The pleasure over the pain of every part of our viaticum is the hope for a successful end.

Let me be a little kinder, Let me be a little blinder, To the faults of those about me, Let me pray a little more, Let me know when I am wary, Just a little bit more cherry, Think a little more of others, And a little less of me.
WHAT WILL BE THE FUTURE ROLE OF CHINA IN THE WORLD?

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A Thesis, Submitted in Partial Fulfillment
of the Requirements for the Degree of

MPhil Policy Studies

In the Graduate Academic Unit of Interdisciplinary Studies UNB

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September, 2015

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ABSTRACT

As China continues to pursue what it has described as peaceful development, it has found strength in growing its military, continue to strengthen its regional power and stabilizing its position and prominence in international politics and economic affairs. The question is no longer whether China’s rise will lead to world superpower, greater influence or partial influence in world affairs, but what will be the future role of China in the world? Will China stay within the status quo of the international system or will it transform it? This thesis suggests that in the coming decades, China will continue to seek increased resources to sustain its economic growth and development. To best accomplish this, it will strive to maintain global peace and security through continued bilateral trade agreements and cooperation with both its neighbours and developing and developed countries across the globe. It will strive to promote balance of power within the many existing international organizations currently in existence. As such its future role will entail increased international involvement within its policy of non-interference and respect for state sovereignty
DEDICATION

To my family Gabriella Buzas, Destiny I Njoku, Late Pa Oliver A. Njoku and Ma Fidelia N. Njoku and my brothers, sisters, my cousins and nephews.
ACKNOWLEDGEMENTS

Firstly, I am grateful to God for the good health and wellbeing that were necessary to complete this study. I would like to express my sincere gratitude to my supervisor Dr. John Valk for his patience and support to my study and other related issues. His encouragement and guidance helped me in the quality of this paper. I would also thank Dr. Mary McKenna for her guidance and commitment, which helped me throughout the period of writing this thesis. I could not have imagined having a better advisor and mentor like her. She treated me not just like a student wondering on which way to go but as a friend.

Besides my advisor, I would like to thank the rest of graduate school staff, especially, Dr. Linda Eyre, and Ms. Janet Amirault for their insightful help that incented various perspectives of my study.

My sincere thanks also goes to Mike Mead, Rob Glencross and all the staff of Electronic Text Center at the Irvine Library of the University of New Brunswick for the opportunity to join their team. I thank Professor Bray and Carol Bray, Mr. Keith Thompson and Roz Thompson, Mrs. Laurie Danuff, Pastor Greg and Pastor Terry and all the members of Brunswick Street Baptist Church for their friendship and help to make my family and I feel at home here in Fredericton.
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List of Abbreviations

ADIZ = Air-Defense Identification Zone
AIIB = Asian Infrastructure Investment Bank
APEC = Asian Pacific Economic Cooperation
ASEAN = Association of Southeast Asian Nations
AU = African Union
BDAC = Border Defense Cooperation Agreement
BRICS = Brazil, Russia, India, China, South Africa
CDB = China Development Bank
CCP = Chinese Communist Party
CELAC = Community of Latin American Countries
CNPC = China National Petroleum Corporation
CRA = Contingent Reserve Agreement
EU = European Union
FDI = Foreign Direct Investment
FOCAC = Forum on China-Africa Cooperation
FTA = Free Trade Agreement
GATT = General Agreement on Tariff and Trade
GCC = Gulf Cooperation Council
GDP = Gross Domestic Product
IAEA = International Atomic Energy Agency
ICC = International Criminal Court
IMF = International Monetary Fund

MINURSO = United Nations Mission for the Referendum in Western Sahara

MONUSCO = United Nations Organization Stabilization Mission in the Democratic Republic of the Congo

NDB = New Development Bank

PLA = Peoples’ Liberation Army

SDR = Special Drawing Rights

UN = United Nation

UNAMID = United Nations–African Union Mission in Darfur

UNCLOS = United Nation Convention on Law of the Sea

UNFICYP = United Nations Peacekeeping Force in Cyprus

UNIFIL = United Nations Interim Force in Lebanon

UNMIL = United Nations Mission in Liberia

UNMIS = United Nations Missions in Sudan

UNOCI = United Nations Operation in Côte d'Ivoire

UNSMIS = United Nations Supervision Mission in Syria

UNTAC = United Nations Transitional Authority in Cambodia

UNTSO = United Nations Truce Supervision Organization

WTO = World Trade Organization
INTRODUCTION

As a result of China’s economic, political and structural changes in recent years, the People’s Republic of China has attracted widely deserved publicity for its economic growth, military development and prominence in world affairs. As the Republic continues to strengthen its regional power and stabilizes its position in international politics and economic affairs, there is much more interest among scholars in trying to predict how China’s growth and global status will affect its international and global policy. The question is no longer whether the Republic’s rise will lead to world superpower, greater influence or partial power, but what will be its future role in the world? Will China transform the current international system in the future? Will it stay within the status quo? These are the most controversial issues that international relations experts, political pundits and economist are debating about the effects of the increasing economic growth and power of the People’s Republic of China.

The late 1970’s and early 1980’s were historical turning points for China as it embarked on a new foreign and economic policy. During this period, China gave more attention to economic development that leaned towards policies of openness and accommodation. The People’s Republic of China is now one of the world’s major manufacturing countries, and a major consumer of the global supply of coal, steel and iron ore. It has accumulated a large amount of foreign reserve for itself. The People’s Republic of China has continued to increase its economic growth. Even at the current slowdown, China’s economy is still strong compared to many western countries. On this basis the Western country’s governments are ever worried about what the future role of China will be as it rises to a
more influential status in world politics (Morrison, 2013). As the size of the economy continues to increase, China has extended its diplomacy and cooperation not just within the Asian region but across Latin America, the Middle East and Africa.

China is not just rising as an economic power but also in military powers that will help to not only reshape the distribution of power but act as a check on American unilateralism.

The US is no longer the overwhelmingly dominant power in East Asia, as it was until the turn of the century, and it seems entirely likely that over the next two decades America’s position in East Asia will grow much weaker (Jacques, 2014).

To understand the future role of China it would be worthwhile to understand what the policy of openness that it has developed and how it has attracted different opinions.

**China’s Policy of Openness**

The policy of openness principally guided Chinese diplomacy to seek the development of its economic interests rather than focusing on military and security that once surrounded their international status. It created the framework for Chinese government officials and political elites to find ways of understanding and learning from the rest of the world as a strategic objective to economic growth and development.

David Goodman, author of *Sixty Years of the People’s Republic: Local Perspectives on the Evolution of the State in China* (2009), explained that the most important turning point in the past 60 year history of modern China was the declaration made on the third plenum of the 11th Central Committee of The Chinese Communist Party in December 1978 where it announced its intended commitment to reform and open its economy to global markets. This declaration has been widely recognized as the starting point for the 30 years of the
Republic’s increasing prosperity. Goodman was inspired by the fact that the government’s modernizing principle was delivering economic and social benefits to its citizens, as much as establishing the basic state infrastructure even though it was not in the best economic condition.

In *Why China Is Growing So Fast?* Hu and Khan (1997) observed that China has changed its economic policy since 1978. It has pursued a more economic growth policy that supports local business and allow foreign enterprises to invest in the country. This also has helped the country engage actively in international trade. As the policy continues to yield a profitable result, Hu and Khan believe that this new economic policy has helped China to improve the education of its labour force.

Morrison (2013) further observed that trade liberalization played an important role in China’s economic growth. Morrison viewed China as not in a hurry for success of the reform. China applied its reform with trials and careful observation as they try to replicate the successful policies in other parts of the country. He concluded that the importance of the new policy of openness and accommodation was to eliminate those old policies that discouraged foreign enterprises from investing in the country as it did not offer Chinese companies the competitive opportunity with the outside world.

Madison (2007) predicts that China will become the world’s largest economy by 2030. The author analyzed the economic data from China and other major countries and within a percentage of other world’s Gross Domestic Product (GDP) and the growth of that major country’s GDP and concluded that China has sustained its rapid growth since 1978. The effect of China’s economy on the international and global economy does not solely depend on the GDP factor. In fact, those kinds of impacts are linked not only to the economic
growth of the country, but also its openess and integration into the global economy. The People’s Republic of China saw opportunities offered by the outside world. China has gradually become an engaged active partner in the United Nation Security Council (UNSC), which in turn has led the Republic to become more active in a collective security role that it did not do during the Cold War.

Lei (2014) viewed that China has taken strong and pragmatic positions in Council deliberations and as such has become more instrumental, not just ideologically, but in a more constructive approach to engage in global issues. For example, China has been playing an important role in resolving conflicts by sending contingents to United Nation peacekeeping missions. Also as a member of the UN with a strong economy, China was greatly involved in solving the global financial crises of 2008. These changes are specifically motivated by China’s calculated strategic interests to improve its political reputation within the international community. The Republic tends to lean towards consensus-oriented rather than vetoes in issues relating to the adoption of sanctions but holds strongly to non-traditional peacekeeping (residual engagement to peacekeeping) frequently used by the UNSC. Increasingly, the People’s Republic of China became interested in international participation and cooperation to promote a stable and mutual peace to the benefit of international order that will serve its economic purpose.

This change has helped the People’s Republic of China to grow its economy that has created publicity and prediction from experts such as Jacques (2009) that China will rule the world. Some of these special attentions and predictions are coming from the fact that the economic growth of the Republic was unpredicted in the way it has happened and it has different ideological / cultural views and behaviors from the West.
The Pessimist Realists and the Optimist Liberalists

Predicting the future role of China depends on two opposing views: the pessimist realists and optimist liberalists. Pessimist realists see China as a threat, an irritating and irrational prosperous nation rising to challenge the existing international system. On the other hand, optimistic liberalists view China as a prosperous, peaceful, constructive and responsible member of the international community willing to operate its activities in a respectful approach and within understanding of the rules and regulations of the international community. These two opposing views become the catalyst in speculating what the future role of China will be as it continues to grow both economically and militarily.

Pessimist Realists Opinion

The pessimist realist’s main ideas about any state in the international system is that everyone is looking for survival and for that reason seeks to acquire as much power as it can. The international system is built on the premise of survival of the fittest. For a state to guarantee its security and existence, its priority should be power maximization capabilities, not just in military might but also economic and social power.

The United States of America’s Department of Defense Report 2010 declared that Chinese economic growth has helped it to improve and strengthen other significant areas of its economy. The report went further to explain how the Republic has increased its military spending by double digits annually within the past two decades. The report declared that the Chinese military is indomitably and carries much influence in the region. Its strength within the rims of the region can diffuse the ability of the United States in the region, thereby allowing the country have more influence in Asia’s eastern rim and patrol
unchecked on the nearby areas. With this development the United States of America might not have the full capacity to defend Taiwan if there is any conflict between the two countries. The freedom for the United States of America’s military to navigate the waters along China’s periphery and the use of those waters by China’s neighbours is now challenged by expanding power projection capabilities of the People’s Liberation Army supported by the Chinese government.

Medeiros (2008) observed that the governments of Australia, Japan, the Philippine and South Korea are determined to complicate the rise of China in Asia. They are worried about their right to preserve their interest and freedom to action in case of any power shift, which might be characterized by China’s increasing growth in power and influence within the region. Medeiros also observed that these countries want to engage with China but fear China’s dominant power and therefore call for continued US involvement in the region.

Among the group of pessimistic realists is the former United States Secretary of State Henry Kissinger whom Zakaria Fareed quoted in his Washington Post article, China’s Growing Clout (November 13, 2014), as observing in his book “World Order” that China has never been comfortable with the idea of a global system of equal states: “[Historically] China considered itself, in a sense, the sole sovereign government of the world. . . . Diplomacy was not a bargaining process between multiple sovereign interests but a series of carefully contrived ceremonies in which foreign societies were given the opportunity to affirm their assigned place in the global hierarchy (Zakaria, 2014).
Waltz (1993) observed that competition among great nations runs across every spectrum of power consolidation, be it economic or military, but with advanced technology in weaponry, each of these nations are constrained from applying excessive force or building an idea of confrontation that will lead to war. He then concluded that competition in other areas of economic and security improvement will continue. Similarly, Huntington (1993) observed that the future problem between the United States of America and other strong nations will be on economic issues. From the views of Waltz and Huntington, there no doubt that China will be one of the nations that will have this economic problem with the United States of America as it continues to grow its economy and military.

Pettis (2012) has argued that China’s economic growth has no long-term prospect. In his speech titled “The Growth Rate in Investment Is Going to Collapse” presented at the 65th CFA Institute Annual Conference in Chicago, he warned that the model of China’s economic engine growth is familiar, but that it has been taken to a new extreme. He compared the growth to that of Germany in the early 1930’s, the Soviet Union in the early 1960’s, Brazil (now also a growing economy) in the 1960’s and Japan in the 1970’s and 1980’s. China faces major internal issues that he thinks might affect the growing economy at any time.

**Optimist Liberals Opinion**

Optimistic liberalists like Schell and Delury (2008) argue that the inter-dependencies in trade and economy can reduce the chance of all-out conflict. China’s dependency on foreign oil and energy, as well as its needs for resources to sustain the economic growth
will deter any move towards war as the cost will negatively affect China more than it will benefit it.

British journalist Jacques (2009), author of *When China Rules the World: the End of the Western World and the Birth of a New World Order*, argues that China will soon become the next world superpower. He evaluated China’s economic growth, the consistent policy changes and the sustained communist party leadership that is not going to change soon and predicts that China will become the economic engine of the world and its approach will be to be to balance the world power that will affect political and social structure of the international system. Jacques concludes that China’s world style will be different from the Western style.

Zhang and Tang (2006) declared that Chinese foreign policy is guided by four principles, greater influence or power in the international system and global affairs, avoiding too much involvement in global politics as a way to restrain its leaders from such commitment that will obstruct China’s economic growth and development, support for a peaceful international environment that aids the Republic’s economic development, and recognizing that China’s success at home and abroad depends on a closer interaction with global affairs that requires it to take more responsibilities.

Rodolfo Severino, a former Secretary General of the Association of Southeast Asian Nations (ASEAN), is of the opinion that China and ASEAN are working as partners rather than competitors (Severino, 2001). He feels China will be an important economic nation that will promote the region’s economic growth as shared by many ASEAN member countries. Further, the report states that China was once viewed as a threat rather than as
an economic opportunity but declared that Southeast Asia optimistically believes that China will help the economic development of the region if it is well treated.

In *China Goes Global*, Shambaugh (2013) explained the prominence of the People’s Republic of China in international politics and economy. When China’s conflicts were concentrated on its Asian territories it was still a negligible one as it posed no concrete threat to international affairs. Shambaugh showed how the need for economic resources has allowed China to stretch its hands across the globe. Systematically, Shambaugh explained how the need for mineral mines took China to Africa, currency markets took it to the West (Europe and America) through direct investment by lending to governments, oil to the Middle East and Africa, factories to East Asia and agricultural business to North America. *China Goes Global* provides insights on how all these activities drove China to an extensive commercial outreach.

In *Wealth and Power: China’s Long March to the Twenty-first Century* (Schell and Delury 2013), the co-authors exposed how China rose from a country known for poverty and hunger, political instability and turmoil to the level of competing in the struggle for which country will be the most powerful nation that will lead the world in this twenty-first century within a three decade period. Schell and Delury draw the effect of the western empire’s defeat to China in the early nineteenth century and how it impacted China’s vision and struggle to learn from other countries rather than seeing them as adversaries. Schell and Delury cited Wei Yuan (1842) observations from the defeat of the first opium war two hundred years ago as what inspired the Chinese to wealth and power. Wei believed that when a country is humiliated, its spirit will be aroused. This works as a significant analogy towards the creation of the national mid-set, which energized the goal of achieving
power and wealth (Schell and Delury, 2013), in the minds and hearts of Chinese political elites like Deng Xiaoping (former Chairman of the Communist Party of China’s Military Commission). Those defeats and uneven treaties that forced the People’s Republic of China to be born as a result of humiliation from paying reparations and losing territories to foreign states became a strengthening factor towards wealth and power.

**Understanding the Future Role of China in the World**

To understand the future role of China in the international system, it is significant to examine its current position within the international system, its aspirational position in the international system and the situation within the Republic’s society. The fact that some experts in international relations and political science perceive China as a security and economic threat, as well - as a serious challenger to the existing order of the international system, the People’s Republic of China is struggling with internal issues that need to be fixed. While it is important to analyze the future role of China in the international system based on its growing economic and political power, the leadership is struggling to preserve the reform and policies that have generated growth but have started to decline. The future role of the People’s Republic of China in the world will further depend on the level of its involvement in the global market as its further needs for resources to sustain the current growth continues. China’s interest in export of its products and the raw materials needs for its internal development especially in oil industry and energy is a major issue for the leaders as there might be some unexpected political consequences should the citizens start to feel the decline in the economic growth.
The future role of the People’s Republic of China within the international system will again mostly depend on its international relations. Analyzing it will involve a deeper understanding of China’s power capability and as such the Republic’s position within the existing order of the international system. Judging a state’s role in the international system depends also on the state’s intentions. This is a vital principle towards developing international policies. The intention of a state also counts on how it approaches international relations within the international system (positive or negative, peaceful or aggressive). The intentions and the evolving state interest can be used in evaluating its cost-benefits of international interest and how it intends to guarantee its security while seeking for more power within the system. Schell and Delury (2013) cited Chinese Nobel Lauriat Liu Xiaobo to explain Chinese motives and intentions for growth and wealth as follows:

From our technology that is not as good as other people’s, our political system is not as good as other people, and on to our culture that is not as good as other people, Chinese reflections on our defects probed ever deeper. But the primary mind-set that guided the probing was neither liberation of humanity, nor even enriching people, but rather a sense of shame at China’s loss of sovereignty and other humiliations (Schell and Delury, 2013, p.31).

Another factor in understanding China’s intention to predict what its future role in the international system emerges from the core principle policy of non-interference and respect of state sovereignty. The Republic has changed from an isolated, impoverished, low-esteemed society to a prosperous and confident one that has become a global friend and partner in business and trade. It understands the importance of maintaining the stability of
the country by protecting and preserving the economic growth that have increased the growth of the upper and middle class of the society. Its future role will depend on how far China will be willing to compromise this development in the society.

Buzan (2004) observed that China fully has the complete and promising profile of a global power player. He argued that China’s isolation from international systems has made it clearer that it will compete for the next world superpower. However, he also noted that this challenge is faced with serious obstacles of development. He concluded other Asian nations might form a coalition if only to prevent China from being the dominant country in the region.

The consistent argument that China will become or is a superpower has been based on the visible economic growth arising from the economic policy changes embarked by the government of the People’s Republic of China since 1978 which has proven to be successful. The question now is what future role will the Republic play in the world? Leaders and the nation’s political structure are making clear the inherent limitations of the country’s strength and its ability to become the future superpower even though it has necessarily adjusted its attitude towards the international system as a course required by the need for economic resources to maintain internal economic needs.

As a key member of the international organization the UN, and with a strong economy and international influence, the role China will play in enhancing the system or challenging the existing order is the major focus of this thesis. I studied China’s intentions from the openness and accommodation and non-interference in other state sovereignty policies which have helped the Republic to benefit from joining the international system and as such have had successful economic growth and development.
China has gained and benefited from the fact that it is part of an international system built on a framework of peace and security and approaches its business within the constructive norms of the international system it has joined. China also has a responsibility to protect its economic growth that in many ways has created stability in the country; there is no indication that it will benefit China to start any conflict that will affect its global outreach for resources to sustain its economic growth.

**Rational**

Changes in China’s international political and economic relationship have had a great effect on its trade ties and economic development. So, it is quite surprising that when talking about China’s issues either that there is little knowledge regarding the relationship between state diplomacy, trade and economic development or that experts decide to ignore it in all. Conflict impedes trade and bilateral trade helps to promote peace and security. An example of this is Europe. This thesis will focus on five key areas that are significant to economic development: Firstly, a brief background on China’s complex and rich history that have brought it to where it is today. Secondly, China’s participation in United Nations peacekeeping missions in areas where it needs resources to support its economic development. Thirdly, its involvement in international economic institutions to help the country to develop economic policies that support its domestic economic development. Fourthly, China’s relationship and cooperation with developing and developed countries in view of participating within the global trade and market to import and export products that support its local needs. Fifthly, China’s peaceful relationship with its neighbours through bilateral trade and cooperation.
Research Questions

1. As a member of the international system, what role is China playing to maintain global peace and security and how will it further enhance global peace and security?

2. China is a member of the international financial and economic institutions such as the International Monetary Fund (IMF), World Bank (WB), and World Trade Organization (WTO). How have these institutions helped China’s economic growth? Why is China spearheading the BRICS Community Bank and Asian Infrastructure and Investment Bank (AIIB)? How will these new financial institutions affect China’s relationships with other existing institutions as it aims to enhance balance of power while promoting global peace and security?

3. What is China’s relationship with developing countries in different continents and regions such as Latin America, the Middle East and Africa and how has this relationships helped its economic development? How will China use these relationship in its future role in enhancing global peace and security?

4. How is China managing the tensions and issues with its neighbours to avoid a larger conflict? How will China’s relationship with its neighbours affect global peace and security?

Chapter One will give a brief background on China’s history and the road it has gone through to reach its current status. The historical background will give an insight into China’s current role and intentions as a prelude to its future role.

Chapter Two will discuss the current role of China in international peacekeeping missions. China’s endeavor in this area highlights the benefits the Republic has reaped in taking
active participation in these missions. This chapter will show how China’s participation in UN peacekeeping mission serves as a prelude to its future role in maintaining global peace and security.

Chapter Three will discuss China’s current involvement in the major international economic institutions such as the International Monetary Fund (IMF), the World Trade Organization (WTO) and the World Bank (WB). It will highlight the importance of China’s membership in these organizations and their focus on global economic development, trade and finance. It will also expose China’s benefits, dissatisfactions and current actions related to these organizations, the importance of China’s economic growth within and outside these institutions, and China’s use of its economic and political influence, all of which will be significant in determining the role the Republic will play in the future. This chapter will also analyze the relationship and the effect of the new financial institutions such as the BRICS community Bank, and the Asian Investment and Infrastructure Bank (AIIB), both spearheaded by China. It supports the argument that China’s intentions are to maintain global peace and security and increase its involvement in international institutions in order to promote its own global trade and increased global market.

Chapter Four will discuss the relationship between China and other third world developing countries. China’s current relationship with these countries signals its future role in the world as it strives to sustain its economic growth that has been the source of its recent global influence and aspiration.

Chapter Five will focus on China’s relationship with its neighbours, including but not limited to Japan, India, and South Korea. Many see an increasing rivalry developing with
these neighbours and fears exist that China will be more aggressive towards its neighbours as its power continues to grow and as it seeks its own growth and development.

The thesis concludes with summarizing arguments to support the argument that the future role of China in the world will be one of maintaining global peace and security and maintain a balance of power that will promote its increased global market and trade.

Methodology

To understand China in its current global context and to be able to predict its future role in the world, this thesis was done through a qualitative methodology. I Critically, reviewed journals, books, articles, and reports written about China, its economic growth, policy changes and how it has approached global issues in the light of its current roles within the international system. I also examined questions relating to power balancing and global peace and security. Engaged in a discourse analysis of these print materials and from the in-depth knowledge gained on not just how China is growing in power and economy but its behaviour, role and approach to international issues and the reasons that govern them. I strived to connect the meaning of its current role to a broader structure of social power and roles within those powers. The role of any superpower at a global level is mostly determined by its epistemological perspective of the world around it. As China grows into a more global influence the available resources from experts on China such as Jacques, Pettis, Kissinger, Schambaugh, Schell and Delury and other authors, articles and report from the Economist, The Wall Street Journal, Chinese government reports, Crisis Group, SIPRI, Grand and host of others, political discussions and current situations (books, journals, articles, reports, current happenings) have all helped me to have a deeper and
broader ethnographic view on China’s political and economic policies which I have related to its current activities in the global scene to be able to understand what its current role in the world has been as well as a preview to what its future role would be. I observed that China’s interest and growth has affected its foreign policy and as such continue to influence its interactions within the international system. It is not enough to see China as a future superpower, with greater global influence or partial power in controlling the world political and economic system but rather to ask how it will use any of these statuses in the future.

The materials reviewed gave me sufficient preview of China’s symbolic interactions with the system it is has joined. China’s reform and its policies of openness and accommodation, understandably, have given China a new approach to the world as it seeks resources to build its strong economy.

Some of the reviewed literature has ostensibly claimed that the economic growth of China will be a threat as well as other literature that viewed China as peaceful rising country that will promote power checks and balances. Some of those literatures have tried to differentiate the idea of economic growth from a systemic political liberalization that the West believes forms a model for transformation to be extended to the international system.

What was not clearly documented in all the literature is the role of globalization, bilateral trade, international institutions and how it will affect what role China will play in the future? These missing arguments are addressed in this thesis.

**Limitation**

This study will be limited to China’s current role in promoting global peace and security through global cooperation, bilateral trade and forum to preview its future role in the world
as it continues to grow in both economic and military power that has made it aspire to more prominence in global political and economic systems. It did not consider internal political issues surrounding the Republic such as human rights, democracy and political liberalization. Materials used are limited to events, publications, reviews and discussions that happened until May 2015.

**Significance of This Study**

This study brought together current activities within the international system in which China is involved. Each chapter could serve as a thesis subject, it would not achieve the collective impact to highlight China’s active role in promoting global peace and security and a balance of power. The significance for analyzing them together is to show how deeply China has committed itself within the international system as proof of its current role and the prediction of its future role in the world. As complex as China is, peaceful development is the only opportunity it has to develop its economy. The study highlights the significance of China’s current role in both international peace keeping and global trade and the market economy. It also establishes the fact that China has demonstrated that it has to operate within the international system to be able to acquire the resources it needs for its economic growth. With the cooperation of other countries its development interests can be achieved. China also understands that promoting global peace and security will help its prosperity and benefit its domestic and international goals. This it declared and has pursued since the policy of openness and accommodation it started towards the end of the 1970s. This study is also significant because it highlights different views on China’s activities within the international system. China has invested a lot of commitment and it cannot jeopardize the
commitments to initiate any conflict that will cost its gained benefits and domestic consequences that it might bring to its complex political, environmental, cultural and social set up. The suggestions and opinions in this thesis can be further used by scholars, policy makers and others who are interested in Chinese diplomacy and international relations.
CHAPTER ONE

Brief Historical and Cultural Context

China’s culture is complex and its history is ancient, making it impossible to explore the country’s major events in a single thesis. It is a country represented in unique forms of arts and philosophies. Over the millennia China has fought many wars. It has conquered and invaded many neighbours as well as being victim of invasion and conquest by other neighbours and Western countries as well.

Chinese culture and history span thousands of years. Chinese writing dates back 4,000 years. The imperial dynastic system of government had lasted for centuries, as it was established around 221 BC. Despite the overthrow of many dynasties some of them survived even as China was ruled by imperial governments such as the Mongols. Some of the Chinese dynastic government are, the Yuan Dynasty (AD 1279 to 1368) and Ch'ing Dynasty (AD 1644 to 1911). However, to be successful these foreign rulers had to adapt to and adopt the culture they found as a means of establishing their rule (Edward, 2005).

During the Song Dynasty (960 – 1279), China’s economy was strong as much so was its technological development. Over the next 300 years its economy experienced periods of growth and decline, but all those ups and downs were over-shadowed by the Western European industrial revolution of the time and not much attention was given to Chinese growth and development. The dynastic system was replaced with a weak republican form of government around 1911 as a result of a revolution lead by the Sun’s (Sun-yat Sen born, 1866 - 1925) alliance that forced the Manchu Governor to flee. Regarded as the first
Chinese revolution it existed until 1949 when the Communist People's Republic of China was established. This government and the ruling Communist party have controlled China ever since. Throughout, this period the culture and power of the People’s Republic of China has been strengthened, mostly from the late 20th century. Under the People’s Republic of China, its role in world economic and political affairs has grown increasingly more important (Zhang, Cheng, Edwards, Chen, Wang, Yang, & Johnson, 2008). This chapter will highlight the many languages in the country, its major cities and the complex of its geographical borders. The chapter will also briefly look into the political transformation of the Chinese Communist Party and the policy changes the leaders has taken that brought the country to the status it is currently.

**Population**

With the population of about 1.3 billion, the People’s Republic of China is the most populated country in the world. With rapid population growth, economic hardship and poverty, the government was forced to enact One-Child Policy per couple, as a measure to control the population. Some exemptions were given to (Rural Han Chinese) ethnic minorities, allowing for a second child if the first child is a female. Otherwise any woman who got pregnant with a second child was forced to either have an abortion or submit to sterilization.

**Language**

Multiple languages and dialects are spoken in China. Some of them include Wu, Min, Cantonese, Jin, Xiang, Hakka, Gan, Uighur, Tibetans, Hui, Ping, and Mandarin, which is the official language and spoken in major cities in the country. Despite all the listed
languages, dozens of others still exist in minority territories such as Kazakh, Miao, Sui, Korean, Lisu, Mongolian, and Qiang.

**Major Cities**

The capital city of the People’s Republic of China is Beijing. China’s most popular and commercial cities include, Dongguan, Guangzhou, Shanghai, Shenzhen, Tianjin, and now reclaimed Hong Kong, which is agitating for independence.

**Religion**

Religion has been a complicated issue in China. It has been strongly discouraged by the government with suppression. The government has been hostile to religions, attacking them with propaganda, abuse, confiscating religious assets and destroying places of worship (The Economist, Nov. 1, 2014). Despite all these efforts by the government, most Chinese spiritually identify as Buddhist or Taoist (rejection of worldly ambition and the escape to nature) even when they do not practice regularly. Quite a large number of Chinese are atheists, a very small minority are Christians and Muslims, while a tiny number of the citizens identify themselves as Hindu, Bon, or Falun Gong. All these religions co-exist with several sects and cults. The faith of the ruling class is mostly built on Confucianism.

The ethical and social teachings of Confucius and its interpreter Mencius (371 – 289 BC) created rituals that involved commemorating one’s forebears rather than worshiping extra-terrestrial gods. Though there are no official places such as buildings, offices, or temples as a Confucian centers or places of worship Confucian philosophy can be seen in the behavior of the Chinese people and their leaders (Wright, 2001)
**Geography**

One of the largest countries in the world, China is about 9.8 million square kilometers even with the consistent conflicts in border disputes with many of the regional neighbours like India and Japan. It borders 14 countries: Afghanistan, Bhutan, Burma, India, Kazakhstan, North Korea, Kyrgyzstan, Laos, Mongolia, Nepal, Pakistan, Russia, Tajikistan, and Vietnam.

As a country of diverse cultures, history and people, China is also diverse in land and sea forms. China, Japan and Korea share the most geographical connections and culture. Europeans call China the Far East, but the country is actually situated in Central Asia. The People’s Republic of China was once named the Middle Kingdom because the Chinese saw themselves as living in the middle of Asia (Erik, 2015).

**The Communist Party and the Government**

The Chinese Communist Party was formed around 1921, primarily as a political force and a well-organized movement to lead and control all levels of the society. The government is an organ of the party, designed to execute its policies and control through government officials and executives who are also members of the party. Initially, the key goal of the party was to organize urban workers. While this policy was a failure, Mao Zedong adapted Marxist theory to the conditions of an underdeveloped society that primarily based its sustenance in agriculture and trade (Short, 2001).

The Chinese Communist Party (CCP) leadership is in the form of a Pyramid-like hierarchical structure with power concentrated at the top.
Lawrence & Martin (2012) observed that the highest decision-making body of the organization is the National Party Congress that meets every five years to elect new leaders and draft policy for both the government and the party. The Central Committee of the party controls the affairs of the party if the National Party Congress is not held. It is made up of 200 members, elected by the congress. The Central Committee elects the Political Bureau and its Standing Committee. The Standing Committee and the Political Bureau are the highest decision levels of the state. It includes the Secretariat, which carries out the day-to-day activities of the party. Before 1982, the highest office in the party was party Chairman held by Mao Zedong for 25 years. To avoid the obsessive power enjoyed and exercised by Mao Zedong, the party adopted a new constitution in 1982 that abolished the chairmanship position and replaced it with the administrative position of a General Secretary and the Secretariat. The constitution also established a new body to involve the outstated elderly leaders in the affairs of the party called the Central Advisory Commission. The party welcomes new members from the age of 18 who are willing to abide by the
principles and rules of the party and participate in any of the party’s organizations (Burns, 1994).

The Birth of the People’s Republic of China

After the defeat of Japan and the liberation of China from all imperial power including the United States of America who was supporting the Nationalist Forces during the Chinese Civil War, Mao Zedong declared the establishment of the People’s Republic of China on October 1 1949. The Soviet Union recognized the People's Republic of China a day after it was declared on October 2, 1949. With the recognition from the Soviet Union, these two countries started negotiation for the framework of their communist alliance. In February 1950, China and the Soviet Union signed the Treaty of Friendship, Alliance, and Mutual Assistance, which lasted till 1980. This treaty also was intended to protect China from further aggression from Japan or any power's joining forces with Japan against the People’s Republic of China. The first Major political developments of the People’s Republic of China started with the centralization of the China Communist party and government administration. The first national congress of the Communist Party was in 1951. At this congress, delegates to represent the party were elected and Mao Zedong was elected as the chairman of the People's Republic of China, Liu Shaoqi was elected as the chairman of the Standing Committee of the National People's Congress, and Zhou Enlai was elected as the premier of the new State Council. The government under Chairman Mao renamed the Red Army of the communist Party to the People’s Liberation Army. He allowed Chinese living abroad to come back to help the new country in local administration, as well as allowing some of those who supported the communist movement to retain their positions. The first
government formed by the Chinese Communist Party was made up of 662 people in the Consultative Council which included non-members of the party but within the top executive of 56 members, the Chinese Communist Party were 31, making up the majority. Following the election in 1954, all non-party-members were ejected from the government and more power was given to the State Council, which was controlled by the Communist Party, including the Central Committee made up of about 94 members. The Central Committee also elected a 19-member Political Bureau and a 7-member Standing Committee (Shao, 1986).

**The Great Leap Forward, 1958-60**

The Great Leap Forward was one amongst the early policies of the People’s Republic of China to develop the country’s economy. One of the aims of this economic policy was to make China capable of competing with other industrialized nations. The policy had a five-year plan and was launched in 1958. Between this time and up to 1968, many Chinese had been moved to work on farms or in manufacturing industries. Private farming was prohibited for the people (Britannica Editorial, March, 2014).

The new policy started with land redistribution where lands were taken away from the landlords and given to the peasants. This encouraged a nation-wide Agrarian Law that took some years to complete. Social issues such as marriage were also reformed. Women were given some rights such as the right to divorce and property ownership. Children had the right to denounce their parent if either of them failed to follow the communist system. The Communist Party engaged in propaganda work designed to change the entire Chinese philosophy regarding habits, customs and culture. The habit of business as usual which
created corruption, waste and bureaucracies within the government was targeted, as well as issues of bribery, tax fraud, cheating and stealing government property and misrepresentation of economic information. The government went further to separate churches from their foreign international parent denominations in the name of self-movement, self-government and self-support. It declared all foreign churches as undesirable forms of cultural imperialism and instructed citizens to denounce religion and avoid churches influence. Chinese art and literature became the vehicle to promote secular nationalism that would serve to the Communist Party interest and the revolution in general (Leung, 2004).

The Communist Party government extended its reform to China’s economy. One of the reforms was the collectivization of agricultural products to the maximum to pay for the Soviet aid and the industrialization plan. Cooperative farms and land were established to control agricultural products, price and the distribution. Most of the farmers became members of the cooperatives in their regions. At this same time, industries, railways and steamship operations were nationalized and put under the control of the government.

Brandt & Rawski (2008) indicated that, despite the reforms the economy failed to thrive. The government decided to use the vast manpower and devotion of the Chinese citizens to work to increase production in agriculture and steel. It introduced small and local sustained steel production. The cooperative farm was merged with local community farming that involved household farmers.

The communist regime also took up cultural reform as part of its revolution. The government tightened relationships with foreign countries, closed schools and introduced entrance examinations to enter into any school. Information flow was censored and
controlled to avoid opposition to the revolution. This approach did not please some top members of the party and opposition started to emerge within the leadership of the government.

Chiu (2005) observed that party dissent increased, Mao Zedong took some initiative to win the support of the military and the youths. Around 1966 students forced the Central Committee to repeal the university entrance examination system. The students also showed support for Mao and his ideology for the Republic. Many key Mao associates who distanced themselves from him were gradually dismissed or imprisoned. Chow (2004) noted that extended school closures had a serious effect on the Chinese economy as many young people dropped out of school. Some industries became redundant and the Chinese Communist Party congress could not convene (until 1967). Premier Zhou Enlai gradually started to establish his power. He decided to involve some of the pragmatic members of the party who wanted more openness and involvement of the people in a constructive way, among them was Deng Xiaoping. As well, the party relaxed some civil rights in the new constitution in 1975. Deng Xiaoping was a member of the Communist Party Political Bureau.

Premier Zhou Enlai decided to adopt policies that encouraged modernization and supported economic growth and development. In 1977, the party elected new party leaders and Deng Xiaoping and two other people were elected as the party’s Vice Chairmen. Premier Zhou Enlai, Deng Xiaoping’s and other elected officials started the fundamental approach of moving the People’s Republic of China into a modern nation. As Deng Xiaoping continued to re-ascend to prominence and power, the Third Plenum of the National Party Congress
Central Committee that took place from December 18 to December 22, 1978 was paramount to achieving his intended economic reforms (Brandt & Rawski, 2008).

Zheng (2009) characterized Deng Xiaoping’s whole approach to his understanding of China’s experience with the world controlled by Western powers. He concluded that Deng Xiaoping was interested in proving that the policy of openness and accommodation was the best for the nation. Lack of engagement and cooperation with other world powers has had a great impact on the countries weak development and for the country to grow and develop it has to not just join the international system but take its place and participate proactively within the international community.

Naughton (1993) and Elleman (1996) observed that Deng Xiaoping replaced Hua Guafeng as the leader of the country. Taking the leadership of the country helped Deng Xiaoping to make several changes to support his pursued economic policy and reform. Some of the party members who were imprisoned or removed from their previous positions within the party and government were brought back to play their role in the new direction of the party and country. As the policy of openness started to take shape it attracted further diplomatic changes between the Republic and the world. Some of the changes will be discussed in later chapters. In 1979, China and the United States of America had fully normalized their diplomatic relationship. This was an outcome of the visit by Henry Kissinger, the then Secretary of States for the United States in 1971 and preceded by the then President of The United States of America, President Richard M. Nixon. These steps of openness also brought other changes in China’s road towards global cooperation such as the ending of the core treaty between China and the Soviet Union (Treaty of Friendship, Alliance and Mutual Assistance). All these developments fuelled criticism on Deng Xiaoping’s
approach and policies. In recognizing those criticisms, Deng Xiaoping started to make changes within the party and the government by gradually removing the strong Mao loyalist who were leading the uprising and criticisms. Deng and his reform associates were facing other challenges such as keeping the momentum of the four modernization programmes as well as avoiding the disintegration of the party into fractions while focusing on delivering material results to the wider population with the new economic experiment and mounting inflation encroaching.

Zhu (2012) is of the view that the reforms and economic growth have been a common term in Chinese history such as in the Han dynasty (2006 BCE – 220 CE), Song dynasty (960 – 1279), and the Qing dynasty (1644 – 1911). All these past administrations have made concerted effort to bring fundamental changes to both political and economic methods while maintaining their different institutional frameworks that, overall, were short lived.

The current reform of the Chinese Communist Party and its political activities need to be protected. The National Conference of the Party held in September 18-23, 1985 brought important changes in consolidating the reform. At this conference, 65 old members, including nine senior members of the Political Bureau of the party resigned, the number of the members of the political bureau was reduced as only six were elected to occupy the positions left by the resigned members. Younger and better-educated leaders who supported Deng’s reform replaced the aged and long served inactive leaders. Another seven-year plan reform and the framework for development were adopted (Qian, 2000).

To support the current declaration from the leaders of the People’s Republic of China that its development is for peaceful development, national defense was not given priority in the four-part modernization policy but China recognizes the threat it faces from its neighbours.
Its perennial concern is with the Soviet Union on the North and West border, the Vietnamese on the South border, the Japanese in the East and the Indians on the Southwest. To confront these fears and power concerns, China moved towards armed tactics and developed intercontinental ballistic missiles, nuclear submarines, and other strategic forces and acquired some foreign sophisticated technologies with military applications. Even with this militarization, the Republic has not ceased to use bilateral relations and other different platforms, forums to express its interest in foreign policy of peace and global security as it continues to open up to the outside world. The People’s Republic of China has continued to balance its concern for security, economic resources capability and development with its desire for an independent foreign policy and peaceful development. China has signed the nuclear arms treaty and the Non Proliferation of Arms and have taken more proactive measures in creating bilateral relations as a move toward integrating into the world community. In the past China has shown interest in a balance of power and maintaining global peace and security. It called for the Soviet Union to stop supporting the Vietnamese government’s occupation of Cambodia, which the Soviet Union approved in 1978. It withdrew all of its troops from Afghanistan, which the Soviet occupied until 1979. China also maintained that its relationship with the Soviet Union or other parties its support, would not improve unless the Soviet Union withdraws its soldiers deployed on the Sino-Soviet border and in the Mongolian People's Republic (Van de Ven, 2015).

**New Era in the Policy of Openness and Accommodation1992 - Present**

With the policy of openness and accommodation aimed at cooperating with other countries and learning from their development, China started to exploit its rich natural resources and
between 1970 and 1980 the exploitation of the Chinese resources advanced significantly. As the exploitation of China’s natural resources continued most of the industrial sectors saw the opportunity to advance the technology too. This development created a huge exodus of people from the rural country to the urban cities in search of “white collar” jobs. China's population also increased substantially. One of the principles of the policy of openness and accommodation was to learn from other countries to improve China’s economy. For this reason foreign enterprises and experts were invited to help in the move to modernization. Many western companies entered into joint project or business activities with local Chinese firms, and multinational companies started to enter into China. The influx of foreign companies encouraged many Chinese students to go abroad to get not just Western certificates and degrees but acquire experience in a wide range of scientific and technical fields as model for their home country.

Heger (2008) concluded that the new approach in the government, economic changes and political structures exposed a lot of incompetence. Many of the unqualified bureaucrats had to retire for the more educated (possibly foreign trained) and younger citizens to take over. However, the need for capital to implement modernization forced the Chinese government to set up new financial and business policies that allowed for loans, joint business with foreign companies and other capitalist systems that are different from the communist practice. Following the success of the reform, at the Fourteenth National Congress of the Communist Party of China in 1992, Jiang Zemin, who was representing the 13 member Central Committee of the Party delivered their report titled “Acceleration of the Reform, Opening to Outside World and Drive for Modernization”. The report highlighted the achievements of the reform since its inception in 1978. It also outlined the challenges
the reform has faced through to 1990 and declared the target of the country to restructure the economy of China with a socialist economic system (Ploberger, 2010).

As the policy of openness and accommodation continues to direct the Chinese approach to economic growth and development every member of the communist party started to develop initiatives and ideas on how to improve the policy and the system moving forward. During the Fourteenth National Congress of the CCP in 1992, Jian Zemin gave an evaluated report that highlights the achievements and setbacks of the policy since its inception. He explained Deng Xiaoping’s intentions for the policy and delineated the problems and made proposals on how to expedite the process while maintaining socialist market principles (Zemin, 1992).

According to Cheng & White (1998), it was this meeting that Jiang Zemin was elected as the general secretary of the Central Committee and also chairman of the Central Military Commission. After the death of Deng Xiaoping in 1997, Jiang Zemin took over leadership of the party and country. With the agreement of the British government to hand over Hong Kong a new Special Economic Zone was created to further promote the policy of openness and accommodation by encouraging both local and foreign investors to invest in these economic zone cities. Jian Zemin retired in 2002 and handed over government to Hu Jintao who ruled the country till 2013 when he handed over to the current president Xi Jinping. The current president Xi Jinping took over in 2013 with full power and promised to continue the reforms and economic development, tackling all the challenges ahead of him.
CHAPTER TWO

China’s Involvement in United Nations Peacekeeping Missions

Before 1989 Chinese leaders were struggling to understand the global political system from their cultural perspective. The Chinese view themselves as victims of war as the Western superpowers supported all their adversaries to defeat them in most of its territorial wars. To this effect enforcing peace in the name of peacekeeping for them is interference in state sovereignty and internal affairs. Furthermore, taking part in the peacekeeping of the United Nations is an indication of China’s willingness to be part of the international political system in addressing peace and security issues within the United Nations. Jiang (2010) and Lacarte (2014) observed that before this time the Republic had a very negative view of the concepts of conflict prevention and preventive diplomacy, since the Western countries have often used them to interfere in other states’ sovereignty for their economic, political, and military advantage. After long years of isolation, participating in the United Nation Peacekeeping missions is helping China to learn how the international system works and the complexity of the global system in which it finds itself. The ever-growing globalization compounds China’s effort to comprehend global diversity, which is built on different government systems framed by diverse structural procedures and customs, and conflicting social policy environments about which it had no previous knowledge. The People’s Republic of China was admitted into the international system when it joined the UN in 1971. Soon after becoming a member of the United Nations, the General Assembly awarded it the status of a permanent seat at the United Nations Security Council. Tieh
(2004) believed the permanent seat was a reward for China’s normalization of diplomatic relations with the United States of America. This status means that China is a power player with a superpower status in partnership rather than in dominance.

The Republic ceased the symbolic opportunity, using it to invest and participate in maintaining global trade relationships, peace and security. As the People’s Republic of China deliberately began to expand its economic and diplomatic influence overseas through diplomatic leverage, participating in a more active role in international organizations became a more important issue for China. In view of China’s peaceful development and involvement within the international system, this chapter examines China’s role in promoting global peace and security through United Nation Peacekeeping missions. It will also focus on the benefits China has gained from participating in peacekeeping missions and how it has used its role to further pursue its resource seeking-interests to support its economic development policies. Peace and justice are related. This chapter will also review China’s role in promoting global peace and security and its views about the International Criminal Court (ICC).

**China’s Participation in UN Peacekeeping Missions**

In 1989 China sent its first civilian deployment as observers to UN peace operations to Namibia. Subsequently, in April 1990 military observers were deployed by China to the Middle East as observers, contributing about 505 People’s Liberation Army (PLA) to its first ever United Nation peacekeeping operation. Lacarte (2014) explained that since this significant change in policy, China has been exploring its membership at the UNSC in making decisions on how it assigns its peacekeeping deployment and the responsibilities
of those peacekeepers. Hirono & Lanteigne (2011) observed that China has changed from its long years of avoiding participation in UN peacekeeping missions. They also noted that China has changed its policy toward participate in the UN supported peacekeeping, a reversal of earlier positions. Also Gill and Huang (2009) explained the evolution of China’s involvement in peacekeeping over the years as it further pursues its policy of openness and engagement. From a position of deep skepticism on peacekeeping to one of active engagement, China is not just voting for peacekeeping missions but sending troops and paying dues for missions. Augmenting long distance deployment of its troops and citizens with financial contribution to the United Nation Department of Peacekeeping Organization, China’s future role in global peace and security is non-negotiable even though Western critics are cautiously optimistic and call for the international community to be modest in praising China’s engagement. While Gill and Huang (2009) see this effort by China as part and parcel of the larger new security diplomacy exhibited by the Chinese across a range of international political and security matters, Jiang (2010) views it in a broader perspective. He concluded that China attached a number of core strategic objectives in its peacekeeping engagement. Through peacekeeping China has demonstrated to the international community its progress in peaceful development, as well as exhibiting a good-natured approach to a responsible power status rather than posing a threat to the international system. Increased involvement in international peacekeeping provides the venue for China to influence and shape global norms. Lei (2014) noted that China’s motivation to participate in international peacekeeping supported by the UNSC is closely bound to its perception of its national interests and foreign policy goals. China’s motivation is also to support multilateral security cooperation to help secure a stable international
environment that benefits China’s economic development. It also helps China to reassure its neighbours about China’s peaceful intentions, while gradually establishing its greater influence and image within the international community. More importantly, it helps China interact with nations where it can acquire resources for its domestic economic development.

**China’s Growing Role in Peacekeeping**

In promoting global peace and security through peacekeeping China has not wavered in supporting operations that uphold its traditional principles as it protects the benefits to its economic resources needs. On this basis the number of Chinese peacekeepers worldwide is increasing very fast. Chinese deployment of peacekeepers includes civilian police, military observers, engineers, battalions and medical personnel. As the chart in Figure 1 shows, China is the largest contributor to UN peacekeeping operations compared to the other five permanent members of the UNSC. Likewise Figure 2 indicates that China is the largest financial contributor among the developing countries and the seventh in financial contributions to UN peacekeeping operations, after other strong economic countries in the West.

**Figure 2. 2012 UN Security Council permanent members’ troop contributions to UN operations**
Figure 3. 2012 UN Security Council permanent members’ troop contributions to UN operations. Top ten contributors to 2012 UN peacekeeping operations budget in %

![Bar chart showing troop contributions to UN peacekeeping operations.

Table 1. 2012 UN missions with Chinese contributions

<table>
<thead>
<tr>
<th>Mission</th>
<th>Contributions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>MINURSO (Western Sahara)</td>
<td>Experts on mission</td>
<td>7</td>
</tr>
<tr>
<td>MONUSCO (D. R. Congo)</td>
<td>Experts on mission</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Troop contingent</td>
<td>218</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>233</td>
</tr>
<tr>
<td>UNAMID (Darfur)</td>
<td>Troop contingent</td>
<td>323</td>
</tr>
<tr>
<td>UNFICYP (Cyprus)</td>
<td>Troop contingent</td>
<td>2</td>
</tr>
<tr>
<td>UNIFIL (Lebanon)</td>
<td>Troop contingent</td>
<td>343</td>
</tr>
<tr>
<td>UNMIL (Liberia)</td>
<td>Individual police</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Experts on mission</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Troop contingent</td>
<td>567</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>587</td>
</tr>
<tr>
<td>UNMISS (South Sudan)</td>
<td>Individual police</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Experts on mission</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Troop contingent</td>
<td>347</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>364</td>
</tr>
<tr>
<td>UNOCI (Côte d'Ivoire)</td>
<td>Experts on mission</td>
<td>6</td>
</tr>
<tr>
<td>UNTSO (Middle East)</td>
<td>Experts on mission</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,869</strong></td>
</tr>
</tbody>
</table>

Data source: UN Department of Field Support, Dec. 2012.
China has participated in many peacekeeping operations across the globe. For example in 1992, China contributed about 900 personnel to the UN peacekeeping mission in Cambodia (UNTAC). This was China’s second deployment after 1989, when it first sent it troops to the Middle East. Since then China has been contributing troops to the UN peacekeeping missions. Moreover, as Figure 3 shows, China has contributed to almost all African peace missions. This action signifies how deeply the Republic’s participation in United Nation Peacekeeping is attached to its resource needs. Huang (2007) indicated that China’s active involvement in African conflict is not by chance. He argued that China’s activities in Africa is motivated by its interest in building a strong partnership with Africa as it supports China’s policy of engagement to acquire resources for its economic development and growth as well as its broader diplomatic approach and foreign policy. He further observed that China’s interest in Africa is part of the general Chinese international involvement to promote is good intensions while exhibiting its global influence. By engaging in the UN peacekeeping mission it also helps China to continue it economic development that keeps a stable domestic political environment and legitimizes its position within the international system while promoting a multipolar world.

In view of China’s multilateral approach to global peace and security, Alden (2011) explained that multilateral organizations should take on greater roles in promoting regional and global peace. China is increasingly engaging with the African Union (AU) and sub-regional organizations. He further observed that China has increased its engagement with Africa and the continent at large. China has advocated for the United Nation and the UNSC to support the African Union in its initiatives in solve the continents problems. Alden
concluded that in supporting the regional union China has contributed $1.8 million to the African Union and other regional organizations as part of Africa’s peace fund.

Furthermore, Lei (2014) also observed that China’s approach to peace and security focuses on political and diplomatic measures that involve the consent and participation of all parties concerned in conflicts. For China, peacekeeping not only helps its accumulation of resources to enrich and maintain economic growth, but it also functions as a tool that allows China to realize its foreign policy objectives which are rooted directly on the respect of sovereign states’. China strives to promote peace and security by approaching the root cause of conflicts and wars while establishing a strong foundation for rebuilding and reconstruction, as well as seeking frameworks for long-lasting peace among the parties involved.

Ayenagbo, Njobvu, Sossou, & Tozoun (2012) concluded that China’s policy of non-use of excessive force, non-interference to sovereign states’ internal issues and respect for state government’s consent in war and peace will definitely change the dynamics of peacekeeping, while proving to be advantageous to both its image and interest. China’s peacekeeping operation is that of a comprehensive approach to crises and conflicts in the affected societies. China works to promote a reasonable and sustainable approach that controls current crisis or conflict by advocating for a precise and implementable system that confronts the vicious circle of conflicts and war. China’s role in peacekeeping presently and in the future is based on the fact that national sovereignty and authority should be empowered to handle its internal issues rather than being dictated to from outside. China believes that a national government institution capable of handling its responsibility is the most effective way of maintaining global peace and security. China’s
role in maintaining global peace and security is to accept and recognize the legitimate
government of a sovereign state involved in a conflict. Doing so will help design
peacekeeping mission mandate and the role it will play.

This summary typically demonstrates China’s intentions, as well as its future role and preference for a policy of maintaining stability and continuity in the countries or regions affected by any conflict or war. There is every reason to believe that the policies of respecting state sovereignty, non-interference and non-use of force have helped China to maintain this as a standard practice for its engagement with the stances of the incumbent governments in various conflict-ridden countries.

Looking at China’s principles, global peace and security cannot be achieved or maintained with consistent interference from outside powers in state sovereignty. Lei (2014) added that in respect to how strongly China views state sovereignty, it has been a vocal critique to the third pillar provision of the UNSC which calls for the international community to intervene in the failure of any government in executing its responsibility to protect its citizens and other foreign nationals or organizations working in the territory of it jurisdiction. Rather, China has supported regional organizations’ positions when it comes to conflict, war and peace.

In China’s role to maintain its policy of non-interference, Cupać (2014) observed that China exercised its veto powers to block three drafted resolutions on Syria (S / 2011 / 612, S / 2012 / 77, and S / 2012 / 538). However, he noted that China supported resolutions 2043 and 2059, which authorized the mandate the United Nations Supervision Mission in Syria (UNSMIS) to continue its work. China’s position on the Syrian conflict is not different from its traditional principle to respect state sovereignty and avoid interference
from stronger nations to weaker nation’s domestic affairs. In the People’s Daily Online of February 16, 2012 Manyuan reported that China opposes armed intervention or forcing a so-called "regime change" in Syria. He referred to Chinese deputy permanent representative to the United Nations Wang Min who said

    China, as a country which pursues a foreign policy of peace and non-intervention, has always made independent decisions based on the merits of individual cases. It never sits on the fence, hops onto the bandwagons, or acts in accordance with the wills of other powers. What China seeks is to find solutions through dialogue and consultation with a goal of maintaining international and regional peace, stability and development. Every time when there is a need to maintain the world's peace, China will, in no hesitation, take action to support justifiable rights of those countries involved. (Min, 2012)

However, China supported the mediation efforts by the UN and the Arab League Joint Envoy and International Action Group on Syria, though the intensity of the conflict forced the UNSMIS team to be withdrawn as the conflict became more complicated and created more insecurity for the officials. When the Syrian government agreed to join the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons Convention after the widely published use of chemical weapon in the conflict, China supported the pressure to force the Syrian government to comply to the destruction of all its stockpile of chemical weapons and hand over all chemical weapons to the supervision and control of the Organization for the Prohibition of Chemical Weapons (OPCW). China has consistently called on the parties involved to use the ceasefire opportunity to find the best political solution, while offering humanitarian assistance to the displaced citizens of
Syria. China has been maintaining its two-way approach to the Syrian crisis, political talks on a cease-fire and national reconciliation.

Wuthnow (2009) noted that despite China’s role in Syria, it has taken different steps in expressing its opinion when it comes to peace and security. It has blocked many deliberations that do not comply with its belief regarding global peace and security. This it has applied on a country-by-country specific case according to the United Nation Security Council’s agenda. Some of the countries that have earlier enjoyed these protections from China include Myanmar, North Korea, and Zimbabwe. China has a strong belief that a sovereign country’s conflict, issue or situation can be better handled through mediation among the parties involved, or through relevant regional organizations rather than the UNSC and the processes of cooperation in UNSC Deliberations.

In its role to maintain global peace and security without major interference to state sovereignty, China supports the consistent and cyclic engagement and cooperation between regional organization and the UNSC. For example, in Africa the AUSC and the UNSC established a framework whereby the AU reports its progress and problems in executing regional peace and security. This framework has strengthened cooperation with regional organizations in Africa such as the West African Economic Community and its military wing ECOMOG, Economic Community of Central Africa (CEMAC), East African Community (EAC), South African Development Community, and African Union (AU). China also believes that global peace and security can be better achieved when the UNSC collaborates with regional organizations and when this mechanism is adopted as a constant approach towards confronting national domestic political conflicts (Large, 2008).
China’s Concerns about Peacekeeping

Sheeran (2011) is of the opinion that China’s role currently and possibly in the future in peacekeeping operations is to make sure peacekeeping missions do not contribute to the escalation of conflict by either supporting one party against the other or engaging in an unwarranted enforcement but guarding against escalation and endeavor to protect endangered civilians.

Yesh (2015) questioned whether Chinese Combat troops in UN peacekeeping missions is a new beginning? He stated that China was wary of the peacekeeping forces having no restricted scope for the use of force, which sometimes compels America and other Western forces to interfere in the domestic affairs of a conflict-ridden sovereign state. China is also worried by the expansive mandates for peacekeepers, which, in most cases, impair the impartiality of peacekeeping missions, as well as compromising unique intentions and the results they can yield. China argues that impartial peacekeeping missions should serve as consultation and mediation between parties in a civil conflict and should be approached with the flexibility required to create the preconditions needed for further political and diplomatic measures to consolidate peace (Mohan & Gippner, 2015).

China is concerned about the complex and fragile situations that confront peacekeeping missions on the ground. Looking at the risky situations confronting post-conflict society, China worries about the involvement of terrorist organizations and organized crime groups in exploiting conflict and war, which could be dangerous to the intentions of peacekeeping missions. China is also wary of the United Nations Peacekeeping Operation Combat Troops responsibilities and principles and does not actually recognize its existence, since
the purpose of peacekeeping missions are to maintain peace and are not to be party to the civil conflicts (Findlay, 2002).

China still holds strong to its position of non-intervention and non-use of force as it maintains a low profile in all the peacekeeping operations in which it has participated. Its skepticism about others who interfere in the sovereignty of other country’s internal issues affect its attitude and involvement when it comes to international peacekeeping mission. Gill and Huang (2009) believe that increase in China’s involvement in peacekeeping in the future will completely depend on China’s fears of greater financial responsibility, as well as its hesitance to expose its soldiers to combat missions. China also has to consider how such action might create misunderstanding of its interests for resources needed for both domestic and international economic development.

**China’s Benefits from Participating in Peacekeeping Missions**

For China, participating in UN peacekeeping mission activities has significant implications and lessons. It has helped the People’s Republic of China to protect its natural resources requirements as it has provided a favorable platform for acquiring its raw material needs. Peacekeeping serves as a useful practical experience for Chinese security forces and provides them with new ways of responding to riots and civil disobedience. Involving itself in this kind of international operation of peacekeeping has also offered the country the capability and experience to coordinate internal emergencies and other peaceful operations at home. China sees the UN Peacekeeping missions as an activity worthy of involvement. As important as global peace and security is to China, the benefits of such participation will encourage China’s future role in global affairs by striving to promote and consolidate
global peace and security. In 2000, China established the Chinese Civilian Peacekeeping Police Centre responsible for training Chinese police officers to be deployed to United Nation peacekeeping missions. This institute is under the control and supervision of the Chinese Ministry of Security and supported administratively by the Chinese People’s Liberation Armed Police Academy. Since its inception, the academy has created 21 training courses. The Chinese Ministry of National Defense also created a special department, the Peacekeeping Affairs Office to oversee the management and co-ordination of the People’s Liberation Army’s participation in United Nation peacekeeping mission operations. In November 2009, a new training peacekeeping center was established in Huairou where most Chinese peacekeepers sent to Africa were trained (Gill and Huang, 2009).

Brief (2009) documented that China takes its peacekeeping involvement very seriously. He noted that after several meetings and consultations within its government and the security forces, China has developed an improved deployment mechanism for the recruitment and involvement of peacekeeping troops. China has also increased its support as well as encouraging its forces to participate in the UN peacekeeping mission. While embracing the rules of the international system regarding security and peace issues, China’s participation has been selective in the way it approaches its participation as well as being cognizant of protecting and promoting its interest for resources to develop its economic needs.

**Additional Actions by China to promote Global Peace and Security**

China is committed to its responsibility within the international system and has played an important role in resolving key international issues facing the United Nations and its
Security Council. China has played an important role in helping nations hit by ecological problems that resulted in human catastrophe. China sent relief and troops to help Thailand, Sri Lanka, Indonesia, Maldives and other countries affected by the 2004 tsunami. China also sent relief and money after the Haitian tsunami. It donated $10 million to Myanmar and sent rescue troops after the cyclone in 2008. China has not wavered in using its growing influence to resolve important international issues that affect individual nations. It has not stopped in trying to induce North Korea to abide by the international law regarding nuclear weapons. With other members in the UNSC and Germany, it negotiated with the Iranian Republic to reach the agreement to stop Iran from developing nuclear (Hirono & Lanteigne, 2011; White, 2011).

**China and the International Criminal Court (ICC): Promote Global Peace and Security through National Reconciliation**

As the country continues to grow in prominence within international organizations, China has been promoting accountability in the case of crimes of international concern in its role to promote global peace and security. China has been supporting the efforts of countries to develop national authorities capable of handling serious crimes that have the magnitude of international consequences without interfering in internal issues. Even at that, China has taken a more cautious and skeptical approach to the jurisdiction and activities of the ICC. China views the actions and jurisdictions of this institution as infringing on state sovereignty and ignoring the authorities of national institutions and legal processes of a sovereign state in resolving domestic issues (Jia, 2006).
Lei (2014) stated that while China acknowledges that the ICC should operate within the stated rules of complementarities specified by the Rome Statute, China still holds the view that the institution is exploiting some loophole clauses within the statute by using it as an excuse to overstep its complementary role and exercising greater influence in a more discriminatory form. Guided by its own concept of non-interference, China believes that international court of justice should not stamped on a national peace process, neither should it stand in the way of sovereign state traditional and legal processes of pursuing national reconciliation. To clarify this view, China supported the African Union (AU) resolution on the relationship between African countries and the International Criminal Court on December 12, 2013. This resolution declared that no sitting African president will face any charges nor shall any charges be commenced in an international court or tribunal against any serving AU Head of State or Government or anybody acting or entitled to act in such capacity during their term of office. After the election of the Kenyan president, Uhuru Kenyatta, the AU forward a draft resolution to the UNSC for the ICC to defer the cases against the current Kenyan President and also Vice President William Ruto. China supported this motion from the African Union, citing that any leader elected through a national democratic process should be respected and in the case of Kenya that the wishes of the Kenyan people should be respected. As the Security Council failed to pass the deferral resolution, it further increased China’s concern regarding the use of these institutions by the West to infringe on peace and security issues that the institutions should be promoting. Article 16 of the Rome Statute that established the tribunal also stipulates the terms for deferrals of cases through resolutions of the UNSC. The ICC has no authority to suspend pending cases, which in its long wait could lead to a charged person rising to
sovereign state leadership. Rather the ICC adheres to the deferral decisions by the UNSC in cases where critical interests of global peace and security are in jeopardy. This reflects the most important aspect of the complementarities of the ICC which principally resides in the idea that, for a society taunted by the memories of civil conflicts and mass atrocities, judicial processes should always be accompanied by processes of national reconciliation, which must be achieved domestically, not internationally (Jia, 2006, Security Council 7060th Meeting, November 15, 2013, Lei, 2014).

This chapter described China’s increasing role in peacekeeping and the unique role China plays as it tries to balance its national principles and goal with demands and needs of the international community. China’s role regarding peacekeeping has changed dramatically in recent years. What is the future likely to hold?

**China’s Future Role in Peacekeeping Mission**

In the coming decades, China will continue to seek increased resources to sustain its economic growth and development. To best accomplish this, China will strive to maintain global peace and security through a more active role in the United Nation peacekeeping operations. It will also strive to promote a balance of power within the many international organizations currently in existence. China sees its peacekeeping policy as one amongst several fundamental principles to improve its security, which will in turn benefit its international environment and advantageously aid its economic development reforms. Having established trust through peacekeeping, the People’s Republic of China has opened a window of opportunity for the West to fully engage with the country in a more serious and productive way to resolve global peace and security issues. Its involvement has helped
the United Nation and its Security Council in improving relationships and opening dialogue with difficult regimes. For example, the current debate and resolution on Iran’s nuclear issues, North Korea’s interest in nuclear weapons, the Zimbabwe political conflict, Sudan and the Democratic Republic of Congo war, the Myanmar (Burma) dictator’s brutality against his people, have all demonstrated how far China is willing to participate in resolving global security issues. All these countries have trade relationships with China, but China has been decreasing some of the protection it gave to these countries in the past in favour of protecting global peace and security at the United Nation Security Council. The April 23, 2015 edition of The Wall Street Journal reported that China’s ambassador to the International Atomic Energy Agency (IAEA) indicated to the United States of America that North Korea’s threat is increasing. It declared that Pyongyang has developed approximately 20 nuclear bombs and is in the position to double that by 2016. This is just one example of China abandoning its closest ally in its quest to play a greater role in maintaining global peace and security. This implies that China is also becoming afraid of losing its resources and raw materials needed to sustain its economy, a possibility should China continue to support North Korea’s nuclear weapons programme. It is important to note that 20 years ago China would not have been in the position to reveal North Korea’s weapon activities because of its communist ties with North Korea and also China’s trading market. Most experts and commentators have accused China of helping North Korea to develop its nuclear arsenals. Thus, China’s willingness to report to IAEA about North Korea’s capabilities shows that China is now taking not only its own security seriously but also that of Asia and the global community at large. Jones, editor of Global Peace Operations, declared in the 2012 annual review that Western powers and the international
community should seize the opportunity to engage China in a more productive dialogue, encouraging China’s government to take more robust involvement in developing policies to coordinate other security concerns such as the rising crisis in the Middle East and the war on terror. These issues are serious problems that will not be resolved without Chinese involvement. China needs to continue to maintain a balanced cooperation and engagement with the other UN Security Council members as well as increase its involvement in the issues of international affairs without jeopardizing its core foreign policy principles. It also needs to continue to participate in United Nation Peacekeeping Operations (UNPKOs).

**Conclusion**

China has shown a serious commitment to peacekeeping. Its future role will be guided by this commitment as well as the expectation from the international community to continue to support peacekeeping missions authorized by the UNSC. The country must also be deeply involved and active in its role informulating, interpreting, and implementing ideas and concepts for the UNSC to promote effective and balanced global peace that will aid its economic and foreign relations interests. All in all, the Republic is more interested in promoting its status as a power player in the UN, and maintaining its status as a responsible economic power than in enhancing its status through maintaining peace and global security. How China continues to approach its peaceful role will be part of the discussion in Chapter Two, which evaluates China’s current involvement in international economic institutions for the purpose of strengthening its economy, trade and geopolitical global position. It concerns the institutions and China’s approach to promote a global balance of power.
CHAPTER THREE

China’s Interactions with the International Financial and Economic Institutions to Promote Balance of Power

As part of the international financial and economic system, the International Monetary Fund (IMF), General Agreement on Tariff and Trade (GATT) which later become the World Trade Organization (WTO), and the World Bank (WB) were created to facilitate the balance and growth of international trade. They were also required to promote international monetary cooperation through a strong and decisive institution that can serve as machinery in solving international monetary problems through consultative and collaborative approaches among their members. In exercising these objectives, these institutions were required to enhance currency-exchange stability and avoid competitive exchange depreciation. They were also to assist in establishing a multilateral system of payment and eliminate foreign exchange restrictions that will obstruct the growth of world trade. Further, they were also required to provide funds for infrastructural developments for their members, which helps to maintain growing levels of employment and income as part of their economic policy objectives. At the time of the establishment of these institutions in 1945 the United States of America (USA) automatically ascended to the leadership because it was the largest economy, accounting for almost half of the world’s product output. Ever since, the United States has been playing an influential role in nominating or electing who will lead these institutions (Jacobson & Oksenberg, 1990, Buiter & Lankes, 2003, Bhargava, 2006). The WB and the IMF are difficult to differentiate because they are both
owned and financed by the government of its members. The WB and IMF have the same characteristics in their operations. The WB is established to support individual countries development process by giving expert advice on selecting the important and useful projects that support the country’s goal and elevate its domestic potentials. Among the priorities of the WB is to help governments to on projects such as electricity, water and amenities that help their day-to-day life. On the other hand, the IMF oversees the adoption of major currencies convertibility, supervise the fluctuating exchange rates and help to balance the main currencies values to gold and also help countries to get quick loans when they are in distress so that they can meet up with their changing country’s economic needs. This supervision helps to identify any balance of payment problems or bad policies related to exchange rate within any country (Driscoll, 1996).

This chapter will focus on the relationship and interaction between China and the IMF, WB and the WTO to highlight China’s benefits and concerns of being a member. It will provide steps taken by China to promote global balance of power through the G20, and the newly established complementary financial institutions such as the New Development Bank (NDB) and the Asia Infrastructure Investment Bank (AIIB).

**China as a Member of the IMF and the World Bank**

China joined these institutions in order to learn from other countries how to support its economic development and how to promote global peace and security through equal development that fosters balance of power in the governing structure of these institutions. It feels that global peace and security is best suited for its economic development. Bottelier (2006) explained how the partnership between China and the key financial institution were
built. China joined the IMF as a founding member in December 27, 1945 with no obligation or responsibility. To be proactive and benefit from all the institutions China became a member of the WB in April 1980. To show commitment and responsibility within the WB and the IMF, China committed a quota reserve contribution of 4,687.2 million Renminbi (Chinese currency). This money was converted to the market value of major currency countries (US dollar, Euro, Japanese yen, and pound sterling of UK) known as Special Drawing Rights (SDRs). It was also converted to vote count. This amount means that China’s voting count in the institution is 2.19% (Buira, 2003). Figure 4 shows the voting composition of member states.

Figure 4.

Qu (2010) stated that China’s decision to actively engage with these financial institutions is a part of the strategic principles of the policy of openness and accommodation. It is a strategic policy that has had a greater influence on the economic wellbeing of the citizens, and has changed its attitudes toward a global system it once repudiated. China’s engagement with these institutions has taught the government and Chinese experts the best
approach to deal with other institutions within the international system. Bottelier (2006) further explained that as the Republic embarked on the reforms of openness and accommodation, its view of the international order began to change. As China continues to seek increased resources to sustain its economic growth and development, the People’s Republic of China has decided to engage with these institutions with more responsibility. China understands that to improve its infrastructural and economic development, its policy of openness and accommodation should include global cooperation that promotes global peace and security. After having become committed and proactive with these institutions, China began to be assisted by them. The IMF and the WB started to engage in helping China to improve its development. To sustain the economic growth in China, the IMF engaged China to develop macroeconomic policies. The IMF also helped China restructure some of its state owned enterprises, financial sectors and other external economic sectors connected to its economic policy of openness and accommodation.

Zhihai (2011) declared that China obtained large volumes of funds and aid to construct national infrastructure that was fundamentally important for the preliminary stage of economic development. And through seminars and expert advice, the Technical Assistance Department of the IMF helped China in areas of fiscal policies such as tax administration, central and commercial bank legislation, developing inter-banking markets, external current account convertibility, common foreign exchange market, and with economic and financial statistics.

Olson & Prestowitz (2011) noted that China has shown strong and responsive commitment with these institutions, using its influence where necessary to promote balance of power and equal representation within these institutions. China has learned from the experience
it has acquired from these international organizations to promote domestic principles as well as exploring its opportunities within the international organizations. China’s involvement is not just important for the Chinese people and its domestic development but also has helped to enhance the principles of the international system and these economic institutions. China is the most populated country in the world. China should be credited for its success as it has reduced global problems by making sure that the population is no more living in absolute poverty or hunger.

Morrison (2013) described how China implemented its policy of openness and accommodation to reduce the country’s poverty and stagnation level. China eliminated those economic policies that resulted in China’s isolation from the outside world and through its new global economic activities has introduced new policies of engagement and involvement. The new policy allowed China to open its borders to the free flow of international economic activities that involves trade and investment, import and export. He further concluded that China’s economy is growing faster than any economy in the world including that of the developed countries.

Moreover, China’s interaction with the international community has led to profound changes domestically. The restricted integration in the form of increasing flows of goods, capital, services, and people has evolved into more deep integration. This includes regulatory changes inspired by its interactions with the international system. Morrison (2013), states that China’s interest for economic growth and development is highly connected to its view about global peace and security and development. China’s integration into the world economy has benefited its growth. China needs capital flow and technology to improve its products and markets to sell its products. For these reasons, China’s focus
will be to continue to promote global peace and security. In striving to promote balance of power within the existing international organizations, China has been seeking for more reforms and flexible approaches in the ways these institutions approach issues related to developing countries. Some of the conditions attached to development for developing countries seeking financial assistance to upgrade infrastructures that create employment have been more of a detriment than an aid in development. Some of those conditions such as structural adjustment programs (privatization, deregulation, reducing corruption and bureaucracy), reduction of government borrowing through high taxes, lower spending, and high interest rates, were aimed at stabilizing currency, and increasing development among the poorest countries, emerging markets and developing countries in the world. He noted that in China’s views, global peace and security can only be achieved through equal development; through an open market system that promotes trade and creates employment and eradicates poverty. China has been advancing strong opinions and initiatives to promote a global balance of power. China’s policy change is not mainly built on the need for resources to grow its economy but also on its sustainability and global balance of power. To achieve this, it decided to join the WTO, which will help the country to open its market to the world as well as have access to global market for its own products.

**China’s role to support global trade mechanism through World Trade Organization**

China applied to become a contracted party member of the General Agreement on Tariff and Trade (GATT) on July 10, 1986. With a persistent need for resources to grow its economy, China decided to seek for more participation and responsibility within the international trade and market system. China applied to become a full member of the WTO
(established to replace the GATT) in November 1995 and six years later, on November 11, 2001, China was officially admitted. This means that China can participate in the global market system to export its product and import other products it cannot produce. China’s accession to the membership of the World Trade Organization did not come easily. It was required to sign many obligations as demanded by the Western governments that control this institution (Bhala, 1999).

Since joining the WTO, however, China has exhibited firmness and has been resolute in its commitment to promoting non-discrimination, free trade and transparency for enhancing global market and trade (Ostry, 1998).

Cross (2004) declared that China is the only nation that had its membership to the GATT/WTO delayed for 20 years and its ascension put to the worst scrutiny than ever before. Even after all these hard processes and scrutiny, criticisms still hang over China’s trading activities. According to the Economist of December 10, 2011 many Americans still have a negative view about Chinese trading activities.

61% of Americans said that China's recent economic expansion had been bad for America; just 15% thought it had been good. This partly reflects China's controversial currency regime. By keeping the exchange rate down, China's critics allege, it has gained a substitute for the mercantilist measures it gave up to join the WTO (The Economist, 2011).

It has not stopped local officials from discriminating against foreigners and claims that China is not doing enough to support the global trading system. Irrespective of all these criticisms, China has made a substantial effort to become not only a member of the WTO but part of an international system that will help it to not only to develop its economy but
promote its global policy of a multilateral system of equal representation, respect and even development. According to the same Economist report, China has blossomed into the world's greatest exporter and second-biggest importer. China has become the one of the world’s largest export and importer of goods. The policy of openness and accommodation’s success has taken economic experts by surprise. Figure 5 below shows China’s import and export since becoming a member of WTO.

Figure 5.

![China’s foreign trade](image)

Source: The Economics

China is also supporting other developing countries in capacity building through a bilateral and multilateral approach. In striving to promote a balance of power within the WTO, China has opposed trade protectionism, a practice mostly used by the West to protect local firms and industries. China feels protectionism supports neither global peace nor security, nor strengthens a developing country’s’ economic development strategy. As a result of China’s participation in the global trading activities it has reduced the cost of producing those goods of every day needs to the benefit of individuals living in poor countries. The Economist reported that many Western companies consider producing those products that serve the needs of the poor people. China participates in most WTO activities and operating
by the rules is a sign to believe that China is taking its membership with the organization seriously. In the ten-year anniversary of ascending to WTO membership celebration, Chinese leaders explained China’s participation and future role.

“China will adopt a more proactive opening-up strategy by exploring new areas, improving internal system, enhancing the quality of the economy, forming a new pattern of development and promoting development, reform and innovation” (Hu, 2011).

“China's opening to the outside world in the past 30 years and more tells us that only an open and inclusive country can be strong and prosperous, China will keep its door open forever” (Wen, 2011).

As the need for international institutions became imminent to avoid another world war and economic crises of high magnitude, the United States of America, the only country with strong economy and strong military power, seized the opportunity to expand its political ideology and marketing principles across the globe. The establishment of the United Nation and preceding economic institutions was based on the United States of America and other Western core principles and ideology reflecting their view of the world. Ever since the United States of America and its Western allies have always shown or exhibited dominance and greater influence in the operation and governance of these institutions and organizations (Wolf, 2009).

**China’s Approach towards promoting balance of power: The G-20**

As the predictions and speculations about the future role of China in the world continue to swell, there is a common opinion among economic, political and international relation
experts that the United States of America and its Western Allies’ values, principles and ideology on how these institutions and organizations should be run will start to change slowly. So also, as many institutions start to develop and poorer countries continue to develop and grow economically, other principles and values different from the United States of America’s and its Western partners will collide and the competition of global importance, relevance and acceptance will grow. (Economic, U. C., & Security Review Commission Report, 2005).

During the Asian financial crises of 1997 and 1998, Financial Ministers and the central bank governors of major developing countries and their Western counterparts (United States of America, United Kingdom, France, Russia, China, Japan, Germany, Italy, India, Turkey, Indonesia, South Korea, Saudi Arabia Argentina, and South Africa) met in Washington in November 1998 to discuss ways to combat the financial crisis as well as how to coordinate various international economic policies to avoid further crises of that kind. G-20 was the total number of countries represented at the meeting. Since the inauguration of the G-20, China has been participating in a more proactive way to make the group a platform to balance future global governance. More prominence was given to this group ten years after its inauguration as the global financial crises of 2008 started to spread deeply across the globe. The G-20 became an available framework for a joint action to fight the crisis (Nelson, 2010).

At this meeting, the then president of China Hu Jintao seized the opportunity to present China’s fundamental position on the need to reform the key economic and financial institutions system as part of his proposal to fight the crisis and promote equal representation in the governing structure of these institutions. Kirton & Guebert (2009)
declared that China and Brazil suggested to participate as the voice of the developing and emerging countries. They further declared that China and Brazil’s suggestion gave the conception to what the meeting would do to protect the developing and emerging countries from being hurt by the activities of the developed countries. The speech at the Washington meeting in November 2008 provided a clear document to understand Chinese policies for the establishment of a new world order through financial and economic institutions that will be inclusive, fair and orderly to support an environment conducive to greater global economic development. To promote balance of power and equal representation, China’s President Hu Jintao made the following proposals:

- A comprehensive reform that will not only focus on improving the international system, monetary system, financial rules and procedure but recognize the characteristics of individual country’s development and needs.
- All parties’ interest must be considered while building a decision-making and management system that expands proactive involvement of all members.
- Any reform should start with those minor and approachable issues built on stages leading towards an objective reform conditioned to maintain the stability of international financial market (Hu Jintao Addresses the G20 Summit on Financial Markets and the World Economy in Washington, November 2008).

As China continues to feel the inequality, discrimination and uneven representation within the structure and approach of these key international economic organizations, the G-20 became the only global economic governing platform that it can use to exercise its global influence and push for its reforms. In China’s views, the consequences of the financial crisis placed more burdens on the development of the growing economies and any approach
to combat the crises should consider helping them to maintain financial stability and economic growth. On the basis of this fact China sees the resolution of the crisis beyond the needs of the G-20. President Hu Jintao emphasized that developing countries should have greater involvement in how the international financial system is managed. For China the governance structure of international financial institutions should be reconstructed to accommodate more involvement and representation of developing countries. China’s call for reform was further highlighted in Xi Ping’s speech at his (Chinese current president) first participation in the G-20 meeting as president in 2013. He emphasized the need to reform, especially in the areas of macroeconomic policy coordination, financial regulatory reform, international financial institutions’ governance reform, trade, development, and most importantly, increasing the representation of emerging markets in the international financial institutions. He evaluated the financial crisis in this way

The world economy is gradually stepping out of the bottom, and the situation continues to develop in a good direction. At the same time, the negative impact of international financial crisis still exists, and there is still a long way to go for the global economy to recover. We should strive to shape a world economy, where all countries enjoy development and innovation, growth linkage, and interests’ integration. (Jinping, 2013).

**Problems with the G-20**

Nelson (2010) argued that the G-20 is a group born of crisis and is not defined by any international article, agreement or law. The future existence of the G-20 depends on how long Western interest and the manufactured crisis affect the reforms that China and other
developing countries are seeking. He further explained that the proposed reforms are ambitious and might be forgotten once the Western economies start to pick-up. The interests and concerns of non G-20 members are rarely discussed for the non-members do not take the forum seriously. In China’s view, balancing global security and political issues in this forum will be hard to achieve. China will continue to use the G-20 to facilitate its cooperation with other major powers as well as exploring the advantage of its position in stabilizing international markets to promote the country’s further development.

Creating New Financial Organizations: the New Development Bank (NDB)

After a long frustrated call for reform of the International Monetary fund and the World Bank, China spearheaded an alliance of the BRICS, which are Brazil, Russia, India, South Africa and China. With China’s leadership, the BRICS states collectively established a NDB to mobilize resources for infrastructural and sustainable project development among them and other developing countries. The Washington Post (July 17, 2014) described the reason for the establishment of the NDB as a result of long-standing dissatisfaction with Bretton-Woods institutions (mainly, IMF and WB) towards the developing countries and an alternative to global development finance, especially on the enforcement of conditions on countries seeking emergency loans. China and other developing countries saw vividly the evidence of imbalance in global power after the U.S. Congress refused to support the 2010 reform proposal from the developing and emerging economies, which was supported by the IMF’s Board of Governors to change the quota formula to reflect the global reality of the world economy. The contribution to global GDP from the emerging BRICS economies to these key international financial institutions has grown dramatically. China’s
voting power currently is counted at 5% while its global GDP has increased to 10%. Adding other developing countries voting power and GDP it is obvious that America does not want to change course. This quota system decided by the Western countries means that the BRICS countries, emerging markets and other developing countries carry an insignificant voting power in the IMF and WB governance and management. China has opted to join hands with other BRICS states to establish the NDB as another platform to promote balance of power within the international financial system (BRICS 2014 Agreement on the New Development Bank)

The proposed reform which China, the BRICS state members and other emerging markets are proposing would mean taking 6% of votes from over-represented Western countries to the under-represented emerging markets and other developing countries. It would also increase the allocated Special Drawing Rights (SDR) for emerging economies. The proposed reforms would slightly affect the U.S. voting power to roughly 16.5%, but would not affect its voting power to veto any future IMF proposals that require a supermajority. For China, BRICS states and emerging markets, equal representation and balance of power is extremely important in these institutions as it will reflect and recognize the developing characteristics of each developing country. The continuing imbalance in the management and governance of these institutions strengthens the continued imposing of Western countries’ political agenda on the developing countries, emerging markets and above all, the poorest countries in the world (BRICS 2014 Agreement on the New Development Bank)

In recognizing the need for power balancing, economic growth and development, increased resources and maintaining global peace and security, the articles of agreement and treaty
which established the NDB created a Contingency Reserve Arrangement (CRA) of $100 billion to balance the world financial order. One amongst the criticisms used by the BRICS nations against the World Bank and the IMF is that in times of crisis, developing countries receive less capital and attention than they required. To confront this issue, the CRA is intended to relieve the flow of capital in times of crisis. The bank will act as a facilitator to infrastructural investment as well as promote sustainable development in nations facing financial difficulties. The bank started with an initial paid-in-capital of $50 billion provided by China and each BRICS member country will contribute $10 billion over a seven-year period. These contribution shares to the NDB do not only represent equity for the contributing members, but will serve as each country’s direct representation in decision-making. In showing balance and equal treatment, the administrative positions of the NDB and the CRA will rotate among the founding members. When other incoming countries purchase their membership, an elected Board of Governors will cast equal votes to determine ranking leaders. Currently, the first president of the bank will be from India, the first chairman of the Board of Governors will be appointed by Brazil, Russia will appoint the first chairman of the Board of Directors, while South Africa will host the first regional bank and the headquarters, organization and management of the bank will be in Shanghai. With China’s leadership, the NDB is exhibiting balance of power structure. The difference between the NDB and the IMF is that the capital invested equals the votes each member receives. The bank also promises a faster, simpler and cheaper lending process that contrasts with the International Monetary Fund and the World Bank’s complicated, expensive process, and discriminative and subjective conditions (BRICS 2014 Agreement on the New Development Bank)
Importance of the New Development Bank (NDB)

The NDB can be seen as a response to crisis born of financial and political revolution but it recognizes the effect of the global financial crisis on the infrastructural development of the developing countries. It set aside an emergency fund to protect members against future crises. Members are required to combine estimated foreign exchange reserve to protect individual members from short-term capital flow volatility. This means that there would be access to funds for members whenever there is balance of payment problems. Establishing the BRICS Development Bank and the reserve fund would give China and the group a cohesive joint programme to formalize a strong alliance. The BRICS countries, with their own development bank, can now function in many aspects, especially as a trade bloc. This is so because the WB and the IMF have not been effective in promoting free trade and economic development that protects developing countries or the world’s poorest countries from trade protectionism, which are among their core responsibilities. They have allowed the European Union to act in many respects that are contradictory to free trade by exploiting the union market to prevent other country’s import by putting quotas and other trade barriers (Chen, 2014).

Issues with the NDB

Given the diversity of interests among BRICS members, it will be a concern to see how each member will collaborate against its individual interest for the common goal of the group. The BRICS have been under pressure to show that it is not just a loose grouping or an empty critique of the international system, but a real global emerging force to be reckoned with. The U.S. has used the IMF and the WB to exhibit financial dominance
across the world, even imposing its will against the will of other member states including the European Union. China needs to work out the fine line on how to balance its own influence and other BRICS members to avoid the mistake of power exuberance and dominance that exists in the IMF and the WB. The framework to which the BRICS Development Bank and the contingent reserve fund will be substantially different in it approaches to development is yet to be seen compared to the IMF and WB. The BRICS states have made this a key point in criticizing the World Bank and the International Monetary Fund. The role of citizens, civil society groups, the media and scholars in ensuring the BRICS Development Bank pursues lending that is ecologically sustainable, promotes inclusive economic growth and development that bases its operations on good corporate governance is not clear. Considering critic’s question about China’s transparency and manipulation of information, availability of information on each member’s investment activity will be carefully scrutinized (Center for Economic and Policy Research (CEPR) 2014).

It is important to note that although China and BRICS state have said that the intention for the NDB is not to replace the IMF and the WB in the near future it is not clear how it will complement them in promoting global economic order. However, there is reason to believe that the relationship between these institutions (NDB, WB, and IMF) would be a complementary relationship. And in the long run, the final outcome will result to balance of power between the two blocs, the developing world and the developed world.
China is continuing its push for balance of power with the actualization of the New Development Bank. China is spearheading a more inclusive and larger infrastructure bank that will support the development and improvement of infrastructures within Asia and other developing countries across the globe. Chinese President Xi Jinping announced the building of the Silk Road Economic Belt and the initiative to have the Asia Infrastructure Investment Bank in a speech delivered in 2013 to the Indonesia Parliament and Nazarbayev University in Kazakhstan. President Xi proposed that China and Central Asia join hands to build a Silk Road economic belt to boost cooperation in the region. He outlined the major dimensions of the initiative, policy communication, road connectivity from the Pacific to the Baltic Sea and the formation of a transportation network that connects East Asia, West Asia, and South Asia to facilitate trade, monetary circulation, and the exchanges between people-to-people (Habova, 2015).

On October 24, 2014 the Asia Infrastructure Investment Bank was officially established. The entire first 21 members participated at the ceremony in Beijing and signed the temporary memorandum of understanding for the establishment of the bank. These members are government representatives from China, India, Thailand, Malaysia, Singapore, the Philippines, Pakistan, Bangladesh, Brunei, Cambodia, Kazakhstan, Kuwait, Laos, Myanmar, Mongolia, Nepal, Oman, Qatar, Sri Lanka, Uzbekistan, and Vietnam. The full article of establishment is currently negotiated and will be finalized by the end of 2015 (AIIB 2014). Most of the countries participating as members of this large institution have always been skeptical of China. They have always viewed China as a threat to their peace and security (Renard, 2015). With this bank, China is showing its interest to create a
peaceful platform among its adversaries while pursuing global development and economic
growth.

The U.S. has been critical of this move from China. It has consistently warned its allies not
to join the bank for fear that it will not only give the institution more credibility but
dignifies China’s status as an influential power player in international politics and global
governance. It also argues that China has not clarified the governing structure of the Bank.
Despite all these fears, the United Kingdom (UK), France, Germany and Italy have signed
up to join the bank. Currently, the Asian Infrastructure Investment Bank has 57 members
representing five continents of the globe (Sobolewski and Lange 2015).

This is significant because it is more than the 37 members that established the IMF in 9145.
In exhibiting its role as a leader of equal representation and balance of power, China has
pledged to provide the initial 50 billion and 100 billion to capitalize the bank, the key
international economic institutions (IMF, ADB and WB) have all thrown their support to
the bank. The bank is not a rivalry or replacement to these institutions but a complementary
institution that occupies a vacuum. According to the ADB report, on May 1, 2015 that at
the 48th annual meeting of the Asian Development Bank Takchiko Nakao (President of the
Asian Development Bank) and Liquun Jin, (Interim Secretariat of the AIIB) agreed to
cooperate and work together on the problems facing the region’s economic development.
They acknowledged deficiency in the development of the region where the AIIB can make
improvements.
The need for the Asian Infrastructure Investment Bank (AIIB)

Infrastructure investments are an important element in international economic cooperation. Besides bilateral agreements, in most cases Westerners often use the institutional platform offered by the WB and IMF to negotiate the terms of financial assistance or donation with recipient countries, mostly the developing countries. This Western dominance approach through investment institutions is what China is challenging with the establishment and launching of the AIIB. The AIIB will finance new infrastructure development and support the improvement of existing ones in Asia Pacific by providing loans, equity investment and guarantees. It will support other productive sectors such as energy production and power, transportation and telecommunications, rural infrastructure and agriculture development, water supply and sanitation, environmental protection and urban development and logistics.

Conclusion

China has joined the international global economy institutions in a major and irreversible approach. Understandably, China has been a great beneficiary to the International Monetary Fund and the World Bank both financially and otherwise. It is now using its experience to help promote balance of power that will benefit everyone. China has learned how to implement some capitalist ideas within a communist system and is now looking forward to convert its large amount of foreign reserve into a global political influence that will promote even development, trade, market development and economic growth. China and other developing countries have increasingly called for equality and even development that will combat hunger, poverty and above all promote global peace and security. Through
the NDB, China and other BRICS states members will add dynamism and balance of power in global leadership. The BRICS Development Bank will influence the IMF and the WB to embark on a more open and transparent initiative that will be inclusive and promote global equality. By spearheading these institutions, China is showing how important global peace and security can be achieved through development projects that create employment for global citizens. China has involved its rivals in these institutions, meaning that China is ready to further promote its policy of non-interference to sovereign state internal issues. With the involvement of its rivals China has also shown that there is always a common ground for understanding and cooperation when it comes to development and trade.

Bonal (2002) concluded that China’s new policy is not to pursue a total free-market system but build its openness and accommodation within the principles, values and framework of the communist system. He further argued that the conditions for economic development have motivated countries to look for alternatives. A new direction is needed. The establishment of a complementary institution like the BRICS New Development Bank (NDB) and the Asian Infrastructure Investment Bank is highly needed not only to correct the strict conditions used by the IMF and the WB but to help to change them. It also signifies that China’s future role will be to promote global friendship that will sustain global economic development and enhancing global peace and security through a multilateral approach that respect every sovereign states domestic issues without interference. Support global market system that is fair and free from discrimination and mobilize resources for infrastructural development and sustainable project development within its region and other developing countries.
As China’s role in the world continues to evolve, the next chapter will evaluate China’s relationship with the developing countries and how it has established a relationship that will benefit its resources needs for domestic economic growth.
CHAPTER FOUR

China’s Relationship and Cooperation with Developing Countries

China’s peaceful development is based on its interest to foster a secure environment conducive to China’s future development, and to build a harmonious world of enduring peace and common prosperity. Engagement with the developing world is one among several policies China has adopted to achieve its goal. Continued building of cooperation and positive relationships with developing countries will guarantee China’s access to critical natural resources, including energy, and overseas markets for its products (Govt.whitepapers-china.org.cn dec.12 2005). This means that China will continue to seek increased resources to sustain its economic growth and development. To best accomplish this, it will strive to maintain global peace and security through building relationships and cooperation with the developing countries where it gets most of the resources it needs and markets to sell its products. China’s current relationship with these countries signals its future role in the world as it strives to sustain its economic growth, which has been the source of its global influence and aspiration. China will also strive to promote balance of power and equal relationships to convince these countries of its peaceful interest. Shambaugh (2013) observed that China’s growing economic influence has encouraged it to interact with countries across the globe, from seeking for resource from Africa, capital investment in the West and agriculture business in Latin America. This chapter will examine how China developed these relationships and cooperation with Africa, Latin-American and the Caribbean countries. It will also evaluate China’s policy strategy and
sustainability strategy for these relationships and ongoing cooperation with the developing countries in the future.

**Why China Needs the Developing Countries**

Building a good relationship and cooperation with developing countries is vital for China to acquire resource and markets to grow and develop its economy. China considers itself a developing country and its relationship with other developing countries can be traced back to the Cold War period. During this time, China focused more on its ideological and revolutionary agenda. With Western colonization and imperialism in countries across the globe such as in Africa, China presented itself as a leader against colonialism and imperialism. At this time China started to build a solidarity that gave moral and material support to the liberation movements fighting to end colonialism and imperialism. China’s solidarity at this time was built around African, Latin American, and Southeast Asian movements fighting for liberation. Presently, China is no longer focusing on those ideological emphases as the period of explicit colonization and imperialism is over (Mitchell, Eisenman and Heginbotham, 2007).

Tu (2008) observes that China’s interest has changed to supporting and promoting a collective and multilateral interest that will encourage development that results in global peace and security. In its role to maintain sources of resources to grow its economy, China sees development as a common aspiration shared by countries all over the world. On the basis of this principle, one goal amongst China’s foreign policy is to promote a multilateral world that respects state sovereignty and support any efforts to stop further interference from more powerful countries in weaker ones’ internal issues. As part of China’s objective
to seek resources for domestic needs, China has attached importance to the fundamental principles of each relationship, constructing new partnerships that will guarantee stability, equal benefits and at the same time strengthen a collective dialogue that respects its special interests and that of other developing countries (Chu, 2013).

Mitchell, Eisenman and Heginbotham (2007) also revealed that China officially acknowledges that it’s a developing country. It aligns itself with developing countries to achieve its global interest of a balance of power that supports equal representation and responsibility. Understandably, China’s expanding relationship and cooperation is mainly for resources and material needs to grow its economy. China’s consistent economic growth has been primarily dependent on its strong strategic relationship for resources which most of the developing countries in different regions and continent such as Africa, Latin America and Middle East provide.

The Chinese Foreign Minister Wang Yi explained the future role of China this way

The defining feature of present-day China are reform and opening up to achieve modernization, China needs to secure a peaceful international environment to develop itself, and safeguard and promote world peace with its development. It needs to enlarge the convergence of interest of all parties and work toward a harmonious world of lasting peace and common prosperity. This is why China’s diplomacy flatly rejects the law of the jungle, embraces equality of all countries irrespective of size and stands against hegemonism (Yi, 2014).

Thrall (2015) examined how China’s global outreach will affect the United States of America and observed that China’s interest is to acquire resources capability that will allow
it to build a strong economy as well as explore the opportunities offered by the growing population of the continent to market its finished product and hard equipment. Also China’s global outreach, especially with African continent is helping China to acquire international experience by experiment its core foreign diplomatic policies.

China’s need for resources to sustain its economic growth has made the country place more emphasis on its relationship with the developing world. To protect its energy needs to grow and sustain its economy. China has supported energy-producing countries in many ways. Such supports include: economic and military aid, diplomatic support, and other goodwill gestures such as humanitarian aid. China uses development and foreign aid as a practical policy instruments to promote political friendship and economic cooperation. This approach has helped China’s image as it counters Western approach of attaching stringent conditions, and strict criteria to their aid and development support.

Also Ahuja & Tatsutani (2009) noted that the aptness to combine all kinds of energy resources has helped the country to uplift the living standard of its citizens. It has offered industries the leverage to improve production by engaging in different production research to increase output. China’s interest in energy development and growth has been consistently growing for about two centuries. Though the challenges confronting energy development has not decreased.

**China’s Relationship and Cooperation with African Countries**

While there are concrete results that have benefited Africa and China in this newfound cooperation and relationship, it still has some problems. African These sell their raw materials to purchase technical hardware and some finished products. China benefits from
those raw materials and invests in areas where it needs to grow its economy. It encourages
domestic industries while creating markets for its products. But the problem is that most of
these investments enrich African leaders, helping them to consolidate power while poor
people living in those mining areas are left behind (Obiora, 2008).

Beijing has gone to great lengths to emphasize a peaceful development of Chinese power
and the outreach efforts in Africa can increase the credibility of this image, as well as reap
tangible diplomatic benefits through African support (Thrall, 2015). The relationship
between China and Africa has been long and deeply rooted to trade, and has undergone
many changes within the international affairs. As a developing country and continent,
China and Africa have a common view about international issues and systems.

China has taken a significant role in making Africa and other developing countries the
fundamentals of its foreign policy. To enhance this relationship and cooperation, China has
established diplomatic relations with almost all African countries. Through this diplomatic
relationship China has been consistently working out series of principles and policies for
the stable development and sustainability of Sino-African relations.

The Chinese policy of openess and accommodation means that China should reach out
more to other countries to establish cooperation that will help China acquire resources and
knowledge to build its economy. In carrying out this objective, the then Chinese President
Jiang Zemin toured the African continent in 1996. During this tour he put forward
proposals to further stabilize and strengthen the Sino-African relationship and cooperation
for the longer-term. These proposals that geared up to the 21st century included sincere
friendship, treating each other equally, unity and cooperation, common development and
looking into the future. Ever since, these proposals have become the foundation for China's foreign policies toward Africa and other developing countries in different continents. Every Chinese leader since Jiang Zemin has taken additional steps in strengthening the unity and cooperation between China and Africa by taking more a pragmatic approach in expanding those Jiang Zemin four principles in ways that forge cooperation into the future (Alden, 2005, Pere Le, 2007).

Cooperation to Strengthen the China-African Economy

China invited African leaders and business executives to Beijing in October 2000 to carry out a reasonable consultation, based on a deepening understanding, building a consensus on the best approach towards strengthening and promoting long lasting cooperation and a strong relationship between China and the continent. This outreach led to the establishment of the Forum on China-African Cooperation (Cisse, 2012). The first Forum of China-African Cooperation (FOCAC) was held in October 2000 in Beijing. It has become an important collective approach and effective mechanism to further consolidate and improve a direct cooperation between China and African countries. According to Wenping (2007) since the Cold War, there is an increasing awareness among African countries of the need to unite to increase their power by “speaking with one voice” to the outside world in order to effectively pursue goals of self-development and independent conflict resolution. The establishment of the African Union reflects a deep desire to achieve this. A collective multilateral mechanism, such as FOCAC, provides Africa with a platform to take action and strengthen its position through integrated
and strategic policy formulation on a comprehensive range of African issues. (Wenping, 2007, p. 36.)

Cisse (2012) observed that China-African trade relationships kicked off around 1954 and that since the new Chinese policy of openness and accommodation which allowed China to seek for resources to grow its economy, the trade between the continent and China has been growing to a surprising level. Brookes & Shin (2006) noted that in 1999 the annual volume of trade between China and Africa was $5.6 billion and $26 billion after the establishment of the CACF, Sino–African trade. This growing development can be seen in the export and import chart in Figure 6:

**Figure 6. Africa’s Exports and Imports Volume with China (in billion $)**

![Chart showing exports and imports volume with China](chart.png)

*Source: China Statistical Yearbook*

As China’s commitment to Africa increases so does the trade between the country and the continent increases. Rotberg (2015) noted that the relation between Africa and China became more profitable in 2013 as the trade between the continent and China grew to $200 billion and a 44% growth in direct investment. He compared this value to other African
trading partners in the West and discovered that none had such a significant amount of trade. In the same year the United States of America tangible trade with Africa was $85 billion while the European Union trade with Africa was $135 billion. This growth was as a result of the initiative taken by China to formalize and consolidate the relationship with the continent, minimize the rate of misunderstanding between China’s and Africa relations and work towards strengthening relationship.

The Forum on China-African Cooperation (FOCAC) is held every three years either in China or Africa. The forum has become an apparatus to promote diplomatic relationship that will encourage trade and investment relations between China and African countries as well as security issues surrounding the continent. It provides a governing framework and institutionalizing support for Chinese companies operating in mechanical equipment, oil and energy fields, which are the economic forefront of China’s foreign policy initiatives and cooperation with the continent. The first meeting of FOCAC, renamed from China-Africa Consultative Forum (CACF), brought a new dynamism to China’s cooperation and relationship policy with Africa on a number of multilateral levels. The table below shows the commitment China has made to sustain its relationship and cooperation with Africa in each and every FOCAC meeting. Overview of commitments made during FOCAC meetings.

|----------------|----------------|-----------------|-----------------|

Table 2. Overview of commitments made during FOCAC meetings.
### Financial commitments
Debt cancellation of up to RMB 10 billion for the HIPC and LDC countries in Africa within 2 years.

### Trade and investment
- give preference to import of African products —in the light of demands and conditions of the Chinese market
- ensure operation of Investment and Trade Promotion Centres by China in Africa and assist African states to set up similar entities in China.
- establish a China-Africa Joint Business Council
- create a China-Africa Products Exhibition Centre in China
- China will provide special funds to support Chinese investments in Africa

### Capacity building
- send additional medical teams to Africa, including equipment, in order to train local medical staff.
- establish an African Human Resources Development Fund (AHRDF)

### Cultural cooperation
- China will grant tariff-free access to some commodities from LDCs

### Trade and investment
- set up the China-Africa Development Fund (CAD Fund), an investment fund with US$ 5 billion capital
- increase the number of zero-tariff export items from 190 to 440 for the 30 least developed African countries
- establish 3 to 5 trade and economic cooperation zones in Africa within 3 years

### Other
- China will provide US$ 10 billion in concessional loans
- provide US$ 1 billion for African small and medium size business
- cancel debt associated with interest-free government loans due to mature by the end of 2009

### Capacity building
- Launch China-Africa science and technology partnership, carry out 100 joint demonstration projects on science and technology research and receive 100 African post-doctoral fellows in China.
- Train 20,000 professionals in various fields
- increase the number of agricultural demonstration centres to 20, send 50 agricultural technology teams, and train 2,000 agricultural experts
- launch a China-Africa joint re-search
Environmental cooperation

In areas including pollution control, biodiversity conservation, protection of forests, fisheries and wildlife management.

youth volunteers, and increase the number of scholarships for African students from 2,000 to 4,000 per year.

Infrastructure

▪ build an African Union conference centre
▪ build 100 rural schools
▪ build 30 hospitals

and exchange programme.
▪ build 50 China-Africa friendship schools and train 1,500 school principals; increase government scholarships to Africa to 5,500 within 3 years.

Source: Forum on China-Africa Cooperation

China has fully committed itself to the development of the continent through the key principles established first by President Jiang Zemin. It has continued to double its financial commitment to Africa since the establishment of FOCAC in 2000—from $5 billion in 2006 to $10 billion in 2009 and $20 billion in 2012 and if this is a trend China is likely to announce another impressive line of credits available for Africa during the 6th FOCAC meeting in 2015. All these commitments reconfirm China’s core objectives in Africa and outline the basis for the structure of the economic plan. A Chinese government white paper affirmed the establishment of FOCAC and stated how the cooperation could be strengthened. China’s African cooperation and relationship policy is consistent and working. It conforms to the interest of the two parties. Currently, this relationship is showing signs of a brighter future as China continues to increase its investment and aid to the continent.

Grimn (2012) noted that many governments and political experts in the West have argued that China’s relationship with Africa has neglected the issues of good governance and
human rights. It is obvious that lack of good governance could result in the misappropriation of the money from the production and sale of resources, which in general have fuelled corruption and underdeveloped political institutions and a crackdown on political opponents and civil movement. The argument resonates very well because the long term entrenchment of corruption centered on the exploitation of natural resources to serve political ambitions, in most cases create ethnic conflict and prolongs existing wars in the continent. However, Africa as a continent has never had foreign relationships or cooperation that resulted in an even distribution of benefits with either foreign partners or within the national level. Within the continent, citizens also have criticisms that the Chinese enter the continent with their own workforce, leaving the domestic African workforce in no better situation than before the time the Chinese and their businesses arrived. While all these arguments seem to be realistic, legitimate and sensible Chinese investments have in some ways generated some opportunities to improve the continent’s economy as well as helping the continent to improve its battered infrastructure. Yun (2014) noted that China’s purpose for offering African countries large sums of aid could be seen as warm-hearted but not selfish. China tries to distance itself from their domestic political issues and has not attached any political conditions to the aid it offer to these countries and the continent at large. Its focus has been on how both China and the continent can strengthen their economic development. China’s purpose is to acquire resource capabilities it needs to grow its economy and improve the life of its people, help Chinese enterprises to explore the opportunities offered by the continents growing population market, and support the growth of the Chinese labour force. However, China has denied that it has no special interest in
giving aid to Africa and argued that it also provides aid to other countries and regions where it has no business interests or relationships.

Functioning markets within the African continent is a precondition for the economic gains, strong relationships, and global influence that China and Africa hope to portray. For all the progress made by this new-found cooperation and relationship in trade and development to continue, Hon, Jansson, Shelton, Liu, Burke, & Kiala (2010) propose that China should find solutions to the unemployment problems facing the continent. China can improve its image by finding balance between Chinese labourers and unemployed citizens. It has to improve the condition of workers by paying attention to their development and civil rights. There should be a framework in which the Chinese companies and local enterprises cooperate in executing important projects as it will help the technology transfer and knowledge that the continent seriously needs. China should work extensively to close the gap between the local governments and Chinese representatives in these countries. China should recognise the need to involve the local citizens in their projects especially in areas where mining activities are carried out as the consequence of revolution against its citizens that this presents might be too costly for the hard work it has put in developing this vital relationship for its economic growth. There is also the need for Chinese companies to look for local sources of materials for local construction rather than continue to import them from China. It does not help the image of the Chinese presence and might be misinterpreted at any time.

China will continue to explore this strong and long-term cooperation with Africa to further its interest in acquiring those resources it needs to grow and sustain its economy while
fostering its aspiration of global influence. In the same vein, Africa will continue to improve its infrastructure and development through China’s financial support and experience. In this bond China will be wary of any conflict that will jeopardize this interest as it will have a serious consequence for its domestic political stability. China is poised to expand its African strategy and experience to other continents where it is building strong strategic relationships aimed at acquiring resources and markets for its domestic needs.

**China’s Relationship with Latin America**

President Jiang Zemin made a landmark visit to four countries in Latin America in 2001. This visit opened the door for senior officials and business leaders between China and Latin America to discuss political, economic, and military issues. Since then, the volume of trade between China and the region has also increased. President Hu Jintao travelled to Cuba in 2004 and visited Mexico in 2005. Since Presidents Hu’s visit, leaders of Argentina, Brazil, Chile, and Cuba and several others in the region have made economic cooperation visits to China. China’s economic engagement in Latin America responds to the requirements of a booming Chinese economy that has been growing for the past three decades. China has expanded contacts with Latin American countries through common membership in or dialogues with regional and sub-regional multilateral organizations and fora, including the G-20 summit, the BRICS, Community of Latin American Countries (CELAC), the Rio Group, and the Southern Common Market (Mercosur) (APEC, Swaine, 2014).

Nolte (2013) noted that China and Latin America’s economic cooperation started at the beginning of the century and that it has grown so significantly that China’s trade importance is felt across the region. China has been active in providing loans to most of
the Latin American countries and carrying out strategic investments in the region. Despite all these activities China’s main objective is to acquire the raw materials it needs to develop its economy. Ratliff (2009) argued that the expanding ties of China are directly related to its explosive economic growth, escalating need for raw materials, markets, and food to sustain the growth and satisfy rising consumer demands, as well as its increasing drive to participate in world affairs.

**China’s Out-reach Model**

China is extending its loan and aid support policy to Latin America too. Considering that conditions offered by China for its loans are different and simpler compared to the IMF loan policies, developing countries have little or no problem in accepting it. Unlike the IMF, China does not attach strict conditions to its loans. All it wants is a guarantee that loans will be paid back. China has left the condition for repayment to the recipient country. As the NDB enters into the operational phase of its establishment, it will help the region overcome the ugly experience it has had with the IMF since the 1980s (Ross, 2014).

The Economist (March, 2007) declared that one of the advantages of state-led development is that China can entice countries with packages of corporate investment, cheap loans and other aid assistance. This way, China has rapidly acquired interests and influence across swathes of South-East Asia, Africa and Central Asia. Dosch, & Goodman (2012) asked if this type of package is China’s model? They observed that China has extended its aid policy to the Latin American region. Taking active role in the development of institutions that supports the development of the regions natural resources which China needs for its domestic purposes. Between 2002 and 2007, China committed $26.7 billion to initiatives
aimed at the region’s infrastructure development. But unlike Africa where oil and energy are exchanged for manufactured goods and hard equipment, China imports soybeans from Brazil and Argentina, and copper from Peru and Chile. China has begun to make notable inroads all around Latin America in the supply of credit and financing to resource-rich and credit-deficient nations throughout the region. Brandt, Hottle, Adams, Aujla, Dinh, Kaufman, and Tuck (2012) concluded that most of China’s loans, which have grown immensely in the past decade, are aimed at natural resource extraction. Since 2005, China has provided approximately $75 billion in loan commitments to Latin America. The China Development Bank (CDB) and Chinese export-import bank are the number one and two sources of credit respectively. Since 2005, Chinese export-imports bank have out-financed US export-imports by a factor of four, or $8 billion as opposed to $2 billion. The new China-Africa relationship kicked off in 1996, the Latin American and the Caribbean’s initiative kicked off in 2001. China is not drawing back in using aid and investment to create cooperation and relationship. China invited all 33 Latin American and Caribbean heads of state to Beijing. This invitation is a replica of the 2000 meeting with African leaders in which FOCAC was established. It is China’s deliberative and cooperative approach of creating understanding and trust for a common economic development through a common forum. The China-Latin American and the Caribbean Forum was established in 2011. Following the establishment of this forum, on January 8, 2015, Chinese President Xi Jinping promise that China will invest $250 billion on project that will help the region of Latin America to continue to develop and grow its economy. He also emphasized that the relationship between China and Latin America will be an example of China’s interest to promote global economic growth and development (Reuters Jan 8. 2015).
Jiang (2009) argued that China has maintained its interest in promoting global peace and security and to achieve this goal it is trying to engage developing countries including Latin America. He added that China’s engagement with the developing countries has political agenda. Similarly, Lafargue (2006) declared that

China’s peaceful ascendancy in Latin America may induce some governments to break with Taiwan, thus intensifying the island’s isolation. Among the 25 states that maintain diplomatic relations with Taiwan, nearly half are in Latin America and the Caribbean: Belize, Costa Rica, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay, the Dominican Republic, Saint Kitts and Nevis, Saint Vincent and the Grenadines, and Salvador. Taiwan could lose the support of a close ally since Daniel Ortega won last November’s election in Nicaragua. The United States is also concerned by China’s growing military influence (Lafargue, 2006, p. 10).

Latin America is not on the same level with Africa when it comes to economic development and growth. The region has experienced years of strong economic development and it will give the region the leverage to work out far better relations with China and avoid so much dependence on China’s aid. (Ross, 2014). While there is a reason to understand that China’s aim is to build resources but on the global peace and security side China still recognizes that most of these countries in Africa, Latin America and the Caribbean recognize Taiwan as a sovereign state. China recognizes Taiwan as a province of China while 12 Latin American and Caribbean states recognize Taiwan as a sovereign state.

The global presence and importance of the role China is playing through its ongoing expansion is real. While China is gradually moving away from the cheap factory of the
world, it is obvious that China’s role as central place for production, investment, import, and export is not going to disappear very soon. However, there have been many criticisms from Western governments and experts that China’s intension for the ongoing expansion is not clear. Fortunately, the China effect on developing regions and countries, and on the sectors and actors within them, varies widely. And having a global impact on development, it would be hard not to believe that in its new role as foreign investor China will do all it can to continue to promote global peace and security except if provoked to another humiliation which in the current century will be hard to comprehend.

**China’s Middle East Cooperation and relationship**

China approaches its foreign relation and cooperation with developing countries with the same model and policy of building and developing a broad and collaborative partnership based on equality that holds on common benefit, and widespread development. Middle East and Asian countries are no exception. China’s needs the oil and energy sector in the Middle East. To invest and benefit from the opportunities provided the region it has to extend it openness and accommodation to the region. China recognizes the important of infrastructure development in its foreign policy and cooperation with the developing countries and has made it one of its key areas of investment in the region. China sees a lot of benefits in the tourism business and has made it one of China’s investment interests in the region.

According to Alterman (2009), one of China’s major markets for its hard equipment and industrial machines is the Middle East. The region also imports most of its automobiles from China. Trade between the region and China has been increasing since 2000 and as of
2006 the value of trade between China and the Gulf states of region was $40 billion. China’s need for hydrocarbon is one of the reasons for the increase trade benefits the region and China has seen over these years. As China’s need for resources and markets continues to grow so does its trade with the Middle East. As of 2006 trade between China and the Middle East has risen 87% which was approximately $100 billion and in 2012 it further increased to $222 billion which is more than a 100% rise.

Feng (2015) went further to state that infrastructure construction to facilitate this energy trade has further increased interdependence between the two sides. In 2011, Qatar built its first terminal in China, in the eastern coastal province of Jiangsu, after the China National Petroleum Corporation (CNPC) signed the first long-term (25-year) Liquefied Natural Gas (LNG) supply contract with Qatar for 3 million tons per year. In the same year, Qatar’s largest ship for LNG transport, with a load capacity of 266,000 cubic meters, began offloading exports at the Jiangsu CNPC Rudong Terminal. Meanwhile, China expanded its conduit capacity, railways, and other road communication infrastructure through inland routes to Central Asia and the Gulf states. According to Kazemi & Chen (2014), China’s main interest in the region is not limited to oil and energy but incorporates all other aspects of China’s increasing influence around the world. They viewed other roles China is playing as much more than just seeking for mineral resources. They also reviewed how the Chinese Railway Company finished on schedule the construction of the Mecca Monorail in Saudi Arabia before the beginning of the Muslim pilgrimage of Hajj in Mecca 2010. Also recently, China and Iran signed an accord to establish a linking rail transportation system to facilitate business and the movement of people between China and the region.
Conclusion

The extent of China's impact on the global economy especially with the developing countries’ has been widely documented. China has emerged as the developing countries dominant trading, aid and investment partner. Many of these countries’ natural resources, agricultural producers and oil producers are highly dependent on export income from China. As interdependence in energy and trade deepens over time, their corresponding importance to each other in business and strategic relations will also increase. Continued strategic planning and adaptation to each party’s interests are therefore essential for both China and these countries. In whichever way China or the developing countries adapt to their strategies, their comparative positions, cooperation and relationships would remain important in decades to come. In further evaluating China’s future role in the world, the next chapter will focus on the relationship between China and its Asian neighbours.
CHAPTER FIVE

China’s Relationship With its Neighbours

The fact that China shares borders with more countries than many other countries in the world shows the geo-political environment for its existence is complicated and makes it more difficult to maintain peace and security. According to Wenwen (2012), China shares border with 14 countries (namely: North Korea, Russia, Mongolia, Kazakhstan, Kyrgyzstan, Tajikistan, Afghanistan, Pakistan, India, Nepal, Bhutan, Myanmar, Laos and Vietnam) with the land border covering about 22,000km. China has had, or still has, border issues with some of these neighbours. This complicated geo-political environment and the unresolved border issues is creating heightened questions regarding China’s future role in the world as it continues to pursue economic growth and development. In most cases, China’s relationship with its neighbours has been viewed from the perspective of China’s border disputes with Japan and the East China Sea, the South China Sea which involves the Philippines, Vietnam, Burma etc., China-Indian border disputes, and the independence of Tibet and Taiwan. While all these issues linger, China has continued to seek increased resources to sustain its economic growth and development. In recognizing the effects of these disputes on its economic interest and the complications it has given to China’s image, China is striving to show its resolve in promoting balance of power within the many borders it shares and its interest in maintaining global peace and security through economic development.

In a keynote speech made at the Baoa Forum for the Asia Annual conference in 2013, President Xi Jinping stated that China will continue to develop itself by securing a peaceful
international environment and at the same time uphold stability and promote world peace through development. At Boao, Hainan (2013) reported that President Xi Jinping declared that China will support any effort that will enhance the cooperation among the countries in the Asian region and the world at large. It will make sure the link between China and its neighbours are strengthened, seriously take advantage of the opportunities offered by the Asian finance plans and help to elevate the unity and commitment that exist among the countries in the region. China has been actively involved in resolving serious international problems. As a member of the UNSC with veto power, China recognises how important it is to collaborate with other nations in solving serious problems in the region. (Chinese Foreign Minister Wang Yi, 2014). Since the establishment of the People’s Republic of China, it has made a lot of sacrifices for a peaceful resolution of some border issues within a deliberative process held in common benefits (Hongyi, 2009).

Wong (2015) reported that Chinese attitude is girded by the national policy of protecting national interest. He quoted Ms. Zheng Peidong (Counsellor and Deputy Head of Mission, Chinese Embassy in Bangkok) as saying

For safeguarding national core interests, China has repeatedly said that we adhere to a peaceful path of development but will never give up our righteous interests and sacrifice the core national interests (Zheng Peidong).

Wong contends that such statements play into the hands of those wary of China’s claim for global peace, stability and security through economic development.

It will be better for China to go back its old phrase of “peaceful rise” to convince its neighbours that China is not a threat to them. Even if China does this it is not clear if the
neighbours will believe China is genuine and accord the country the same respect it once commanded during the Middle Kingdom (1850). It will not be easy for China because it has been long since China was humiliated in the opium wars and it lost all its influence. Trying to regain the same status would require a lot from China. However, by integrating its economy with other countries across the globe China has achieved much and cannot engage in any conflict that will jeopardise the benefits it has worked so hard to achieve (Wenwen, 2012).

For China to continue to grow and develop, it has to be serious in resolving most of the key border and territorial issues with its neighbours (Hongyi, 2009). However, Beckman (2013) suggested that there is no law protecting sovereignty in the region and the United Nation’s rules and conventions should be used in finding solutions to the conflicts. The parties involved show willingness resolve issues rather than playing into the domestic nationalistic principles that benefits no one. Kouk (201) recorded that the Philippine government has taken this initiative by reporting China to the United Nation tribunal to use the declarations on sea borders to resolve the issues. This move by the Philippines did not go down well with some countries in the region, especially the region’s biggest organisation ASEAN who argue that it is within their jurisdiction to resolve such issues. This chapter will look into the history of China’s land border and maritime disputes and its relationship with its neighbours and examine the current situation. Many experts and Western governments see an increasing rivalry development with China. These neighbours fear that China might become confrontational as its power continues to grow in both the economy and military.
The chapter will review opinions on the confronting issues and the steps China has taken from its other side of the central border to promote peace and stability.

**A Brief History of the Border Disputes**

The border issues confronting China and its neighbours might have been created by the Western imperialisms or wars that existed long a time ago. On the Southeast area, Vaughn and Morrison (2006) observed that China’s interaction with Southeast Asian countries has a long history. China’s dominance in the Southeast Asia has some historical implications because, during the Ming Dynasty between 1405 –1433, China had a strong control over Vietnam and Burma. In most of the countries in the region, there are visible presence of Chinese citizens, especially in Malaysia, Indonesia, Thailand and the Philippines. Furthermore, China’s adoption of a communist system allowed it to support citizens in these countries agitating for a communist movement.

Similarly, in the East Asia, Naidu (2007) noted that the recurrent change of power in the region has contributed to the evolving relationship among the nations. The most dominant influence in the region has been India and China. This can be seen in the spread of the two country’s culture, religion, linguistics and economics. With the destruction of these values by the imperial government, the region completely fell apart. The rise of Japan and the United States of America as economic powers as colonialism and imperialism started to wane did not help this region but added to the problem as their influence became insurmountable.
Fairclough (2014) observed that the dispute over borders resulted also from the free and open mountings that exist between China and India which none of them had control over but rather was used as a buffer zone that separated the empires in the region.

The understanding between these countries and China on the historical facts about these borders and territories that were not specifically well defined would help in reducing the tensions. Storey (2014) was of the opinion that to accelerate in solving these problems responsibly each party has to show a high amount of commitment and be willing to make sacrifices and avoid over nationalistic domestic politics. Regrettably, this is not going to happen soon because each party still holds to its definition of where the borderline should be. With the perils of colonialism and imperialism suffered by these countries in the region from the West and Japanese occupation, nationalism and defence of sovereignty has become more delicate and vital. The government of every party involved does not want to be seen as incapable of defending and protecting the sovereignty and interest of the nation it governs.

**China – India – Tibet**

British Empire continued to expand its imperialist government into the middle of the 20th century. The success of British imperialism in Southeast Asia was enhanced by its application of free and wider areas that the separated countries it colonised. It tried to involve its colonies in discussing the boundaries between them but never took their interests seriously and decided the boundaries as it deemed fit. It was the representative of the region Sir McMahon that single handily decided the border between India, Tibet and China. The approach to decide the boundaries on its own was part of the colonial principles
that benefited its economic and international power policy of the time. China opposed the decisions of the British Empire on the borders because it recognised that it only benefited British interest and not the region. All the issues of border definition happened during the most critical time of the colonial period between 1913 and 1914 when Britain was seriously in need of resources to grow its domestic economy. (Global Security Report September 27, 2014).

China had never recognized the boundaries created by the British colony with India and without its participation and consent. On the other hand India is trying to maintain the territories it inherited from the British government after it got independence. Even at the boundaries India is trying to maintain, it still makes more claims meaning that the two countries are not satisfied with the border decided by Britain. Presently, each of them is maintaining the border it claimed after the 1962 conflict between the two countries (Rajan, 2015).

**China – Taiwan**

Presently, China and Taiwan are maintaining a status quo relationship, keeping the consensus reached in 1992. But central Taiwan government’s domestic politics has alienated mainland Taiwan that supported China during the 1949 war between the countries. With the mainland leaning towards China it has emboldened China to maintain its one China policy which the national party in Taiwan has consistently rejected (Roberge and Lee, 2009).
China – South China Sea

China is facing the most complex and arduous border dispute in the Southeast and the North. In southeast Vietnam, the Philippines and China are all claiming territories and water. While in the North, Japan is claiming the Sankaku Island because it is no man’s land that it took over during the war between the two countries. China refutes this claim and argued that there is nothing like *terra nullius* (no man’s land) on territorial and land ownership. China claimed that the territory belongs to it as it is called Dia yu in Chinese.

The island is very rich in resources which both countries need for their economic development. The conflict started in 2010 when a Chinese fishing vessel plunged into a Japanese Coast Guard vessel and ever since then both countries are playing into their domestic nationalistic politics and presenting different documents under the international law of the sea to prove its territorial right over the island. Even with all this back and front, China has intensified its authority over the island. China has built two large coast guide vessels in the Island and established an operating coast guard on the island since 2013. Currently, China has two surveillance ships operating on the island and an air-defence system. China has classified a large portion of the island as an Identification Zone that requires every commuting transport around the area to seek China’s clearance to go to the island.

This dispute is not too different from other border disputes China has or is facing. Its manufactured by the evolving geopolitical system that span through the period of wars and imperialism. While Japan believes that China is acting unilaterally and shifting away from the joint agreement entered by the countries to jointly develop the East China Sea it faces
the risk of how to react to the strong establishments China has made on the island. If Japan tries to react aggressively to compete with China on the island there might be an unintended collision that might escalate the conflict which will not benefit either China or Japan and will eventually destabilize the region as a whole (Lee, 2011; Wade, 2013; Rajan, 2015). With all the influence China has established on the island it still has an image problem internationally.

Nye’s declared that

Unless China is able to attract allies by successfully developing its ‘soft power’, the rise in its ‘hard military’ and economic power is likely to frighten its neighbours, who will coalesce to balance its power. But political leaders and the media in the US and Japan also have a responsibility to act on Nye’s other point, that its neighbours and the U.S. should ensure that China does not feel encircled or endangered. He concluded that they are conspicuously failing in this respect (Nye, 2013).

Vaughn and Morrison (2006) conclude that due to all the historical misunderstandings, conflicting border disputes, China has fallen back to the image problem it was able to erase after its role in alleviating the problem caused by the 1997 financial crisis in the region. However, China’s economic engagement and cooperation with both countries and regional organisation is giving China a face different than the aggressive and threatening country of the region.
China’s Current Role in Promoting Good Neighbours for Its Economic Development

China has demonstrated that it can solve border problems but it needs a partner that is willing to engage in a collaborative and deliberative approach that will result in a “no victor no vanquish”. With Russia and other neighbours in the East, all border issues where resolved and a new relationship and cooperation was established (ECRAN Report, 2010).

In expanding its global out-reach for economic development, China called a meeting of five neighbouring states (China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan) on April 20, 1996 in Shanghai. After discussing about the border issues and other economic cooperation the Treaty on Deepening Military Trust in Border Region was signed. Singlehandedly, China has been coordinating the affairs of this treaty and with the admission of Uzbekistan to the organization at the annual meeting in Shanghai in 2001, the strong Shanghai Cooperation Organization was established as a strategic model towards creating peace along the borders. This military alliance was created as it allowed China and Russia to also sign another Treaty of Good Neighbours and Friendly Cooperation which involve the demarcation of the two countries' long-disputed 4,300 km border, arms sales and technology transfers, energy and raw materials supply, and to contend with the rise of militant Islam in Central Asia. The organization extended its relations by inviting two nuclear warhead countries, India and Pakistan and others like Iran and Mongolia, as observers in their meeting in Astana in Kazakhstan in 2005 making then a strong military alliance in terms of population and weaponry. In trying to consolidate this organization the countries have embarked on a series of large joint projects related to transportation, energy and telecommunications and held regular meetings on security, military, defense, foreign
affairs, economic, culture, banking and other official issues of concern from its member states (Scheineson, 2009; Hessbruegge, 2004).

The ability of China to resolve many of its border issues brings into question the reports of border intrusions. They happen because the countries involved have mildly different versions of maps and neither side wants to insist on fixing them as it could potentially blow up. Everyone claims and reports intrusions based on its own ambiguous cartographic assessments. All these countries are exploiting the media and shouting aggression, when eventually they could sit down in a more deliberative approach to resolve them. It is also understandable that none of them is ready to escalate the situation because of the economic interests they share. There is no reason to believe that these countries will engage in a cold war or mini arm race like the US and the Soviet Union. Every country involved in these border issues has intrinsic different geopolitical, economic and political systems. They use the border issue to play a nationalistic game that protects their individual domestic political interests.

Economic cooperation and integration between these countries seem to help in solving the border issues. Although there have been scholarly reports, media reports, and commentaries about the border tensions and political rivalries between China and India, the two countries have been exchanging high level diplomatic visits and cooperation since 1993. The current Chinese President Xi Jinping visited India in 2014 and the India Prime Minister Narendra Modi just visited China in May 2015. As a result of all these visits, there have been some significant developments to reduce the border tension between the two countries. These high profile visits and negotiations have produced some important
bilateral agreements to maintain peace and tranquility along the lines of actual control on the India-China Borders (1993), Agreement on Parameters and Guiding Principles for Settling Questions (2005), Working Mechanism for Consultation and Coordination on India-China Borders Affairs (2012), and in October 2013, China and India signed the Border Defense Cooperation Agreement (BDCA) (Rajan 2015).

The two countries have continued to implement confidence-building measures through trade. Ram and Saurabh (2015) observed that China and India have made progress in trade. From a total of $2 billion in 2001, trade between the two countries rose to $65.86 billion in 2013. There is hope that this increase in trade will reach $100 billion in 2015. However, experts believe that India is experiencing a trade deficit with China but argues that investors from both countries have a lot to benefit in the future. Also the partnership in the BRICS New Development Bank and the Asia Infrastructure Investment Bank will further strengthen this cooperation and peace between these two countries.

Saman (2014) believes that China’s interest is not to attempt to counter-balance neighboring countries influence in the region, but rather to promote its wider goal to seek resources and markets to develop its economy and rise in prominence in international affairs. China is thoughtful with issues related to marketing opening and trade. It realizes the importance of commuting and communication of people and business to its development objective. To improve and enhance the transportation of people, goods and services China has joined the government of Bangladesh, Pakistan and Sri Lanka to construct roads that link the countries. They have also built seaports that commute and transport good across their major cities. In his visit to Pakistan in April 2015, Chinese
President Xi Jinping signed an agreement of China-Pakistan economic corridor and a $46 billion investment project that will cover the building of railways, pipelines and other communication networks. After the agreement, Pakistani Prime Minister Nawaz Sharif said that the relationship between China and Pakistan is based on shared ideals and principles of mutual trust, mutual benefit and mutual respect.

In South East Asia, Vietnam is one of the countries where the suspicion of China’s growing power is most feared because of the war between China and Vietnam in 1979. In June 2013, the President of Vietnam, Truong Tan Sang, visited China. During that visit the two countries signed a strategic partnership relationship and ever since China has become Vietnam’s major trading partner. During the visit, the two countries decided to put aside the territorial dispute between them to pursue other economic development issues that will work well for the two countries. Focusing on economic development issues led to the two countries to sign a maritime operation work group agreement. During the 2013 ASEAN summit, President Xi Jinping visited Indonesia and Malaysia, while his prime minister visited Vietnam and attended a meeting of Asia-Pacific Economic Co-operation (APEC). He also had a meeting of cooperation and partnership with ten other members of the ASEAN. In his visit to Thailand, Prime Minister Li entered into agreement with the government to buy more rice and rubber and at the same time reveal the idea of the AIIB to help most of the regions pressing needs. As President Obama was absent at the ASEAN summit because of the United States of American’s domestic issues, China took the advantage to show how important it can be for the Southeast countries. China feels that the
United States’ interference in the South China Sea is emboldening Vietnam and the Philippines to stand up against it over the sea (The Economist Report Oct. 19, 2013)

In the region, China is both an important trading partner and a formidable competitor for market share, manufacturing, and foreign direct investment (FDI). China is consolidating its resource seeking capability while promoting global economic development that is free and respectful of state sovereignty. Southeast Asian policymakers increasingly see their countries’ economic fortunes tied together as well as to China. This has spurred vigorous trade diplomacy from ASEAN members targeting three goals: increased ASEAN integration, closer ties with Asia’s economic powerhouses China and India, and closer ties with the United States, the EU, and Japan to gain market access and maintain balance in their economic portfolios (Miller, 2015).

Chinese leaders have consistently declared that its economic development is for peaceful purposes and have not resisted in trade and economic development to promote peace and security with its neighbours, including the rivalries. Every media outlet and international paper continues to report on the escalating border dispute on the China-Sea. Despite these reports on the dispute, both countries have engaged each other on a more benefiting trade cooperation that is important for their economy. China has emerged as an important trade partner to the Philippines. While the trade between the two countries is growing every year, their volume of trade is not at the same rate that other neighbouring countries like Indonesia, Singapore and Malaysia are having with China, which some of the leaders and economic expert from both countries attributed to the feud over their border.
Wong (2015) declared that despite the security issues, trade between the two countries remains stable and is even growing in a considerable rate, from $12.32 billion in 2011 to $12.84 billion in 2012. The increasing statistics on the volume of bilateral trade between the two countries has shown that the border feud has had no serious impact on their economic relations than often assumed. The two countries can do better in all relations if the seize this opportunity that offered itself.

Despite the One China policy, economic development has made China to recognize the autonomy of Taiwan as it actively tries to involve Taiwan in its relationships and cooperation building agenda. For the sake of economic development, China is striving to promote peace through economic cooperation and partnership with its rivalries. Bilateral trade between China and Taiwan has been growing. The tension between the two countries has diminished since the election of the current Taiwan President Ma Ying-jeou who agreed that the relationship between the two countries should be based on what is often called the 1992 consensus (one China principle). Even in accepting the 1992 consensus, President Ma also wanted increased cultural and educational exchanges but believes that Taiwan will not accept any political unification with China. He also insists that Taiwan will not declare independence, which has been the cause of the tension between the two countries. With the new Taiwanese government, China is one of Taiwan's largest trading partners. Taiwan's can export to China and vice-versa.

As part of China’s approach to peacefully maintaining autonomy for Taiwan, the Chinese government supports the initiative for Taiwan to participate at the World Health Assembly (the governing body of the World Health Organization) with observer status, in May 2009,
as Chinese Taipei. This was remarkable because it was the first time China had given such a freedom to Taiwan to participate with observer status in any United Nations body since Taiwan lost its seat to China in 1971 (Roberge and Lee, 2009).

In 2013, President Xi Jinping also called for a final resolution to all political disputes between the two sides. He declared that the issues cannot be passed on from generation to generation. But as Taiwan prepares for election in January 2016 there is fear that if the opposition party wins the election, it might withdraw from the agreements that has mellowed all the tensions and produced tangible economic cooperation and relationships. In analyzing the current situation in Taiwan the Economist of March 17, 2015 reported that the U.S. is anxious. It wants the DPP (the opposition party) to show it can maintain good ties with China. It does not want to be seen as meddling into the domestic politics of Taiwan nor be drawn into a conflict that might erupt should the opposition win the election. On the other hand, the paper also reported that the opposition party would not declare its acceptance of the 1992 consensus before the election.

Whatever happens in January, China has exhibited its intention to continue to promote a good neighbour relationship and cooperation with Taiwan. It is up to both sides to uphold the agreements reached, the trade, investment and travel openings reached so far and continue to spend time in finding the right approach for new dialogue without risking open hostility or economic setbacks.

China and South Korea have had a good relationship ever since 1992 but some issues relating to the North Korean and South Korean war and some other miscalculated activities by China such as China's controversial claim to the ancient Korean kingdom of Koguryo
in 2004, Chinese fishermen's illegal fishing and the murder of a Korean coast guard in 2011, Chinese repatriation of North Korean defectors, and the sinking of the Cheonan and the Yeonpyeong Island bombardment in 2010. All these things have made South Koreans, like others in the region become increasingly concerned that China's rise will be a source of instability in the region. But for common economic development interests China is striving to create confidence with its neighbours. China’s diplomatic and economic relationship with South Korea started in 1992. Ever since the normalization of diplomatic relationships the two countries have advanced their political, economic, diplomatic, and cultural relations that have resulted in bilateral economic cooperation. With the visit of the South Korean President Park Geun-hye in 2013, the relationship between the two countries has been more proactive. The two presidents agreed to work out a free trade agreement that will aim at increasing trade between the two countries. China’s economic policy with its neighbours is generating results. Investment between China and South Korea is growing year to year (Jonathan, 2014).

**Conclusion**

China is striving to use economic cooperation and bilateral trade relationships by joining and participating fully in regional organisations to convince both its neighbours and the world of its peaceful intention for economic development that benefits all. Yaun (2006) observed that China’s engagement and cooperation with the regional organisations (ASEAN and APEC) have helped to promote regional peace and security, strong economic integration and mutual development that respect the principles and values of the region. This situation contrast significantly with China’s attitude toward the region some decade
ago, when the perception of China’s threat to the region made most of the countries to distance themselves from China even avoiding any diplomatic relationship with the Republic. ASEAN and its member countries in the region have recognized the potentials China possesses and that collaborating with China to maintain regional tranquility will benefit the economic development of the region. Also, Acharya (2003) concluded that many countries in the region have security and defence agreements with the United States of America. They are concerned with how China’s relationship with the United State of America will develop and will define the future of China in the region. However, Asian countries North, East and Southeast acting multilaterally will give them the opportunity to influence and manage China’s security role in the region. Moreover, Asian countries do not want to forfeit the possibility of benefiting from the economic growth of China.
SUMMARY

To predict the future role of China might require some understanding on how rising international superpowers usually behave compared to China’s current behaviour and how the other established superpowers in the international system will respond to such behaviour and also how neighbours with strong economic development aspiration react to any potential misbehaviour. This is so because intentions are not known. But what is known are the current actions, current activities and what the Republic has said about its intentions. By the Oxford dictionary definition, an intention is an idea that you plan (or intend) to carry out for the purpose for doing something. If we believe that the intention of China’s leaders is to seek resources to grow China’s economy and develop, then China’s future role in the world will be peaceful. That notwithstanding, most of China’s neighbours are not only economically strong and have strong ties with the United States of America, but also have strong military weapons and capabilities.

This study is not concerned whether China will become a superpower to overtake the United States of America but to support what the leaders have said about its intentions to grow its economy and promote global peace and security through balance of power within the international systems that are currently in existence. Since opening up to be part of the international system, China has engaged other countries in a smooth diplomatic relationship and cooperation that emanated literally from the fact that it needs resources to grow its economy and sustain its domestic activities. So, China’s economic growth is not solely dependent on China’s domestic effort but on global interdependence. This interdependence has benefited China and eventually will promote global peace and
security. China’s economy is currently slowing down, a sign that the country is still developing. Therefore, in the coming decades, China will continue to seek increased resources to sustain its economic growth and development. To best accomplish this, it will strive to maintain global peace and security. It will also strive to promote balance of power within the many international organisations currently in existence. As such, its future role will entail increased international involvement within its policy of non-interference and respect for state sovereignty. As many liberal peace advocates believe, greater economic interdependence can limit the military conflict between states. As China has become more interdependent vis-à-vis resources, trade, and investment interdependent with other countries in the world, it is less likely that China will engage in any conflict that will jeopardize the benefits it has derived from joining the global economic community. While it is certain that China will influence global issues, China’s history will still remind its leaders and citizens of the agony and consequences of conflicts and war. China will still be reminded of the ups and downs that once preoccupied its economic growth history. Theories of superpower and the evolving strength of a growing power might have led the optimist idealists to have the view that China might become a threat as its economy and military continue to grow, but one fact that not too many have considered is the effect of the growing globalization, inter-regional cooperation and unions, and international organisations that can influence core principal economic issues and global political conflicts or misunderstandings.

This thesis has examined the most important activities of China within the international system to support the thesis overall statement, from China’s historical background to its
symbolic interactions with its neighbours and other countries across the globe. It examined different views and opinions on the activities of China and come to the following conclusions.

**Peacekeeping**

China’s policy of openness and accommodation was a deliberate and calculated effort to expand its economic and diplomatic influence overseas through trade and diplomatic leverage. For that reason it decided to participate in international organizations’ activities. At first, China signed the Non-Proliferation Arms Treaty, which became a strategic objectives that paved a way for its peacekeeping engagement. In China’s current role to promote peace and security it has contributed many peacekeepers around the globe, especially in Africa. Through peacekeeping, China has demonstrated to the international community its progress toward peaceful development and a responsible power player rather than a threat to the international system. Furthermore, China’s increased involvement in both peacekeeping and responding to catastrophic situations have provided China with the opportunity to develop its security and military which it is using responsibly to influence and shape global norms. Since China began participating in United Nation peacekeeping missions, it has upheld its principle and policy of non-interference and respect for national sovereignty by avoiding the potential role of peace enforcement missions. China has been wary of the legitimacy of foreign intervention in states’ internal issues, so it emphasizes that peacekeeping principle use of force should be a last resort or only for self-defence. On the basis of this, Chinese peacekeepers are mostly engineers and medical staff that help to provide basic infrastructure and health care rather than engaging
in military activities. China has not contributed combat troops and has not engaged in any peace enforcement activities. While China has been criticized that its peacekeeping participation is aimed at protecting its economic interests, it has also been praised for its involvement in peacekeeping by the global community (SIPRI policy paper, No. 25. 2009). Chinese peacekeepers have also been praised for their performance and discipline. Overall, China’s growing role in the peacekeeping missions is closing the worldwide resources and capacity vacuum. The shortage of qualified police for peacekeeping is one area in which the country has made enamours contributions to international peace and stability. China should be emboldened to continue to increase its participation in peacekeeping, the United Nation and Western countries should continue to provide support and encourage China in its peacekeeping effort (International Crisis Group, Asia Report, 2009). China's peacekeeping engagement has been positive for both China and the U.N. China’s participation in peacekeeping missions of the United Nation have strengthened the People’s Liberation Army's (PLA) crisis response and strategic communication capabilities and there is no cause to believe that it will change in the near future.

**Peace and Economic Development**

As everyone seeks for economic security so does a nation such as China. If this concept of human thinking is to be believed then there is reason to believe that China is seeking economic security and would not engage in any conflict that will jeopardize the success and benefit it has endured. Conflict reduces trade and even in a controlled domestic violence or militarized disputes with third parties, there is the risk that such violence, and interstate conflict have contemporaneous effect on trade (Hegre, Oneal and Russett, 2010).
China has engaged in many trade cooperation, initiatives with regional, intercontinental and global institutions to facilitate its means of resource capability to develop its economy. Holding to the observation of Hegre, Oneal and Russet (2010), China stands in bad shape to engage in any conflict, be it regional or interstate. China understands this principle and that is why it has consistently said that its economic development is for peaceful purpose and as such will help to promote global peace and security. Hegre, Oneal and Russet also cited other authors, Glick & Taylor (2005), Kastner (2007), Long (2008), Findlay & O’Rourke (2007,) that argue that conflicts do impede trade. State governments understand the cost of war and therefore trade integration should reduce the interstate conflict. If not, economic agents would be indifferent to risk and maximization of profit, making state leaders insensitive to economic loss and the choices of other influential domestic actors (Hegre, Oneal and Russet, 2010). Putting this argument into more direct perspective, the consequences of conflict, violence or war is enormous. Many people die as a result of war. It causes a lot disability to people, infrastructure and the economy at large. Many diseases arise in situations of conflict, violence causes displacement of the population. Increased poverty has adverse effect on the economy, and above all war reduces growth potential by destroying infrastructure as well as financial and human capital. It diverts resources toward violence, corruption, and weakens institutions on which the economy depends. Conflicts, violence or war in one country harms neighbouring countries through an influx of refugees. The world has come a long way with institutions, agreements and economic interdependencies that have been created since World War II. It would be hard to believe that China would sacrifice the benefits it has enjoyed over decades to go into confrontation that will cost it so much.
One example China has learned from the West is to tie itself to both regional and international cooperation, trade and investment. Putting China Goes Global (Shambaugh, 2013) into perspective, China’s current role in seeking for resources to grow its economy has encouraged local businesses to improve by investments in its national infrastructure and that of others across the globe. China has entered and still will be entering into free trade agreements with countries not just to reduce rules and regulations that encourages business expansion, easier access to markets and make products cheap for global citizens but also to promote global peace and security through trade and security. Trade agreements and economic cooperation can help to structure how countries interact with each other. One example of how neighbouring trade agreements can help in creating peace is the European Union (EU). The EU started with six European countries signing a trade agreement after World War II. The initial aim was to avoid another war on European soil. Six decades later, with free-flowing trade and people, a single currency (though still contentious and problematic) has been created, and regional peace, has been achieved with free trade agreements that gave birth to an economic union and a strong trading block.

China is making efforts to replicate this successful integration by linking-up with India and Russia in trade cooperation that has reduced the tension between the countries.

To continue to promote bilateral trade China has lunched negotiations with many other countries such as China-Gulf Cooperation Council Free Trade Agreement, China-Norway Free Trade Agreement, China-Southern African Customs Union Free Trade Agreement, China-Sri Lanka Free Trade Agreement, and Regional Comprehensive Economic Partnership. The challenge for China now is no longer its commitment to promote global
trade as it seeks resources but to sustain this spirit of openness through continued trade and investment, convincing the sceptics of its peaceful development to believe in its openly declared intention of seeking peaceful development that will guarantee global peace and security in a post-crisis world that has widened globalization, created inter-dependencies, and avoid the atmosphere of fear and uncertainty with its neighbours and strive to sustain global cooperation which it has worked so hard to achieve.

In seeking resources to grow its economy, China has chosen a cooperative approach that has served it so well over the decades. China became more proactive and chose to take more responsibility by joining the key economic institutions such as the IMF, WB, and WTO, which has played a vital role in its policy developments that have aided its economic growth. China has championed collaborative and deliberative forums from Africa to South America all based on its need for resources and opening of markets for its products. Considering the European experience and the success achieved by the WB and IMF, the NDB and the AIIB there is reason to believe that these institutions will help bilateral economic arrangements, foster the resolution of over emphasized border issues surrounding China and its neighbours and the fear of its economic growth will be? The cooperation with strong military neighbours in these new financial institutions have also shown China’s resolve to promote mutual political trust by distributing the early and current leaders of these institutions among its founding members, strengthening diplomatic ties across the continent as well as encouraging exchanges. Supposing, these institutions become strong in the future, they will play a very important role in safeguarding global peace and security.
There are different views and interpretations when it comes to the issues of global peace and security. Societies, countries, continents and people interpret things based on their social environment, culture and tradition. So, global peace means different things for different people. The United States of America went to war in Iraq in the name of fighting terrorism, protecting the world and the citizens of Iraq from the brutal regime of Saddam Hussein and to prevent him from using weapons of mass destruction. In the same way, the views that China’s growth in its economy and military might lead to dominance can also be attributed to social, political and traditional environments. Every state sees security as its core value while promoting its economic and political principles. International relations and politics, security and power complement each other. For China, the policy of non-interference, non-use of force and respect for state sovereignty means peace and security. For other countries it might also mean that China does not want people to interfere in its political, corruption practices and human right issues. Economic interdependencies promoted by international organisations and trade agreements and cooperation have been successful in promoting global peace and security. This shows that there is a relationship between economic stability and peace. They are closely entwined. Global economic stability complements global peace. Any effect on one, affects the other. As Hegre, O’Neal and Russet (2010) noted, economic growth and development are connected to peace and security. In turn, economic stability, and an increase wealth that is widely shared within and among countries, can safeguard global peace and security. Through its policy of openness and accommodation, China has been striving to seek resources to grow its economy through building an atmosphere of economic cooperation, openness and a multilateral approach that benefit economic development for all. China’s approach of
collaboration has shown that in this modern globalized world, the interest of developing nations need to be considered when thinking about economic policies, because the benefit and responsibility of economic development should be shared by all and not the club of Western developed countries. So, there is every likelihood that China will strive to maintain global peace and security. It will also strive to promote balance of power within the many international organisations currently in existence. As such, its future role will entail increased international involvement within its policy of non-interference and respect for state sovereignty. If China’s current role and activities are understood and well interpreted by its Asian neighbours, China’s development model could help the region to advance in both economic growth and development. China’s current activities have shown an image of a country seeking to grow and sustain its domestic responsibility. It realises that it can only acquire its resource needs through engagement with other nations in an environment that guarantees global peace and security, trust, equality and balance of power whether regional or international. China cannot afford to sacrifice all the economic gains it has made over three decades to enter into any confrontation, considering the lessons it has learned from the centuries of humiliation.

**Peace Encounter and Relationship with Neighbours**

The border and sea conflicts plaguing the Republic of China can be properly handled in its endeavour in maintaining peace and tranquility in the border areas as it serves the fundamental interests of every country involved, as well as plays a vital role in the overall development of bilateral relations for better trade and other economic activities. The border issue is discussed like it is up to China alone to solve but in the actual sense every country
in every side has to realize that the final settlement of the border issues requires patience. Each party should steadily push forward the negotiation process through equal and friendly consultation while continuing to maintain peace and tranquility in every part of the border or sea areas, so, as not to let the border issues affect the overall development of bilateral relations and the economic development each country has achieved. Through trade relationships there is clear evidence that all these countries need the political desire for the early settlement of the boundary question by including it as one of its outstanding issues rather than making it a domestic political agenda to promote nationalism for political gain. The commitment so far in trade and economic development based on mutual respect and equal cooperation should serve as a catalyst toward making the border a free area through which economic activities can pass through.

China and its neighbours should see themselves as important neighbours sharing a border that has not yet been formally demarcated. While each country has held different perceptions of the line of actual control for a long time, each should also realize the effectiveness peace and tranquility to trade and economic development. China has accumulated a wealth of experience to properly handle border-related issues, especially with countries in the middle border. China should use those settlements as an example to exhibits maturity and the capability of building relations, while also promoting its peaceful resource capability strategy for economic development. For a long time now China and most of its neighbours have shown that there is one thing that is important, that is trade and the economy. Through trade cooperation and bilateral agreements trade has flourish among countries. They have developed a mechanism which includes special representatives’ talks,
working mechanisms for consultation and coordination over the border affairs, defense and security consultation, border flag meetings, and more, which have proved to be an effective platform established with joint efforts by every country with both land and sea borders. Meanwhile, smooth communication has been kept through the diplomatic channels. These platforms and channels have not only helped to contain the border-related issues, but contribute to the maintenance of regional peace and stability in border areas as well as promoting bilateral relations that will aid global peace and security which China has consistently and openly declared as its major interest for peaceful development. As long as every country in any of those shared borders with China realize the fundamental interests and well-being of its people, and the effect of conflict to trade and by so doing unswervingly adhere to the process of peaceful negotiations, there will always be a fair, reasonable approach towards mutually acceptable solution to the boundary question which special interests have hijacked to their own self purpose, creating unnecessary panic. China’s interest is to achieve economic success and stability. Its strategy to achieve this goal is to operate within the international system to promote peace and security through peacekeeping that will help conflict nations to participate in economic and development activities. Promote global balance of power in all the existing economic institutions to benefit both developed and developing countries. Actively, engage in trade relationship with developing countries to stimulate economic activities and seek resources for its domestic development and continue to engage with its neighbours and region to promote peace that will support economic prosperity within its policy of non-interference and respect for state sovereignty.
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Publication: None

Conferences: None