

China's Foreign Policy Objectives and Views on the International Order

Thoughts Based on Xi Jinping's Speech at the 19th National Congress*

Shin Kawashima**

Abstract

In the three-and-a-half-hour-long speech at the 19th National Congress of the Communist Party of China held in the fall of 2017, Xi Jinping portrayed the outline of the long-term direction that the Chinese Communist Party will take domestically and internationally until the middle of this century. Based on the remarks delivered in the speech, and theories and concepts on foreign policy Xi has presented previously, this article analyzes China's foreign policy objectives and Xi's view on the international order. This article also argues the prospects for China's foreign policy in some specific areas such as the policies toward the United States, neighboring countries, the maritime domain, North Korea, Taiwan and Japan.

1. End of the Era of Reform and Opening up

It is important to note that the 19th National Congress of the Communist Party of China held in the fall of 2017 not only served to outline the Chinese Communist Party's long-term direction for regime management, but also indicated that it would mark the start of a "new era." While the statement constituted no more than a formalistic composition aimed at conveying the fervor and interpretations of the leadership of the Communist Party, it cannot be set aside as a mere "composition" because it was promulgated by a party that rules over a nation that is not a Western democracy. Thus, the statement must be analyzed and understood to represent the Chinese Communist Party's "official" statement on its own positions and future directions.

President Xi Jinping's speech took three and a half hours to deliver and contained a number of critically important points that differed from the report presented at the previous National Congress held in 2012. First of all, the report recognized a new principal contradiction facing Chinese society, which since 1981 had consistently stated, "Production cannot keep pace with the people's material demands." Addressing this principal contradiction had formed the core of various policies of the era of reform and opening up that prioritized economic development. But in 2017, this was changed to the "contradiction between unbalanced and inadequate development and the people's ever-growing need for more beautiful and better lives." This effectively signaled the end of the era of reform and opening up.

The era of reform and opening up—particularly under the leadership of Jiang Zemin and during the earlier half of the presidency of Hu Jintao—more or less overlaps with the period of *"tao*

* This essay was originally published on *Kokusai Mondai* [International Affairs], No.668, Jan.–Feb. 2018.

** Shin Kawashima is the professor of the Department of International Relations, the Graduate School of Arts & Sciences, the University of Tokyo.

guang yang hui,” roughly translating to “keep a low profile.” In its foreign relations, China focused on its economy and nurtured cooperative overseas ties in order to attract foreign investments. At times during this period, China prioritized the economy over issues of national sovereignty and territory. Adjustments began to be made during the latter years of the Hu Jintao administration as equal importance was assigned to sovereignty and national security. Moreover, it is notable that Xi Jinping has never used the expression “*tao guang yang hui*” in his speeches. In this sense, it can be said that the first changes to be made appeared in the area of foreign policy. In any case, what is clear is that a new era has dawned on China.

In his 2017 speech, Xi Jinping emphasized that the party’s leadership would be further strengthened in the new era. No doubt, it will be up to the party to determine what constitutes “more beautiful and better lives.” Furthermore, it is likely that the scenario for resolving the problems of economic disparity and environmental challenges that stand in the way of achieving “more beautiful and better lives” will involve the tightening of internal party control and reinforcing law enforcement in society. On this point, it is quite possible for an inversion of objectives and methods to occur so that the tightening of internal party control and law enforcement emerge as immediate objectives.

2. The Goal of Building a Great Modern Socialist Country

In attempting to understand China’s view of the international order, it is important to note that Xi Jinping in his 2017 speech outlined a long-term vision for a new era extending to 2050. During the first fifteen years—that is between 2020 and 2035—China will strive to build a “modern socialist country with Chinese characteristics.” The goal of this period is to resolve the various problems that stand in the way of realizing “more beautiful and better lives.” It is interesting to note that at this stage, China is not expected to have reached the status of a “great country.” It can be assumed that “great country” implies standing on par with the United States, which in turn implies that China anticipates it will take thirty years or longer to catch up with the United States.

It is during the second half of the era—the fifteen years between 2035 and 2050—that China is expected to emerge as a great country and realize the “great dream of the Chinese people.” It goes without saying that the Communist Party would lead the way in building a great country, thus once again underscoring the legitimacy of the party.

Observers paid considerable attention to predictions of who would be appointed to the Politburo Standing Committee (PSC). In particular, it still remains unclear who will be placed in charge of foreign affairs. That being said, newly appointed PSC member Wang Huning is an international political scientist, and high-ranking diplomat Yang Jiechi has been elevated to the Politburo to serve concurrently as the Secretary-General of the Leading Small Group on Foreign Affairs and Director of the Office of Foreign Affairs of the Communist Party. Ultimately, the leadership of the party has come to be populated by more individuals with backgrounds in foreign affairs than in the past.

Moving into its second term, the Xi Jinping administration has maintained the systems of collective leadership and mandatory retirement in personnel management. At the same time, members of the Xi Jinping faction dominate not only the Central Committee and the PSC but also the top regional positions. This can be seen to represent the centralization of power under Xi. A number of Xi’s close allies, such as Li Zhanshu and Zhao Leji, have been appointed to the PSC and are expected to take charge of the national legislature and internal control of the party, respectively. It would appear that technocrats and practical executive types have been appointed to ensure effective policy implementation. For Xi Jinping, foreign affairs can provide an excellent opportunity for displaying the “correctness” of the directions that the Chinese Communist Party has adopted in governance. On the other hand, this is a form of display that cannot be easily manipulated or controlled. Over the next five years, or all the way through 2050, it will be

necessary to continue displaying the achievements of foreign relations while coordinating with domestic propaganda.

The goals identified by Xi Jinping will not be easy to achieve. Given that China's labor force will begin to shrink rapidly in the second half of the 2020s, emerging as a great country by 2050 will prove extremely difficult for China. The slogan of "more beautiful and better lives" sounds good, but the transition to a post-modern society will not be easy in a country that is not democratic. Will it be possible to realize "more beautiful and better lives" in a space where there is no assurance of a diversity of values? Indeed, China is engaged in an immense experiment whose future outcome is unclear.

3. The Theory of Chinese-Style International Relations

In his speech, Xi Jinping also referred to foreign policy and the international order that he envisions. Needless to say, China itself will opt for realistic actions that rely heavily on power. However, it is important to note that starting around the time of the Hu Jintao administration, China has been endeavoring to develop a full-fledged Chinese style of international relations, and these efforts have been sublimated by the Xi Jinping administration into the heading of "a new form of international relations." Although these have merely been words up until now, they can no longer be ignored when they are being employed to explain China's foreign policy and when policies are being implemented within the scope of what these words can explain (even if they do not go beyond rhetoric and sophistry). In the case of China, inconsistency between words and actions certainly exists. The inconsistencies in China's foreign policy are clearly visible when seen from abroad, but that does not change the fact that a certain level of consistency must be maintained at home for purposes of domestic politics (and propaganda). For this reason, the government enforces control over the press and regulates the inflow of information from abroad.

"A new form of international relations" differs from the pursuit of international peace and stability as envisioned under the framework of U.S. alliances and the spread of democratic institutions and practices as anticipated by the advanced democracies. China is particularly critical of U.S. alliances as being a vestige of the Cold War. What China envisions is the nurturing of win-win relations based on economic ties, which will then gradually develop into partnerships. Ultimately, China expects that these chains of partnerships will lead to the emergence of a global community with a shared future for mankind.

This rhetoric appears to cover up and hide the fact that China opts for foreign policy that relies heavily on power. On the other hand, it is obvious that China is exploiting its economic superiority as a critical resource in the spheres of politics and diplomacy. It can be readily appreciated that if China succeeds in realizing its "new form of international relations," this achievement would "result" in establishing China's superiority in such areas as politics, diplomacy and national security. For the present, China's greatest resource is its economic and financial might. Considering the various gaps that separate China and the United States, the gap is smallest in terms of economics, while still dauntingly wide in the areas of military power and technology. As such, it is easy to understand why China envisions using economics as a lever in pursuing international relations.

4. Major Country Diplomacy with Chinese Characteristics

China's foreign policy is explained in the context of "major country diplomacy with Chinese characteristics." What this seems to mean is that, as a major developing country, China seeks to play a leadership role in finally building a global community with a shared destiny for mankind. China intends to accomplish this, not through a series of alliances as developed by the United States, but by using its economic power as the key resource. Given that the goal of becoming a "major country" is set to be achieved by 2050, the objective of building a global community with a

shared destiny for mankind can be interpreted to be a long-term one.

China views itself as a major developing country (although this expression does not appear in Xi Jinping's speech). This means that China stands apart from the advanced countries belonging to the Organization of Economic Cooperation and Development (OECD) and the Group of Seven (G7). Probably at some time in the past, China envisioned that it would ultimately join the ranks of these advanced countries. However, it can be argued that Xi Jinping denies this possibility in the new form of international relations that he has described. But this does not imply that China completely refutes the present world order or that it intends to challenge all that already exists. It is for this reason that Xi Jinping has stated on various occasions that China will uphold the global free trade regime and contribute to maintaining international peace and security.

The Five Principles of Peaceful Coexistence defined by Mao Zedong and the principle of self-reliance formulated under Deng Xiaoping were carried forward by Jiang Zemin and Hu Jintao. Similarly, Xi Jinping continues to use these two fundamental prescriptions, and it is from them that policies against alliances and promoting the mutual respect for sovereignty and independence are derived. But China's self-identity has shifted to where it now sees itself as the global promulgator of "a new form of international relations." In this sense, it can be said that a new vitality has been breathed into China's long-standing principles. On the other hand, certain expressions, such as "*tao guang yang hui*," that were adopted and used by Jiang Zemin and Hu Jintao, have fallen into disuse under Xi Jinping.

The international order as envisioned by China and the direction of its foreign policy face many serious obstacles and difficulties. It may be easy to criticize the U.S. framework of alliances, but as seen in the case of Djibouti, bearing the full cost of building and managing military bases abroad places a huge financial burden on China. As for acquiring the rights to operate ports and other facilities when a host country proves unable to service its debt, it remains unclear to what extent the international community and host countries are prepared to accept and tolerate this practice.

5. Relations with the Existing World Order

China is a beneficiary of the organizations and frameworks developed under such systems as the United Nations and the Nuclear Non-Proliferation Treaty (NPT). Moreover, as a country that has successfully developed in an environment of globalization, China does not seek to negate the World Trade Organization (WTO) or the global trade regime. To export its products, China needs the assurance of free international trade, and it is thanks to the assurance of free capital flows that investments flow to China. Notwithstanding the inconsistencies that remain in place between the world order and China's domestic regulations, it would be mistaken to think that China is antagonistic toward the existing world order. China refers to the existing US-centric order as a "world order," one which it criticizes in part but does not reject entirely, and uses the term "international order" to describe a UN-centric order it supports that reflects the perspectives of developing countries.

Nevertheless, two points require special attention. First, it must not be forgotten that China continues to view itself as a major developing country. From this derives the Chinese belief that the existing world order—particularly in the areas of international trade and finance—is the handiwork of advanced nations of the West and therefore disadvantageous to developing countries and their interests. It is exactly for this reason that China is anxious to join the ranks of the rule makers. It therefore actively dispatches its personnel to organizations and venues engaged in developing the international order. Through this participation, China aims to make "appropriate" revisions to existing rules and systems. The second point to bear in mind is that because China is not a democratic nation in the Western sense, it is possible that its understanding of the same treaties and systems fundamentally differs from the understanding of the advanced countries. For

instance, its definitions of “freedom,” “safety” and “openness” are at variance with the definitions current among advanced countries. Maybe it is only natural for differences in definition to exist. On the other hand, such differences may necessitate adjustments to commonly understood basic concepts affecting international relations.

For the time being, China as a major country can be expected to maintain a cooperative stance in its diplomatic relations with other major countries. It can also be expected to at least superficially adopt the same use of words and expressions. As for its relations with developing countries, China will present itself as a major country representing the developing world and will in this way seek to obtain the support of these nations. In the immediate future, China's pursuit of power will be expressed more in East Asia and the regions that lie east of the central areas of Eurasia than in the forums of global governance.

6. The Future of U.S.-China Relations

China assigns singular importance to the United States as the world's most powerful nation and gives the United States special treatment in its foreign policy. Basically, Xi Jinping's speech exhibits a very strong awareness of the United States. While never explicitly naming the United States in his speech, Xi Jinping lays out the path to becoming a major country with “Chinese characteristics” that differs in style to that of the United States. However, it is necessary to note that by saying that China will catch up to the United States by 2050, Xi Jinping is in effect stating that China lags behind by thirty years. For this reason, China's policies toward the United States are in a class of their own and consistently differ with policies aimed at other countries. At the same time, China's U.S. policy can be said to reveal the very core of its foreign policy.

The importance of Russia cannot be overlooked when considering Chinese policies toward the United States. Though the two countries have not forged a comprehensive alliance, Russia is at all times a “strategic” partner for China and has a critical role to play in keeping the United States in check with China.

From the perspective of U.S.-China relations, the current situation is unusual. When President Trump visited China in 2017, he was given the highest possible welcome at the Palace Museum in Beijing. Going a step further, China presented him with a proposal for massive purchases of U.S. products, although a considerable portion of the purchases had previously been completed. It seems this has succeeded in preventing, for the time being, a critical deterioration in bilateral economic friction. Regarding the North Korean problem, the Trump administration has on the one hand applied pressure on China while on the other hand assigning special importance to the role of China. It is feared that Trump may at some point attempt to use tensions over the Taiwan Strait as a tool to make a deal with China on North Korea and economic issues.

The situation remains fluid at this point, and it appears that in certain respects the Trump administration has yet to finalize its policies toward China and Asia. A case in point is the appointment of personnel to critical posts. There are those who predict that the U.S. bureaucracy will not be able to implement its Asia policy until 2018. Of course, the possibility of the current situation continuing for another five years is not nil. The fact of the matter is that the outlook remains opaque.

What kind of relationship does China desire to have with the United States? The severity of U.S. policies toward China is not the crux of the issue. More importantly, China is interested in knowing whether the United States will continue to intervene in world affairs without giving up its status as the single superpower, or whether it will instead move toward forging cooperative relations and partnerships with other major countries. For China, it would be preferable for the United States to opt for the latter path because this would make it much easier for China to act in East Asia and the central and eastern regions of Eurasia. While Trump's advocacy of “America first” may essentially apply to the arena of domestic American politics, it should be noted that

depending on how the Trump administration chooses to formulate its foreign policy, China may find itself in an ideal international environment.

7. Regional Order and Relations with Small and Middle Powers

Regardless of the intentions of the United States, the age of America as the single global superpower is gradually waning. It can be argued that this is why the Obama administration was so eager to pursue multilateral frameworks in the fields of both national security and the economy. In the area of security, Obama sought to strengthen the ties between allies by making adjustments in the hub-and-spoke security system consisting of a bundling of bilateral security agreements. In the area of economics, initiatives were undertaken to form a new order as represented by the Trans-Pacific Partnership (TPP). This can be viewed as an effort on the part of the United States to involve small and middle powers (whether Japan constitutes a middle power requires further debate) in building a new order.

As a result of these initiatives, notable progress was made in bilateral security cooperation between Japan and Australia, Japan and India and others, and steps were taken toward ultimately forming a network of security agreements. The TPP in turn foreshadowed the emergence of a new regional economic and trade order. These advances in involving small and middle powers were based on American leadership rather than on American hegemony. Nevertheless, from the Chinese perspective, these may have appeared to be elements of a general scheme for Chinese containment. In any case, what is important is that the United States stood behind these frameworks and that the presence of the United States as the world's largest military and economic power cannot be overlooked.

The Trump administration today appears to be headed in directions that are at variance with the policies of the Obama administration. Trump has shown no strong interest in multilateral frameworks, and while he may have mentioned the importance of the "Indo-Pacific," there is no clear indication of what that entails. Regardless of his final direction, U.S. policies will play a critical role in determining whether China is able to realize its foreign policy goals.

8. Chinese Leadership in Forming a Regional Order

As previously noted, the Xi Jinping administration is pursuing a new order in East Asia and the central and eastern regions of Eurasia and is exploiting its economic superiority as a vital and strategic resource in this process. While the experiences of Sri Lanka and Cambodia indicate that the economic lever can give way to political and security objectives, it is true that in certain respects small and middle powers find interaction with China to be desirable. It is very likely that small and middle powers are weighing their own domestic conditions and making their individual choices while comparing China and the United States or Japan and the United States.

Against this background, China is penetrating all parts of the region while being very upfront about its own intent in certain respects. At the same time, it is responding to the requests and desires of counterparties in other respects. It can be said that what was no more than peripheral diplomacy under the Hu Jintao administration is now being gradually sublimated into a framework of coherent policies. In several significant ways, the measures adopted by Xi Jinping differ from those previously taken by Hu Jintao.

First of all, Xi Jinping has begun to present a vision for the future regional order. This is symbolized by China's "New Asian Security Concept," which posits that Asian countries should be responsible for Asian security and that China will lead the Asian countries in this undertaking. In the past, Japan and Australia had expressed their thoughts on an Asian order, but China is now beginning to verbalize related concepts.

Second, it is notable that China itself has started to provide the region with international public goods. Such initiatives go beyond the construction of ports, railways, expressways and

other elements of transportation infrastructure and have come to include a Renminbi settlement network and the provision of satellite-based global positioning systems (GPS) services. Looking to the future, it is possible that political and economic styles will also proliferate in the region as public goods, such as systems of governance and cashless purchasing methods.

China has not stopped at presenting a vision for the future order and providing a range of public goods. Specifically, it is using the Belt and Road Forum for International Cooperation to visualize the path ahead. In the area of international finance, the Export-Import Bank of China and the Silk Road Fund are playing an active role in financing infrastructure construction, more so than the Asian Infrastructure Investment Bank (AIIB). As previously explained, China's vision for a regional order and the provision of international public goods will at some point in the future be transformed into power.

Countries of the region have already begun to express their suspicions regarding Chinese policies. A case in point is the refusal of India's Prime Minister Modi to attend the Belt and Road Forum on the grounds that China's construction of railway systems in Pakistan goes beyond the scope of economic construction and touches on the realm of national security. By regularly participating in BRICS summits and meetings of the Shanghai Cooperation Organization (SCO), Prime Minister Modi has shown that he is willing to cooperate with China on economic matters while rejecting Chinese initiatives in military and national security areas.

Countries seeking a separation of politics and economics are not rare in this region. On the other hand, China assumes an eventual transition from economics to politics. Herein lies the contradiction that separates China from the other countries of the region. Will this provide the small and middle powers of the region with a cause to unite around? Or will Japan and the United States be able to formulate concepts and mechanisms that can suppress this transition? These will certainly emerge as focal questions for the region.

9. Consequences of China's Maritime Expansion

The Xi Jinping administration is reforming the military with the intent of fielding military forces that can be deployed throughout the world. At the same time, China is endeavoring to gain military superiority in the central and eastern regions of Eurasia. However, compared to its advances in the economic sphere, Chinese initiatives for establishing military superiority in this region lag behind. This can be attributed to the deployment of U.S. forces and the presence of U.S. allies in the region. What China hopes is that the United States will steadily lessen its involvement in the region and weaken its support for allies. At the same time, China will seek to sever the networks that were beginning to take form among U.S. allies under the Obama administration. Finally, as a country that has no allies, China will endeavor to find military bases and ports that it can use in the region.

This begs a critical question. To what degree will the United States remain engaged in the East China Sea and the South China Sea, and to what degree will it remain interested in the regions that lie between the West Pacific and the Indian Ocean?

There is no doubt that China will continue to strengthen its security policies and maritime expansion over the long run. But the road ahead will be affected by choices made by the United States and the responses of peripheral countries. For example, during 2017, China did not necessarily resort to hardline measures in its maritime strategy. It is true that unusual actions were observed in the East China Sea where bombers flew over the Nansei Islands to emerge over the Pacific and head in the direction of the Kii Peninsula. On the other hand, the events that occurred around the Senkaku Islands in August involving Chinese fishing boats, the China Coast Guard and naval vessels were relatively muted. In the South China Sea, bases that were already under construction were expanded and reinforced against the backdrop of cooperative relations with the Philippines. On the other hand, China refrained from undertaking new projects for the

reclamation and construction of bases in the Scarborough Shoal and elsewhere. This cautious attitude can be attributed to a couple of factors. First, because U.S. policies remained uncertain, the situation was considered to be too unpredictable to move forward. Second, as 2017 was a year of critical personnel appointments in China's domestic politics, actions that could lead to unforeseen outcomes and actions that would incite nationalistic reactions were avoided.

Such issues involving sovereignty and security will pose major obstacles to China's efforts to "transform economic superiority into political superiority." As seen in the previously mentioned case involving India, if China adopts hardline policies in the areas of national sovereignty, military and security, all its talk of win-win relations, partnership and a global community with a shared destiny for mankind will ring hollow. Until now, countries—including Japan—with outstanding sovereignty, military and security issues with China were all located in the periphery of China. However, the same type of problems will crop up in other parts of the world if China moves to deploy its forces globally. By contrast, in the American case, the United States has obtained the consent of counterparties by entering into alliances. This gives rise to the question of how China intends to build consensus. Xi Jinping did not fully explain this matter in his speech.

10. The North Korea and Taiwan Problems

By advocating a "new form of international relations" and "major country diplomacy with Chinese characteristics," the Xi Jinping administration has broadly defined the direction of China's foreign policy. But what stand immediately before China are the problems of North Korea and the Taiwan Strait. Established during the Cold War, the 38th parallel and the Taiwan Strait have been maintained as borders to the present. The fate of these borders is of extreme significance in considering the future of China and East Asia. From the Chinese perspective, the treatment and resolution of these two problems will prove to be a critically important touchstone.

The treatment of the North Korea problem is important for three reasons. First among these is the geopolitical aspect. Suppose the Korean Peninsula were to be united under South Korean leadership. China would still benefit greatly if unification were to result in the withdrawal of U.S. forces stationed in South Korea and the weakening of the U.S.-South Korea alliance. As hinted by this outcome, support for North Korea is not the sole conclusion that China subscribes to. In other words, the decisive factor for China is the maintenance of a buffer zone at its border and—if at all possible—the withdrawal of U.S. forces. Needless to say, any scenario involving turmoil in North Korea and the influx of large numbers of North Korean refugees is undesirable.

Second, the handling of North Korean relations is very likely to provide a highly significant demonstration of China's transition from its traditional diplomacy to a new diplomacy. In the past, China-North Korea relations were labeled a "blood alliance." Even today, as this remains a bond between two socialist nations, bilateral relations are maintained and nurtured by the Chinese Communist Party and the North Korean Workers' Party more so than by the respective foreign ministries. Because this is such a special and old relationship, China finds it especially necessary to bring it under its "new form of international relations" and to resolve any problems in accordance with its construct of "major country diplomacy with Chinese characteristics." However, this also will prove to be a difficult challenge to surmount.

The third point is that the Six-Party Talks during the 2000s were particularly important for China in that they afforded an opportunity for China to exercise leadership and to engage with the United States in a joint undertaking. The denuclearization of the Korean Peninsula was the principal premise of the talks for all of the participating countries, including the United States. Furthermore, the international community pinned its hopes on China specifically because all countries recognized that China held the greatest influence over North Korea. What this means is that China would lose this diplomatic resource if the application of excessive sanctions on North Korea were to rob it of its influence.

Turning to Taiwan, China is operating under the assumption that the Taiwan problem will have been resolved (implying the unification of Taiwan with the mainland) by the time the “Chinese dream” is realized in 2050. The U.S.-China rapprochement and the end of the Vietnam War during the 1970s changed the distance separating the United States and Taiwan. Ultimately, the United States and China normalized their relations on January 1, 1979, and U.S. forces stationed in Taiwan were withdrawn. Taiwan frequently is placed on the table when a deal is being forged in U.S.-China relations, and there are those who point to the possibility of this being repeated in the current situation. However, for the time being, there are no concrete signs of this happening. Even if a deal were to be negotiated, it is likely that what the United States could do would be limited to changes in the sales of weapons to Taiwan as provided under the Taiwan Relations Act. It should be noted however that any such change in U.S. weapons sales would not immediately lead to unification.

11. China's Positions on Japan

Japan stands out as a contradiction in China's “new form of international relations.” That is to say, even if China succeeds in transforming its economic superiority to superiority in the areas of politics and security, that superiority will not be able to fully influence Japan as the world's third largest economy. For China, which continues to criticize alliances centered on the United States, the Japan-U.S. alliance is one of the most troublesome realities that it faces. For this reason, it can be said that Japan-China relations will continue to be burdened with certain structural problems, and Japan will remain an unwelcome presence for China as it endeavors to identify new goals and objectives leading up to 2050. Moreover, the likelihood of China making any concessions on territorial issues is low.

Nonetheless, as of now, Japan-China relations are relatively good. The year 2017 marked the 45th anniversary of the normalization of Japan-China relations, and the following year marks the 40th anniversary of the Japan-China Peace and Friendship Treaty. While these milestones may be of some significance, the greatest factor promoting closer relations between the two countries is the continued unsettled state of U.S. policies. It appears that the two countries are gradually and strategically drawing closer to each other in an effort to reduce the number of variables that they are exposed to in their respective foreign policies. Looking at the situation from a long-term perspective, if the United States to a certain degree withdraws from the region and makes room for China to exercise greater influence and leadership, Japan will definitely not be able to maintain its “singular reliance on the United States” and will be forced to seek a new balance with China.

However, the road to improved relations will not be an easy one. Japanese and Chinese diplomats frequently mention the fourth paragraph of the Japan-China Four Point Agreement reached in 2014. The wording in question states that the two countries will “gradually” resume summit talks and dialogue in the political and security fields. Both sides are emphasizing the expression “gradually” and are cautiously moving forward one step at a time. On the other hand, it should be pointed out that there is room for the development of new possibilities in bilateral relations. As previously explained, Xi Jinping altered the principal contradiction the Chinese society was facing in his 2017 speech. The contradiction that exists between “more beautiful and better lives” and “unbalanced and insufficient development” naturally contains a number of challenges that include such matters as social security systems, health and medical services and the environment. New opportunities for Japan-China cooperation may open up if Japan were able to effectively work with China on these challenges. The previous change in China's principal contradiction was announced in 1981 and was instrumental in pushing the country in the direction of economic development. At the time, Deng Xiaoping identified Japan as the “economics teacher.” The situation today is completely different from the situation in 1981, but that does not mean that there are no new possibilities. However, it is unclear to what degree the change

in the principal domestic contradiction will affect China's foreign policy. Similarly, the content and implications of "a new form of international relations" and "major country diplomacy with Chinese characteristics" remain unknown. The directions that these concepts take will not only be determined by China's domestic conditions, but more importantly by the actual foreign policy that China implements. Over the coming several years, various opportunities and possibilities will arise for providing input to these policies. Should Japan be able to work with China during this critical period, partial changes and improvements in bilateral relations would be possible to achieve.

12. Domestic Factors

Needless to say, China's foreign policy is strongly influenced by domestic politics. While the same can be said for all countries, domestic political developments play a particularly important role in the case of China. In contrast to the earlier years of the Hu Jintao administration, the Xi Jinping administration can be seen to have made an effort to maintain consistency in the "voice" of its domestic politics and the "voice" of its foreign policy. In this environment, it can be easily imagined that the logic of domestic affairs may flow over into the external world to be applied to foreign policy. For example, the domestic logic of the "security of the state" is acting to suppress "freedom" inside China, including Hong Kong. This same logic of "security" can become directly linked to external national security policy. In particular, this tendency can be expected to be conspicuously manifested in Chinese policies toward its neighbors.

In the area of economics, it hardly bears repeating that domestic policies for reforming state-owned enterprises and stimulating the economy will become increasingly linked to the Belt and Road Initiative. By the same token, domestic financial regulations may come to generate friction with foreign policy. With regard to society, in such issues as democracy, freedom and human rights, domestic conditions may become directly linked to foreign policy.

On the other hand, domestic politics also plays an important role in the decision-making process for foreign policy. Actors from the fields of politics, the military and the party are not the only ones to affect the direction of foreign policy. Various other domestic entities, including interest groups and the central and regional governments, can influence the process. While it may be tempting to speak of the international order envisioned by "China," the view differs from one sector to another. Thus, any examination of China's view of the international order and its own foreign policy must be predicated on a full understanding of the nation's internal conditions.