CHINA'S FOREIGN POLICY IN 2009: SHOULDERING GREATER RESPONSIBILITIES AND BUILDING STRONGER PARTNERSHIPS

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Executive Summary

- The global economic crisis has thrust China into the international limelight.
 Many world leaders and observers have accepted China as a global power and the country has also started to appear or feel that it has become one.
- 2. China has assumed more responsibilities on the external front. It has emerged as a front runner in the global fight against climate change and in tackling the global economic crisis. It has further countered international piracy by escorting merchant vessels through the Gulf of Aden.
- 3. China's rising international profile is further manifested in multilateral forums. The G20 has replaced G7 or G8 as the "premier forum" for international economic cooperation. The International Monetary Fund has also agreed to increase the representation and voice of developing countries.
- 4. At the bilateral level, China's ties with the US have quickly stabilized in the first year of President Obama's first term of office. Both countries appear earnest to expand and deepen cooperation on various fronts. While differences remain, they have not affected the momentum of improving bilateral relations.
- 5. China's ties with the EU have recovered from the low point of 2008 when President Sarkozy met the Dalai Lama. The long-delayed China-EU Summit was subsequently held in May 2009.
- 6. Sino-Japanese relations saw positive progress after Japanese Prime Minister Yukio Hatoyama took office in September 2009. Hatoyama has vowed not to visit the Yasukuni Shrine. Chinese Vice President Xi Jinping, although not a Head of State, was granted an audience by the Japanese Emperor.
- 7. In a sign of growing confidence, China seemed open to having various regional cooperative architectures existing alongside and complementing each other. China has further consolidated its ties with ASEAN through introducing

measures to help them cope better with the negative impact of the global economic crisis.

- 8. Cross-Strait relations have progressed further under the principle of "economics first, politics later". President Ma Ying-jeou will next have to ensure that the fruits of closer cross-Strait ties benefit more Taiwanese people. He will also need to be seen as being able to stand up for Taiwan vis-à-vis China.
- 9. Going forward, China will continue to play the role of a responsible and constructive player on the world stage. This would entail stepping up efforts with other partners to better address common global and regional challenges like climate change and sustaining the growth momentum of the world economy.
- 10. While getting more involved by virtue of its growing clout, China is likely to be selective in terms of its degree of involvement. This is because China is still facing daunting domestic challenges. Moreover, China's global strength, both hard and soft power, is still on a weak foundation.
- 11. China neither wants nor is prepared to supplant the still pre-eminent role of the US. So far, China has skillfully managed its relations with the US including ensuring that key US interests are not jeopardized due to the expansion of China's influence. This is expected to continue.
- 12. The mettle of China's leaders will further be tested by the growing nationalistic sentiments of its population. A case in point was the strong Chinese public reactions to Singapore's Minister Mentor Lee Kuan Yew's use of the word "balance" in his address to the US-ASEAN Business Council. At the moment, ties between China and Singapore are strong and seemed unaffected by this episode.