

## Experts: China's Identity as Global Player, Regional Power Key to Understanding Nation's Policies

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China's dual sense of identity—as a global player and a regional power—is the key to understanding the twists and turns of the nation's policies, panelists at the Heritage Foundation said Wednesday. Gathering for a day-long conference, 10 American and Chinese analysts discussed "China's Emerging Role in the World and U.S.–China Relations."

Justin Yifu Lin, the Taiwanese defector to Mainland China who rose to be chief economist of the World Bank, used his keynote presentation to claim that China today is developing in an essentially "pragmatic" way that differs from older ideological models. As a result, he argued, 700 million Chinese will soon be out of poverty.

The Cato Institute's James Dorn added that the building of infrastructure was the most important part of economic development in China so far, but China now needed to allow international markets to set exchange rates and less financial repression. Wen Yi, an economist with the Federal Reserve Bank of St. Louis, agreed that the "rise of China is puzzling," suggesting that the division of labor the country has achieved is limited by the extent of the market. Chen Ping, an economist at Peking University, added that "70 years ago, China was hopeless" when viewed "in the modern image," and yet the fact that China is now a world power demands the effort to understand its rise.

Diplomatic expert Jia Qingguo insisted that all analysts recognize that none of them know what is going to happen at the nineteenth Chinese Communist party congress in Beijing this fall. The dual identity of the nation, he suggested, has both helped and stalled China's growth. The Chinese people do not know which identity they should embrace and thus cannot define their national interest. Are they rich or poor? Weak or strong?

Qingguo also spoke of the ways China has conducted its foreign relations. The Chinese are being more productive. Unfortunately, they are having more disputes with their neighbors. They want to reform the national order, and they are making a greater effort to promote relations with the United States. The nation is not likely to surpass overall American power, Qingguo said, but China will become the world's leader in some areas.

David Finkelstein from the Center for Naval Analyses noted that Chinese defense interests are changing and expanding as China tries to understand its place in the world. Thus, China has emerged as a defender of the international system, but it also wants to shape that international system in ways that benefit itself.

The second panel generally agreed that understanding the twin pulls on the national self-understanding is necessary for all who study China. Michael Green of the Center for Strategic and International Studies pointed out that freedom of publication and unfettered writing is a global interest of China's, but that interest is in tension with a revisionist regional movement that seeks to control the national discourse.