

# Chapter 3

## Foreign Policy of the Post-Jiang Zemin Era

### *Introduction*

How will the result of the 16th National Congress of the Communist Party of China ("16th National Congress of the CPC") affect China's foreign policy? Will the "Three Represents" that was recently added to the party rules bring about any change in foreign policy? How will the newly elected party leadership be involved in policy-making and what kind of policy will they adopt?

This chapter will examine these questions from three angles. First, we look into continuity of foreign policy from the former administration. What did the Jiang Zemin administration inherit from the former administration and what will they leave to the next generation? We will discuss the meaning of the "16-word Directive," a policy Deng Xiaoping designed. Next, we will examine the changes in the attitudes toward foreign countries. How has foreign policy changed since Deng Xiaoping's death in February 1997? We will study the features of the foreign policy of the Jiang Zemin administration from the 15th National Congress in September 1997 to present. Last, we will consider the foreign policy of the new leadership elected at the 16th National Congress of the CPC; will the new leadership continue or change Jiang's policies? At the time of writing, the new administration has not been established; thus, the term "new leadership" refers to the party leadership.

Although the National People's Congress is held every year in March, the upcoming meeting immediately after the CPC National Congress will have special significance, as the new government leadership will have been decided by that time. Reflecting the reshuffle of the party leadership, the government will probably try to rejuvenate the structure and promote specialization of each function. It will also become clearer wheth-

er Jiang Zemin will retire from politics completely. Although he retired from the top party post of General Secretary, he still occupies of the CPC Central Military Commission, the supreme commander of the military forces. It is important to consider how his retirement or semi-retirement will affect foreign policy.

### **3.1 The Formulation of the "16-word Directive"**

On September 4, 1989, just three months after the Tiananmen Incident, Deng Xiaoping discussed international affairs with "some responsible persons of the central government" (Deng [1995, 324]). Deng's idea which later became known as the "16-word Directive"-was imparted during this discussion. The idea was written in 12 Chinese characters meaning "observe calmly, stand firmly, respond carefully" (Deng [1993, 321]). However, the Directive currently referred to in official documents is written in 16 characters (Liu [2002, 11]). Thus, there is a discrepancy in the numbers of the words. The eight characters not used in the discussion mean "hide one's ability to buy time and do whatever necessary."

Even today, 13 years after the Tiananmen Incident, the 16-word Directive is a core foreign policy of China. Liu Huaqiu, Director of Central Office of the Central Leading Group for Foreign Affairs and Director of the Foreign Affairs Office of the State Council, said, "China must adhere to the 16-word Directive in order to pursue peaceful diplomacy independently by correctly grasping complex international politics and economic situations (Liu [2002, 11])". General Secretary of the CPC, Jiang Zemin has followed the policy set by Deng Xiaoping immediately after the Tiananmen Incident.

What were the practical outcomes of

this guideline? They were as follows:

### **3.1.1 Deng Xiaoping's influence over foreign policy**

On September 4, 1989, the same day as the discussion mentioned above, Deng Xiaoping resigned as Chairman of the Central Military Commission and recommended Jiang Zemin as his successor. Although Jiang Zemin had no military experience, Deng Xiaoping did not seem to mind. What Deng wanted most for his successor was obedience to the party leadership, because "the military forces should always be under the party leadership; the recent uprising made it clearer that this principle is right." Deng added, "In our tradition, the military forces follow the party orders, form no small groups or factions, and allow no centralization of power in a few hands (Deng [1995, 321])." With no power in the military forces and not known in the political center, Jiang Zemin exactly met such requirements. However, when Deng Xiaoping retired from the Central Military Commission, he ensured that his reliable aides became members of the commission. Deng's comrade since the days of the revolution, Yang Shangkun, assumed the post of First Vice-President; Liu Huaqing, Vice-President; as Yang Baibing, Yang's half brother, Secretary General.

Although he handed over the top military post to Jiang and retired from all official posts, Deng remained in the front line of foreign affairs. Thus, the 16-word Directive was actually implemented by old party leaders, and Deng in particular, not by Jiang Zemin. According to unofficial sources, the Political Bureau made a regulation that any important policy must be consulted with Deng Xiaoping. In any case, Deng worked hard to break the sanctions the West was enforcing against China after the Tiananmen Incident. In November 1989, when he personally met a delegation of Japanese business groups, Deng emphasized that China would not change its reform and openness policy for a foreseeable

future. In December in the same year, he also met Scowcroft of the National Security Council sent by then President Bush, and clearly expressed his intention to improve relations between China and the U.S. Deng is said to have asked Scowcroft to deliver his personal message to Bush, "One old Chinese retired man in the east wishes for the better of China-U.S. relations" (Chen, Lin et al. [1999, 684]).

### **3.1.2 Continuity of the Foreign Policy Making Bodies**

In 1984, when Doak Barnett had the opportunity to meet then Premier Zhao Ziyang, he had a rare glimpse of the Chinese system of foreign policy-making. Generally speaking, in most countries the authority of foreign policies is centralized. China has, Barnett observed, perhaps one of the most centralized systems. He explained that since the 12th National Congress of the CPC in 1982, the policy-making body for important issues was shifted from the Political Bureau and the Standing Committee of the Political Bureau, to the Secretariat of the CPC and the State Council (Barnett [1986, 24]). During the meeting with Barnett, Zhao said, "Ultimately, we seek guidance from Deng Xiaoping."

Although we can trace the policy-making process concerning the Tiananmen Incident by referring to unofficial documents (Nathan and Link [2001]), we do not know much about the policy-making structure after the incident. From official data, however, we can draw a rough sketch as follows:

(1) Wen Jiabao remained as Director of the CPC Secretariat (General Office). His meeting with the students together with Zhao at Tiananmen Square, however, may have damaged his credibility. Two out of three deputy directors of the Secretariat remained, and the remaining position was filled by Jiang Zemin's right-hand man, Zeng Qinghong, when Jiang took office as General Secretary. Wang Gang, who was later elected as the sole alternate member of

- the Political Bureau at the 16th National Congress of the CPC, was then appointed as Deputy Director.
- (2) Qian Qichen kept his post of Minister of Foreign Affairs after the Tiananmen Incident, as did two vice ministers out of five. However, four people in a similar rank to Vice-Minister were replaced by 1991. Liu Huaqiu, was appointed Vice-Minister in October 1989, and in 1991 both Xu Dunxin who later became ambassador to Japan and Jiang Enzhu who later became the Director of the Hong Kong and Macao Affairs Office, were appointed as Vice-Minister. Similar changes took place in the assistant minister posts; three out of four assistant ministers were replaced by 1992. The posts were taken by Li Zhaoxing who was later appointed ambassador to the U.S., Dai Bingguo who became Head of the International Liaison Department, and Tang Jiaxuan who climbed to the Minister of Foreign Affairs.
- (3) Until recently, it was not confirmed that the central body of the CPC has an organ called the "Central Leading small Group for Foreign Affairs". Although it is not yet clear how they are involved in actual policy-making, the composition of this group in late 1989, is very interesting. The group leader is Premier Li Peng. There are two subleaders: the former Minister of Foreign Affairs, Wu Xueqian, and the incumbent minister, Qian Qichen. If this group is an active organization, not a nominal one, that performs the policy-making function, then it embodies the "continuity" and "centralization" of China's foreign policy-making. In 1989, Jiang Zemin is not involved in this group yet.
- (4) In key party organizations, the structure before the incident remained. The post in charge of the CPC personnel, Head of the Organization Department, was kept by Song Ping who was valued by Deng. Wang Renzhi remained at his post of Head of the Publicity Department, as did Zhu Liang

as Head of the International Liaison Department. Regarding continuity, the career path of Ding Guangen, one of Deng's aides, is interesting. Before the incident, Ding was Vice-Minister of the State Planning Commission; in 1990 he was appointed Head of the United Front Work Department; in 1992 he became Head of the Publicity Department, where he has remained for 10 years. Although Lu Dingyi, who was removed during the Cultural Revolution, had occupied the post for 12 years, his successors normally moved to other positions in two to three years. Compared with these predecessors, Ding's long tenure is very unusual.

### 3.1.3 Larger weight of economy

It was Deng Xiaoping himself who selected Zhu Rongji as Vice-Premier of the State Council in April 1991, who was then just one of the Alternate Members of the Central Committee. The State Council at that time consisted of Li Peng as Premier, Yao Yilin, Tian Jiyun and Wu Xueqian as Vice-Premiers, and Luo Gan as Secretary General of the General Office. All of them had been in office since before the Tiananmen Incident. Subsequently, Zhu Rongji and Zou Jiahua joined as Vice-Premiers. Zou was a Central Committee Member and it is said that he has taken over military industry department which used to be under control of Zhou Enlai. Once he became one of the members of the State Council, Zhu worked boldly on many economic issues. Without doubt, he was backed by Deng Xiaoping who asserted that Zhu understood the economy.

Zhu Rongji established his leadership in the economic field at the 14th National Congress of the CPC held in October 1992. In this National Congress, he was promoted directly to Standing Committee Member of the Political Bureau, skipping the two ranks of Central Committee Member and Political Bureau Member. Zhu ranked number 5 after Jiang

Zemin, Li Peng, Qiao Shi and Li Ruihuan. He became the First Vice-Premier directly under Li Peng and was able to take drastic measures in economic policies. Deng Xiaoping's so-called the Southern Tour in January 1991 helped Zhu's rise. Being greatly unhappy with the economic operations by Jiang Zemin and Li Peng, Deng Xiaoping visited for himself the Special Economic Zones in Guangdong province and praised the active introduction of foreign capital in China. Deng declared, "Without implementing reforms and open policy, nothing but death is in store for us. Cadres who don't understand this must replace their brains with better ones." In response to this inflammatory appeal made by the "retired elder", the Party Center and State Council urgently made an upward revision of their economic goal. Jiang Zemin's political report clearly stated that China's goal was to establish a "Socialist Market Economy" (Chen, Lin, et al. [1999, 775]). China, for the first time, officially approved of the market economy. Although the 14th National Congress of the CPC was hosted by General Secretary Jiang Zemin, the personnel focus was on the rise of Zhu Rongji and the economic focus was on the Socialist Market Economy. Consequently, this National Congress represented largely the Southern Tour of Deng Xiaoping instead of the new party leader, Jiang Zemin. (see Table 1 for the historical characteristics and main issues of the National Congresses).

What was the foreign policy of China in the age of the Socialist Market Economy? At the time of the 14th National Congress of the CPC, the critical situation that followed the Tiananmen Incident was already a thing of the past. The economic sanctions imposed on China virtually disappeared and foreign investment started flowing in after the Southern Tour. The world's attention, which had once been intensively focused on the Tiananmen Incident, turned to a series of other historical incidents, including the collapse of the Berlin Wall, the Gulf War, and the collapse of East

European Communist Block and the USSR. China endured and did not collapse as the USSR had, despite the expectations of some observers. Chinese leaders came to realize that Deng's 16-word Directive was extremely effective.

Foreign minister Qian Qichen, who was concurrently State Councilor, outlined China's foreign policy at the Central Party School in September 1992. In his lecture, Qian first pointed out the "objective reality" of the sluggishness of socialism and the rise of America as the "only superpower" (Nakai [1997, 35-36]). Under these circumstances, China could overcome the "crisis of system" with the 16-word Directive mentioned above. Qian also pointed out that the collapse of the Cold War structure brought advantages to China in international affairs. According to him, the advantages to China in the international arena were the extinction of the threat from the north due to the collapse of the USSR, the decline of Gorbachev's influence, and that China gave the impression to the world that it was stable and impervious to sanctions. Based on this assessment, Qian proposed the following three directions for the future foreign policy of China:

(1) To pursue "Omni directional diplomacy."  
Such a policy could be free from ideology to avoid the "crisis of system":

Specific policies include cooperative relations with the U.S., good-neighbor and amicable relations with neighboring countries including Japan, and the re-establishment of diplomatic ties with as many countries as possible.

(2) To build a friendly external environment for economic development:

Specific policies include participation in international cooperation activities in relation to the post-Gulf War, nuclear non-proliferation, the embargo on weapons and peace-keeping operations, taking part in regional organizations such as APEC and ASEAN, and opening the huge Chinese market to foreign countries.

**Table 1 Overview of National Congresses of the Communist Party of China**

Time	Name	Party Chairman	Chairman of Central Military Commission	Premier	President	Major Topic	Main Reporter	Characteristics
Sept. 1956	Eighth National Congress	Mao Zedong 1959 (Vice Chairman) Lin Biao	Mao Zedong	Zhou Enlai 1968 Liu Shaoqi, Deng Xiaoping step down	Mao Zedong 1959 Liu Shaoqi	General Line of Socialism	Liu Shaoqi	Liu & Deng Congress
Apr. 1969	Ninth National Congress	Mao Zedong 1971 Lin Biao dies	Mao Zedong	Zhou Enlai		Completion of the Cultural Revolution	Lin Biao	Lin Biao Congress
Aug. 1973	Tenth National Congress	Mao Zedong	Mao Zedong 1975 (Vice Chairman) Deng	Zhou Enlai 1975 (Vice Premier) Deng		Criticize Lin Biao and Confucius	Wang Hongwen	The Gang of Four Congress
Aug. 1977	Eleventh National Congress	Hua Guofeng 1977 (Vice Chairman) Deng 1980 Hu Yaobang	Hua Guofeng	Hua Guofeng		"Two Alls" of Chairman Mao	Hua Guofeng	Hua Guofeng Congress
Sept. 1982	Twelfth National Congress	Hu Yaobang 1982 Deng Chief Advisor 1986 Hu steps down	Deng Xiaoping	Zhao Ziyang	1983 Li Xiannian	Four Modernizations	Hu Yaobang	Hu Yaobang Congress
Nov. 1987	Thirteenth National Congress	Zhao Ziyang 1989 Zhao steps down; Jiang Zemin takes office	Deng Xiaoping 1989 Jiang Zemin	1988 Li Peng	1988 Yang Shangkun	One Center (economic development) and Two Basic Points (Four Principles, Reform and Opening)	Zhao Ziyang	Zhao Ziyang Congress
Oct. 1992	Fourteenth National Congress	Jiang Zemin Feb. 1997 Deng dies	Jiang Zemin	Li Peng	1993 Jiang Zemin	Socialist Market Economy	Jiang Zemin	Deng's "Southern Tour" Congress
Sept. 1997	Fifteenth National Congress	Jiang Zemin	Jiang Zemin	1998 Zhu Rongji	Jiang Zemin	The Flag of Deng Xiaoping	Jiang Zemin	Jiang & Zhu Congress
Nov. 2002	Sixteenth National Congress	Hu Jintao	Jiang Zemin	2003 Wen Jiabao	2003 Hu Jintao	Three Represents	Jiang Zemin	Jiang Zemin Congress

Source: Prepared by the author using *Fifty Years of the Communist Party of China* (1999).

(3) To keep a trilateral balance among China, the U.S. and Japan:

Specific policies are to focus on the U.S. as the main target of diplomacy for the time being, to avail of inconsistencies in the Japan-U.S. relationship for building relations between China and the U.S., to adjust relations with Russia, Europe and Asia-Pacific countries in order to restrain the trilateral relation between China, the U.S. and Japan, to maintain restraining factors against both Japan and the U.S., to open the Chinese market to the U.S. while taking advantage of the war liability issue with Japan (Nakai [1997, 40-41]).

China took the directions proposed by Qian throughout the 1990s. Its perception of the world and organization remained largely the same during that period. The directive issued by Deng Xiaoping immediately after the Tiananmen Incident was put to the test by drastic changes in the world that took place thereafter. In late 1992 the directive took the form of the policy mentioned above. Jiang Zemin had only to follow these prearranged policies. A proverb in America says: "If it ain't broke, don't fix it." Jiang Zemin, having taken top position, had no power to correct even a gaping problem if one arose. Thus, continuity of Chinese foreign policy resulted.

### **3.2 Jiang Zemin's Foreign Policy**

Deng Xiaoping died in February 1997. Contrary to the predictions of some experts for a revolt in the whole country, no such disturbance happened and international affairs surrounding China underwent a peaceful transition. In particular, the China-U.S. relations, which had been deteriorating on and off since the Clinton administration, remarkably improved following the September 11 incident in 2001. As for relations with Japan, there was a sign of recurrence of the "historic problem" when Jiang Zemin visited Japan in late November 1998, but the situation has been improving since then. More recent-

ly, China is actively approaching not only to neighboring countries including Russia and those in Southeast Asia, but also countries in Europe, Central Asia, Africa and South and Central America. This gives the impression that the "omnidirectional diplomacy" proposed by Deng Xiaoping and Qian Qichen has finally bloomed. No doubt these improvements in foreign policy are backed by the development of economic interdependence.

In this section, I will analyze how Jiang Zemin took the leadership in foreign relations before and after the death of Deng Xiaoping and how he interpreted Deng's basic directives and implemented them as actual policies. The conclusions in this section can be outlined in advance as follows:

- (1) Jiang Zemin did not alter the 16-word Directive as a framework of foreign policy. Jiang held up the "flag of Deng Xiaoping" in regards to foreign policy and used his position as Deng's successor as a basis for authority.
- (2) Jiang Zemin took the lead in forming an organization and personnel arrangement who were to fulfill Deng's directives. He built, in his own style, an organization and personnel network in relation to the foreign policy.
- (3) Jiang Zemin entrusted Zhu Rongji with economic issues and he himself chose to specialize in the administration of the Party. Economic reform had a high risk of failing.
- (4) Consequently, this division of labor worked effectively. Jiang Zemin left to Zhu the financial and administrative reforms which were likely to face domestic opposition, while involving himself in top-level diplomacy and ideology and education campaigns, thus maintaining continuously his position as the leading figure and the top policymaker of China.

Now look at the characteristics of Jiang Zemin's approach towards foreign policies.

### 3.2.1 *The Establishment of Personal Leadership*

First of all, when and how did Jiang establish his leadership in foreign policy? As seen in the previous section, the main weak point in the transition of power from Deng to Jiang was the problem of leadership in the military. For Jiang, the turning point came earlier than expected. In March 1993, First Vice-President of the Central Military Commission, Yang Shangkun, and Secretary General, Yang Baibing were dismissed, and Liu Haoging and Zhang Zhen, who were closely trusted by Deng, were inaugurated as Vice-Presidents. At the same time, other than Chi Haotiau, who remained as a member of the Central Military Commission, Zhang Wannian, Yu Yongbo, and Fu Quanyou were newly appointed as Members of the Central Military Commission. Thereafter, they occupied major positions in the military under Jiang Zemin. The Jiang Zemin regime started at the military center.

During the same period, Jiang became President in succession to Yang Shangkun, and Zeng Qinghong, who had been Jiang's key intellect since the Shanghai period, was appointed as Director of Secretariats of the CPC (General Office). Considering that Zeng was a rank-and-file member at that time, and the predecessor, Wen Jabao, was a Central Committee Member, this was an extremely unusual promotion. Zeng was also appointed as Secretary of the Work Committee for Organs under Central Committee, and strived to build the Jiang regime. At the same time, the Minister of Foreign Affairs, Qian Qichen, was inaugurated as Vice-Premier of the State Council with Li Lanqing, and the position of those in charge of foreign affairs was raised by one rank. In the Party, the aforementioned Head of the Publicity Department, Ding Guangen, Head of the United Front Work Department, Wang Zhaoguo, and Li Shuzheng of the International Liaison Department were newly appointed, and though the organizational

framework in charge of foreign affairs established by Deng was not changed, the membership changed gradually.

Meanwhile a remarkable change was happening in several "leading small groups" in the center of the Party. Jiang Zemin started appointing his close associates to these small groups. For details of these Central Leading Groups, refer to Table 2. The division of work between Jiang Zemin and Zhu Rongji is obvious at the central level. Further, Zeng Qinghong, who was promoted to an Alternate Member of the Political Bureau at the same time as to a Central Committee Member in the 15th National Congress of the CPC in 1997, became a member of the Central Leading Group in 1993 and 1994. Zeng was a rank-and-file member at that time.

In regard to foreign policy, there are two points to note here. First, Jiang Zemin was inaugurated as the head of the Central Leading Group for Taiwan Affairs in January 1994. With Qian Quichen as Deputy Head, the lineup strongly suggested that Jiang Zemin's first task in foreign policy would be Taiwan affairs. In fact, Jiang Zemin proposed an "eight-point proposal for the peaceful unity of China" in January 1995. It gave the impression at home and abroad that it was Jiang Zemin who took the responsibility for China's new policy towards Taiwan. (Ijiri [1997,75]) Chinese policy towards Taiwan hardened after Taiwan's Li Denghui administration turned down the proposal and President Li Denghui visited the United States in 1995. After the so-called Taiwan Straits Crisis in March 1996, Chinese-Taiwanese and Chinese-American relations settled down. Taiwan affairs, however, remain the biggest issue in Chinese-American relations. In other words, the person in charge of Taiwan affairs virtually takes the initiative in foreign relations. Therefore, it is necessary to monitor who will be the Head of the Leading Group for Taiwan Affairs after the 16th National Congress of the CPC.

Secondly, Jiang Zemin was inaugurated as the Head of Leading Group for Foreign

**Table 2 Leading Small Groups at the Party Center (as of 2002)**

Central leading small group for Taiwan affairs			Central leading small group for Party organization		
Title	Name	date	Title	Name	date
chair	Jiang Zemin	1994.1	chair	Hu Jintao	1994
vice chair	Qian Qichen	1994.1	vice chair	Li Lanqing	1994
chief secretary	Zeng Qinghong	2000.10	vice chair	Wei Jianxing	1994
member	Wang Daohan	1995.9	vice chair	Zhang Qianjing	1999.3
member	Xiong Guangkai	1996.2	vice chair	Zheng Keyang	1999.11
member	Xu Yongyao	1998.5	member	Zeng Qinghong	1994.6
member	Chen Yunlin	1998.5	Central leading small group for propaganda and ideology		
Central leading small group for foreign affairs			Title	Name	date
Title	Name	date	vice chair	Wang Maolin	1999.3
chair	Jiang Zemin	1998.6	member	Zeng Qinghong	1993.1
vice chair	Zhu Rongji	1998.6	Central leading small group for Party history		
vice chair	Qian Qichen	1989.12	Title	Name	date
chief secretary	Liu Shuqing	1989.12	vice chair	Bo Yibo	1990.3
secretary	Liu Huaqiu	1994.12	vice chair	Deng Liqun	1990.8
vice secretary	Lu Fengding	1999.12	Central leading small group for village affairs		
Central leading small group for financial and economic affairs			Title	Name	date
Title	Name	date	chair	Wen Jiabao	1998
chair	Zhu Rongji	1994	vice chair	Ma Zhongchen	2000.10
vice chair	Wu Bangguo	1994.11			
member	Zou Jiahua	1994.11			
member	Chen Jinhua	1994.11			
member	Liu Zhongli	1994.11			
member	Zhou Zhengqing	1994.11			
member	Jiang Chunyun	1994.11			
chief secretary	Wen Jiabao	1993.3			
vice secretary	Zeng Peiyan	1993.2			
vice secretary	Hua Jianmin	1998.4			
vice secretary	Ma Zhongchen	2000.10			

Source: Radiopress, China Directory 2003.

Affairs relatively recently in June 1998. Zhu Rongji was appointed as deputy at the same time. The group may well be one of the central organs which is the most directly involved in foreign policy. As mentioned above, Li Peng was in office as the Head of the Group from 1989 until Jiang Zemin took his place. Then Qian Qichen and Wu Xueqian were Deputy Heads. Judging from the line-up, the function of the group might have been to guarantee the continuity of Deng Xiaoping's directives. The position as Head of the Group might have enabled Li Peng, who was losing influence within the party in spite of being No.2, to desperately protect his interests by exercising a kind of veto. In any case, it was more than one year after Deng Xiaoping's death and half a year after the 15th National Congress of the CPC that Jiang Zemin could

display his own initiatives.

What kind of initiatives did Jiang Zemin try in his foreign policy? First, let me introduce the latest views of Chinese governmental research institutes. The report titled "International Strategy and Evaluation of Safety" by the China Institute of Contemporary International Relations, states as follows in regard to Chinese diplomatic strategy from 2001 to 2002 (Lu [2002, 254-272]):

(1) China promoted multipolarity against the unilateralism by the U.S. Specifically, China consistently opposed America's Missile Defense Plans. China established the Shanghai Cooperation Organization in June 2001, and China, Russia and central Asian countries confirmed the diversity of civilizations and opposed hegemonism, China also defeated America's anti-Chinese human

- rights proposals at the United Nations.
- (2) China dealt appropriately and calmly with difficult incidents between China and the U.S. The emergency landing of the U.S. reconnaissance plane did not damage China's national statue.
  - (3) After the terrorist attacks against the U.S. on September 11, China promptly joined the international anti-terrorism actions. Jiang Zemin made a phone call to President Bush, promising his support for anti-terrorism efforts, soon after the attacks. China held an APEC summit meeting in Shanghai in November 2001, and adopted an anti-terrorism resolution. As a result, President Bush promised to work towards a constructive partnership with China.
  - (4) In regard to Taiwan affairs, China regained its initiative. The Bush administration sold huge amount of weapons to Taiwan in April 2001. But the U.S. now seek China's cooperation in anti-terrorism campaigns. The U.S. become less aggressive in its policy towards Taiwan.
  - (5) The Chinese economy continued to grow. It raised the status of China internationally.

Undoubtedly, all of the above are no small diplomatic achievements. But it was Deng Xiaoping who built a foundation of these policies. Jiang's measures do not deviate from the direction of the Qian Report published in 1992. Regarding to economic development, China in 2002 is surely much richer and much more powerful than it was in 1992. However, the person who contributed to these good results was not Jiang Zemin, but Zhu Rongji. Since 2002, Jiang Zemin took charge of politics, while Zhu Rongji took charge of the economy.

### **3.2.2 Jiang Zemin's Foreign Policy**

What changes has Jiang Zemin brought in China's foreign policy? The major points are reviewed as follows.

#### **(1) The conceptualization of Deng Xiaoping's Judgement**

As mentioned before, Deng Xiaoping's 16-word Directive originated in the crisis just after the Tiananmen Incident. Deng was a genuine realist and not concerned much about creating political slogans. Jiang Zemin is different. The Jiang administration has disseminated many slogans across China. Some of those slogans were about foreign policy.

Let me discuss two examples here. First, Jiang edited Deng's 16-word Directive and gave it a broader interpretation. Deng's 16-word Directive became an official guideline of China's foreign policy. Deng's judgement represents the current consensus among the Chinese people. The 16-word Directive as an official slogan, however, has concealed differences of opinion about China's foreign policy. For example, Li Shenzi, who served as Vice-President of the Chinese Academy of Social Science and had the support of progressive intellectuals in the 1980s, quoted Deng's 24-word Directive in a recent article. According to Li, Deng's Directive, that is, "observe calmly, respond carefully, stand firmly, behave wisely, do not stand out, act decisively" (Li [2000, 4]), indicates that China should pursue cooperative relations with the United States despite many confrontations and disputes between the two countries. On the other hand, the report prepared by the China Institute of Contemporary International Relations, quotes a slightly different 24-word Directive. In the report, the directive is "observe calmly, stand firmly, behave wisely, defend tightly, do not stand out, act decisively" (Lu [2002, 258-259]). According to this report, China should take much more cautious stance towards the U.S. than that of Li Shenzi.

Second, slogans often do not reflect reality and tend to get out of control. One example is "constructive strategic partnership," a slogan declared by Jiang Zemin during his visit to the U.S. in October 1997. As the U.S.-China joint statement on October 29 shows

clearly, the "constructive strategic partnership" is just a target which both states should make efforts to achieve, and does not mean that such partnership had existed between them. In the official text, a conditional clause, "both countries will make concerted efforts to establish the relationship" was inserted before the main sentence of "constructive strategic partnership" (Fan [1998, 4]). But when Jiang's visit to the U.S. became a symbol of good U.S.-Chinese relations, the conditional clause was often forgotten. Chinese people felt as if the national power of China were now equal to that of the U.S. Needless to say, such exaggeration was another side of China's smoldering antipathy towards the U.S. (Song and Zhang et al. [1996]). Misunderstanding did more harm than good to its real foreign policy.

## (2) The emphasis on summit diplomacy

Deng Xiaoping liked to go abroad. He lived in France as a student worker when he was young. In the early 1960s, Deng visited Moscow and debate with Khrushchev. Deng's visits to the U.S. and Japan were both diplomatic breakthroughs. Present Chinese leaders often let their children study abroad, following Deng's example.

Since Jiang Zemin became the top leader, Chinese leader's foreign visits have increased remarkably. Generally speaking, it is not a bad thing for a head of state to visit foreign countries. As Jiang's visit to the U.S. in 1997 indicates, a summit meeting is an effective means to give the impression of improved relationships between two countries, both at home and abroad. Hu Jintao's visit to the U.S. in May 2002 was significant in that the next head of China met U.S. leaders. Zhu Rongji visited the U.S. in April 1999 to discuss China's accession to the WTO, which represents an example of a visit to discuss a specific issue.

However, frequent visits to foreign countries do not necessarily mean improved quality of diplomacy. In China, the secret di-

plomacy between Zhou Enlai and Richard Nixon is generally cited as a successful diplomacy. What Chinese diplomacy needs now is perhaps more openness. Closed-door diplomacy may not help much in this regard. Was it necessary for Jiang Zemin to visit the United States in October 2002? If the 16th National Congress of the CPC had been postponed for two months just to hold this meeting, the cost of summit diplomacy was too much. China cannot afford to leave alone mounting problems for two months.

## (3) Commitment to regionalism

China joined the Asia Pacific Corporation (APEC) in 1991 and participated in peace-keeping operations of the U.N. (PKO) in Cambodia in that year. China attended the ASEAN Regional Forum (ARF) in 1994 and participated in ASEAN as an observer. It was not until recently, however, that China positively committed itself to these regional activities. China could have just "observed calmly, stood firmly and played for time without standing out" according to Deng's 16-word Directive. China could not afford to be excluded from the regional community.

Since 1997, China has begun to make aggressive efforts to engage in regionalism. Multiple elements are likely to have driven the country to make such a move. First, Deng Xiaoping passed away, which enabled Jiang Zemin to establish his own diplomatic initiatives. Second, Hong Kong was returned to the country, which allowed China to forge multilateral relationships with Southeast Asia. In the same year when the financial crisis struck Asia, China remained unaffected, and could elevate its international status. Furthermore, China may be intending to counteract Taiwan's influence and exclude U.S. influence in the region by engaging in regionalism aggressively.

In 2001, China served as the host country for the APEC Summit Meeting in Shanghai and established the Shanghai Cooperation Organization, and in 2002, it advocated

free trade zones for "ASEAN +3." China has greatly committed itself to regionalism in recent years. This should be welcome since the U.S. and Japan have long been arguing that China should join the international community. The problem is that China regards such regionalism as a major means to expand its interests in the region and tends to utilize it to improve its international status (Lu [2002, 262-264]). Such tendency might be inevitable when a country begins to commit itself to global affairs. However, China needs to understand that merely a veneer of engagement in regionalism would result in extremely limited returns.

### **3.3 Foreign Policy after the 16th National Congress**

What shift might the 16th National Congress of the CPC bring in Chinese foreign policy? If the above analysis is correct, the range of shifts is unlikely to be large. China's new leaders are expected to follow Deng Xiaoping's Directive and fine-tune individual approaches in light of changing international circumstances. It would take the new leader, currently Hu Jintao, a long time to inject his own ideas into foreign policy. The implications of the 16th Party Congress of the CPC are reviewed below in terms of basic guideline, organization and practical policy.

#### **3.3.1 Basic Guideline**

Was Deng Xiaoping's 16-word Directive still valid after the recent National Congress? Yes, but with qualifications. Jiang Zemin says in the first section of his political report, "Past five year's efforts and 13 years' basic experiences," that China entered a new phase in diplomatic policy; he sings his own praises, saying that China conducted bilateral and multilateral diplomacy effectively, engaged in international exchanges positively, and improved China's status in the global community (Jiang [2002, 4]). In respect of the 16-word

Directive, Jiang says that China should address international affairs, respect cultural diversity of the world, and promote democratization in international relations through "the policy of calm observation and careful response." Jiang also stresses that China will put aside differences while common ground is being sought in order to achieve a peaceful international environment and to establish favorable relationships with its neighboring nations" (Jiang [2002, 10]).

Deng's Directive, which initially consisted of 12 words, evolved into the 16-word Directive and into the 24-word Directive later, then finally settled into the 8-word Directive. The last half of the 16-word Directive, "do not stand out, behave wisely, and act decisively," has clearly become outdated. This indicates that the basic foreign policy of China has been shifting gradually from crisis prevention in the political system, which was Deng Xiaoping's major concern, to international cooperation. This shift has, however, just begun. Jiang's new Directive such as a "spirit of putting aside differences while seeking a common ground" and "respecting cultural diversity of the world" has not been tested by history yet. While Deng's 16-word Directive passed through historic ordeals such as the Gulf War and the collapse of the Soviet Union.

China is unlikely to give up the core of Deng's 16-word Directive, "observe calmly and respond carefully," for a long time in the future. This is because the likelihood of a minor or significant crisis is expected to grow even though the possibility of war has diminished (Liu [2002, 5-7]). As a matter of fact, when the Chinese embassy in Yugoslavia was mistakenly bombed by a U.S. jet fighter, Li Shenzi quoted the 16-word Directive and maintained that China should respond calmly to the issue.

Will the "Three Represents" which the 16th National Congress adopted as a significant thought, replace Deng's directive? In terms of foreign policy, this is unlikely. The "Three Represents" shows only what the Com-

munist Party of China should be; the ideal of the Party. So far, the party does not represent "Advanced forces of production, Advanced culture, and Primary interests of Chinese people." The "Three Represents" is reported to give an opportunity for private entrepreneurs to join the CPC. But such people have not been elected even as an Alternate Member of the Central Committee yet. It will be a long time before representatives of private business to take part in the central government in China. It will also take a very long time before they exert influence on China's foreign policy, which is still determined by an extremely limited number of people.

The significance of the "Three Represents" lies not in its contents but in its symbolic effects. As the "Three Represents" has been stated in the party platform as an important thought, the "Four Principles" (Path to Socialism, People's dictatorship, Leadership of the Communist Party and Marxism-Leninism-Mao Zedong Thought) have not been advocated recently as had been stressed many times since the Tiananmen Incident. While the "Four Principles" are waning now, the "Three Represents" are showing more. Chinese intellectuals describe this trend as "Four (Principles) go and Three (Represents) enter."

### **3.3.2 Organization**

It might be too early to declare at this point that Jiang Zemin has stepped down from the political arena or will do so in the near future. The process and the selection of personnel appointments has been hidden from the public. The question remains why China, which is trying to democratize its attitudes in international relations, had to reshape its organization in such a secretive way. Who will take over Deng's policies if Jiang completely steps down? Hu Jintao, who became a Standing Committee Member of the Political Bureau ten years ago, has only limited experience in foreign affairs. Another name could be Zeng Qinghong, but he has

also limited experience.

Although it remains to be seen how Jiang maintains his grip on power, the latest personnel appointments inside the Communist Party indicate that a transfer of power to the younger generation is happening. Deng Xiaoping had direct contacts with foreign VIPs even after his retirement, and he stood as No.2 only behind Jiang at the podium of the 1989's National Anniversary. We must remember, however, that Deng was the kind of a person who always liked to put himself behind the scenes. Hu Yaobang, Zhao Ziyang, and Jiang Zemin took charge of political reports between the Twelfth and Fourteenth National Congresses of the CPC when Deng's influence was still strong. Deng let his hand-picked subordinates take official duty (see Table 1). In contrast to Deng, Jiang Zemin likes to keep a high profile himself. Indeed, he read a political report by himself taking Hu Jintao's place in the last National Congress.

As Jiang Zemin's statue remains unclear, there arises the problem as to who makes the final decision on foreign policies. In other words, power struggle between Jiang and Hu may occur. Jiang might transfer his power to Zeng Qinghong, but this too would cause a conflict between Hu and Zeng. Until the real leader of the party steps out, the composition of the Leading Small Group cannot be decided. The power shift will have a tremendous impact on the Leading Small Group for Foreign Affairs (see Table 2). It is unlikely that Jiang, Zhu, and Qian all quit at once. The question is, who among the three will remain in power, and at what position? The same can be said regarding the Leading Small Group for Taiwan Affairs. The problem of this group is greater than the Leading Small Group for Foreign Affairs. The Leading Small Group for Taiwan Affairs is aging. Wang Daohan has been the chief negotiator for the Chinese government on China-Taiwan affairs. Wang, now 89, was from the New Fourth Army which fought against Japanese troops mainly in central China during the Sino-Japan war. When

in Shanghai, he was Jiang Zemin's boss and introduced Jiang to the central government. The generation shift in the Leading Small Group for Taiwan Affairs seems to be inevitable. Will China be able to carry out drastic change in such an organization?

In contrast with the Party organizations, the reshuffle in the government's foreign affairs section appears to be going smoothly. The government has succeeded in churning out young officials competent in dealing with foreign matters. Wu Yi, who has been promoted to official member of the Political Bureau of the Communist Party from its Alternate Member, is thought to be in charge of foreign affairs for the government. She has also been promoted to Vice-Premier from State Councilor, although not elected to become a Standing Committee Member of the Political Bureau in the party. As for Minister of Foreign Affairs, two names are circulated. One is Li Zhaoxing, former ambassador to the United States, and the other is Dai Bingguo, Head of the International Liaison Department. Another source says the incumbent Minister, Tang Jianxuan, will remain in the seat. Whatever happens, the government's diplomatic policy will not be greatly affected.

### 3.3.3 Policies

The political report announced at the 16th National Congress of the CPC lists up targets but lacks details. One point in the report concerning the policy toward Taiwan is worth noting. Jiang's report basically follows his predecessors' attitudes toward Taiwan, but has listed up the content China is willing to talk in the dialogue with Taiwan "under the condition of One China" (Jiang's Report 2002, 45):

- (1) China can negotiate the termination of hostilities across the Taiwan Strait
- (2) China can negotiate Taiwan's status in international society and its operating fields in economic, cultural, and social areas in accordance with its status.

(3) China can negotiate political status of Taiwan's government and so on.

What do these so-called "Three New Phrases" imply? They are not likely to impress Taiwan's leadership. It is the notion of "One China" that President Chen Shubian and the leaders of Democratic Progressive Party have opposed, and so it would be naive to think that "New Three Phrases" will break the ice and lead to the resumption of dialogue between both sides of the Strait. But why did Jiang announce the New Three Phrases at this timing?

Along with the "Three Represents" introduced at the 16th National Congress was the phrase "yo-ji-gu-sin" which means to "keep pace with the times". This new term suggests that he felt a strong need to refresh old policy. If Jiang put the "Three Represents" policy into practice (although there is little such possibility at present), the differences between the Chinese Communist Party and Koumintang Party (Taiwanese National Party) may diminish in the end. Jiang might have wanted to show his leadership regarding Taiwan. He might wish to retain sway over Taiwanese affairs after his retirement. Retaining influence over Taiwan affairs means keeping relations with Japan and the U.S. Perhaps this scenario is what he meant by "keeping pace with the times".

### **Conclusion: Pending Problems for the Seventeenth National Congress**

The 16th National Congress of the CPC was the first and the last opportunity for Jiang to show his true colors. At the 15th National Congress of the CPC held after Deng's death, Jiang decided to hoist the flag of Deng Xiaoping. Zhu Rongji put the Socialist Market Economy into practice. The most notable characteristics of this post-Deng era are the collaborations between Jiang and Zhu.

As noted already, after Deng's death in 1997, Jiang started showing his own colors in

foreign affairs. Jiang changed the style of diplomacy from careful observation to outgoing actions. But he changed little in substance. Jiang met with many foreign VIPs in and out of China, held various international conferences in his country, and pursued diplomacy in all directions as Deng had never done before. The Party organizations supported Jiang because under Jiang the party could enjoy greater influence in foreign policy.

The next five years before the 17th National Congress will be the period Deng's Directive faces serious tests. There are two challenges. The first is a peaceful and smooth transfer of power in foreign affairs. In other words, it is still unclear as to how deeply Jiang will interfere with the process of political decision-making. The lack of detailed information on the composition and function of the Central Leading Small Group is another factor. Hu Jintao needs a long time to establish firm political leadership. Confusion and the power struggles in the central political arena will pose a grave threat to China in case of an unpredicted crisis.

The second challenge is the economy. As we have seen, the succession from Deng to Jiang happened when China achieved nearly 9% annual growth. Jiang could strengthen his grip on central power for 13 years, while Zhu Rongji took charge of economic affairs. Is Hu Jintao able to control his Party and country hand in hand with Premier Wen Jianbao? Are they able to deal with the problems with full consideration of economic setbacks? Will China face trade friction between Japan and the U.S. as they did before? The future leaders of China have a heavy burden to carry on their shoulders.

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