

Historical Changes in Relations Between China and Neighboring Countries (1949–2012)

Zhang Chi

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The Central Asia-Caucasus Institute
Paul H. Nitze School of Advanced International Studies
1619 Massachusetts Ave. NW, Washington, D.C. 20036
Tel. +1-202-663-7723; Fax. +1-202-663-7785
E-mail: caci2@jhuadig.admin.jhu.edu

Editorial correspondence should be addressed to Elliot Brennan at: ebrennan@isd.eu

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Executive Summary

In China's foreign affairs and security studies, the concept of the 'neighborhood' (*zhoubian*) has a special meaning that has changed gradually over time. As China has developed, its leadership has become more and more pragmatic in dealing with its relations with neighboring countries. This paper intends to explain the historical changes in these relations from 1949 to 2012.

I. Introduction of the concept of the 'Neighborhood' (Zhoubian)

The word *zhoubian* refers either to a mathematical term for the sum of the length of the edges of a polygon or means 'around the edges.' In the present article, *zhoubian* is used in the latter sense and is translated as 'neighborhood' or 'neighboring.' In modern China, the word *zhoubian* has been used in documents concerned with China's diplomacy and security strategy since the late 1980s. In the summer of 1987, the phrase 'neighborhood environment' first appeared in the *People's Daily*, China's main newspaper. The 'neighborhood' mentioned in the Report on the Work of the Government in the late 1980s included Mongolia, the Korean Peninsula, the Association of Southeast Asian Nations (ASEAN) countries and South Asian countries. Beginning in the early 1990s, China's 'neighborhood' started to include Japan and the independent states of Central Asia and Russia. In January 1993, Chairman Jiang Zemin first used the concept of 'neighborhood security environment' at an enlarged meeting of the Central Military Commission.

II. Historical review

It has been 63 years since the foundation of the People's Republic of China, and great changes have taken place in China since then. There have also been changes in the relations between China and neighboring countries, which can generally be divided into three phases. The first was one of passive response, or the period of turbulence (1949-1978), when China's relations with its neighbors were mainly passive responses to the international situation. The second period was a shift in focus: the period of adjustment and moderation (1979-1989), when China shifted its focus to building up its economy. During

this period, Chinese neighborhood diplomacy gradually broke away from being ideologically driven and was focused instead on finding stable, peaceful and cooperative ways to improve relations with other countries. The third period was one of active management: the period of changing and warming up (1990-present), when China began to actively promote partnerships with its neighbors in order to build a long-term peaceful environment.

III. The Changes in China's Neighborhood Diplomacy

China's neighborhood diplomacy can be seen as a continuation of its overall foreign policy. Since the founding of the PRC, the external environment has continued to undergo changes, as has the international situation. Therefore, adjustments have been made in China's foreign policies and changes have also been implemented in its neighborhood diplomacy. These changes mainly include: 'Leaning to One Side' and China's diplomacy towards its neighboring countries at the beginning of New China, the proposal of the 'Five Principles of Peaceful Coexistence,' the neighborhood diplomacy under the 'Striking with Two Fists' and the 'Intermediate Zone' strategies, the strategy of 'One Line in One Large Area,' neighborhood diplomacy under the 'Non-Alignment' foreign policy, neighborhood diplomacy under the strategy of 'Hiding Our Capabilities and Biding Our Time, Being Good at Keeping a Low Profile' and China's neighborhood diplomacy for 'Creating an Amicable, Secure and Prosperous Neighborhood under the Peaceful Development Strategy.'

IV. The challenges that China will face in the new situation in the development of its relations with neighboring countries

Developments, changes and adjustments have taken place in the modern era. These are all new subjects that China has to face on the future path of peaceful development. This not only means opportunities but also challenges for China. When dealing with relations with neighboring countries, the new international and regional situations also represent serious challenges for China. The first is that the Sino-US relationship is an important factor affecting China's neighborhood environment. The second is that some of the neighboring countries feel the pressure of the rise of China and are 'hedging their bets.'

List of Abbreviations

APEC	Asia Pacific Economic Co-operation
ASEAN	Association of Southeast Asian Nations
CMC	Central Military Committee
CPC	Communist Party of China
CPSU	Communist Party of the Soviet Union
NCCPC	National Congress of the Communist Party of China
PRC	People's Republic of China
SCO	Shanghai Cooperation Organisation

Introduction

Zhoubian is a Chinese word meaning periphery, surrounding area or neighborhood. Its meaning and scope have differed in different periods of Chinese foreign policy. As China develops, having an amicable international environment becomes more and more important. Thus, the relationship between China and the zhoubian countries should have a special and primary status. Managing these relations will be important to improving China's international environment.

History shows that China generally got along well with these countries immediately after the foundation of the People's Republic of China (PRC) in 1949. However, the international environment soon became so complicated that it made China's relationship with them become tense. After China's reform and opening up, especially since the end of the Cold War, relations improved greatly. Looking back on history, we can see that China has adjusted its diplomacy towards these countries a number of times. These adjustments were aimed mainly at conforming with the trends of the time, the international situation as well as the domestic situation. Generally speaking, the adjustments took place almost every decade, always in the final years of the decade.

At present, fundamental changes are taking place. The zhoubian has become the primary concern for China to have an environment conducive to long-term stable development, making it possible to build a harmonious world and region. However, with the rapid development and improvement of China, several noticeable changes present challenges to China's dealings with these countries.

The aim of this paper is to examine four aspects of the historical changes in relations between China and the zhoubian countries. First, a discussion of the concept of zhoubian, or neighborhood; second, a historical review of different periods of China's relations with these countries; third, the changes in China's zhoubian diplomacy; and finally, the challenges that China will face in the new situation in the development of its relations with these countries.

The Concept of Zhoubian, or Neighborhood

The meaning of the word *zhoubian* (周边) has developed gradually over thousands of years. In ancient China, *zhou* (周) stood for 'careful, unity, full and surrounded by.' For instance, in Sunzi's *The Art of War*, which was written about 2500 years ago, one reads: 'The general is the bulwark of the State. If the bulwark is careful (*zhou*) at all points; the State will be strong; if the bulwark is defective, the State will be weak.' In this sentence, *zhou* means careful. In the section on politics in the *Analects* by Confucius, it is said: 'The superior man is catholic (*zhou*) and not partisan. The mean man is partisan and not catholic (*bu zhou*).' Here, *zhou* means unity of all (as opposed to fragmentation). A famous article written by the poet Du Mu during the Tang Dynasty about 1,200 years ago is 'On the Ah Fang Palace' in which one sentence reads: 'The uneven rows of tiles are more than the silk threads all over (*zhou*) the body. 'Here, *zhou* means 'full' and 'all over.' Also, the *Records on Xiangjixuan*, which was written during the Ming Dynasty about 400 years ago, says: 'The walls surrounded (*zhou*) by the courtyard are used to block the sunshine from the south.' Here, *zhou* means 'surrounded by.'

The ancient Chinese *bian* (边) means 'boundary, edge, near the end.' For instance, in *On the Significance of Storage*, which was written about 2,000 years ago, one sentence reads: 'Suddenly, there is an emergency at the boundary (*bian*).' Here, *bian* stands for boundary. The word appears in a famous sentence from the Tang Dynasty poem *Visiting an Old Friend's Cottage*, written nearly 1,300 years ago: 'Green trees surround the edge (*bian*) of the village; Blue mountains slant beyond the town's wall.' Here, *bian* means edge. In the *Mulan* poem: 'At dusk she reaches the vicinity (*bian*) of the Yellow River.' *Bian* in this poem means 'near' and 'in the vicinity of.'

With the development and evolution of the meaning of both words, *zhou* and *bian* merged into *zhoubian*, which refers either to a mathematical term for the sum of the length of the edge of a polygon or means 'around the edges.' In the present article, *zhoubian* is used in the latter sense and is translated as 'neighborhood.' However, in the foreign affairs and security fields, *zhoubian* has a special meaning. In this paper, therefore, the concept is geopolitical and refers mainly to countries in the vicinity of China.

The countries considered to belong to China's neighborhood have changed since the term was first mentioned in documents concerning China's diplomacy and security strategy in the late 1980s. In the summer of 1987, the term 'neighborhood environment' appeared for the first time in China's main newspaper, the *People's Daily*. In October of that year, at the 13th National Congress of the Communist Party of China, it was reported that China's structures of opening up had already been founded, and that this new opening up had caused the government concern. The first time the concept appeared in the *Report on the Work of the Government* was in March 1988. In the report, acting Premier Li Peng commented: 'China has always attached importance to maintaining and developing good-neighborly relations with neighboring countries, and is particularly concerned about peace and stability in Asia.'¹ He was referring to Mongolia, the Korean Peninsula, the ASEAN countries as well as South Asian countries. However, the emphasis on the importance of this group of countries in the government report reflected the fact that the Chinese government had gradually deepened its understanding of the progress of regional economic cooperation and saw the connection between China's economic development and its neighborhood. In Asia at that time, the Japanese economy was growing fast. The economies in East Asia, led by Japan, had become important for China's economic development. With the gradual deepening of China's opening up policy, the scope of the neighborhood has expanded. Since the early 1990s, China's use of the concept started to include Japan, the independent states of Central Asia, and Russia. In May 1991, Jiang Zemin, the General Secretary of the CPC, declared in an address on a visit to the Soviet Union that China attached great importance to the development of good-neighborly and friendly relations with neighboring countries.

As noted above, the neighborhood at this time already clearly included Japan. Soon after this, in the *Report on the Work of the Government* in March 1993, Russia and Central Asian countries were also taken into account. The causes of the expansion of the scope were that, on the one hand, the international structure had changed greatly after the Cold War, resulting in great changes in China's international environment, and, on the other hand, China's leaders had reassessed the international situation. They had decided to

¹ 'Report on the work of the government in 1988,' China Net, http://www.china.com.cn/policy/txt/2008-03/19/content_13027072_7.htm (accessed November 20, 2012).

focus on developing China's economy rather than promoting world revolution. This reflected the pragmatic attitude of China's leaders faced with a situation in which China was economically weak and lacked modern diplomatic experience.²

The concepts related to the neighborhood also include the 'neighborhood security environment,' which is always used in the military and security area. In January 1993, Jiang Zemin stated at the Central Military Commission's enlarged meeting: 'Our neighborhood security environment is getting better and better. It is the best period of our good-neighborly and friendly relations with neighboring countries since the founding of the PRC.'³

This was the first time that China's top leader used the concept of 'neighborhood security environment.' This proposal and conceptual refinement showed that the international political view of China's leaders had already surpassed the strategic framework of the Three-World Theory developed by Mao Zedong.⁴

² See Zhong Feiteng, *Zhoubian de zhanlue diwei yu zhongguo waijiao zoushi* [The strategic status of the neighborhood and trends in China's diplomacy], cited in Zhang Jie and Zhong Feiteng, *Zhongguo zhoubian anquan xingshi pinggu* [Review of trends in China's neighborhood security] (Beijing: Shehui kexue wenxian chubanshe, 2012), 23–27.

³ Jiang Zemin, *Jiang Zemin wenxuan* [Selected works of Jiang Zemin], Vol. 1 (Beijing: Renmin chubanshe, 2006), 279.

⁴ Zhang Yunling, 'Goujian zhongguo yu zhoubian guojia zhijian de xinxing guanxi' [Construction of a new relationship between China and neighborhood countries], cited in *Zhongguo yu zhoubian guanxi: Goujian xinxing huoban guanxi* [The relationship between China and neighboring countries: Building a new partnership relationship], ed. Zhang Yunling (Shehui kexue wenxian chubanshe, 2008), Beijing, 1–2.

China's Relationship with its Neighboring Countries: A Historical Review

The PRC was founded 63 years ago. Since then, great changes have taken place in China. This is not only the result of its efforts to reform and seek development, but also the result of generations of collective leadership making judgments and decisions based on the international situation and the external environment. Looking back at history, the relations between China and neighboring countries have been changing and can be divided into three phases. First, passive response: the period of turbulence (1949–1978); second, a shift in focus: the period of adjustment and moderation (1979–1989); and third, active management: the period of change and warming up (1990–present).

Passive Response: The Period of Turbulence (1949–1978)

From the founding of New China to the eve of the period of reform and opening up, China was in a passive response mode, and its approach to neighboring countries was aimed at promoting China's national security. The prevailing mood was based mainly on the transformation of the international environment as well as the threats to its national security that China faced. The relations between China and its neighboring countries became complex. Furthermore, China had been passively involved in several wars, such as the Korean War (June 1950–July 1953). Therefore, the relationship between China and these countries experienced a period of turbulence.

In the 1950s, a structure of polar opposites had formed in the world. The overall structure of the relationship between China and the neighborhood countries was constrained by the bipolar structure. Distinct confrontations appeared in almost every area of relations between the capitalist and socialist camps, including the political, economic, military, diplomatic and other fields. After the founding of the PRC, the foreign policy of 'Leaning to One Side' was implemented by the formation of an alliance with the Soviet Union. In order to resist pressure and containment from the Western camp led by the United States, China saw this as necessary in the special historical situation in which it found itself. At this time, China's relations with its

neighbors were divided into two opposing camps, with only few exceptions.⁵ Generally speaking, it pursued policies of isolation or confrontation in its relations with neighboring countries that belonged to the capitalist camp, while relations with those that belonged to the socialist camp saw no friction. The Korean War made this tendency more obvious.⁶

In the 1960s, relations between China and the Soviet Union deteriorated. Armed conflicts occurred at the border and came close to war. The Soviet Union went from being an ally to China to a dangerous enemy.⁷ In the 1970s, Sino-U.S. relations began to ease up. The Chinese government's decision to ease relations with the US and to pursue normalization of bilateral relations was to some extent driven by the desire to hedge the security threat from the Soviet Union. This made China gradually normalize its relations with pro-U.S. countries such as Japan, Malaysia, the Philippines and Thailand.

However, although some changes in the relations between China and neighboring countries took place during this period, China still kept to its passive response mode. Passive response seemed so normal that China was frequently involved in the whirlpool of confrontation or war, which caused its external relations to be unstable.

It is true that the implementation of foreign policy must take into account both the domestic and international situation. This also became the case for the relations between China and neighboring countries. In this period, socio-economic conditions in China were still very backwards. One could also note some trends in the domestic political orientation that were not easy to implement, such as the promotion of 'world revolution.' The international situation was bifurcated into two opposing camps. Over a considerable period of time, many changes had taken place in China's domestic political orientation. The focus of its national strategy sometimes changed significantly, especially in cases in which threats to national security were

⁵ Zhang Yunling, 'Goujian zhongguo yu zhoubian guojia zhijian de xinxing guanxi' [Construction of a new relationship between China and neighborhood countries], cited in *Zhongguo yu zhoubian guanxi: Goujian xinxing huoban guanxi* [The relationship between China and neighboring countries: Building a new partnership relationship], ed. Zhang Yunling (Shehui kexue wenxian chubanshe, 2008), Beijing, 1-2.

⁶ See Yan Shengyi, *Dangdai zhongguo waijiao* [Contemporary Chinese diplomacy] (Shanghai: Fudan daxue chubanshe, 2004), 205-10.

⁷ Ye Zicheng, *Xinzhongguo waijiao sixiang: Cong Mao Zedong dao Deng Xiaoping* [Diplomatic thought in New China: From Mao Zedong to Deng Xiaoping] (Beijing: Beijing daxue chubanshe, 2001), 151.

identified. This influenced relations between China and neighboring countries.⁸

A Shift In Focus: The Period of Adjustment and Moderation (1979–1989)

The Third Plenary Session of the 11th CPC Central Committee, held in 1978, decided to implement the policy of reform and opening up. After that, relations between China and neighboring countries were to undergo great changes. As the focus shifted to economic development, China's foreign policy also adjusted. Gradually, China's diplomacy towards them broke out of its ideological fetters. The focus was put on a stable, peaceful and cooperative path aimed at improving and developing relations with other countries.⁹

In 1979, relations between China and neighboring countries were brought to a new stage. In October of that year, China and the Soviet Union started negotiations on bilateral relations. China presented its 'Recommendations on the Improvement of Sino-Soviet Relations,' which focused on economic and trade cooperation and border issues. In 1984, the two countries signed an agreement on economic cooperation and cooperation in science and technology. In May 1985, Soviet Communist Party General Secretary Mikhail Gorbachev's visit to China marked the normalization of Sino-Soviet relations. In 1978, China restored diplomatic relations with Japan through the efforts of the leaders of both countries. The signing of the Sino-Japanese Treaty on Peace and Friendship opened a new era in bilateral relations. The same year, Deng Xiaoping, China's supreme leader, visited Singapore, Thailand and Malaysia. He clarified China's stance on supporting ASEAN countries with the aim of safeguarding their independence and sovereignty. This improved relations. On the Korean Peninsula, while maintaining the smooth development of Sino-DPRK relations, China also started to expand its outreach to South Korea in the economic and trade fields. In June 1981, Deputy Prime Minister Huang Hua visited India. The

⁸ See *Weilai 10-15 nian zhongguo zai yatai diqu mianlin de guoji huanjing* [The international environment that China will face in the next 10–15 Years], ed. Zhang Yunling (Beijing: Zhongguo shehui kexue chubanshe, 2003), 6.

⁹ Tang Jiakuan, 'Xinzhongguo wajiao de guanghui lichen' [The glorious history of the diplomacy of New China], <http://www.fmprc.gov.cn/chn/ziliao/wjs/t8737.htm>, accessed on November 12, 2012.

two sides began negotiations on border issues, trying to eliminate the legacy of the border conflicts of the 1960s. However, progress was not smooth. An important development was seen in December 1988 when Indian Prime Minister Rajiv Gandhi visited China and Sino–Indian relations moved back onto the track of normal development.

Relations with Vietnam were an exception to the above positive developments. In February 1979, a border conflict broke out between China and Vietnam. This military conflict was caused by border issues. Relations between the two countries were in a stalemate over a period of time. Although diplomatic relations were not cut off, basic normal relations were interrupted.

Overall, during this period, the Chinese government shifted its focus to economic development. The relations between China and neighboring countries improved, while economic and trade relations evinced an especially rapid development. Compared to the previous phase, China had already changed from its passive response mode.¹⁰ As a result, the neighborhood's security environment improved.

Active Management: The Period of Changing and Warming Up (1990–present)

The end of the Cold War and the collapse of the Soviet Union had a major impact on the international community and changed the international structure. The disappearance of the two antagonistic East–West camps induced changes into the external environment of China. The major powers started to seek partnerships, by means of dialogue, consultation and cooperation. This provided more space for China and neighboring countries to involve themselves in international relations and participate in regional affairs.¹¹

Thanks to the ten years of reform and opening up, China's economic strength grew and the country's influence on the surrounding area increased. China's leaders realized that the passive response to the security threat was itself a threat. Therefore, the main goal of Chinese foreign policy and its diplomacy towards neighboring countries became to actively manage relations and build a favorable international environment.

¹⁰ China's response to the conflict with Vietnam was also passive.

¹¹ Zhang Yunling, 'Goujian zhongguo yu zhoubian guojia zhijian de xinxing guanxi.'

In order to build a long-term peaceful environment, China promoted partnerships with other countries in order to improve relations with them. Partnership is both a non-confrontational relationship and a cooperative relationship.¹² From the beginning of the 1990s, China established diplomatic relations with Singapore, Brunei and South Korea as well as the countries that had just won their independence from the Soviet Union, such as Kyrgyzstan, Kazakhstan and Tajikistan. China resumed diplomatic relations with Indonesia and normalized relations with Mongolia and Vietnam, and started to engage in cooperation with other countries and enter into strategic cooperative relationships. This policy achieved significant results. In December 1990, Foreign Minister Qian Qichen said in an interview with the *People's Daily* that he felt that that moment was the best time in forty years of China's relations with neighboring countries.

Since the beginning of the twenty-first century, China's neighborhood diplomacy has been based on regional cooperation. In June 2001, the Shanghai Cooperation Organisation was formed. It aims at protecting regional security: 'The SCO will make use of the huge potential and extensive opportunities in the mutually beneficial cooperation in economic and trade fields among its member states, strive to enhance further development of both bilateral and multilateral cooperation among the member states and plurality of this cooperation.'¹³ In November 2002, Jiang Zemin delivered a report to the 16th National Congress of the CPC and declared: 'We will continue to cement our friendly ties with our neighbors and persist in building a good-neighborly relationship and partnership with them. We will step up regional cooperation and bring our exchanges and cooperation with our surrounding countries to a new height.' This was the first time that 'regional cooperation' was introduced in the report of the National Congress of the CPC and it became the main direction of China's neighborhood diplomacy, which started to leave behind the 'safe escape' (*anquan tuwei*) stage and enter the 'expansion of interest' (*liyi tuozhan*) stage.¹⁴ In October

¹² *Huoban haishi duishou: Tiaozheng zhong de zhongmeirui guanxi* [Partners or opponents: Adjustments in relations among China, U.S., Japan and Russia], ed. Zhang Yunling (Beijing: Shehui kexue wenxian chubanshe, 2001), 5–6.

¹³ Declaration on the Establishment of Shanghai Cooperation Organisation (2001), http://news.xinhuanet.com/ziliao/2002-06/04/content_423358.htm, accessed January 23, 2013, English language translation available at <http://www.hrichina.org/content/5203>, accessed February 5, 2013.

¹⁴ Yang Yi, 'Jiji tuidong goujian zhoubian hezuo jizhi' [Actively promoting the

2003, Prime Minister Wen Jiabao described China's diplomacy towards neighboring countries when he attended the ASEAN Business and Investment Summit, declaring that it was a diplomatic policy of creating an amicable, secure and prosperous neighborhood (*mulin anlin fulin*). He declared that 'China is placing its own interests closely together with the neighborhood countries to achieve common development.'¹⁵

With the promotion of economic and trade cooperation, China has become a trade partner of ASEAN, Japan, South Korea, Russia and India, and many other countries. This has improved the development of political relations. At present, although there are still some issues remaining unresolved between China and neighboring countries—even some big disputes—the era of hostile relations is over. This is the biggest change in relations with neighboring countries since the founding of the PRC.

construction neighborhood cooperation mechanism], *Dangdai Yatai* [Contemporary Asia-Pacific], Issue 1 (2009), 9.

¹⁵ Wang Guanghou, 'Cong mulin dao mulin anlin fulin' [From amicable neighborhood to amicable, secure and prosperous neighborhood], *Waijiao Pinglun* [Foreign affairs review], Issue 3 (2007), 41.

The Changes in China's Neighborhood Diplomacy

China's diplomacy towards neighboring countries can be seen as a continuation of its overall foreign policy. Since the founding of the PRC in 1949, the external environment has continued to undergo changes, as has the international situation. Therefore, China has made adjustments to its foreign policy and has also implemented changes in its neighborhood diplomacy. Historically, important adjustments have been made every decade, mostly in the final year of the decade.

'Leaning to One Side' and China's Diplomacy towards Neighboring Countries at the Beginning of New China

In 1949 the People's Republic of China was formally established. The Chinese nation could rid itself of more than a century of slavery and truly rise among the nations of the world. However, years of war had left China poor and devastated. How to rapidly consolidate the new regime, win the world's recognition of it, achieve economic recovery and develop production capacity became the most important subjects for the first generation of Chinese leadership. The international situation in that period was characterized by a serious confrontation between the U.S.-led capitalist camp and the Soviet-led socialist camp. National independence movements fought in Asia, Africa and Latin America. According to his acute understanding of the prevailing international situation, Chairman Mao Zedong put forward three diplomatic policies: Setting Up a Separate Kitchen (*lingqi luzao*), Cleaning the Houses then Inviting the Guests (*dasao ganjing wuzi zai qingke*) and Leaning to One Side (*yibiandao*). The policy of Leaning to One Side was succinctly formulated in his speech 'On the People's Democratic Dictatorship,' delivered on June 30, 1949, at the 28th Anniversary of the founding of the CPC. It helped the PRC to rapidly complete its socialist transformation, to develop and improve its productivity and to put its military policy and diplomacy on the right track through support from socialist countries. Furthermore, China had soon established diplomatic relations with the Soviet Union, Bulgaria, Romania, North Korea and other socialist countries. It is worth mentioning that in the first three years after its founding, diplomatic

relations were established with twenty countries. Among these countries, the Soviet Union (1949), North Korea (1949), Mongolia (1949), Vietnam (1950), India (1950), Indonesia (1950), Myanmar (1950) and Pakistan (1951) were all neighboring socialist countries.

However, the policy of Leaning to One Side was not the whole strategy of the PRC's foreign policy. In fact, Prime Minister Zhou Enlai summarized the peaceful foreign policy as having six principles: Setting Up a Separate Kitchen, Leaning to One Side, Cleaning the House then Inviting the Guests, Courtesy Demands Reciprocity (*lishang wanglai*), Each Supplies What the Other Needs (*hutong youwu*) and Unity of the Peoples of the World (*tuanjie shijie renmin*).¹⁶ This was in line with China's reality. Leaning to One Side was conducive to the consolidation of the new regime in the short term. But it was not good for relations between China and neighborhood countries and also not in line with China's long-term interests.

The Proposal of the Five Principles of Peaceful Coexistence

After the consolidation of the new regime, China's government gradually realized that an independent peaceful foreign policy was in line with its long-term interests. On December 31, 1953, Zhou Enlai first proposed the Five Principles of Peaceful Coexistence when he met with a delegation from the Indian government. The principles referred to mutual respect for territorial integrity and sovereignty (*huxiang zunzhong lingtu zhuquan he lingtu wanzheng*), mutual non-aggression (*hubu qinfan*), non-interference in each other's internal affairs (*hubu ganshe neizheng*), equality and mutual benefit (*pingdeng huli*) and peaceful coexistence (*heping gongchu*). These five principles are considered as an adjustment and addition to the policy of Leaning to One Side. Although this policy was not abolished until the early 1960s, it had already been eased. On November 1, 1956, Zhou pointed out in a governmental declaration that that the Five Principles of Peaceful Co-existence should be the criteria for the world to establish and develop mutual relations. The Chinese leaders stated in the 8th Congress of the CPC in the discussion of neighborhood issues: 'We should firstly strive to establish good-neighborly relations with all our neighbors on the basis of the Five

¹⁶ See Zhou Enlai, *Zhou Enlai waijiao wenxuan* [Selected diplomatic works of Zhou Enlai] (Beijing: Zhongyang wenxian chubanshe, 1990), 48–51.

Principles of Peaceful Coexistence. We have profound traditional friendship with these countries, and not unsolvable disputes.¹⁷ The report analyzed the international situation and pointed out:

There are some problems left over from history between some neighboring countries and us. Imperialists are trying to take advantage of this situation to undermine and obstruct our development of friendly relations with neighboring countries. However, this attempt is doomed to failure. All the problems between our neighboring countries and us could be resolved through the path of peaceful consultations on the basis of the five principles. Developing and establishing friendly relations with neighboring countries is not only consistent with the interests of our country, but also in line with the interests of our neighbors.¹⁸

Under the guidance of the Five Principles of Peaceful Coexistence, China established diplomatic relations with 36 countries during the first decade after the PRC's foundation in 1949, including twelve neighborhood countries. The Five Principles of Peaceful Coexistence marks a crucial change in the transition from the previous Revolutionary Diplomacy (*geming waijiao*) to National Diplomacy (*guojia waijiao*). It marked the final formation of the diplomacy that the PRC was to pursue.¹⁹

Neighborhood Diplomacy under the 'Striking with Two Fists' and 'Intermediate Zone' Strategies

After 1957, China's international environment began to deteriorate. On the one hand, Sino-U.S. relations were still confrontational under the policy of Leaning to One Side. China's domestic socialist transformation and development, its dispatch of troops to the Korean Peninsula and assistance to Vietnam exacerbated U.S. hostility and opposition. On the other hand, the Communist Parties of the Soviet Union and China had serious divergences of views on the issues of the international communist movement, the judgment of the international situation and socialist international relations. Furthermore, the Soviet Union brought other countries in on their efforts to put

¹⁷ See the report delivered by Liu Shaoqi at the 8th NCCPC, <http://cpc.people.com.cn/GB/64162/64168/64560/65452/4526566.html> (accessed November 20, 2012).

¹⁸ Ibid.

¹⁹ 'Guoji zhanlue baogao: lilun tixi xianshi tianzhan yu zhongguo de xuanze [International Strategy Report: Theoretical System, Reality Challenges and China's Choice], ed. Li Shaojun (Beijing: Zhongguo shehui kexue chubanshe, 2005), 574–76.

pressure on China. Consequently, Sino–Soviet relations began to deteriorate. Particularly since the late 1950s and the early 1960s, China resolutely resisted Soviet demands, which were aimed at putting China within its orbit of global strategy. China thereby took an anti-U.S. and anti-Soviet path with its policy of Striking with Two Fists (*liangge quantou daren*).

In view of the severe international situation, Chairman Mao Zedong developed the ‘Intermediate Zone’ strategy, which was first proposed by him in 1946. He asserted: ‘There is an extremely vast zone between the United States and the Soviet Union that includes many capitalist countries, colonial and semi-colonial countries of Europe, Asia and Africa.’²⁰ In the early 1960s, he described this zone on several occasions. In 1964, he further generalized and described two such zones: ‘Asia, Africa and Latin America belong to an intermediate zone. Europe, North America and Oceania belong to the second intermediate zone. And so does Japan.’²¹

Using the concept of the ‘Intermediate Zone,’ the Chinese leaders assessed the international situation and made the strategic choice to rely on the first intermediate zone and strive for the support of the second intermediate zone against the hegemony of the two superpowers. This also marked the exit from the stage of history of the policy of Leaning to One Side, which was replaced by the ‘Intermediate Zone’ policy. Thereby, China gradually became more involved in communications with neighboring countries in the Intermediate Zone, such as supporting their independence movements in the fight against imperialism, colonialism and hegemonism, as well as developing bilateral trade deals. During this period, Sino–Japanese civilian exchanges increased. China also provided Vietnam with material and personnel assistance in its struggle against the United States.

²⁰ Mao Zedong, *Mao Zedong xuanji* [Selected works of Mao Zedong], Vol. 4 (Beijing: Renmin chubanshe, 1991), 1193–94.

²¹ Foreign Ministry of PRC and Literature Research Center of CPC ed., *Mao Zedong waijiao wenxuan* [Selected diplomatic works of Mao Zedong], Beijing: Zhongyang wenxian chubanshe and shijie zhishi chubanshe, 1994, 487, 506–9.

The Strategy of ‘One Line in One Large Area’

The period between the 1950s and 1970s was the second golden era of world economic development after 1820.²² However, the Cultural Revolution, which began in 1966, made China miss important opportunities for development. In the domestic situation the ‘left’ ideological (*zuoqing sixiang*) trend aggravated. References to strategies such as ‘Revolutionary Diplomacy’ and being ‘anti-U.S. and anti-Soviet’ (*fansu fanmei*) can be found in the report of the CPC to the 9th Congress. The international situation was more complicated. The United States was bogged down in the quagmire of the Vietnam War, losing its dominant place in the world economy. The divergence of views between the Soviet Union and China grew, and after the outbreak of the Zhenbao Island incident (1969), Sino–USSR relations rapidly froze. ‘Alliance with the United States to deter the Soviet Union’ (*lianmei kangsu*) became the basic point of the Sino–U.S. strategic cooperation, followed by the ‘ping-pong diplomacy’ that opened the door of Sino–U.S. relations. On February 27, 1972, China and the United States signed a Joint Communiqué issued after President Richard Nixon’s visit in China. This marked the end of the period of hostility and the start of the triangular relationship between the United States, the Soviet Union and China.

Taking into consideration the changes in the international situation and in order to safeguard China’s national interests, Mao Zedong proposed the strategy of One Line in One Large Area. This referred to an effort to balance the Soviet Union by strengthening unity with developing countries, striving to get support from countries of the Second World and establishing a united front, to include the United States, against the hegemony of the USSR.²³ On February 17, 1973, in his talk with Henry Kissinger, Mao pointed out that ‘the horizontal line is latitude, including America, Japan, China, Pakistan, Iran, Turkey and Europe.’²⁴

²² Angus Maddison, *The World Economy: A Millennial Perspective* (Paris: OECD, 2001), Tables 3-1a and 3-1b.

²³ Men Honghua, *Zhongguo guoji zhanlue daolun* [Introduction to China’s international strategy] (Beijing: Qinghua daxue chubanshe, 2009), 184.

²⁴ Gong Li, ‘Cong zhongmei huanhe dao shixing yitiaoxian de zhanlue: 20 shiji 60 niandaimo 70 niandai chu zhongguo duiwai zhanlue de zhuanbian’ [From the easement of Sino–U.S. relations to the implementation of the ‘rapprochement’ strategy—changes

On January 5, 1974, Mao told Japanese Foreign Minister Ohira Masayoshi that the 'one large area' referred to the unity of the above-mentioned countries at the same latitude as well as the unity of Asia, Africa and Latin America jointly against the Soviet Union.²⁵ During this period, China improved its relations with the United States and also its relations with pro-U.S. neighboring countries. China had made every effort to strengthen the unity of the Third World countries, including neighboring countries.²⁶

in China's foreign strategy in the late 1960s and early 1970s], *Zhongyang Dangxiao Xuebao* [Journal of the Central Party School], Issue 2 (2002), 71–76.

²⁵ *Zhonghua renmin gongheguo waijiaoshi disanjuan 1970–1978* [Diplomatic history of the PRC (Vol. 3) 1970–1978], ed. Wang Taiping (Beijing: Shijie zhishi chubanshe, 1999), 7.

²⁶ On February 22, 1974, Mao Zedong outlined his Three-World Theory in a conversation with guests from Zambia, saying 'The United States and the Soviet Union are in the First World. The middle elements, such as Japan, Europe and Canada are in the Second World. We are in the Third World.'

Table 1. China's Foreign Policy, 1956—1977

	8th NCCPC	9th NCCPC	10th NCCPC	11th NCCPC
Date	Sep.15, 1956	Apr., 1, 1969	Aug. 24, 1973	Aug. 12, 1977
Title	Report at the 8th NCCPC	Report at the 9th NCCPC	Report at the 10th NCCPC	Report at the 11th NCCPC
Speaker	Liu Shaoqi	Lin Biao	Zhou Enlai	Hua Guofeng
Judgment of the situation	The international situation is tending to ease up. Long-term peace can be realized.	Enemies are falling down day by day; we are getting better day by day. There is still the possibility of the outbreak of another World War.	Great disorder under heaven. Coming events cast their shadows before them. But we can stop war with revolution.	The international situation is excellent. A united front against the superpowers' aggression, interference, subversion, control and bullying has been established. The possibility of war has grown significantly.
Main threats	International imperialism, hegemonism and colonialism	Imperialism, revisionism and reactionaries of all countries	Imperialism, revisionism and hegemonism	Imperialism and revisionism

Diplomacy	'Leaning to one side'; Developing relations with Asian and African countries.	Developing friendship, mutual assistance and cooperative relations with socialist countries under the principle of proletarian internationalism. Support for all oppressed peoples and the revolutionary struggle of the oppressed nations. On the basis of the Five Principles of Peaceful Coexistence, being in peaceful coexistence with countries with different social systems and against the imperialist policies of aggression and war.	Strengthening solidarity with all countries in the conditions of imperialist aggression, subversion, interference, control and bullying. To form the broadest united front. Against imperialism, colonialism and neocolonialism.	Anti-hegemonism strategy aiming at anti-social imperialism. Revolution cannot be output. Never intervene other countries' internal affairs.
Neighborhood diplomacy	Firstly, to establish good-neighborly relations with all our neighbors on the basis of the Five Principles of Peaceful Coexistence.	We have some historical border issues with some neighboring countries. We would like to get a fair and reasonable solution through diplomatic channels. Maintaining the present situation and avoiding conflicts before these issues are resolved.	To pursue the unity of the third world countries as well as all forces that can be united.	To establish and develop relations with other countries on the basis of the Five Principles of Peaceful Coexistence. To pursue the unity of the third world countries. Striving to gain support from the second world countries.

Neighborhood Diplomacy under the 'Non-Alignment' Foreign Policy

The 3rd Plenary Session of the 11th Central Committee of the CPC, held in 1978, was of historical importance. It marked the point at which China abandoned the route that considered class struggle as the basic point. After that, it shifted its focus to economic development. Meanwhile, in the international community, the situation in which the Soviet Union was aggressive while the United States was defensive was reversed. The Chinese international environment was improved. According to the U.S. expert on Asia Robert A. Scalapino, the United States 'reviving its strength in Asia and even globally, made China pursue the policy of non-alignment in a more relaxed atmosphere.'²⁷

Simultaneously, the duplicitous performance of the United States on the issue of arms sales to Taiwan produced a desire for détente on the part of both the Soviet Union and China. In the case of China's overall strategic adjustment and reform of the international situation, Deng Xiaoping's assessment was that peace and development was the predominant world trend. He also developed the Three-World Theory and, referring to world peace and development issues, outlined 'the issue of North and South, East and West.' He pointed out: 'From the economic point of view, the two really great issues confronting the world today, issues of global strategic significance, are: first, peace, and second, economic development. The first involves East-West relations, while the second involves North-South relations. In short, countries in the East, West, North and South are all involved, but the North-South relations are the key question.'²⁸

²⁷ Robert A. Scalapino, *Yazhou de weilai* [Asia's future] (Beijing: Xinhua chubanshe, 1990), p. 115.

²⁸ Deng Xiaoping, *Deng Xiaoping wenxuan* [Selected works of Deng Xiaoping], Vol. 3 (Beijing: Renmin chubanshe, 1993), 105.

Based on this view, Deng actively promoted North–South dialogue²⁹ and South–South cooperation,³⁰ which laid the foundation for adjustments to China’s foreign policy. In 1988, he declared: ‘We should use the Five Principles of Peaceful Coexistence as the guiding norms to deal with international relations.’³¹ This indicated the establishment of a new foreign policy, an independent, non-aligned and peaceful coexistence policy. In other words, China would not form an alliance with either the Soviet Union or the United States, nor join sides with one against the other. China would develop relations with other countries on the basis of the Five Principles of Peaceful Coexistence and resolutely oppose hegemonism, as well as improve relations with Western Europe and Japan and develop relations with countries in the Third World. In relation to neighboring countries, China would improve bilateral relations through the strengthening of economic and technical cooperation.

Neighborhood Diplomacy policy under the Strategy of ‘Hiding Our Capabilities and Biding Our Time, Being Good at Keeping a Low Profile’

In the late 1980s and the early 1990s, the international situation was undergoing profound changes, including drastic changes in Eastern Europe, the collapse of the Soviet Union and the end of the Cold War. Domestic political disturbances occurred in China, and reform and development suffered some temporary difficulties. Internationally, the United States did not need China’s help on the Soviet Union issue any longer. Disagreements appeared on both sides on, for instance, the issues of human rights, most favored nation treatment, and the

²⁹ This refers to negotiations between developing and developed countries on economic relations through dialogue or multilateral consultation. Because most of the developing countries are in the southern hemisphere, and the developed countries are in the northern hemisphere, the developing countries are often considered the South and the developed countries the North. Therefore, the negotiations on the economic relations between them are called North–South dialogue.

³⁰ This refers to economic cooperation among the developing countries. Furthermore, the new economic cooperative relations established on the basis of equality and mutual benefit when striving to build a new international economic order among the majority of the developing countries, including bilateral, regional and global cooperation.

³¹ Deng Xiaoping, *Deng Xiaoping wenxuan*, 283.

proliferation of weapons. In the second half of 1989, faced with the enormous changes in the domestic and international situation, Deng Xiaoping summed up the policy in a famous slogan: 'observe and analyze [developments] calmly, deal [with changes] patiently and confidently, secure [our own] position, conceal [our] capabilities and avoid the limelight, be good at keeping a low profile, never become a leader and accomplish things where possible' (*lengjing guancha, chenzhuo yingdui, wenzhu zhenjiao, taoguang yanghui, shanyu shouzhuo, juebu dangtou, yousuo zuowei*). A determination not to take the lead and not to engage in confrontation with the West helped China withstand the pressure of Western sanctions.

In addition, China paid close attention to domestic adjustments as well as accelerating the pace of reform and opening up. The export-oriented economy developed in terms of taking advantage of the opportunities for the transfer of capital-intensive manufacturing industries and labor-intensive manufacturing in high-tech industries. China also cooperated with neighboring countries in the economic, security and military fields. Taking the ASEAN countries as an example, China proposed the establishment of a China-ASEAN Free Trade Area and expanded regional economic, trade, investment and security cooperation. In the security area, China strengthened its cooperation with ASEAN countries in the field of non-traditional security and founded the Shanghai Cooperation Organisation together with Russia, Kazakhstan and other countries. In the military area, it has been carrying out counter-terrorism operations, nuclear counter-proliferation efforts and joint military drills. According to the U.S. scholar Emma V. Broomfield:

The special strategic posture provides China with a realistic basis for playing an active role. Moreover, China always has a good record in dealing with the relationships of neighborhood countries. This provides a historical basis for China to play a positive role.³²

³² Emma V. Broomfield, 'Perception of Danger: the China Threat Theory,' *Journal of Contemporary China*, Vol. 12, No. 1 (2003): 265-84.

This was also the first time that China was not facing a significant direct military threat since the end of the Cold War. Its relationships with neighborhood countries saw improvement in varying degrees.

Table 2 China's Foreign Policy, 1982—1997

	12th NCCPC	13th NCCPC	14th NCCPC	15th NCCPC
Date	Sep. 8, 1982	Oct. 25, 1987	Oct. 12, 1992	Sep. 12, 1997
Title	Comprehensively to create a new situation in the socialist modernization	Advance along the road of socialism with Chinese characteristics	Accelerate the pace of reform and opening up and modernization and win greater victories in the cause of socialism with Chinese characteristics	Hold high the great banner of Deng Xiaoping theory for an all-round advancement of the cause of building socialism with Chinese characteristics into the 21st century
Speaker	Hu Yaobang	Zhao Ziyang	Jiang Zemin	Jiang Zemin
Judgment of situation	Hegemonism caused turmoil in the world. However, the anti-hegemonic forces can safeguard world peace.	The current international situation is favorable to our socialist modernization.	The world needs peace. The country needs development. The society needs improvement. The economy needs prosperity. Standards of living need to be improved. These have become the universal demand of the people from all countries. Advocate multipolarization, peace and development. Hegemonism is still a threat to world peace.	Peace and development are still the theme of the era. The world is undergoing multipolarization and adjustments among the great powers. Hegemonism is still a threat to world peace. However, it is possible to avoid the world war. Achieving a favorable international environment and Neighborhood environment can be realized.
Main threats	Hegemony and expansion policy of the superpowers	Arms race, aggression and expansion	Hegemonism, power politics and the arms race	Hegemonism, power politics, ethnic and religious contradictions, regional disputes, interventionism and the Cold War mentality

Foreign policy	Independent foreign policy, never attached to any country or group of countries	Independent foreign policy of opposing hegemonism and working to preserve world peace.	Independent foreign policy and peaceful diplomacy. No alliance with any country or group of countries. No participating in any military bloc. Never seek hegemony and never engage in expansion.	Independent foreign policy and peaceful diplomacy. Does not yield to any foreign pressure. No alliance with any country or group of countries. Not to engage in military blocs, not to participate in the arms race or military expansion.
Neighborhood diplomacy policy	Developing normal relations in accordance with the Five Principles of Peaceful Coexistence	To develop relations of friendship and co-operation with all other countries in the world on the basis of the Five Principles of Peaceful Coexistence.	Strengthen unity and cooperation with the countries of the Third World. Developing friendly relations and cooperation with all countries on the basis of the Five Principles of Peaceful Coexistence.	Adhere to the good-neighborly friendship. On the controversial issues between China and its neighbors, we should focus on maintaining peace and stability in the overall situation through friendly consultations and negotiations. On some issues, we can shelve certain disputes for now and seek common ground while further strengthening unity and cooperation with the countries of the Third World.

China's Neighborhood Diplomacy for Creating an Amicable, Secure and Prosperous Neighborhood under the Peaceful Development Strategy

After the start of the new century, China has a more pragmatic understanding of peace and development. Peace is no longer confined to the East–West issues and development no longer refers to simply the North–South contradiction. In 2005, China issued a White Paper on *China's Peaceful Development Road*, which clearly propounded the idea that the path of peaceful development was paramount for China: 'To take the road of peaceful development is to unify domestic development with opening to the outside world, linking the development of China with that of the rest of the world, and combining the fundamental interests of the Chinese people with the common interests of all peoples throughout the world. China persists in its pursuit of harmony and development internally while pursuing peace and development externally; the two aspects, closely linked and organically united, are an integrated whole, and will help to build a harmonious world of sustained peace and common prosperity.'³³ This showed that China strives for a peaceful international environment in order to develop its own economy as well as further promoting world peace through its own development.

Therefore, how to create an international environment in order to promote peaceful development has become an important consideration for China. Firstly, it should clearly explain to neighboring countries what its purpose is after growing its strength, whether its interests are shared with those countries or not, and how they could be shared. The new neighborhood diplomacy policy emerged in such a context. Since then, 'building a good-neighborly relationship and partnership with neighbors' became the essence of China's neighborhood diplomacy, with regional cooperation³⁴ its main direction.³⁵ In October 2003, Premier Wen Jiabao elaborated on this

³³ See 'Full Text: China's Peaceful Development Road,' *The People's Daily*, December 22, 2005, http://english.peopledaily.com.cn/200512/22/eng20051222_230059.html (accessed January 7, 2013).

³⁴ A multilayer framework for regional cooperation was formed on the basis of '10+1', '10+3' and the East Asia Summit (10+6) in East Asia. Exchanges and cooperation with Russia and the Central Asian countries were further expanded through the Shanghai Cooperation Organisation. Meanwhile, India, Pakistan, Mongolia and Iran were admitted as observers to expand the scope of exchanges and cooperation.

³⁵ Yang Yi, 'Jiji tuidong goujian zhoubian hezuo jizhi,' 9.

policy and proposed neighborhood diplomacy based on 'creating an amicable, secure and prosperous neighborhood' (*mulin anlin fulin*). This made the policy more operational as well as combining the strategic objective and action route together.

Table 3 China's Foreign Policy, 2002—2012

	16th NCCPC	17th NCCPC	18th NCCPC
Date	Nov. 8, 2002	Oct. 15, 2007	Nov. 8, 2012
Title	Build a well-off society in an all-round way and open up new prospects for the cause of socialism with Chinese characteristics	Hold High the Great Banner of Socialism With Chinese Characteristics and Strive for New Victories in Building a Moderately Prosperous Society in All Respects	Firmly March on the Path of Socialism with Chinese Characteristics and Strive to complete the Building of a Moderately Prosperous Society in All Aspects
Speaker	Jiang Zemin	Hu Jintao	Hu Jintao
Judgment of the situation	Peace and development remain the themes of our era. The growing trends toward world multipolarization and economic globalization have brought with them opportunities and favorable conditions for world peace and development. A new world war is unlikely in the foreseeable future. Uncertainties affecting peace and development are on the rise.	Peace and development remain the main themes of the present era, and pursuit of peace, development and cooperation has become an irresistible trend of the times. The international balance of power is changing in favor of the maintenance of world peace, and the overall international situation is stable.	Peace and development remain the underlying trends of our times. The global trends toward multipolarity and economic globalization are deepening. Emerging market economies and developing countries are gaining in overall strength, tipping the balance of international forces in favor of the maintenance of world peace. All this has created more favorable conditions for ensuring general stability in the international environment.
Main threats	Hegemonism and power politics have new manifestations.	Hegemonism and power politics still exist, local conflicts and hotspot issues keep emerging, imbalances in the world economy are worsening, the North–South gap is widening, and traditional and nontraditional threats to security are intertwined.	There are signs of increasing hegemonism, power politics and neo-interventionism, and local turmoil keeps cropping up. Global issues such as food security, energy and resource security and cyber security are becoming more acute.

<p>Foreign policy</p>	<p>The purpose of China's foreign policy is to maintain world peace and promote common development.</p>	<p>Pursue an independent foreign policy of peace, safeguard China's interests in terms of sovereignty, security and development, and uphold its foreign policy purposes of maintaining world peace and promoting common development.</p>	<p>China will unswervingly follow the path of peaceful development and firmly pursue an independent foreign policy of peace. We are firm in our resolve to uphold China's sovereignty, security and development interests and will never yield to any outside pressure. China opposes hegemonism and power politics in all their forms, does not interfere in other countries' internal affairs and will never seek hegemony or engage in expansion. China will unwaveringly follow a win-win strategy of opening up. China is committed to growing friendship and cooperation in all fields with other countries on the basis of the Five Principles of Peaceful Coexistence.</p>
<p>Neighborhood diplomacy</p>	<p>We will continue to cement our friendly ties with our neighbors and persist in building a good-neighborly relationship and partnership with them. We will step up regional cooperation and bring our exchanges and cooperation with our surrounding countries to a new height.</p>	<p>For our neighboring countries, we will continue to follow the foreign policy of friendship and partnership, strengthen good-neighborly relations and practical cooperation with them, and energetically engage in regional cooperation in order to jointly create a peaceful, stable regional environment featuring equality, mutual trust and win-win cooperation.</p>	<p>We will continue to promote friendship and partnership with our neighbors, consolidate friendly relations and deepen mutually beneficial cooperation with them, and ensure that China's development will bring more benefits to our neighbors.</p>

Source: Successive NCCPC Information, accessed November 20, 2012, <http://cpc.people.com.cn/GB/64162/64168/64567/65446/4526308.html>

The policies outlined, in different historical periods, have played a positive role in improving China's relations with neighboring countries and the international community as a whole. We can see that China has become more confident and proactive, which is a significant change. Confidence and initiative are reflected in two ways. On the one hand, China has put forward more initiatives; on the other hand, it has accepted and participated in more regional system arrangements.³⁶

³⁶ Wang Jisi, 'China's Changing Role in Asia,' in *The Rise of China and a Changing East Asian Order*, ed. Kokubun Ryosei and Wang Jisi (Tokyo: Japan Center for International Exchange, 2004), 19.

The Challenges that China Will Face in the New Situation in the Development of Relations with Neighborhood Countries

China's special geographical location means that it will have to face various threats to its national security. Moreover, many developments, changes and adjustments have taken place in the modern era. These are all new subjects that China has to face on the future path of peaceful development. This not only means opportunities but also challenges. In its relations with neighboring countries, the new international and regional situations pose serious challenges for China.

The Sino-U.S. Relationship is an Important Factor Affecting China's Neighborhood

The United States and China are separated by a vast ocean. Nevertheless, the impact of the U.S. on China's neighborhood environment has never ceased. In the early period after the PRC's founding, the strategic choice of Leaning to One Side made China stand on the opposite position to that of the United States and its allies. The two sides found themselves in a serious confrontation. Since the beginning of the 1970s, the easing up in Sino-U.S. relations made China improve its relations with Japan, Thailand, Malaysia and other U.S. allies. After the end of the Cold War, the international structure underwent far-reaching changes. The United States led in the global chess game to prevent any country from challenging its leading position in the world.³⁷ Therefore, the special locations of China and the areas surrounding it determine that China and countries in the neighborhood naturally became important focuses of the US in the global chess game.

In recent years, with the development of the tensions on the Korean Peninsula, the United States strengthened U.S.-Japan and U.S.-South Korea

³⁷ The U.S. scholar Zbigniew Brzezinski compares the Eurasian landmass to a big chessboard in his book *The Grand Chessboard: American primacy and its geostrategic imperatives*. He considers China, France, Russia, Germany and India as geo-strategic players and Ukraine, Azerbaijan, South Korea, Turkey and Iran as geopolitical fulcrum countries.

military cooperation and promoted a trilateral military cooperation framework among Japan, South Korea and the United States. Large-scale military drills were frequently held in this area. In 2010, the U.S. announced its 'Return to Asia' and the eastward tilting of its strategy. In the economic area, the U.S. opposed the formation of an East Asian system without its participation. It signed the Treaty of Amity and Cooperation in Southeast Asia and joined the East Asia Summit Cooperation Mechanism. In the military area, the U.S. proposed a new combat style named Air-Sea Battle and established a new naval base in Darwin, Australia, etc. These moves are an indication of the increasing U.S. influence in the East Asia. The scholar Zhang Xiaoming has pointed out that 'although the United States is not a decisive factor in China's relations with neighboring countries, the U.S. factor cannot be ignored and will exist for a long time. How to deal with Sino-U.S. relations, maintain China's neighborhood security environment and promote a healthy and stable development of relations with neighbors are important issues that China must face.'³⁸

Some Neighboring Countries Feel the Pressure of the Rise of China and Hedge Their Bets

The rapid development of China's economy not only laid a solid foundation for the enhancement of the country's comprehensive national strength, but also opened market and business opportunities for neighboring countries. At present, China has become the largest trading partner of most of them. These countries have increased their economic dependence on China. However, China's rapid rise has also been a cause for them to worry, and has given rise to doubts and concerns about China's strategic intentions. China provides tangible benefits of trade, investment and aid for neighboring countries; meanwhile it also makes them experience increasing competitive pressures. Therefore, some of these countries 'hedge their bets' to rely on China in economic matters and on the United States in security matters in order to balance this kind of pressure.

³⁸ Zhang Xiaoming, 'Zhongguo yu zhoubian guojia guanxi de lishi yanbian: Moshi yu guocheng' [The evolution of the history of relations between China and neighborhood countries: Patterns and processes], *Guoji zhengzhi yanjiu* [International political studies], Issue 1 (2006). p. 69.

Consequently, China should strive to adopt a more effective way to convey its strategic intentions to avoid suspicion and misjudgment from neighboring countries, provide more public goods of an international security type to prevent them from worrying, actively participate in regional organizations and multilateral cooperation in order to enhance their confidence in China in terms of reducing the uncertainty by system and interests interdependence measures.

Concluding Remarks

By combining the historical changes of relations between China and neighboring countries, the following conclusions can be drawn:

1. Scientific assessment of the trend of the era is the premise of neighborhood diplomacy. The judgment of the trends of the time is the judgment of the strategic level. It often determines the forward direction of the country and also the premise for countries to develop relevant policies. Looking back at history, China's assessment of the trends of the time went from 'war and revolution' to 'peace and development.' Based on this assessment, China progresses on the peaceful development road. Furthermore, China pays more attention to creating a favorable international environment on the basis of its neighborhood environment.

2. Correct judgment of the international situation is the basis for the neighborhood policy. Grasping the pulse of the era is not enough. It is still necessary to make a correct judgment of the international situation and the structure of international forces. The Chinese leaders' judgments encapsulated in the 'the Intermediate Zone' concept and 'Three World Theory' laid a good foundation for the Chinese government to develop relations with neighboring countries.

3. A change in mindset is the internal driver for adjusting the neighborhood policy. Mindset is the internal driving force of behavior. Since 1840 the Chinese people's mindset was deeply influenced by the clash between traditional and Western cultures. It gradually took a unique ideological form. With its development, the Chinese mindset has gradually moved beyond the limitations of ideology. It pays more attention to the combination of national and international interests as well as to conforming to the trend towards internal reform and opening up. The change in mindset deeply affects policy adjustment.

4. China's neighborhood diplomacy conforms to the trend of the era and responds to changes in the international situation. China's neighborhood diplomacy is the result of policy adjustment under the driving of mindset changes and the judgment of the international situation based on an assessment of the trends of the time. It is a concrete manifestation of an independent and peaceful foreign policy towards the neighborhood. It is a foreign

policy that stresses the importance of not seeking hegemony or expansion but of creating an amicable, secure and prosperous neighborhood. This is in line with the trends of the time and the changing situation.

5. Sino-U.S. relations are still an important factor affecting China's neighborhood environment. Sino-U.S. relations should be the most important part of contemporary Chinese diplomatic relations. Although the United States is not one of China's neighboring countries, it has a great influence on China's neighborhood environment. Therefore, dealing astutely with Sino-U.S. relations is of special significance to China's neighborhood environment and even to its national comprehensive strategy.

About the author

Captain Zhang Chi is an assistant research fellow in the Department of War Theory and Strategic Studies, Academy of Military Science, People's Republic of China. His research is on international relations and international security issues as well as on the application of Chinese ancient military thought to contemporary war. He was a guest researcher at ISDP from October to December 2012.