

**THESIS COLLECTION**

**Gyula István Krajczár**

**China: interest, identity, global strategy**

Ph.D. thesis

**Supervisor:**

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academician, professor

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**World Economic Institute**

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## 1 Research background, rationale for the topic

Our research topic is China's global strategy. The choice of topic is an abstract one, as we still must answer the question of whether it is existing. However, it is justified by the fact that today's China is not simply a large country with a large territory and population, but has become a unique state with an increasingly direct influence on the world, on the globe, as a result of forty years of extremely rapid economic growth. In many respects, moreover, it is not comparable to European nation states. It is based on thousands of years of civilization, which traditionally binds the majority of its population together and defines its identity, rather than ethnicity or language. Although nationalism has also entered modern Chinese thinking from outside, and both ethnic and language-based considerations have begun to be used as state-organizing forces, the problem of the 'Chinese nation' is still a question that is being formulated again and again. The fact that China has become a global player is no better illustrated than by the change in the system of international relations that has taken place in recent years, the essential component of which is that major centres of power see it as a rival, a threat, and a risk, while others see it as a new perspective, an encouragement, and a strategic partner.

The need for strategies is a very important prerequisite for their implementation. In the case of China, too, the key question is whether complex developments or the political situation, the international system, or all these together make a global strategy necessary. The global effects it will have are of course unbalanced. There are areas of human life in which it has an extraordinary impact, such as the environment, trade, there are areas in which it has an increasingly significant impact, international finance, international investment, development assistance, and there are of course areas in which it has a more modest impact. All this also means that some of the various governmental ideas, policies, sectoral and territorial guidelines, and preparations for international negotiations may already give their creators the impression that they are working on a global strategy, but this is not the case.

From this point of view, it is also worth considering that the Chinese political elite has no normative ideal and consequent set of goals for the way of life of humanity and the community. This was not the case during the first long period of Chinese communism, which shared the idea of world communism and, even when it relatively isolated itself within this trend, based on Chinese characteristics, it still considered its own practices as a natural consequence of the trend and as an example for the world to follow. Today, they go so far as to offer their own

development regime to the world as a practice that has proved successful in many respects and as an alternative to the Western development regime.

China's place in the world, its role and its prospects have long been the subject of analysis and debate around the world. However, today, when China's wealth and material power have reached a level of absolute power that rivals that of the United States, the world's largest economic integration to date, it is particularly important to understand and interpret the nature of the People's Republic of China. Our research seeks to clarify the very essential characteristics of the People's Republic of China, and certain distinctions that the Chinese people possess, which make their behaviour in the international system understandable.

In the period of the research, such significant changes took place in international relations, including in the system itself, which affected China's position with such a great weight that it should make us extremely cautious in any kind of forecast. Our study on China's international strategy published in 2018 (Krajczár, 2018) needs to be supplemented, because some of the factors taken into account, such as the United States' China policy, have changed a lot, and factors not taken into account at that time have also emerged. Although the accelerated processes from China's perspective make the researcher's work more difficult, it is encouraging to identify enduring elements and processes.

What our research focuses on is the peculiar inward-looking nature of Chinese strategic thinking, in that there are hardly any problems for Chinese foreign policy that are not directly related to some internal demand. This is in contrast to the constantly evident self-awareness that China is one of the largest and most dominant players in international politics, a major country or 'big country' (*daguo*) in its own words. However, as the population and economy grow, these internal demands, which also require external management, multiply and the assembly of these into smaller and larger systems constitutes the building blocks of a possible or hypothetical global strategy.

Some Chinese scholars (e.g. Qin 2014, Shi 2002) have also tried to approach this issue using theories and terminology of the international relations discipline, mainly of Anglo-Saxon origin, but this has generally not proved productive, as they themselves mostly acknowledge. The often-latent information asymmetry between the creators of the theories and terminology and Chinese researchers, and simple misunderstanding, has a major role to play in this. This problem is also rooted in the subject matter of our study, namely the two different identities, cultures and informal institutions, and the fact that only parts of the differences are perceived as differences by the parties, and a considerable part remains hidden.

The dynamic US-China confrontation that is unfolding today is, at least in theory, against

the Chinese strategists. In their manifestations, in party and state documents, in the speeches of their leaders, they declare themselves to be interested in a multipolar world, including cooperation between the poles, and in peace. At the same time, however, the sincerity of this is openly and completely questioned, especially by the United States and its closest allies. A considerable part of the international community researching the situation and Chinese intentions in general is in some way linked to the political decision-making structures of the individual countries, and this has a significant influence on the state of the international literature. The growing conflict is also polarizing academic circles. Extremely negative trends have begun to emerge. In this area, the publishing space has never been dominated by purely academic considerations, but the extreme divisions that exist today are beginning to resemble those of a few decades ago.

Our starting point is that China is in the process of becoming a comprehensive superpower. This means that its economic, military, diplomatic and other powers of influence have reached a level that makes it inescapable in the overall shaping of the destiny of humanity, but its capabilities in different areas are uneven and partial. The dynamics of the process are still growing, the pace is somewhat slower but strong, and China has so far adapted effectively to the changes. The basic question of our research is

*As China becomes an increasingly global player, what is its global strategy and why?*

And our supplementary questions are:

*How does the process of China's rise stimulate the international system, humanity as a whole? What are its ideas and goals in this respect?*

*What is the nature of the power that emerges in the process? What are its essential characteristics?*

## 2 Data and methods

In our research, we have tried to examine Chinese strategy-building from the perspective of

interests and identity. The general Chinese administrative and cultural practices make it obvious that a considerable part of the data collection is mainly done through the analysis of texts. This is not simply a matter of the possibility of using the productive method of text analysis (Milliken, 1999), but also of the extraordinary role of literacy and texts in the Chinese world, in state, everyday and cultural life. Both traditionally and in the present. The successive, interdependent, and continuously reflecting on the antecedents of texts and documents characterize not only historiography (Balázs, 1976, pp. 183-184), but also all segments of bureaucratic society. Both the government and the Chinese Communist Party put their own ideas, assessments, objectives, and decisions into well-defined documents, and these become the benchmarks for action and activity. Although the mass of documents produced by the bureaucracy is not made public, and most of it is obviously of no interest from our point of view, the creation and composition of public documents follows the same mechanism.

The relationship between the administration and texts is so strong that even texts produced outside the administration are periodically included in the "canon", thus imposing the value judgement of the administration. This has played a major role throughout history, for example in terms of survival. The 'official' collections - poems, literary and historical texts, etc. - have been duly reproduced, preserved, and disseminated.

## 2. 1 Interest, identity, specific structure

In collecting data for the reconstruction of the interests and identity of the Chinese state, we had little choice but to rely on texts from different historical layers and interpret them in the light of the present. To do this, we also drew on texts from traditional Chinese cosmology, the great turns of the 19th and 20th centuries, and the defining texts of the present. In surveying and organizing the interests, we followed a traditional field division, but in interpreting them we looked for any specific, distinctive internal structure. Our methodological premise was that if we could identify a specific internal structure, it would be practical to examine its relationship to identity and global perceptions in particular in order to answer our research question.

The identity survey required a complex data collection process. We divided it into three domains, which in themselves were linked to the internal structure of the interest system. For territorial identity, we drew on old surveys, cartographic work, interpretations of China and empire, and political literature. In the field of organization, we also used secondary literature that assessed it, as well as modern interpretations. For civilization and culture, we have drawn on a combination of classical literature and certain interpretations.

## 2. 2 Analysis of the strategy

The analysis of the strategy was mainly based on an analysis of party and government documents. The reports of the Communist Party congresses are particularly important documents for strategy building. The documents, which have been produced regularly every five years since 1992, are similar, often identical in structure and structure, obviously reflecting directly on the previous one, and incorporating ideas accumulated in resolutions and speeches of the previous five years, and essentially encapsulate the Chinese strategy. (The pre-1992 texts fulfil the same function but are much more hectic in both pace and structure.) Interpreting these texts, which are characteristically dry but at the same time precisely weighted in every sentence, and full of internal references, is not easy, but it is what is needed to understand the evolution of the strategy. This is usually complemented by the speeches of the leaders, especially the first leaders, which have been edited in volumes since the 1950s in a strictly standardized way, and from the extensive speech flows a canon is constructed to meet strategic needs.

The important documents of the government wing with strategic implications that we used are the so-called "white papers". They are detailed explanations, policy, theoretical and often historical summaries of a particular field or set of problems. There are subject areas in which we can observe a relative regularity in the publication of white papers, but it is more accurate to say that these documents deal with very important, topical problems. They are explanatory, orientative texts, yet the political elite regard them as normative.

These documents keep the actual practice in context, and since text production is also continuous, texts and practice constantly reflect on each other. But the sense of closure, of completion, of arrangement, is always created by the text. They are expressions of direct political will. Their system and function is permeated by the canonising need that traditionally characterizes Chinese literacy. This stems from their enormous size and the enormous amount of text they produce. There is a constant drive to select texts, and even more so authors, in the fields of history, political literature and fiction. The result is a canon of texts in the fields of history and politics, and a canon of authors in the arts. Logic stems from the imperial examination system, which was abolished in 1905, but its long history has influenced public thinking to such an extent that its role is still important today.

Accordingly, we need to take into account and analyse the layer of contemporary texts that are not produced by decision-making organisations but can be considered as reference texts. They are written by specific media and by precisely defined academic authors. They are also of



great importance in propaganda and in everyday discourse because they contain statements and approaches that are present in the thinking of the political elite but which, for some reason, they do not want to make into 'official positions'. An example is the Global Times, daily newspaper whose journalistic and analytical writings are outspoken in making statements that many in the ruling elite think but do not say publicly. Another such example is the work of Eric X. Li, who consciously uses Western categorization to systematize and explain the Chinese political system specifically for Western readers (Li, 2013).

This group also includes public analyses by experts and academics, including, with some critical reservations, professors such as Yan Xuatong, Qin Yaqing and Shi Yinhong. There is also a relatively broad debate in China on international relations, and divergent views are being publicized. However, these debates are not political, doctrinal, or personal. Rather, the texts that emerge from these debates simply shed light on the considerations behind current practice and the elements that are being re-analyzed on that basis. (There are obviously political debates, and sometimes there are those who dispute the substance of the 'policy', but the nature of the Chinese bureaucracy means that it is not possible to get a clear picture of this from the outside. This is a constant source of uncertainty in the analysis of Chinese foreign policy.)

In analyzing the relationship between texts and action, we naturally drew on Hungarian literature. In Hungary, the analysis of the contemporary China has been dealt with varying intensity and quality over time. Accordingly, no comprehensive discourse has emerged diachronically, but rather isolated major achievements are characteristic. Two important figures in Hungarian China studies, Barna Tálás and Ottó Juhász, died during the period of this research, and we had the privilege of knowing them personally and consulting them regularly. My thesis is dedicated to their memory.

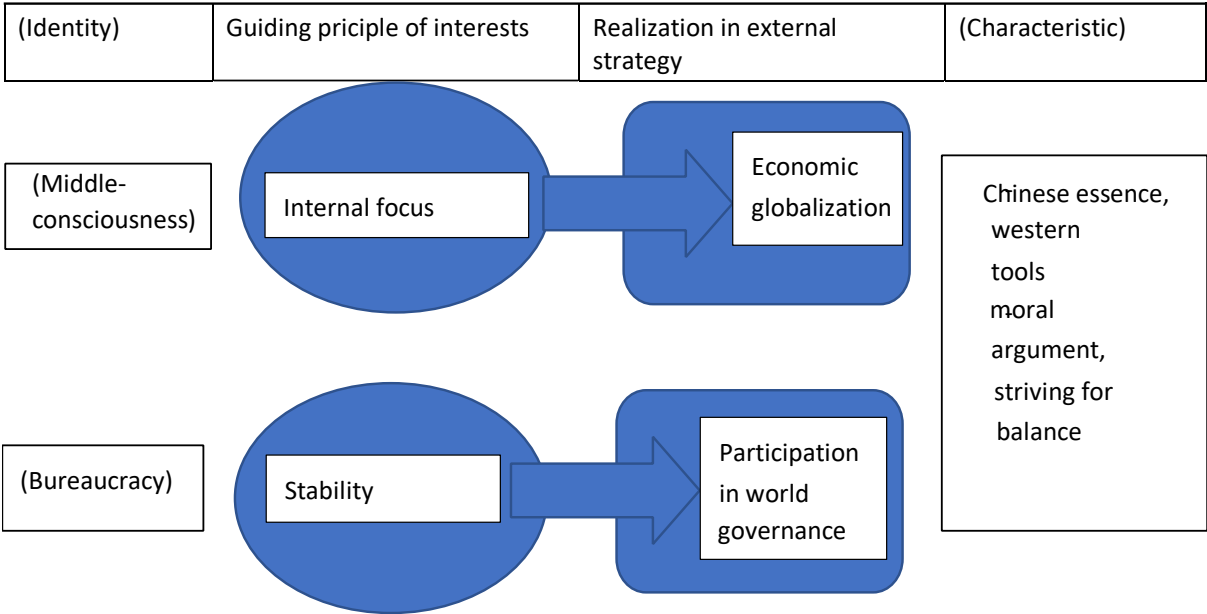
## 3 Results

### 3.1 The role of interests in the image of China

China has been on a course since 1978, pursuing a strategy focused on its own internal development, which is generally identified as peaceful development. It has gradually become a global player in pursuit of its fundamental interests. Its interests revolve around two axes:

internal development and stability. Welfare objectives are at the forefront, and the need for trade and technological development has been central to their pursuit from the outset. Both have led the Chinese leadership to pay much greater attention than before to its interaction with the outside world. The concept of opening up has therefore given its strategy a distinctive external dimension. The dual planning method has played a decisive role in shaping concrete policies and has become the main tool for selecting between the opportunities that open up, and an important factor in success, adapting effectively to both the goals and the outside world. China's extensive presence in the world has become primarily and decisively economic in nature, intensively integrated into the structures of the world economy and many national economies, and into international financial and logistical networks. It has done so while preserving its autonomy and not joining or creating security alliances in the traditional sense.

### 3.2 Principles that guide Chinese interests



### 3.3 The role of identity in the image of China

The nature of the power we are dealing with, the principles and considerations that guide its behaviour in the global space, is of paramount importance. It is clear from day-to-day experience that it is civilisationally distinct and that its development shows that, although its intentions to integrate into the international community have led it to adapt to international - Western - norms to a large extent, it retains and openly acknowledges its essential differences. The characteristics of its identity present a complex picture with many layers of tradition. The

most dominant feature of its behaviour as a global actor, its action on global issues, and the most difficult to understand and manage, is its moral reasoning. This is, of course, not based on the traditional Western toolbox of conventions, treaties and written law, and from this basis it often appears to be a vague, deliberate obfuscation, a misunderstanding. Meanwhile, it has its own logic, and in the longer term, some experts are able to show very distinctive patterns of behaviour. Another such characteristic is the striving for balance, which is also a principle in itself, and its application is often incomprehensible to the outside world, because it does not see 'the concrete problem' behind each step. These are in fact manifestations of the 'Chinese essence' without any particular awareness, as opposed to the 'Western tools' acquired for the purpose of adaptation. Other very important, often latent, manifestations of identity are the 'middle-consciousness', i.e., the civilizational - and qualitative - distinction of the self, and the bureaucracy, the characteristically bureaucratic organization and approach - also in the civil world.

### 3.4 Continuous strategic thinking and a global role

To shape their external needs and behaviour in concrete terms, they had traditional or rather previously formulated principles and rules, such as anti-hegemonism, the five principles of peaceful coexistence, and so on. All this cannot be considered a global strategy, since the world itself, the globe, was not the direct object of their objectives. In the 2010s, a considerable number of analysts recorded a significant shift in the international behaviour of the Chinese state. There are areas, such as certain aspects of economic globalization, where China has even reached the point of global objectives or the intention to create rules and build institutions. We are witnessing the very slow, very cautious, very uneven unfolding of a global strategy, which is more segmented, affecting some areas more than others. This process is based on growth, which has created a shift in the proportions of life of humanity. This is something that China, in its original intention, wanted or wants to manage by respecting the existing rules. But this is impossible. The charge of 'revisionism' levelled at China is in fact a concern about the consequences of growth. This is only exacerbated by phenomena such as the improvement in its security and defence standards. Not to mention the fact that a mass of countries changed their relationship with China in recent decades, which has also been a major shift in the international balance. The so-called Thucydides Trap is often discussed in relation to China, which, in the analogy of the ancient Athens-Spartan relationship, posits that a rising power inevitably comes into conflict with the regnant, and only war can reinstate the balance. We don't

think Chinese strategists would have much trouble with Thucydides, but the perennial emphasis on peace and peacefulness is clearly also a way of avoiding this kind of trap.

### 3.5 Techniques for dealing with conflicts

The US strategy has a major impact on China. The "Asian pivot" of the Obama era, the "competitive world" of Trump, the "rules-based order" of Biden, are seen as cold war-like, tending towards hegemonism from the Chinese perspective. But that does not prevent them from seeking cooperation and improved business relations in a wide range of areas. As it was the basic ambition with Russia when they turned to China with less intensity in the name of the 'European country' idea, and it is now, when they have very serious reservations about the secession of Abkhazia and South Ossetia, the annexation of Crimea and the attack on Ukraine. The technique that China seems to be applying to other countries in the region and more important distant countries seems to be working well, whereby it sets itself lofty, abstract goals, formulates rules of conduct, takes a moral stand, and then tries to deal with concrete problems within this framework.

### 3.6 The "new era" and continuity

Despite the talk of a "new era", continuity is seen as the decisive element of Chinese policy in terms of international goals, with new approaches or more detailed, programmatic actions emerging only in sub-areas. Economic globalization and world governance are areas in which China is more active than ever before, and where it is changing its role accordingly. This has brought with it a change in international behaviour, more self-conscious and proactive, to which the international system is reacting sensitively. All in all, a picture can be painted that holds out the possibility of a global strategy unravelling. So far, China has risen to a position of considerable power through a somewhat unusual route, not through major conflicts or wars. It is also evident that it is different not only in its development but also in its nature from the great powers of the last century.

Since the second half of the 2010s, the international community has witnessed significant changes, with the end of the cycle that began with the dissolution of the Soviet Union, the dismantling of the socialisms in Eastern Europe and the reunification of Germany. The widespread belief that the disappearance, or at least a significant decline, of communism would usher in a kind of 'golden age' for humanity has proved to be an illusion. However, the

globalization-dominated period of the last thirty years has provided a particularly favorable environment for Chinese growth. It has also been helped by a relative openness and willingness to cooperate within the international community. Although researchers, other intellectuals and movements have pointed out from the outset that globalization, free trade, and the international financial regime have had serious losers, this began to be articulated as a global problem when a critical number of losers also appeared in the developed countries, especially in the United States.

### 3.7 Risks

As the international environment has changed markedly, but it is extremely difficult to assess where the changes are going, great caution is needed in assessing and evaluating the risks to and from China.

1. *Risks to internal development and growth.* We have seen that the main driver of China's emergence as a global player has been its internal development and growth. Growth has slowed compared to previous periods. Resources from the demographic dividend and the rural-to-urban labour flow have been exhausted, wage growth has required major changes, and the 2008 financial crisis and the Covid-19 epidemic caused a major disruption. The increase is also presumably a major factor in the legitimacy of the incumbent leadership. There have been regular debates about the level of growth needed to maintain social stability. A slow and highly debated turnaround, the 'new normal', has begun, with structural reforms on the supply side and the aim of making internal markets the basis for growth on the demand side. This has been accompanied by a number of specific policies, with significant investments in the development of various cutting-edge technologies, a comprehensive modernization of industry, etc. The energy sector is undergoing a major transformation, with a decarbonization process planned to last until 2060.

At the level of the declaration of intent, Chinese planners envisage strong international cooperation to maintain and develop trade and investment potential. However, they do not fully build on this the success of the whole policy. The trade war, the politically motivated jiggling of the investment protection agreement with the European Union, the popularity of the various 'decoupling' and 'disengagement' ideas, all make them cautious. At the same time, they want to maintain and develop their positions in the international institutional system, and they consider the framework of these institutions, especially the WTO, to be useful and worth

developing. The 'alternative' institution they have built up so far, the AIIB, is not really an alternative, but rather a complement to the international development bank system.

What we can expect, without major risks to growth based on our analysis, is that China will remain a power of global importance with a strong inward focus, with its own growth, internal balance, and stability as its absolute priority, but with an increasingly broad range of external economic interests.

2. *The risks of the Sino-US-Russian triangle.* In the post-World War II power formula, it was apparent from the outset that China's changing orientation between the two poles of the Cold War was not simply a matter of choosing sides of an even larger country but was in fact a "three-body problem". The term, borrowed from celestial mechanics and quantum physics, is of course only a metaphor, which describes China's presence in the great power constellation as a fully autonomous actor, except for a very brief period from the Communist takeover in 1949 until Stalin's death in 1953. Because of China's size, this relationship has always been important, but for a long time it was only of regional significance and the perceived potential was valued by the parties. Its real importance has been growing since the mid-1990s when it became an increasingly global player.

From then on, he began to approach both powers cautiously, as they had been approaching each other for a while. This has now changed radically, and while the United States sees the other two countries as strategic threats, China and Russia have begun to move closer. But the nature of the relationship has changed significantly. China does not have an alliance, but at the same time official statements describe an unprecedented close relationship with Russia. And the relationship is defined by the fact that Russia is now much more dependent on China than vice versa, and the strategic advantages that China had hoped to gain from this relationship are now more than ever being delivered. At the same time, the most important thing for China would be a balanced relationship with the United States, and they are working intensively to manage this, despite the differences. The United States is the largest external market and the most important destination for technological exchange. Partnership with the US is also important for national self-esteem.

This is perhaps the most difficult risk area to assess in terms of future developments. It should not be forgotten that the most important factor in these relations from a Chinese perspective is to ensure their own interests, i.e., internal development and balance. From Russia's side, this means that, on the one hand, they do not perceive a major threat and, on the other, they are increasingly able to take advantage of the economic, commercial, energy supply

and logistical benefits of the Russian Far East, including the now slowly opening of the Northern Sea Route. And by placing Russia temporarily or permanently at the centre of global struggles, it is also providing some respite for Chinese development. At the same time, China will probably always attach strategic importance to cooperation with the United States, avoiding direct conflict and seeking contacts. This will always be marked by an emphasis on equality and the enforcement of certain moral standards based on it. Obviously, there is a disaster scenario in the minds of all parties, and an armed conflict may even arise as a result of chance or an unfortunate combination of circumstances. As in the US, so in the Chinese ruling elite, there are radical ideas that the other side should be eliminated, and the thugs who represent them, who can gain greater influence in such cases. It may be naïve, but our analysis suggests that China is unlikely to be attacked from anywhere, nor is it likely to engage in a full-scale war with anyone outside of China.

Here we can also touch on the often-hypothetical question that, assuming but not allowing, if China in the future significantly surpasses the United States in economic power and peacefully becomes the world's most distinctively powerful state, what will happen then. Of course, the question cannot be answered, but some comments can be made based on an analysis of the nature of global presence and identity. To a certain extent, we are already in the "Chinese century" even if the indicated situation does not materialize. China's development to date has not simply made it a new economic and power candidate but has also left its mark on globalization and its character. If we look only at the everyday, consumer-cultural layer of globalization, we see that its inherently American character has changed, and although it is not fading, Chinese products are appearing in a wide variety of areas, in food, fashion brands, household appliances, but more importantly, there is a worldwide adaptation to Chinese consumers.

But we probably cannot expect a "Chinese century" in the sense that the previous one was "American". On the one hand, the United States, and the West more broadly, will certainly remain strong, and countries in certain regions may also become stronger. On the other hand, there is every indication that China is genuinely only interested in global issues outside itself and its own region. It has so far shown no inclination to play the role of 'policeman of the world' or 'great problem-solver', nor has it taken on a major role in conflicts where it might have an interest. It is easy for Chinese companies to leave countries and territories, and for Chinese diplomats to retreat into the role of passive observers when a conflict breaks out in which they do not feel involved. Their economic presence around the world is expected to grow, but there is no evidence that they are developing more aggressive, militant means of state management

of their resulting interests. China is not today the type of power that the United States and the Soviet Union were during the Cold War, nor do its changes point in that direction. What it is offering as an example to other countries is not a universal theory and structure that it feels obliged to spread, but an offer that has proved successful in their case. And from the experience of his extensive economic presence in the world, he now also suspects that one of the integral elements of his method, the absence of ordinary Confucianism, may also be an obstacle to its implementation.

There is no threat at all now, but in the longer term there is certainly a hypothetical risk of a breakdown in internal stability, the detailed analysis of which is beyond our scope.

*3. Belt and Road Initiative: regional risks, relationship with the developing world.* The Belt and Road Initiative (*yidai yilu*) is the most internationally branded project of the Xi Jinping era. This grand vision, which evolved from the need to leverage the corporate capacity abroad, following the massive domestic infrastructure development, and to build infrastructure and logistical links with countries in the region, is actually a very good description of the Chinese elite's thinking about the wider world. Many aspects of the initiative are well advanced, and the imagined network is moving forward in fits and starts, in line with flexible corporate activity. At the same time, it also reflects the evolution of Chinese foreign policy and its ability to assert its interests (for example, India is a white spot in development, while the development of infrastructure in the Indian Ocean has progressed very significantly through Pakistan, Myanmar, Cambodia, and Sri Lanka). Many European and 'Western' countries have also joined the initiative as partners, which has the not always advantageous consequence on the Chinese side of bringing their own standards into the process.

In fact, the grand vision is a regional initiative for the time being and will remain so for some time to come. You could say that the construction of a motorway in Serbia or Montenegro, the renovation of a port terminal in Italy is part of this project, but there are also some regional investments, such as the Pakistan corridor, which are being carried out in an organic, systematic and integrated way. The idea of a network that will bring the Chinese economy to the region, which will certainly bring great development to the countries concerned in economic terms, is clearly visible here, but it also creates fear of China, which is already a huge player in the region. This is one of the cornerstones of the US Indo-Pacific initiative, which similarly offers infrastructure investment to the region. It is still in its infancy, but it shows the US's willingness to compete with China on a regional level. Previously, during the Obama administration, the flagship of this was the Trans-Pacific Partnership, a high-quality free trade area from which



China was excluded, but since then the US has withdrawn, its partners have retained the initiative and most recently China has asked to be included. Nevertheless, it is precisely from 1 January 2022 that the China-initiated Regional Comprehensive Economic Partnership (RCEP), a 15-country free trade partnership that includes all the major economies of the Far East, South Korea, Japan, Australia, and New Zealand, in addition to the ten members of ASEAN and China, has been operational.

As we have seen in our analysis, there is a strong representation in the Chinese academic - and presumably political - world of the country's focus on the region and its focus on the developing world. Indeed, most China's multilateral initiatives are focused on the region, but this is also, by definition, where most of its conflicts are. Accordingly, the United States, which is seeking to counterbalance China, is also taking major initiatives: in addition to the Indo-Pacific initiative mentioned above, it has set up the AUKUS security initiative, which is not entirely clear-cut, involving Australia and the United Kingdom, and it runs the Quad Consultative Group, which, in addition to Australia, includes India and Japan as partners. However, China is and will remain an inescapable factor in the region. In addition to its massive assertion of its security interests, its economic and infrastructure initiatives and its growing financial dominance will only strengthen its leading position in the future, and it will continue to do so ambitiously. It is not always easy, but it is clearly abstaining from bloc-building and side-selection exercises, in which its focus on the economy is a great help. Similar principles, moreover, are guiding him in regions of the developing world further away from him, in Africa and Latin America. In these risk spaces, the main influencing policy-shaping factor in the medium term will be the competitive environment promoted by the United States.

4. *Chinese adaptation and adapting to China.* Our analysis has shown that China's adaptation to the international order can be described as selective. The newcomer syndrome is a source of anguish, as from the 1970s it had to adapt gradually to a by then rather sophisticated order, many of whose conditions were not even given. It was quickly assessed that there were rules and standards whose rapid introduction would cause very serious damage. This led to the need for gradual adaptation, and the view that concrete adaptation should be treated in relation to the level of development, of historical development. This has been the subject of much debate over time, and China has been accused on many occasions of not wanting to adapt. It has been interesting to observe that the process of accommodation and adjustment has gone hand in hand with dynamic growth, and that both the international community, partners and the Chinese leadership have constantly reflected the country's increased weight. The new guest syndrome

faded not only as the guest became older, but also as he played an increasingly important role in the community. And the problem of adapting to China appeared.

China has become in many ways a desirable, in many ways a fearsome economic and political partner. It has brought with it its own identity, its own ways of behaving, its own ideas, which, because of their perceived specificity, have required interpretation. Many different images of China have emerged, with the most desirable and the most frightening features occupying the central positions. On the desirable side, there was the image of a helpful, developing, supportive, redemptive China, while on the frightening side there was the image of a communist, authoritarian, world-dominating, troublemaking, dangerous China. And public opinion in the countries of the world was influenced by the interpretations of the forces most able to influence it. The big countries, the countries of the region, and those from further afield who wanted China to play a more serious role in their lives, had to adapt to some extent. The United States, the European Union, Russia, had to set up whole apparatuses of cooperation that had to learn to adapt. Intellectually, it was easier for the countries in the region because they knew what it was about, but mentally it was much more difficult. Indeed, the Confucian moral approach, for all its modernized and egalitarian approach, implies a Confucian notion of hierarchy, whose often unwitting manifestations are difficult to tolerate. This is the fear and fear of China that some US analyses regularly take as a given for them. In the case of distant, culturally different countries that see China as a strategic partner, adaptation is obviously determined only by cost-benefit analyses and certain - often unfounded - expectations.

### 3.8 Concluding remarks

In our opinion, the outline of Chinese strategy and strategic thinking based on interests and identity provides an appropriate basis and tool for the analysis of concrete events and situations. In the conflictual and, according to some analysts, cold war intellectual environment that is unfolding, the picture of China we have sketched is suitable for understanding and requires a similar picture of other actors. As our conclusions suggest, we do not believe that China will calm down, so Western critiques of its political establishment and culture are likely to remain with us permanently. Beijing will consistently refuse to accept the US attempt to split the international system into two poles. It will use all its strength and ingenuity to make its presence in the world as varied and intense as possible. It will avoid armed conflict, and if it cannot avoid it, it will try to limit it.

"Decoupling", i.e. China's isolation from the world, is an unlikely but certainly controversial

possibility. China already maintains a set of institutions and policies designed to isolate and 'protect' itself. The dynamics of some of these are characterized by a constant, slow opening-up (for example, investment in certain economic sectors). At the same time, there are parts of life around which China itself builds, maintains, and develops artificial walls (for example, the world of the Internet). As we have seen, the moral-ideological conditioning of the Chinese population was seen by the rulers as a mostly exclusive task. This is no different today. There are elements of Chinese identity that can be mobilized, where appropriate, to pursue a more exclusive political course. Given that the leadership has long seen economic globalization as a *sine qua non* for the implementation of its strategy, isolationism is seen as a rather partial option in the medium term. Such a move could be encouraged by external stimuli such as the Trump administration's injunctions to cut off Chinese companies from technologies that were integral to their complex products (such as high-performance chips).

Of course, a critical situation could also arise in which China is on the brink of military confrontation or even clashes with a state. Henry Kissinger points out in this connection that coexistence in the current high-tech world is a necessity, since it is impossible to imagine a war between major countries with serious artificial intelligence (AI) technology that could destroy life as we know it. In his opinion, coexistence depends on neither side wanting to destroy its opponent while maintaining its own values and objectives. Coexistence must be put before dominance by both sides. One of the key goals in the relationship between China and the West must be to prevent the rivalry from becoming an all-out AI conflict. Which means that while both sides may have a theoretical chance of winning, neither will try – Kissinger wrote. (Insider, 2021.)

Kissinger's AI-centric approach puts into perspective the nuclear threat that was at the heart of his earlier analysis, which was analogous to today's. Our research followed a very different logic, but with a similar premise: whatever happens apart from a catastrophic scenario, China will be an inevitable factor in the international system. Accordingly, the further possibilities of our research point towards exploring and analyzing adaptation, either in terms of the overall strategy or in terms of individual sectors. It may be of particular interest to examine the limits of adaptation, the limits and forms of growth and expansion, and the limits and forms of influence. It is clear that the picture of unchangingness, or very slow, cumbersome social change based on observation of Chinese history is a mere illusion. However, much could be explained by further research, both historical and contemporary, which would seek out and analyse the elements that give rise to this illusion. Just as approaches based on psychological and social psychology, the analysis of communication, and the limits and conditions of rational

choice have become increasingly popular in economics in recent decades, a similar approach to the study of Chinese bureaucratic organization and organizing practice, and the related patterns of behaviour and attitudes, would be very promising. There is of course research in this direction, particularly in the field of management science. However, this should not simply be about companies or management organisations, but about philosophical anthropology, tested in the Chinese context. Of course, it is not excluded that such research would be ineffective or unproductive, but it is also possible that explanations of ineffectiveness would advance our understanding of Chinese strategic thinking.

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