

SECTION 2: ACTORS IN CHINA'S FOREIGN POLICY

Introduction

Through a combination of hearings, two fact-finding trips to East Asia, and research over the past year, the Commission investigated the changing dynamics of China's foreign policy-making. Overall, the Chinese Communist Party (CCP) elite, the party's Politburo Standing Committee, continue to exert overarching control of China's foreign policy-making. Other party and government entities, such as the Ministry of Foreign Affairs, the People's Liberation Army (PLA), and provincial actors, influence and implement China's foreign policies. However, as China has expanded its overseas interests, the number of voices affecting Chinese foreign policy also has increased. Chinese state-owned enterprises (SOEs) and banks, and think tanks and academic institutions have increasing influence on China's foreign policies. In addition, private citizens may have a modicum of ability to influence foreign policies through the use of the Internet. As a result of the growing number of players influencing China's foreign policy-making process, coordination among the various actors is more difficult for Beijing. The following section will describe the actors creating, implementing, and influencing Chinese foreign policy and what implications the proliferation of voices could have for the United States.

Official Chinese Foreign Policy Actors

China's official foreign policy actors include individuals and organizations in the CCP apparatus and in the Chinese government under the State Council. The most influential actors are the Politburo Standing Committee, the Foreign Affairs Leading Small Group, the Ministry of Foreign Affairs, the PLA, and on a smaller scale, provincial governments.

Politburo Standing Committee of the CCP

Comprising the top nine members of the CCP, the Politburo Standing Committee is the ultimate body that approves foreign policy decisions. Although it does not publicize its agenda, the Politburo Standing Committee reportedly meets every seven to ten days and operates on a consensus basis; no one member has exclusive say over foreign policy decisions.¹⁰³ In testimony to the Commission, Susan Lawrence, an analyst at the Congressional Research Service, stated that the two members of the Politburo Standing Committee who have the greatest involvement in foreign policy are current President and Party Chairman Hu Jintao and Vice President Xi Jinping (who is likely to become president and party chairman in 2012).¹⁰⁴ However, as a Commission-sponsored report

noted, 2012 may herald changes to the foreign policy-making dynamics on the Politburo Standing Committee as new leaders attempt to jockey for power during China's leadership transition.¹⁰⁵

Foreign Affairs Leading Small Group of the CCP

The party's Foreign Affairs Leading Small Group* is a coordinating body comprised of representatives from party leadership organs, the government, and the military. Although China does not publicize the membership of the Foreign Affairs Leading Small Group, reports suggest that its members include the state councilor (see text box below); the head of the CCP's International Department;† the ministers of foreign affairs, commerce, defense, state security, and public security; leading officials in charge of propaganda, Taiwan policy, and Hong Kong and Macau affairs; and a deputy chief of the PLA's General Staff Department.‡¹⁰⁶ The role of the group is to analyze major foreign policy issues and make recommendations to the Politburo Standing Committee on policy decisions. However, Ms. Lawrence testified that several analysts believe that the Foreign Affairs Leading Small Group has not met as a full body for almost two years. She stated that this suggests that President Hu and Vice President Xi "feel comfortable running foreign policy without regular input from the full membership."¹⁰⁷

*Leading small groups in China are ad hoc policy and coordination working groups, the membership of which consists of Chinese political elites. The creation of such groups of high-level officials allows the Chinese government to focus efforts and resources from various ministries and departments on issues or projects that the central government feels are important. U.S.-China Economic and Security Review Commission, *2010 Annual Report to Congress* (Washington, DC: U.S. Government Printing Office, November 2010), p. 98.

†The International Department is a body within the CCP that maintains and builds links with foreign political parties, including noncommunist parties such as the Democratic and Republican parties in the United States. It also facilitates contacts with think tanks and non-governmental organizations worldwide. David Shambaugh, "China's 'Quiet Diplomacy': The International Department of the CCP," *China: An International Journal* 5:1 (March 2007): 26–54.

‡The PLA General Staff Department is the military command headquarters for the PLA. Its duties include planning, organizing, and directing military operations; and conducting staff work for the top leadership of the PLA to assist them in decision-making. David Finkelstein, "The General Staff Department of the Chinese People's Liberation Army: Organization, Roles and Missions," in James Mulvenon, *The People's Liberation Army as Organization* (Arlington, VA: RAND Corporation, 2002), pp.122–123. http://www.rand.org/pubs/conf_proceedings/CF182/CF182.ch4.pdf.

State Councilor Dai Bingguo

China's State Councilor Dai Bingguo advises the premier and vice premier of the State Council of the Chinese government (currently Wen Jiabao and Li Keqiang, respectively) and outranks the ministers of foreign affairs and commerce. In addition to his position in the Chinese government, State Councilor Dai also has influence among the CCP leadership as a full member of the CCP Central Committee* and as the former head of the CCP International Department and the former party secretary of the Ministry of Foreign Affairs.¹⁰⁸ In his role as state councilor, State Councilor Dai is often considered China's top diplomat and serves as U.S. Secretary of State Hillary Rodham Clinton's counterpart in important bilateral meetings, such as the annual U.S.-China Strategic and Economic Dialogue.¹⁰⁹

Unlike the U.S. State Department, which is instrumental in formulating and implementing foreign policy, China's Ministry of Foreign Affairs primarily implements foreign policies that have been approved by the Politburo Standing Committee and the Foreign Affairs Leading Small Group. For example, Chinese ambassadors, who serve under the Ministry of Foreign Affairs, generally neither approve nor direct policy; they can only make recommendations to higher-ups. In states deemed less vital to China's national interests, the ministry enjoys more leeway in determining policies.¹¹⁰ In testimony to the Commission, Daniel Kritenbrink, then acting deputy assistant secretary of State in the Bureau of East Asian and Pacific Affairs, explained the challenges of liaising with China's Ministry of Foreign Affairs due to its limited role in foreign policy-making:

*The [Chinese] Ministry of Foreign Affairs, while being the [U.S.] State Department's primary counterpart, [is] one of several voices and institutions involved in the making of Chinese foreign policy. . . . Given the structure of the Communist Party and the Chinese government, the ultimate decisions are made at a much higher level.*¹¹¹

According to several witnesses who testified to the Commission, the role of the Ministry of Foreign Affairs in foreign policy-making has diminished over the past decade.¹¹² David Lampton, director of China Studies at The Johns Hopkins School of Advanced International Studies, testified that "no longer do [China's Ministry of] Foreign Affairs offices control the gateways to the outside world as they once did."¹¹³ Some analysts assert that the reasons for the decline in influence include the Ministry of Foreign Affairs' increasing reliance on other agencies for expertise and its competition with a multitude of other actors advancing their interests overseas.¹¹⁴ For

*The full CCP Central Committee, elected by the National Congress of the Communist Party of China, is composed of 371 top Chinese leaders from the party, state, and army. The body nominally elects members of the Politburo (25 members), which appoints the Politburo Standing Committee (nine members). However, most analysts agree that the Central Committee as a full body does not have much real power in Beijing and merely serves as a rubber stamp for decisions already made by the Politburo and the Politburo Standing Committee. Nevertheless, departments within the body can be very influential. Kenneth Lieberthal, *Governing China: From Revolution Through Reform* (New York, NY: W.W. Norton & Company, Inc., 1995), pp. 78-79; Xinhua, "New CPC [Communist Party of China] central committee elected," October 21, 2007. http://news.xinhuanet.com/english/2007-10/21/content_6917379.htm.

example, according to Ms. Lawrence, many of the Chinese players in Africa, including SOEs, banks, and private entrepreneurs, do not necessarily feel compelled to coordinate their activities with the Ministry of Foreign Affairs because they have their own connections and expertise on the ground in African countries.¹¹⁵ In addition, the Ministry of Foreign Affairs must compete for influence with other organizations, such as the Ministry of Commerce, which holds jurisdiction over foreign trade, and the National Development and Reform Commission (NDRC), which has major influence over China's economic development, specifically in the energy sector.¹¹⁶

People's Liberation Army

The PLA historically was much more involved in China's foreign policy-making process, with prominent military officers holding powerful positions on the Politburo Standing Committee. Today, no uniformed member of the PLA sits on the Politburo Standing Committee, and thus the military officially does not have a direct voice in Chinese foreign policy. However, President Hu and Vice President Xi currently preside over the Central Military Commission, the military's supreme decision-making body, ensuring that the interests of the military are represented on the Politburo Standing Committee, albeit unofficially. In addition, because of the PLA's expertise on defense-related issues, it can influence the policy-making process. In testimony to the Commission, David Helvey, principal director for East Asia for Asia Pacific Security Affairs at the Department of Defense, stated, "[a]s China's interests have expanded, there is a greater intersection between China's defense and foreign policies, giving the PLA a greater role in shaping debates—particularly public debate—on foreign and security policy."¹¹⁷ Linda Jakobson and Dean Knox explain the PLA's foreign policy role in a study by the Stockholm International Peace Research Institute:

*The PLA shares authority with government and commercial entities on decisions pertaining to arms control and non-proliferation—spheres with direct foreign policy implications over which the PLA formerly exercised nearly unquestioned authority. The PLA still holds sway in these and other defence-related foreign policy issues, particularly with respect to policies related to strategic arms, territorial disputes and national security towards countries such as India, Japan, North Korea, Pakistan, Russia and the USA. In particular, the PLA is a staunch advocate of a hard line towards Taiwan and perceived US interference in cross-Strait relations.*¹¹⁸

In recent years, the PLA appears to have grown more assertive in expressing its views. Yu-Wen Julie Chen, visiting scholar at the University of Virginia, testified to the Commission that the PLA has apparently "trespassed on the Foreign Ministry's conventional role as the mouthpiece of foreign affairs" and has been more willing to publicly express opinions that differ from those of the senior civilian leadership.¹¹⁹ A representative from Singapore's Ministry of Defense told the Commission that this shift began to surface immediately following the global financial crisis as many of the PLA's hard-line leaders grew more confident in China's relatively un-

scathed economy relative to its western counterparts.¹²⁰ Some of the means that the PLA has used publicly to assert its views on foreign policy are military publications and op-eds penned by senior military officials in prominent newspapers.¹²¹

This deviation from official policy has led several observers to assert that the PLA is actually becoming more autonomous. They point to the 2007 Chinese antisatellite test* and the January 2011 test of the J-20 stealth fighter jet during then U.S. Secretary of Defense Robert Gates' visit to Beijing as evidence that the military is acting without approval from President Hu and the rest of the Politburo Standing Committee.†¹²² However, others argue that these incidents merely display a lack of coordination among Chinese foreign policymakers, particularly between the PLA and the Ministry of Foreign Affairs, and do not represent a fundamental change in who creates China's foreign policy.¹²³ Others believe that the civilian leadership in China strategically allows the PLA publicly to voice more extreme views and then distances itself from those opinions so as to add a degree of uncertainty to its interactions with other countries.¹²⁴ Because of the opacity that surrounds civil-military relations in China, it is unclear which of these theories, or combinations of them, are correct. As Alan Wachman, professor at Tufts University, testified to the Commission, "[e]ven though it is a widespread perception that the PLA is resurgent and the Ministry of Foreign Affairs is in a diminished state of influence, I don't think any of us really is in a position to say that we know that to be the case."¹²⁵

***Chinese Provinces* ‡**

Although China's management of foreign affairs is highly centralized, Chinese provinces sometimes act as agents of the central government or as partners with the central government in creating and implementing foreign policies related to trade and security.¹²⁶ This is especially the case with China's border provinces, which often act as China's "front line" of engagement with its neighbors.¹²⁷ The provincial foreign policy-making bureaucracy both reflects and complements that of the central government: Governors and provincial party secretaries are the top decisionmakers and have the same status as ministers in the central government. These individuals usually lead provincial foreign affairs leading

* On January 11, 2007, China conducted its first successful antisatellite weapon test, during which it shot down an aging weather satellite with a ballistic missile. However, the Ministry of Foreign Affairs did not release an official statement about the test until 12 days later, leading analysts to question whether President Hu Jintao and other leaders in the Chinese government knew about the PLA's intentions prior to conducting the test. Shirley A. Kan, "China's Anti-Satellite Weapon Test" (Washington, DC: Congressional Research Service, April 23, 2007), p. 4. <http://www.fas.org/sgp/crs/row/RS22652.pdf>.

† During Secretary Gates' January 2011 trip to Beijing, the PLA conducted a test of its J-20 stealth fighter jet. When Secretary Gates asked President Hu about the test, the Chinese leader said he was not aware that it had taken place, leading some western analysts to question whether the military deliberately did not inform President Hu. For more information on the J-20 and its test flight, see chapter 2, section 1, of this Report. Jeremy Page and Julian Barnes, "China Shows its Growing Might: Stealth Jet Upstages Gates, Hu," *Wall Street Journal*, January 12, 2011. <http://online.wsj.com/article/SB10001424052748704428004576075042571461586.html>.

‡ For the purposes of this section, the term "provinces" will refer to provincial-level entities in China, including provinces, autonomous regions, municipalities, and special administrative regions.

small groups to coordinate and direct local foreign relations.‡¹²⁸ Many provincial leaders also are powerful actors in the central government, and currently provincial leaders hold two of the nine seats on the Politburo Standing Committee and ten of 25 Politburo seats.§

Under the stewardship of central government ministries, Chinese provinces are empowered to be economic liaisons and international dealmakers, fulfilling China's "going out" strategy* and creating economic growth locally. Provincial leaders are responsible for creating and implementing local foreign trade strategies and managing provincial SOEs.¹²⁹ Border provinces such as Jilin and Liaoning (opposite North Korea), and Yunnan (opposite Burma, Laos, and Vietnam) create and implement policies to foster economic engagement across their borders, often with heavy political and financial support from the central government. Jilin is a leading actor in support of China's engagement policy toward North Korea. The province invests in open border cities, economic cooperation zones, joint ventures, and cross-border infrastructure and aims to advance national policies to secure resources, create wealth, and promote economic stability across the border.†¹³⁰ Yunnan Province has similar trade-liberalizing policies along its border with Vietnam and Burma.¹³¹ Reflecting on Yunnan's role as an integral link to China's southern neighbors, President Hu toured Yunnan in 2009 and declared the province a "bridgehead" for China's relations with South and Southeast Asia, a pronouncement that inspired widespread investments in infrastructure and commerce under the banner of a new "bridgehead strategy."¹³²

The provinces also are agents of China's foreign policies related to security and defense, pursuing regional security goals, and maintaining internal and external stability along China's borders. This is especially the case in regard to North Korea, which could create a problem for China in the event of a human security disaster (including the possibility of refugees flooding into China). In such a case, provincial and local officials would be responsible for the

‡ Provincial-level management of foreign relations under governors and provincial party secretaries is conducted by provincial Foreign Affairs Offices and Foreign Trade and Economic Cooperation Commissions, which manage foreign diplomatic relations and foreign trade relations, respectively. Chen Zhimin, "Coastal Provinces and China's Foreign Policy-making," in Yifan Hao and Lin Su, eds., *China's Foreign Policy Making: Societal Force and Chinese American Policy* (Aldershot, UK: Ashgate Publishing Limited, 2005), pp. 11–12. <http://www.cewp.fudan.edu.cn/attachments/article/68/Chen%20Zhimin,%20Coastal%20Provinces%20and%20China%27s%20Foreign%20Policy%20Making.pdf>.

§ Liaoning and Shanghai are represented in the Politburo Standing Committee; Beijing, Tianjin, Jiangsu, Hubei, Guangdong, Xinjiang, and Chongqing are represented in the Politburo. Linda Jakobson and Dean Knox, *New Foreign Policy Actors in China* (Stockholm, Sweden: Stockholm International Peace Research Institute (SIPRI), Policy Paper 26, September 2010), p. 32. <http://books.sipri.org/files/PP/SIPRI26.pdf>.

* China's "going out" strategy was formally enunciated in 2002 by then Chinese President Jiang Zemin as a strategy to help China open up to the world, economically and diplomatically. U.S.–China Economic and Security Review Commission, *2008 Annual Report to Congress* (Washington, DC: U.S. Government Printing Office, November 2, 2008), p. 236.

† Jilin represents 38 percent of China's accumulated foreign direct investment (FDI) to North Korea since 2000, and North Korea is the province's fourth-largest trading partner. While this heavy investment has contributed to economic growth in Jilin, it also makes Jilin particularly vulnerable to North Korea's unpredictable suspensions of cross-border trade. Bloomberg News, "Dead Border' Is Price of China Support for North Korea Regime," June 14, 2010. <http://www.bloomberg.com/news/2010-06-14/dead-border-thwarts-growth-as-chinese-pay-price-for-backing-north-korea.html>; Carla Freeman and Drew Thompson, *China on the Edge: China's Border Provinces and Chinese Security Policy* (Washington, DC: The Center for the National Interest and The Johns Hopkins School for Advanced International Studies, April 2011), pp. 36–39. http://www.cftni.org/China_on_the_Edge_April_2011.pdf.

management of border control, fire fighting, internal security, managing displaced persons, and operating refugee camps, *inter alia*.¹³³ (For more information on China's security polices related to North Korea, see chap. 3, sec. 1, of this Report.) Similarly, in China's westernmost province of Xinjiang, the quasi-military Xinjiang Production and Construction Corps plays a multifaceted role in China's political relationship with its Central Asian neighbors by managing border defense and meeting with foreign leaders.¹³⁴ Provincial leaders and law enforcement personnel also are the primary actors dealing with transnational threats like human and drug trafficking, the spread of HIV/AIDS, and political crises in bordering countries.* Coastal provinces also have provincial maritime law enforcement programs, which add to China's already robust maritime presence.¹³⁵ (For more information on China's maritime policies in the South China Sea, see chap. 2, sec. 1, of this Report.)

Nontraditional Chinese Foreign Policy Actors

Aside from the official Chinese actors that are responsible for creating and implementing Chinese foreign policy, a number of nontraditional actors are increasing in importance. SOEs and state-owned banks, Chinese academics and think tanks, and a growing number of Internet users are all beginning to have a voice in foreign affairs and are seeking ways to become more influential in the policy-making process.

State-owned Enterprises

As China's SOEs have expanded their global reach, their influence in China's foreign policy-making has grown as well. Large SOEs dominate strategic industries, such as the energy and telecommunications sectors, providing them with many connections to Beijing's political elites. These companies influence foreign policy by virtue of their leaders' access to official policy-making bodies, their expertise in national strategic industries, and their employment of Chinese workers and provision of capital for Beijing.¹³⁶ (For more information on China's SOEs, see chap. 1, sec. 2, of this Report.)

Executives of SOEs, especially those in strategic sectors like petroleum, minerals, nuclear, and defense, often have membership in or access to official decision-making bodies in China. Heads of all major SOEs under the central government are appointed by the party's Organization Department and Ministry of Personnel, and some of these individuals hold ministerial or vice-ministerial rank or serve as alternate members of the CCP Central Committee (for example, the general managers of China's three largest state-owned oil companies are vice ministers).¹³⁷ While these official positions do not give companies power to make important foreign pol-

* Yunnan and Guangxi provinces also work to resolve transnational security problems through participation in the Greater Mekong Subregion, a cooperation organization in which these provinces and five Southeast Asian nations work with the Asian Development Bank and other partners to enhance cooperation in nine security, economic, cultural, technological, and environmental sectors. Asian Development Bank, "Greater Mekong Subregion" (Manila, Philippines: July 22, 2011). <http://www.adb.org/gms/>; Carla Freeman and Drew Thompson, *China on the Edge: China's Border Provinces and Chinese Security Policy* (Washington, DC: The Center for the National Interest and The Johns Hopkins School for Advanced International Studies, April 2011), pp. 71–73. http://www.cftni.org/China_on_the_Edge_April_2011.pdf.

icy decisions directly, they enable state-owned company executives to take part in implementing and debating policies that come from higher up.¹³⁸ Business executives also maintain close ties to high-ranking officials. According to a Stockholm International Peace Research Institute report, Fu Chengyu, chief executive officer of China National Offshore Oil Corporation, is said to have access to Foreign Minister Yang Jiechi “any time he wants.”¹³⁹

Moreover, there is a “revolving door” of political and industrial appointments through which highly ranked personnel in government bodies and state-owned companies are promoted from one sector to the other, enabling business executives and government officials to take their expertise and professional networks from the government to the business sector, or vice versa. For example, former heads of large companies have become members of the Politburo Standing Committee or the CCP Central Committee or have become governors or provincial party secretaries.¹⁴⁰ This revolving door particularly applies to China’s oil industry, which is known to undergo occasional personnel “shake-ups” during which oil executives are moved from company to company or from a company to a powerful government position.¹⁴¹ This system facilitates tied interests between the energy sector and the government and ensures that the governing elites always have a hand in this strategic industry.¹⁴² For example, Zhou Yongkang, a current member of the Politburo Standing Committee, is the former head of China National Petroleum Corporation, one of China’s largest state-owned oil companies. Erica Downs, fellow at The Brookings Institution, testified to the Commission that some analysts assert that Mr. Zhou has used his position on the Politburo Standing Committee to liaise with and promote the interests of the national oil companies.¹⁴³

SOEs also provide valuable expertise to policymakers. Dr. Chen testified to the Commission that SOEs are able “to provide ... detailed and expert knowledge on certain vital issues [which] increases their value for decision-makers.” Because these companies have extensive, on-the-ground experience in numerous countries, their managers often are experts on the foreign countries’ government structures and market conditions. Chinese leaders often rely on this knowledge to inform their foreign policy-making decisions.¹⁴⁴

SOEs operating overseas are important contributors to China’s economic growth and its ability to employ its burgeoning work force. National SOEs provide the government with massive revenues and employ 6.8 million Chinese workers, most of whom work overseas.¹⁴⁵ As more workers go abroad to work for these SOEs, the Chinese government must find ways to protect them if the country in which they are working becomes destabilized or is victim to a terrorist attack or natural disaster. For example, after the turmoil began in Libya this past year, the PLA and the Ministry of Foreign Affairs worked to evacuate almost 36,000 Chinese citizens from the country, making it one of the largest and most complicated overseas evacuations of Chinese citizens in the history of the People’s Republic of China (PRC).¹⁴⁶ (For more information about the Libya evacuation, see chap. 2, sec. 1, of this Report.) Because the decisions taken by these companies can directly affect

China's economic growth and the livelihood of Chinese workers, leaders are apt to incorporate the companies into the policy-making process, whether it be foreign policy or otherwise.¹⁴⁷

SOEs often advance China's national "going out" policy to secure resources to fuel China's economic growth and broaden China's global footprint. Their myriad global economic interests sometimes can be at odds with China's wider foreign policy goals.¹⁴⁸ For instance, state-owned oil companies operating in unstable or "rogue" countries like Sudan and Iran have attracted the ire of the international community.*¹⁴⁹ In the case of Sudan, the NDRC removed the country from a list of preferred destinations for Chinese oil investments in 2007, but two state-owned oil companies ignored the NDRC's guidance and continued to purchase Sudanese oil assets.¹⁵⁰ Dr. Downs testified that the state-owned oil companies rarely coordinate their overseas activities with government ministries and that some Chinese scholars think that the national oil companies are "hijacking the foreign policy process" in Sudan and Iran.¹⁵¹

State-owned Banks

Two of China's state-owned banks are responsible for supporting government policy objectives abroad: China Development Bank and the Export-Import Bank of China. Both banks operate under the State Council, and China Development Bank has full ministerial rank.¹⁵² China Development Bank and the Export-Import Bank of China play a key role in the financing of China's foreign economic activities. China Development Bank has facilitated several billion dollars' worth of Chinese companies' investments abroad, making it a key player in China's "going out" strategy, especially when it comes to acquiring energy resources. The Export-Import Bank of China is responsible for facilitating foreign trade and allocating China's foreign aid.¹⁵³

Many of China Development Bank's loans require a high degree of cooperation between the central government and business, with the bank acting as the main coordinating body between the two.¹⁵⁴ Government entities often are at the forefront of China's high-profile strategic energy deals overseas; however, China Development Bank sometimes plays the leading role in identifying investment opportunities and coordinating deals.¹⁵⁵ Such was the case for a \$10 billion oil-backed loan to Brazil's national oil company, Petrobras, in 2009. China Development Bank, which had been conducting market research in Brazil since 2000, proposed the loan, which Beijing later supported as a diplomatic deliverable for upcoming state visits with Brazil. Dr. Downs writes of the deal in "Inside China Inc.: China Development Bank's Cross-Border Energy Deals":

The coincidence of the negotiations between [China Development Bank] and Petrobras with the preparation for the two sets of meetings between Chinese and Brazilian leaders prompted the Chinese government to embrace the deal as a

*Sudan and Iran constituted the fourth- and fifth-largest sources of China's crude oil imports for January 2011. ChinaOilWeb.com, "China's Crude Oil Imports Data for January 2011." <http://www.chinaoilweb.com/UploadFile/docs/Attachment/2010-3-169132990.pdf>.

*symbol of the growing economic ties between China and Brazil. According to Chen Yuan [governor of China Development Bank], 'once the Ministry of Foreign Affairs, Ministry of Commerce, the National Development and Reform Commission and the State Council realized this coincidence, they provided their active support. As a result, this project became a national project.'*¹⁵⁶

Academics and Think Tanks

As China's foreign policy becomes more complex, its leaders increasingly are turning to academics and think tanks to inform their debates about policies related to international affairs. Think tanks and universities operate under varying degrees of official administration, with many think tanks funded entirely by the government and major universities overseen by party officials. For this reason, some doubt the independence and the reliability of the information these institutions are providing to policymakers. A study by the Brussels Institute of Contemporary China Studies characterizes Chinese think tanks as:

*[P]ermanent, policy oriented structures with their own research staff who regularly publish and communicate the results of their studies to officials and to the public, albeit to a lesser extent than their Western counterparts. They all strive to achieve greater freedom of research and to contribute to the public good, although these orientations are of course bound by the red lines set by the government and by the need to respect the primacy of the CCP in their policy solutions.*¹⁵⁷

Chinese scholars influence foreign policymakers through formal channels and informal connections to top leaders.¹⁵⁸ For example, think tanks often submit reports to their affiliated government organizations, and academics are sought out by government officials to participate in meetings or conferences on foreign policy issues.¹⁵⁹ Their opinions often differ, and at times debates between scholars are made public in the media. An example of this type of debate took place in December 2009 when the Chinese newspaper *Global Times* published a debate between two scholars about whether China should intervene militarily in Afghanistan.¹⁶⁰ However, on particularly sensitive core issues for the CCP, such as Taiwan and Tibet, leaders allow little leeway for scholarly debate in public fora.¹⁶¹

Major Chinese foreign policy research institutions and their affiliations¹⁶²

Institution	Administering organization
<i>Communist Party</i> International Strategy Research Institute	Central Party School
<i>People's Liberation Army</i> Academy of Military Sciences	Central Military Commission
National Defence University	Central Military Commission
China Institute for International Strategic Studies	PLA General Staff Department
China Foundation for International Strategic Studies	PLA General Staff Department

Major Chinese foreign policy research institutions and their affiliations—Continued

<i>Government</i>	
Development Research Centre	State Council
Chinese Academy of Social Sciences	State Council
China Institute of International Studies	Ministry of Foreign Affairs
China Institutes of Contemporary International Relations	Ministry of State Security
China Center for International Economic Exchanges	National Development and Reform Commission
<i>Local Government</i>	
Shanghai Institutes for International Studies	Shanghai City Government
<i>Academic*</i>	
Institute of International Relations	China Foreign Affairs University
Strategy and Conflict Research Center	China Foreign Affairs University
Institute of International Studies	Fudan University
School of International Studies	Peking University
School of International Studies	Renmin University
Institute of International Studies	Tsinghua University
Institute of International Strategy and Development	Tsinghua University

Chinese leaders often use think tanks and academia not only as a resource but also as a platform for testing potentially controversial foreign policies and gauging the response. Ms. Lawrence testified to the Commission that Beijing uses “semi-official actors” from scholarly institutions to float ideas, and that:

[There is an] interesting relationship between scholars and the government. On the one hand, they sometimes will present themselves as being independent analysts of the situation, and yet there are classes of scholars who are cleared by the government to essentially speak for it and also to run with certain kinds of ideas and see what kind of response they get from them.¹⁶³

Public Opinion and Internet Users

While not nearly as influential as some of the above-listed groups, public opinion and Internet users are growing increasingly influential in foreign policy-making as Internet use becomes more prevalent in China. There are over 500 million Internet users in China, 195 million of which are active bloggers, many of whom utilize the Internet as a forum for the discussion of politics, governance, and foreign affairs, among other things.¹⁶⁴ The Commission’s 2010 *Annual Report to Congress* notes:

China’s leadership, at all levels of the government, increasingly uses the Internet to interact with the Chinese people. This practice, interwoven with strict censorship controls, affords the government the ability to allow a controlled online debate about certain issues ... The government then

*Most Chinese university-affiliated research institutes are administered by the Ministry of Education and lack substantial links to foreign policymakers in China. However, some experts from these institutions are well known and have influence on foreign policy-making. Thomas J. Bickford and Kristen Gunness, *China’s International Relations Think Tanks: Structure, Roles, and Change* (Alexandria, VA: The CNA Corporation, September 2007), p. 5.

*leverages what it learns from following this debate to construct policies that aim to undercut the most serious irritants to domestic stability.*¹⁶⁵

In addition to monitoring the debate on domestic issues, the Chinese government uses the Internet and public opinion to gauge the opinions of Internet users on China's foreign policy decisions. While the government largely censors the Internet in China, it also is sensitive to the reactions of the Chinese people. David Shambaugh, professor at The George Washington University, notes:

*The Chinese government is quite sensitive to this body of public opinion, as much of it is hyper-nationalistic and critical of the government for being 'weak' or 'soft' in the face of foreign pressures and indignities. Foreign Ministry officials are quick to point out that this is a constituency they must constantly consider, react to, and attempt to control.*¹⁶⁶

The ability of Internet users to mobilize en masse around a foreign policy issue was evident in 2005 when 40 million Chinese signed an Internet petition opposing Japanese attempts to become a permanent member of the United Nations (UN) Security Council.¹⁶⁷ In a more current example of Chinese Internet users' influence over the way China relays its foreign policy, Dr. Downs testified about the prominent news and Internet coverage of the recent Chinese evacuation of its citizens from Libya. The Chinese response to the crisis in Libya contrasted greatly with China's response to the kidnapping and murder of Chinese citizens in Ethiopia in 2007, which elicited sharp criticism of the government from Chinese Internet users for not coming to the aid of Chinese citizens. Dr. Downs asserted that the reason for the enhanced coverage of the Libya evacuation was to prevent the same type of backlash from Chinese Internet users that arose in 2007.¹⁶⁸

Nevertheless, these voices are severely limited by China's propaganda apparatus, which aggressively censors online material that is deemed inappropriate. As a result, often the only voices that are left on the Internet are those that already coincide with the opinions of Beijing's elite. Dr. Chen testified:

*It is hard to establish a link between online pressure and the government's foreign policy. It is more appropriate to say that policymaking elites can entertain online expression of interests, picking and choosing the ones they see as being most beneficial for the execution or conduct of foreign affairs.*¹⁶⁹

Coordination of Foreign Policy Actors under the CCP

The proliferation of voices in Chinese foreign policy has made coordination among actors difficult in recent years. Often, in any given country, Beijing must manage the activities of the ministries of Foreign Affairs, Commerce, Finance, Agriculture, Health, and the Export Import Bank of China and China Development Bank. On top of that, companies, provincial governments, and research institutions are launching their own relationships with specific nations. Ms. Lawrence noted, "[m]any of the Chinese players ... now

do not answer to the Foreign Ministry, and do not necessarily feel compelled to coordinate their activities with it.”¹⁷⁰ Difficulties can arise when two ministries conflict with one another in carrying out China’s foreign policy, because they are both seated at the same bureaucratic level.¹⁷¹

In some cases, a lack of coordination among China’s various foreign policy actors threatens to upset Beijing’s foreign policy goals. For example, in the South and East China Seas, there are at least six distinct official actors operating, including China’s five civilian maritime administration and security agencies and the PLA Navy. In testimony to the Commission, Stacy A. Pedrozo, a U.S. Navy captain and military fellow at the Council on Foreign Relations, noted that China’s various maritime actors are insufficiently coordinated, posing a threat to the peaceful resolution of disputes in the region.¹⁷² Chinese officials acknowledge this problem as well and have announced plans to enhance central coordination of actors in the South China Sea in the future.¹⁷³ A lack of coordination between Chinese government ministries and state-owned weapons manufacturers may also have led to a strain in Sino-Libyan relations in 2011. A Canadian newspaper discovered evidence that three Chinese state-owned companies offered to sell \$200 million in weapons to pro-Qaddafi forces in June in violation of a UN embargo on arms sales to Libya. Chinese Ministry of Foreign Affairs officials denied prior knowledge of the negotiations, and some analysts suggested that the state-owned weapons manufacturers may have bypassed the Ministry of Foreign Affairs and instead dealt directly with the Qaddafi government.¹⁷⁴

Despite problems of coordination, there is little dispute that the CCP still holds firm control over China’s foreign policy. Although many of the groups involved have access to the political elite in the Communist Party, Dr. Chen testified that “[i]n the end, it is [CCP] decision-making elites who can define and determine which groups can exist and enter the foreign policy-making process.” Ultimately, the top leadership, namely President Hu and the Politburo Standing Committee, are the definitive architects of Chinese foreign policy.¹⁷⁵

Implications for the United States

The increasing number of voices in Chinese foreign policy-making requires U.S. diplomats and leaders to be adept in identifying which individuals and organizations are influential and where they fall in the Chinese foreign policy-making apparatus while ensuring that they are mindful of the opinions of nontraditional actors as well. As China’s foreign policy actors grow in number and diversity, the direction and intention of China’s foreign policies may become more difficult for U.S. policymakers to calculate. Dr. Shambaugh notes, “[t]he fact that China has such a diverse discourse suggests that it possesses multiple international identities and a schizophrenic personality.”¹⁷⁶ This can complicate how the United States formulates its policies vis-à-vis China and can lead to misperceptions of what each country’s true intentions are. For example, if U.S. leaders exclusively paid attention to the hard-line voices coming out of the PLA, they might be inclined to react to what they perceive is a more aggressive China. During the Com-

mission's December 2010 trip to Singapore, Commissioners heard from the Singaporean Ministry of Foreign Affairs about its frustration with the number of different voices coming out of Beijing, making it difficult to know whether specific Chinese officials' opinions are authoritative.

Although the increasing number of players involved in China's foreign policy-making process may make U.S. policy responses more difficult to coordinate, it could provide U.S. diplomats with multiple channels to engage China's policymakers on important issues. While the Ministry of Foreign Affairs remains the primary point of contact for U.S. officials, the proliferation of other foreign policy players in China could expand opportunities for the United States to pursue a more sophisticated understanding of China's foreign policy process.

Conclusions

- As China expands and diversifies its overseas activities, it encounters an increasingly complex environment requiring the input and advice from knowledgeable subject matter experts. As a result, China's foreign policy-making process is changing to accommodate input from actors who previously had little or no say.
- Actors with increasing influence on China's foreign policies include the PLA, large state-owned enterprises, and academics and think tanks. In addition, while still minor compared to other actors, public opinion, expressed primarily online, appears to have a modicum of influence on some Chinese foreign policies.
- The CCP remains firmly in control of China's foreign policies, especially for issues deemed critical, such as China's policies toward the United States, North Korea, and Taiwan. This is despite the increased difficulty Beijing may have in coordinating a coherent policy among a growing number of actors.
- The growing complexity of China's foreign policy-making process has mixed implications for the United States. On the one hand, Washington may find it more difficult to interact with priority counterparts in Beijing as the number of actors in the policy process expands. On the other hand, the plethora of Chinese actors may provide U.S. foreign policymakers with opportunities to understand or influence Beijing.