

XI JINPING, CHINA AND THE GLOBAL ORDER: THE SIGNIFICANCE OF CHINA'S 2018 CENTRAL FOREIGN POLICY WORK CONFERENCE

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On 22-23 June 2018, the Chinese Communist Party concluded its Central Conference on Work Relating to Foreign Affairs, the second since Xi Jinping became General Secretary of the Party and Chairman of the Central Military Commission in November 2012. The last one was held in November 2014. These are not everyday affairs in the party's deliberations on the great questions of China's unfolding global engagement.

These conferences are major, authoritative gatherings of the entire leadership, designed to synthesise China's official analysis of international trends, and assess how China should anticipate and respond to them in the prosecution of its own national interests. This one, like the last one, was presided over by Xi Jinping and attended by all seven members of the politburo standing committee, plus ex-officio member Vice President Wang Qishan, together with all other eighteen members of the regular politburo, in addition to everybody who is anybody in the entire Chinese foreign, security, military, economic, trade, finance, cyber and intelligence community, as well as the central think tank community.

It's a meeting that's meant to be noticed by the entire Chinese international policy establishment, because if there is to be any new directive concerning China's place in the world, it's likely to be found somewhere in Xi Jinping's 3,000 character report to this conference.

Of course, the entire deliberations of the conference are not made public. Three-and-a-half years ago, only a selected part of it was broadcast and reported in the central media. The same this time as well. And unlike in Washington, the Chinese system doesn't leak every twelve hours. There is, therefore, an often hazardous reading of the tea leaves in interpreting what it all means, discerning what is new, what is new-ish, and what is not.

WHAT IS NEW?

How does the 2018 Work Conference compare with the one in 2014? The 2014 iteration represented the formal, official funeral of Deng Xiaoping's international policy dictum of the

previous 30 years of “hide your strength, bide your time, never take the lead”. It also heralded the beginning of a new period of confident, independent international policy activism by Beijing. In part this change reflected Xi Jinping’s greater centralisation of political power in the Chinese system. In part it reflected the Chinese system’s deep conclusion that American global power was in relative decline and that the United States would not confront China militarily if China sought to expand its regional military presence. In part it reflected a Chinese institutional conclusion that China had finally become an indispensable global economic power to most countries in the world, thereby enabling China to begin to project its economic influence bilaterally, regionally and also multilaterally. It also was an expression of Xi Jinping’s personal leadership temperament, which is impatient with the incremental bureaucratism endemic to the Chinese system, and with which the international community had become relaxed, comfortable and thoroughly accustomed.

For those who follow these events closely and have written on the importance of this significant departure from China’s traditional strategic framework dating from the 2014 conference, a number of developments since then have been illustrative of this overall change in the style, content and direction of China’s international policy approach. China worked overtime in 2014-16 to expand its military position in the South China Sea with a rapid program of island reclamation. China took the idea of the New Silk Road and turned it into a multi-trillion dollar trade, investment, infrastructure and wider geo-political and geo-economic initiative, engaging 73 different countries across much of Eurasia, Africa and beyond. China signed up most of the developed world in the first large-scale non-Bretton Woods multilateral development bank called the Asian Infrastructure Investment Bank (AIIB), capitalised it and launched it so that it now has a balance sheet already approaching the size of the Asian Development Bank.

China has also become for the first time a multilateral diplomatic activist, launching diplomatic initiatives of its own beyond its own immediate sphere of strategic interest here in the East Asian hemisphere, as well as actively participating in other initiatives such as the JCPOA on Iran, rather than declining to reach beyond its own narrowly defined core national interests as we have often seen in the past. China has also developed naval bases in Sri Lanka, Pakistan and now Djibouti (the latter with some 5,000 troops based there), as well as participating in naval exercises with the Russians in the Sea of Japan, the Mediterranean and even the Baltic.

And now in the most recent National People’s Conference in March 2018, we have the decision to establish China’s first ever International Development Cooperation Agency to manage China’s burgeoning aid programs across the developing world. Of course, these leave to one side the activities of Chinese state financial institutions, other Chinese SOE’s as well as Chinese mixed investment funds operating on every continent and in every region of the world.

It would be wrong, analytically, to say that all these suddenly began after the 2014 Central Conference on Work Relating to Foreign Affairs. Some began in the two years before then after Xi first became General Secretary in late 2012. And some have their antecedents in the late Hu Jintao period. But my point is that they all either began, were intensified or else were formally publicly legitimised by the conclusions of the last Central Conference. In short, the

system was given the mandate to contest, assert, and where possible to lead in the various councils of the world. And this was new.

Furthermore, anyone who continues to entertain the fanciful idea, which I still sometimes seen in Western commentary, that these changes are not the product of a well-considered Chinese grand strategy, is simply choosing to ignore the clear evidence of clearly defined policy purpose systematically at work in the field. Our Chinese friends think things through carefully. They observe carefully. Not just what is happening in the headlines, which is the permanent obsession of the Western political establishment. But what is happening, in what Xi Jinping would describe as “the underlying historical trends” in international relations. And then, after a period of detailed internal reflection, consideration, and where necessary consensus building within the system, a new direction is set.

That indeed is what these Central Foreign Policy Work Conferences are all about. They sum up where the system has got to in its analysis. And then what the system intends to do about it. It’s part of the rolling system of policy analysis, implementation and review that characterises the entire Chinese public policy system, both foreign and domestic. It is both one of the great strengths of the Chinese system. But also one of its great weaknesses if the conclusions reached prove it be analytically flawed, or unsustainable in practice. It takes a lot to turn the Chinese ship of state around once that course has been set at the top.

So what changes with the 2018 Central Conference? Is it more of the same? Or simply an intensification of the trajectory? Or a change in content and tone. The answer is all of the above—a blend of continuity and change.

A NEW ROLE FOR PARTY IDEOLOGY IN FOREIGN POLICY

First, the press reporting of the conference asserts the absolute centrality of the party to the country’s foreign policy mission. This is not entirely new. But the emphasis on the role of the party is much stronger than before. In the recent past, the country’s international policy establishment, like its econocrats, have seen themselves, and have been seen by the Chinese political establishment, as a technocratic elite. That is now changing in foreign policy as much as it has already changed in economic policy.

This is part of a broader trend in Xi Jinping’s China, whose focus is to rehabilitate the party from moral death from corruption on the one hand, and practical death from policy irrelevance on the other.

Xi has been concerned that the party had become marginal to the country’s major policy debates given the technocratic complexity inherent to most of the country’s contemporary challenges. That is why, for example, we now see a revitalisation of theory over practice, a reassertion of the power of the major institutions of the party over the major departments of state, and once again of political ideology over mere technocratic policy.

Nor does Xi Jinping intend presiding over the party's "death by a thousand cuts" as it contends with a range of unfolding political forces unleashed by a combination of the market economy, social liberalisation and foreign influence.

No—Xi Jinping intends for the party to defy the trend-line of Western history, to see off Fukuyama's end of history with the inevitable triumph of Western liberal-democratic capitalism and to preserve a Leninist state for the long term as the most effective means of ensuring that China prevails in its domestic and international challenges. That is why there is lengthy treatment in this conference on, to use the language of the Xinhua report, "Upholding the authority of the CPC Central Committee as the overarching principle and strengthening the centralised, unified leadership of the Party on external work."

In case we missed the emphasis, Xi Jinping also states that "diplomacy represents the will of the state, and diplomatic power must stay with the CPC Central Committee, while external work is a systematic project." Xi calls "for implementing reform of the institutions and mechanisms concerning foreign affairs under the decision of the Central Party leadership and enhancing party-building in institutions abroad so as to form a management mechanism catering to the requirements of the new era."

The conference also emphasised that China's diplomacy would now be a "diplomacy of socialism with Chinese characteristics" and as such would take Xi Jinping thought from the domestic into the foreign policy domain. In the past, this language of "socialism with Chinese characteristics" applied to the overall Chinese ideological system, usually interpreted as China's own form of state capitalism. But now it is applied to diplomacy, and it infers something else.

It seems to mean conforming diplomacy with a wider ideological worldview which lies beyond the simple policy pragmatism we have seen for decades guiding most elements of Chinese foreign policy in the prosecution of China's national interests. There now seems to be a new national and-or global vision that now sits above the simple maximisation of national interests. This seems more than the routine incantations of the China Dream, the party's centenary objectives for 2021, and the national centenary mission for 2049 with which we have become familiar since Xi came to power. At this stage, this new overarching ideological mission may be inchoate, but the fact that it is as yet not fully formed does not mean that it does not exist.

Lest there be any doubt on this count, the ranking foreign policy technocrat attending the Work Conference, former Foreign Minister and State Councillor Yang Jiechi, and now Director of the Foreign Policy Office of the Party Central Committee, refers explicitly to the ideological significance of this conference. It is worth quoting Yang's remarks at the conference at some length. He states that the most important outcome of this conference is that:

"It established the guiding position of Xi Jinping thought on diplomacy. Xi Jinping thought on diplomacy is an important part of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era...It is a major theoretical achievement in the thoughts on state governance in the area of

diplomacy by the CPC Central Committee with Comrade Xi Jinping at the core, and a fundamental guideline for China's external work in the new era...We should integrate our thoughts and actions into General Secretary Xi Jinping's important address and Xi Jinping thought on diplomacy, and make new advances in China's external work."

To an international foreign policy audience, this may all seem a little arcane. That's because in the internal ideological deliberations of a one party state, it is arcane. But we would be blind not to see that there is something new at play here. It is unclear whether this means Chinese foreign policy is likely to be more Marxist in its conceptualisation, or even its execution? Whether it likely to be more Nationalist? Whether it will seek to more actively promote the Chinese development model of "authoritarian capitalism" as a model for the world, in competition with the "liberal democratic capitalism" of the West? Whether it is a much more unformed worldview which will ultimately take shape around Xi Jinping's as-yet-deliberately-vague concept of "a global community of common destiny," which is now the subject of intense work within China's think tank community, and with the international academic community.

Or whether it is something more mechanistic than that altogether, involving a desire to fire up China's current diplomatic establishment into a more invigorated, imaginative, creative, even forceful effort to shape the future global rules-based order more in China's image, rather than China being the permanent "price-taker" for rules already determined elsewhere by others. Particularly where elements of the existing order are seen to represent a continuing and unwelcome challenge to the legitimacy of China's domestic political order, for example in areas such as the rule of law, human rights and democracy.

A NEW IDEOLOGICAL CONFIDENCE THAT HISTORY FAVOURS CHINA

There is a second element to the June 2018 Conference which grows out of the first. It is Xi's deeply Marxist, dialectical-materialist view of history based on permanently evolving "contradictions" between what dialecticians call thesis, antithesis and synthesis. In Xi's view, this in turn gives rise to defined "laws" of historical development which are both prescriptive and predictive.

This may sound like old-fashioned Marxism. That's because it is. The intellectual software of generations of Chinese leaders has been shaped by this conceptual framework for interpreting and responding to what they define as scientific, objective reality. And Xi Jinping belongs to that tradition. Remember he has already convened special study sessions of the politburo on understanding both dialectical and historical materialism in the past.

According to the conference report: "Xi suggested to not only observe the current international situation, but also review the past, summarise historical laws, and look towards the future to better understand the trend of history." Furthermore, according to the same report in Xinhua, to obtain "an accurate understanding of the overall situation, Xi underlined not only the observation of detailed phenomena, but also a deep appreciation of the essence of the overall

situation in order not to get lost in complexity and the changing international situation.” Xi concludes on this count by stating that “throughout human history, the development of the world has always been the result of contradictions intertwining and interacting with each other.”

Once again, all this will seem more than a little arcane. But in the ideological dialect of the Communist Party, it seems to mean several things. First, that there is nothing random about what is unfolding in the world today. Second, these reflect certain immutable laws of political and economic development. Third, the business of Chinese foreign policy is to use this dialectal prism to understand precisely what is happening in the world today, why it is happening and what to do about it. And fourth, applying these disciplines to the current period, it means that the global order is at a turning point with the relative decline of the US and the West, with this coinciding with the fortuitous national and international circumstances currently enabling China’s rise.

To use Xi’s own language, this: “has been in the best period of development since modern times, while the world is undergoing the most profound and unprecedented changes in a century” adding that “the two aspects are intertwined and interact with each other.” Xi refers to the current period as a period of unprecedented strategic opportunity for China and the current mission of the party. Although this is not itself a new term, Xi says the party’s mission is to extend this period. To do this, he calls for the party to engage in “in-depth analysis of the law of how the international situation changes as the world comes into this transitional period, as well as developing an accurate grasp of the basic characteristics of the external environment China is facing at this historical juncture in order to better plan and facilitate the country’s work on foreign affairs.”

In other words, what is being said here is that China now has the wind at its back. Of course there are formidable obstacles ahead. But a dialectical analysis of history causes China to conclude that the forces of reaction facing the US and the West are greater. Just as the contradictions operating domestically within the US and the West (in their particular political systems) are greater as well. Which in turn renders China’s overall domestic and international circumstances much better by comparison in the emerging contest between the two. All of which, again in this view, pushes towards a new historical synthesis more in China’s (and Chinese socialism’s) favour.

You will all be forgiven if you think this all sounds more like medieval theology than modern international relations. And it’s anyone’s guess what any of this actually will have to do with concrete foreign policy reality. But we often forget that how one-party states, and in particular Marxist states, choose to ‘ideate’ reality actually matters. It’s how the system speaks to itself. It’s the political lingua franca among political and policy elites.

And the important thing here is that the message from Xi Jinping to his international policy elite is one of great confidence. Not just because China wills it to be so, but because from a Marxist theoretical perspective, which in their view articulates certain immutable ‘laws’ of political and economic development, the forces of history are now with China. Furthermore,

this is a call to greater international policy activism, rather than retrenchment in response to the rise of Trump. In other words, the conclusion is that the great trends of history, or to use an old Soviet term, the 'correlation of forces', are moving China's way.

TOWARDS A SHARPER CHINESE DIPLOMACY

A third element of the 2018 Work Conference is its injunction to the country's international policy institutions and personnel to get with the Xi Jinping project. Xi seems to have the Foreign Ministry in his sights when he says that "the reform of the institutions and mechanisms concerning foreign affairs is the internal demand of advancing modernisation in the state governance system and governance capabilities." It will be recalled from above that "party-building" within the country's foreign policy institutions will be a core part of that.

On personnel, Xi Jinping reminds the nation's diplomats that they are first and foremost "party cadres." This has a certain ideological retro to it all. Indeed it's been a long time since I've heard Chinese diplomats refer to their seniors as cadres. In fact I'm not sure that over the last 35 years that I can. To quote the Xinhua report: "Stressing that cadres are the decisive factor after setting the political course, Xi called for a strong contingent of foreign affairs personnel that are loyal to the CPC, the country and the people and are politically solid, professionally competent and strongly disciplined in their conduct. He called on foreign affairs cadres to enhance their ideals and their training so as to upgrade their competency and overall quality..."

Does this presage a new type of Chinese foreign ministry diplomat abroad? Perhaps. It's long been reported that Xi has been frustrated by the performance of parts of his foreign policy establishment. He sees them proceeding at a glacial pace. Whereas China's strategic challenges and opportunities are urgent. Once again, this tends to point in the direction of greater foreign policy activism in the future in a system that is struggling to keep up with the political and policy vision of its leader.

CHINA LEADING THE REFORM OF GLOBAL GOVERNANCE

Fourth, the sharpest substantive new development to emerge from the 2018 Foreign Policy Work Conference is what is says about global governance.

In the 2014 Work Conference, Xi referred to an impending struggle for the future structure of the international order. He did not elaborate on this back then. But much work has gone on within the Chinese system since on three inter-related concepts: the international order (guoji zhixu); the international system (guoji xitong), and global governance (quanqiu zhili).

Of course, these mean different but overlapping things in English too. Broadly speaking, in Chinese, the term "international" or "global" order refers to a combination of the UN, the Bretton Woods Institutions, the G20 and other global plurilateral or multilateral institutions on the one hand; and the US system of global alliances to enforce the US definition of international security on the other. The term "international system" tends to refer to the first

half of this international order—namely the complex web of multilateral institutions which operate under international treaty law and which seek to govern the global commons on the basis of the principle of shared sovereignty. As for “global governance”, it tends to refer to the actual performance, for good or for ill, be it effective or ineffective, of the “international system” so defined.

It is deeply significant that at the 2018 Work Conference, Xi Jinping states boldly that a core component of his new ideology of a “diplomacy of socialism with Chinese characteristics” would be for China to: “lead the reform of the global governance system with the concepts of fairness and justice.” This is by far the most direct, unqualified and expansive statement on China’s intentions on this important question we have seen.

China, like the rest of the international community, is acutely conscious of the dysfunctionality of much of the current multilateral system. It also sees the US walking away from much of the system as well: from the JCPOA which was agreed to by the UN Security Council; from the UN’s Paris Agreement on Climate Change; its withdrawal from the UN Human Rights Commission; its open defiance of the Refugees Convention; and its challenging of the underlying fabric of the WTO.

Nature, as we know, abhors a vacuum. International relations even more so. And we all saw Xi Jinping’s riposte to President Trump on climate change and trade at Davos 18 months ago just after President Trump’s election. If China is indeed serious about leading the reform of global governance, its attitude to various of these multilateral institutions will be radically different to the historical posture of the US. Take for example the Human Rights Council in Geneva, which China would like to see emasculated. Mind you, so too now, apparently, does the current US administration!

The reference to “China leading the reform of global governance” in this conference is not an accident. It also reflects a growing Chinese diplomatic activism in a number of UN and Bretton Woods institutions around the world as China begins to seek to recast these institutions, their cultures, their work practices and their personnel in a direction more compatible with China’s core national interests. As I have written before, rather than China having to consistently resist the pressures of “Westernisation” inherent in the existing laws, institutions and culture of the current international system, particularly when these prove to be incompatible with the retention of a Marxist-Leninist Chinese state, the resolve of China’s leadership now seems to be to use its newfound global power to refashion those institutions within the international system that may be most problematic for China on the home front.

As for the principles of fairness and justice that Xi refers to as the core principles that will guide China’s reform of global governance, these terms historically imply China’s preference for a more “multipolar” international system in which the unilateral voice of the United States is reduced. China has already developed a strong constituency in Africa, parts of Asia and Latin America in support of this. ‘Multipolarity’ in Chinese strategic parlance is code for the dilution of American power in the post-war international system.

THE CENTRALITY OF CHINESE NATIONAL INTERESTS

Lest anyone gets too starry-eyed about China's intentions for reforming global governance, in Xi Jinping's description of the core principles of its new "diplomacy of socialism with Chinese characteristics," Xi concludes his list of ten governing principles with the following: that China must take its "core national interests as the bottom line to safeguard China's sovereignty, security and development interests".

Xi makes plain that China's foreign policy is unapologetically nationalist. Xi assumes that all other countries' foreign policies are nationalist as well.

Of course, China's definition of its core national interests has evolved over time. As have other nations. It now includes, for example, the South China Sea. A decade ago, that was not a feature of Chinese official statements defining China's core interests. Now it is. As for any state, therefore, the concept of "core national interests" varies over time and will be defined by the government of the day.

CONCLUSION

But we will soon see how the 2018 Central Foreign Policy Conference translates into different Chinese foreign policy behaviours on the ground. If the 2014 Conference is an effective guide, we will see a heightened period of Chinese foreign policy activism. However the precise content of that activism remains to be seen. But what we are seeing is the slow, steady emergence of a more integrated Chinese worldview which links China's domestic vision with its international vision - and a vision which very much reflects the deep views of China's paramount leader Xi Jinping.

The first policy terrain where we are likely to see this is in the existing institutions of global governance. But it will not be restricted to this area. The text of the report of the 2018 Central Conference on Work Relating to Foreign Affairs suggests that we will also see this across China's bilateral relations, its engagement with regional institutions, as well as its approach to major power relations as well - all of which are likely to be met with an increasingly forthright Chinese diplomacy.

The challenge for the rest of the international community is to define what type of future international order, system and governance it wants. And to take China's invitation seriously to engage the Middle Kingdom in a frank and forthright discourse on what the region and the world precisely want in any future "global community of common destiny".

What does the European Union want? What does ASEAN want? What does the East Asia Summit want? What does the African Union want? What does the Organization of American States want? What does the Gulf Cooperation Council want? What exactly does America want, with or without Trump?

And in this dialogue, how will the values already entrenched in the UN Charter, Bretton Woods and the Universal Declaration of Human Rights, as well as the founding instruments of various regional organisations, be preserved for the future?

The future of the global order is now in a state of some flux. In part induced by the recent posture of the United States. In part induced by the rise of China. China it seems has a clear script for the future. It's time for the rest of the international community to do the same.
