market, Premier Zhou Enlai proposed a two-stage development for the Chinese national economy: a comprehensive industrial system by 1980, and a comprehensive modernization program in agriculture, industry, national defense, and science and technology by the year 2000. However, due to the interuption of the "gang of four", this program was pendent.

By 1978, the highly ambitious Four Modernization campaign was launched again by the new leaders. Based on a revision of the 1975 plan, the new modernization draft set ambitious targets for agricultural and industrial growth. According to the new plan, the agriculture was to remain the foundation with emphasis given to development. With regard to industry, the key remained upon steel, feul, raw materials, transport and communications. Technological modernization was to be led by the completion of about 120 large scale projects. 5 Since the strength in the modern war is seen in the degree of modernization of equipment and the people's ability to use such equipment, it is essential for the military to acquire modern science and technology and build a modernized army.

<sup>&</sup>lt;sup>4</sup>Wang, p. 214.

<sup>&</sup>lt;sup>5</sup>Bill Brugger, <u>China Since the "Gang of Four"</u> (New York: St. Martin's Press, 1980), p. 103.

Accompanying the Four Modernization program was an economic reform campaign. Since 1982, the Chinese leaders have embarked this profound reform program to overcome the bureaucratic rigidities, economic stagnation and growing technology gap that threatened to leave China far behind in the race for wealth and security. This reform, as Deng Xiaoping termed, was "a deep-going revolution" without which the Four Modernization program will never be achieved.

The previous existing system was criticized as too highly centralized, excessively rigid, and grossly irrational resulting in waste and low efficiency. The huge bureaucracy was marked by excessive complexity. Most government officials carried out orders of the upper level in a perfunctory manner and the economy was operated under separate administrative systems.

In resource allocations, the production was excluded from circulation and was allocated directly according to the central state plan. The central plan could not rationally allocate a whole nation's material and labor resources. Therefore, products needed by society were often in short supply while the useless goods piled up in the stores at government expense. The waste was astonishing.

The labor employment system was also irrational.

<sup>&</sup>lt;sup>6</sup>Editorial, <u>Economic Daily</u>, 19 Apr. 1983, p. 1.

Workers were assigned to work by labor departments. Neither the individual workers nor the factories had any freedom of choice. The training and the employment was always mismatched. In addition, wages were determined by the state law and bore no relation to the labor There is no material incentives performance. in encouraging good work performance. This insufficient incentive system, "everyone holding an iron rice bowl", could hardly spur the workers to make their maximum contributions to the society. 7

The new reform entails replacing the former system combinations of centralized and decentralized with decision making, of economic planning and market regulation, of macroeconomic control and microeconomic flexibility.8 It is an effort to build a market mechanism into a socialist planned economy in order to increase productivity, to achieve greater economic efficiency, and stimulate the initiative of workers and managers through material incentives. As the new Chinese leader illustrated, this reform, called market socialism, is a part of Chinese self-perfecting process of its socialist It achieves the desired effects of stimulating system.

<sup>&</sup>lt;sup>7</sup>Chu-Yuan Cheng, "Economic Reform in Mainland China in Comparison to Yugoslavia and Hungary," <u>Perspectives on Development in Mainland China</u> (Taipei: Institute of International Relations, 1983), pp. 254-5.

<sup>&</sup>lt;sup>8</sup>Beijing Review, 23 June 1986, p. 7.

productivity and efficiency. This transformation involves not only changes in patterns of management but also in relationship of ownership.

dramatic reforms have been The most those in agriculture, especially the adoption of the "responsibility system" based on household countracts, which for all practical purposes has ended agricultural collectivization and has been a major factor boosting farm output to new The new system allow each household to contract hights. with government to produce a certain amount of product on a given piece of land. Whatever was produced in excess of could be disposed of at a higher or the target amount free-market price. Anyone can become wealthy through hard The implementation of the reform enables China's economy to function within a new framwork.

The "market" and "responsibility" system has been given a major role in agriculture as a result of these reform. The success in increasing agricultural output made the Chinese leaders embark on similar reform in the industrial and other sectors. Urban and industrial reforms, which aim at increasing enterprise autonomy, reducing central planning, and expanding the role of market forces, was also developing.

Another important move of the reform was the decision to end China's isolation and expand foreign economic relations --- by developing international trade importing

technology, promoting exports, training Chinese in the West, borrowing abroad, encouraging foreign investments in China and establishing special economic zones in several sectors to stimulate trade and investment.

# 3.Domestic Reform as a Constraint on Chinese Foreign Policy

One country's domestic factors, such as the level of economic development, the success of economic programs, and the attitudes of the people toward the outside world combine with international circumstances to create a nation's foreign policy.

At present, the fundamental task of the domestic China is to develop the productive forces, reform in improve the people's well-being and their cultural life, and eventually realize the Four Modernizations. internal goals generate two main themes of current Chinese foreign policy. One is to open to the outside world, the other is to pursue an independent foreign policy of peace. People may ask why it is essential to have the open door policy in order to achieve the reform success. basically four reasons: There are First, China role that international acknowledged the central scientific and technical cooperation will play in Chinese economic and military development. They believe there are five important contributions which science and

<sup>&</sup>lt;sup>9</sup>Beijing Review, 23 June. 1986, p. 14.

import can make for the Four Modernization technology 1) The technology imports help accelerate the program. transformation of firms and strengthen the technical capacity for self-reliance; 2) they assist in the rapid expansion of exports; 3) they shorten the time it takes to carry out experiments or conduct research; 4) they offer learning opportunities regarding the management of technology; 5) they provide a context for training technical personnel. 10 Therefore, the essential part of China's long-term development depends on expanding its science and technology relations with the industrialized world.

Secondly, international experience shows under given conditions rational utilization of foreign funds is an effective means to speed up economic growth. Since China has a huge population but a poor economic foundation, it requires huge investment for the economic development. Under the open door policy, it is advisable to import foreign capital as a complementary source of funds for China's economic construction. Strengthening economic relations with advanced industrial countries, using foreign capital, loans, aid, and setting up processing zones where imported materials are assembled can the internal economic growth. speed Besides, up

<sup>10</sup>Denis Fred Simon, "The role of science and technology in China's foreign relations," China and the World (Boulder: Westview Press, 1984), pp. 294-5.

establishing joint ventures in China with multi-national corporations; joining the international Monetary Fund and the World Bank; accepting long-term foreign loans can also promote the realization of the Four Modernizations program.

Thirdly, as a source of advanced management skills, the developed countries can introduce much of the advanced management methord which China needs for its modern system transformation. By utilizing foreign experiences, China can gain her own managing method.

Fourthly, to speed up economic construction, China must open to the outside world and expand her foreign trade. With regard to international economic relations, this calls for China to become integrated with the world market system for purpose of gaining access to foreign capital.

In pursuing the reform program, Chinese current leaders are constrained to implement the open door policy, so as to ensure a sustained and steady growth of the national economy.

According to Waltz, "Each state arrives at policies and decides on actions according to its own internal processes, but its decisions are shaped by the very presence of other states as well as by interactions with

them."<sup>11</sup> On the one hand China was conpelled to improve her relations with developed countries, so as to achieve the reform success; on the other hand, the external environment also provides constraints and opportunities on China's behavior. In order to ensure that China concentrates on uninterrupted reform and the economic development, China must pursue an indpendent foreign policy of peace.

The development in peace is the common aspiration of the people of all nations. It is also the strong desire of the one billion Chinese people. Having suffered great hardships under foreign aggression and repeated wars for more than a century, China has not yet completely lifted itself from poverty and backwardness. It is impossible for China to bridge the economical gap between China and the developed countries without decades or even a century of peaceful economic development. Therefore, China are determined to carry on the independent foreign policy and work together with people of the world over to prevent the outbreak of war. 12

With regard to the main content of China's foreign policy the Party Secretary Hu Yaobang summarized in three basic points: first, China support everything that is in

<sup>11</sup>Samuel S. Kim, <u>China and the World</u> (Boulder: Westview Press, 1984), p. 83.

<sup>12&</sup>quot;Peace, Prosperity Nation's goals --- Hu," China Daily, 12
June. 1986, p. 4.

the interests of world peace and stability and oppose all acts of hegemonism. Secondly, China will never attach itself to any superpower. Thirdly, China is willing to develop friendly relations with all countries of the world on the basis of the Five Principles of Peaceful Coexistence, and support the Third World countries. 13

China's economic reform is changing the face of this one billion people as no force has ever done before. The revolution of the modernization in China not only have provided the perspectives on China's path of economic development, but also appeared the new significant role China play in the world.

<sup>13</sup>Ibid.

#### CHAPTER IV

# CHINA'S GROWING POWER IN THE CONTEMPORARY WORLD SYSTEM

1.Balance of Power and the Independent Foreign Policy
The independent foreign policy is the basic goal that
China has been pursuing in today's international affairs.
On his journey to West Europe, the previous Party
secretary Hu Yaobang further elaborated on what was meant
by the independent foreign policy. In his speech, he
declared that the Chinese independent foreign policy was
to support all the affairs which are in the interests of
world peace; to oppose all the acts of hegemonism, no
matter which country it was; to develop friendly relation
with all the nations on the basis of the Five Principles
of Peaceful Coexistence; and China would never attach
itself to any superpower, nor will it make alliance with
them. 1

In the past few years, Hu Yaobang also mentioned that China "has shown the world by deeds that China never attaches itself to any big power or group of powers, and never yields to pressure from any big powers. It has always been China's long-term strategy not to be swayed by expediency or by anybody's instigation or provocation."<sup>2</sup>

<sup>1</sup> People's Daily, June. 12, 1986.

<sup>&</sup>lt;sup>2</sup>Wang, p. 276.

Hu's remarks were preceded by Deng Xiaoping's opening statement, in which he warned: "No foreign country can expect China to be its vassal or expect it to swallow any bitter fruit detrimental to its interest."

The independent foreign policy has three main aspects.

One obvious intention is that China will not align itself with either of the two superpowers, nor will it succumb to pressure from any big nation.

The other important point is that China strongly opposes the superpowers' hegemony. China believes that the cause of the current tension and turbulence in the world lies in the scramble between the two superpowers. Many local wars result from the Soviet Union's strategic deployment around the world in competition with the United States. The superpowers interference and competition will lead to the war. As Hu Yaobang indicates, "the superpower hegemonism was the main source of instability and turmoil in the world and therefore, to safeguard world peace, the most important task for the people of the world today is to oppose hegemonism."

The third important aspect is to strengthen the unity with the third world countries and support their struggle to safeguard their national independence, develop their economies and eliminate superpowers interference.

<sup>3</sup>Tbid.

<sup>&</sup>lt;sup>4</sup>Ibid. p. 279.

The Chinese independent foreign policy not only refers to its own national interests but also reflects the challenge in the international system. The contemporary international system is characterized by some political scientists as a bipolar system. Within this system the United States and the Soviet Union, as the two dominant powers, make the two polars roughly balanced. Under bipolar system, the idea of establishing a world empire through collusion would probably be unattractive to either superpower because of the mutual distrust; and the idea of building a single power dominant regime through conquering the other superpower is also unlikely because of the heavy the war.<sup>5</sup> costs of Therefore, maintaining the power balance becomes the most important factor for the system.

In the bipolar system two superpowers are possessing such superior capabilities that other states are drawn to them for protection and other benefits. Various countries in the world usually have to lean to either one side or the other. However, where does China fit within this global bipolar structure? And can China still retain her own independent foreign policy?

After the People's Republic of China was founded in 1949, China's endorsment of the Soviet "two camps" theory, its anti- America policy and the US response to China

<sup>&</sup>lt;sup>5</sup>Michael Ng-Quinn, "International Systemic Constraints on Chinese Foreign Policy", China and the World (Boulder: Westview Press, 1984), p. 97.

resulted in rigid polarization in the power politics.

However, in spite of China's relatively weak economic and military capibility as compared to those of the United States and the Soviet Union, China had a potential major effect on the world system. In terms of national power, China's large population, tremendous natural resources and the unique geopolitical position become significant elements in shaping the power configuration.

By the 1960s, the Sino-Soviet dispute and the Vietnam proved that China could weaken both superpowers and changes in the bipolar structure of force the the international While debilitating system. the two superpowers, China became recognized as a leader of the Third World movement, which promised to join forces and rally the poor nations against the the domination of The result of this movement was that the superpowers. world that was once two blocs based upon a system dominated by the United States and the Soviet Union became three parts. The poor and the nonaligned majority countries were separated from the domination of the two blocs.

A "third force" emerged on the global level shaped the basic power pattern of the world. This third force comprising the Asian, Afrian, and Latin American countries. They have varying political and ideological orientation but share a desire to oppose the superpowers

hegemonism and change the postwar international system dominated by them.

According to the theory of balance of power, the purpose of it is to prevent the establishment of a universal hegemony, insure the stability and mutual security in the international system, and strengthen the peace by deterring war. The policy of aggression and expansion would meet with the formation of a counter-coalition.

The Chinese anti-hegemony independent foreign policy is based on this fundamental principle. The concept of a united front of the Third World nations directed against the interventionist policies of the two superpowers has implied that China will maximize her strategic position vis-a-vis the challenge of the United States and the Soviet Union.

Like the power balancing in the Chinese Three Kingdoms period, the traditional balance of power protests against the individual hegemony. However, the current new strategy of Chinese balance of power is to protest against hegemonic competition of the Soviet Union and the United States.

China views the competition between the United States and the Soviet Union in the Third World as one of the most

<sup>&</sup>lt;sup>6</sup>James Dougherty and Robert Pfaltzgraff, <u>Contending Theories</u> of <u>International Relations</u> (The United States: J.B. Lippincott Company, 1971), p. 34.

dangerous factors threatening the world peace. As the two superpowers increase their military spending, they force the developing countries to do the same to protect themselves against outside aggression. The deterioration relations between the superpowers and the Third World countries bring about regional turbulance and conflict, giving the big powers more opportunities for interference and intervention. It is also further intensifies the opposition between the two superpowers.

The Third World countries occupy a vast territory and possess three-fourths of the world's population and huge natrual resources. Having shaken off the yoke of colonialism, they now are facing the task of safeguarding their national independence and state sovereignty, while developing their national economies. The two superpowers intervention in the third world jeopardized their national security.

China viewed itself belonging to the Third World. Because China has had similar experiences and faces common tasks for development, it has a deeper sympathy for and gives firmer support to other third world countries. The increased Chinese national power will help the Third World countries to free themselves from the superpowers' domination and achieve their national independence.

As Chinese leader Deng Xiaoping indicated, the Third World countries are the main force for the prevention of

war and the maintenance of peace.<sup>7</sup> They are also the indispensable factor for the development and common prosperity of the world. The growth of the Third World will be a major event in contemporary world history, and its influence on the whole international situation will be significant.

The China's present implementation of the four modernizations program and the new economic reform has enhanced various aspects of its capability, especially in the economic and military fields. It will be the only power which is able to exercise a major influence on the strategic central balance between the two superpowers and the Third World nations by its independent actions. It will also "accomplish what no other nation could, the destruction of the bipolar system."

# 2. China's Role in the New World System

In the most recent decade, the successful domestic economic reforms and the Four Modernizations program have greatly increased China's national capibility and gradually transfered China from a weak nation to relatively strong country. Now China is no longer an outsider in international politics. Rather, it has

<sup>&</sup>lt;sup>7</sup><u>People's Daily</u>, 21 June. 1986, p. 7.

<sup>&</sup>lt;sup>8</sup>Franklin Copper, <u>China's Global Role</u> (Stanford: Hoover Institution Press, 1980), p. 4.

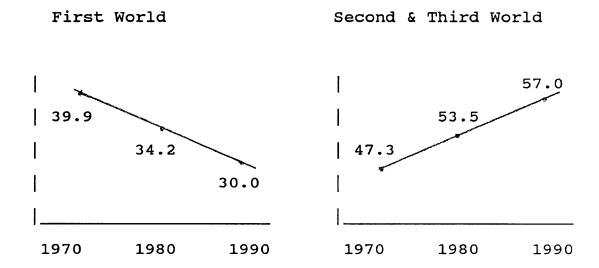
attained substantial international status, achieving greater political and economic power, and playing an important role in the internaitonal system.

China's role in today's world system is related to the two superpowers and the Third World countries. China believes that currently the First World is declining and the Third World including China is rising. As Dr. Samuel Kim indicates, "Whether there is a united-front antihegemonic struggle or not, the world is already on the trajectory of system transformation from bipolarity to multipolarity owing to the steady and irreversible decline in the hegemonic strength of the superpowers."

There are three reasons for the superpowers' decline. First, the economic power balance has started to shift from the First World to the Second and Third World. (See the following table.) 10

<sup>&</sup>lt;sup>9</sup>Samuel Kim, P.205.

<sup>&</sup>lt;sup>10</sup>Ibid. p. 204.



Second, in the world economic system, which dominated by the two superpowers, the vast majority of developing countries supply raw materials. The superpowers deliberately force down the export price of raw materals from developing countries and limit import of manufacture products, leaving most developing countries debt-ridden. 11 The nature of this system is unequal. As a result, the gap between the rich and poor is widening, and hunger and poverty continue to plague many developing countries. This superpower dominated economic system will soon be overthrown. The economic development of the Third and Second World will bring about

<sup>11</sup>Beijing Review, 26 Nov. 1984, p. 17.

a new economic order.

Third, as the United States and the Soviet Union continue to expand the arms race to maintain their dominance in the world, "they merely deepen the contradictions between wishes and ablilities, between overseas commitments and economic capabilities." The gap between their increasing hegomonic requirements and their capabilities prevent them from carrying out their ambitious desire of dominating the world.

The decline of the two superpowers, and the rise of the independent Third World has changed the world structure. In the new world structure the paramount goal of Chinese foreign policy is to oppose hegemonism, identify with the Third World, and create a united front against the superpowers' expansion.

China views today's international politics as a worldwide struggle against imperialist hegemony. Chinese leaders are seeking to preserve a high degree of independence and initiative in their international conduct, and have tended to identify China with the developing countries of the Third World, rather than with two superpowers. 13 However, China will maintain an active dialogue with each superpower, avoid confrontation with

<sup>&</sup>lt;sup>12</sup>Samuel Kim, p. 205.

<sup>&</sup>lt;sup>13</sup>Ibid. p. 214.

them, and align with neither. 14 This policy is well fitted to an international environment which is becoming more multipolar in character. It also suits the Chinese desire to achieve a high level of independence in its foreign affairs.

In addition, China believes that the local conflicts in the Third World create opportunities for both Soviet and American intervention. Therefore, Chinese diplomacy consists to persuade the Third World countries to settle the differency among themselves and avoid conflicts. China's diplomacy has been instrumental in reducing the intensity of local sources of conflict.

The developments in Sino-America and Sino-Soviet relations were also designed to permit China to strike an independent position between the two superpowers. Chinese foreign policy contains both echoes of the past and strikes off in new directions. 15 China's support of the other developing countries and its firm resistence of the hegemonism of both superpowers are highly reminiscent of the current foreign policy. In the relations with the two supperpowers, China is trying to avoid any implication that it is aligned with or a partner of any one. However it is much different from the "isolationist" foreign

<sup>&</sup>lt;sup>14</sup>Ibid. p. 216.

<sup>15</sup>Harry Harding, <u>China's Foreign Relations in the 1980s</u> (The United States: Yale University Press, 1984), p. 200.

policy of the 1960s. China's position was to oppose the initiatives of both superpowers. China also believes that it is possible to pursue a parallel policy with the Soviet and agree with American on the other. As one Chinese writers described:

In the struggle between the Soviet Union and the United States for world hegemony, China may adopt a similar attitude with this or that superpower on this or that issue, and have a certain "point of meeting." But its point of departure in determing its position is different. 16

China will be very actively engaged in dialogue with both the United States and the Soviet Union but will be completely aligned with neither one. 17

China's increasing involvement in the world affairs is significant and its international influence will also continure to grow. It has been widely believed that with its great potential China is going to be an increasingly important force in the world politics.

<sup>&</sup>lt;sup>16</sup>Ibid. p. 201.

<sup>&</sup>lt;sup>17</sup>Ibid.

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