Word Count: 14154

Conditionality in China's Foreign Policy: Analysis of Two Case Studies Norway and Africa

Table of Contents

Introduction

China claims to be one of the main followers and protectors of the principles of non-interference and sovereignty. It often invokes these principles either in order to protect itself from interference from Western states, or to defend its alternative approach to aid engagement in African countries (Pang 244-245).

However, China also violates the principle of non-interference by putting conditions on other countries' internal affairs, such as demanding that the government does not support issues that China is against, in return for its continued bilateral cooperation. Therefore, China's foreign policy approaches and especially its use of conditionality seem contradicting. Such contradicting foreign policy approaches can be challenging to understand and counter for other states if the motivations are not known. The academic debate on China's use of conditionality and foreign policy in general has failed to take into account a wide enough range of foreign policy approaches, something I attempt to do in my paper. In order to understand why China's use of conditionality and its adherence to non-interference contradict, I investigate China's foreign policy approaches in Norway and Africa as case studies of China's contradicting use of conditionality in foreign policy. I find that while these two approaches seem opposing, China actually has the same goals for both rejecting and applying conditionality in its foreign policy. China's foreign policy takes practical benefits such as benefits to the domestic economy of development as priority both in cases concerning trade relations and aid investment, as well as in cases of a more controversial nature concerning issues such as human rights.

In both case studies presented in this paper conditionality concerns domestic political issues, or, internal affairs. Van Gerven, Vanhercke and Gürocak define aid conditionality as "exercising domestic influence through the different requirements imposed on those receiving aid", or in the China-Norway case, on the trade partner (514). Sacchi defines conditionality in general as the "granting of some good by a party to a second party that deems such a good value, linked to the latter party's compliance with some behaviour valued by the former party" (79). Following China's own concept of national sovereignty and non-interference, incidents presented in both case studies, treated in the next section, would qualify as interfering in internal affairs (Tull 466). The term conditionality in this essay will refer

to “exercising domestic influence on internal affairs through the different demands imposed on bilateral partners”.

The first case study concerns China’s use of conditionality in its aid work in Africa. While traditional donors such as Western countries or the International Monetary Fund often put conditions on their aid, for example requiring the recipient country to write poverty prevention plans or implement elements of good governance, China rejects this. China’s approach in Africa especially in relation to aid and investment is characterized by a lack of conditionality and an emphasis on mutual benefits. China themselves defend this lack of conditionality by invoking the principle of non-interference, claiming that interference in domestic affairs is never legitimate, and that their aid focuses on the real needs of the recipient countries. China’s engagement in Africa also benefits China’s own economy, for example through Sino-African joint ventures and requirements to import materials from China. Further, by rejecting conditionality, China gains access to certain sovereignty-conscious countries and markets more easily than other donors or investors. However, China has in some cases moved away from non-conditionality and has put certain conditions on the recipient country’s politics, often motivated by economic and commercial reasons. As such, in the case of aid engagement, both the use and rejection of conditionality in aid is motivated by practical benefits and economic concern.

The other case study concerns China’s threats to the Norwegian government following the Norwegian Nobel Committee awarding the Nobel Peace Prize to Liu Xiaobo in 2010. China saw the recognition of a Chinese dissident as an attack on Chinese internal affairs. China threatened the Norwegian government that if they supported the awards in any way, it would harm the China-Norway relations. These threats can be seen as using conditionality towards Norway. However, trade between the two countries was not harmed by severe sanctions, as China protected trade ties that are important to their own economy, and trade actually increased. This shows that, even when faced with a controversial issue such as the state of human rights in their own country, Chinas’ priority was securing trade lines and their own economic development.

I chose these two case studies most importantly because they are both treated in the relevant literature and debates surrounding China’s use of conditionality and foreign policy in general. The reason Africa is treated as a continent, while Norway is treated as a country, is first of all because this is the way these cases are treated in the literature. Most articles about

China's aid engagement talk about Africa in general (Tan-Mullins, Mohan and Power 862, Kjøllesdal and Welle-Strand 8). Furthermore, China is engaged in aid work in 51 out of Africa's 54 countries, and its approach is quite similar in all of them (Murphy n.pag). Of course, when situations arise where China amends its approach to or use of conditionality in a certain country, it presents an interesting example in need of analysis, which can shed light on China's motivations for foreign policy. Such instances are also treated in my paper, including one example of the case of Sudan. The case study of Norway was chosen as an example of a country that is of modest importance to the Chinese economy (Sverdrup-Thygeson 118), where China still chose to ease up on economic sanctions rather than protecting the non-interference principle. Other European countries, such as France and Germany, have also been receiving threats from China regarding the similar act of receiving the Dalai Lama (Thygeson-Sverdrup 117). These cases supported the theory that China prioritizes protecting its own economy over adhering to principles, as countries more important to the Chinese economy were less impacted by economic sanctions (Thygeson-Sverdrup 118). However, there is less literature available regarding these cases, and therefore they are not treated in this paper.

In order to understand China's objectives in Norway and Africa and towards the global society as a whole, the full range of China's approaches need to be considered together. Therefore, I ask in my research why China's use of conditionality towards Norway and Africa is contradicting, in order to discover the motivations behind China's foreign policy approaches and use of conditionality. In the first chapter, I will outline China's stance and use of conditionality in general, and its views on the principles non-interference and sovereignty. This chapter will sketch a preliminary answer to my research question. The second and third chapters will then through the case studies demonstrate my argument and illustrate how two seemingly contradicting uses of conditionality are in fact motivated by the same goals. I will conclude that China's foreign policy takes practical benefit as priority both in cases where trade relations and development are clearly the main goal, as well as in controversial cases concerning issues such as human rights. In these situations, one might expect China to adhere more closely to the principle of non-interference in order to protect itself from Western interference; however, this seems not to be the case. This conclusion constitutes a counter argument to the notions of China's increased assertiveness or relative non-assertiveness in foreign policy, suggesting instead that China's foreign policy approach is pragmatic, flexible and focused on practical benefits, in trade relations as well as cases that are more

controversial. This question is relevant to international relations and foreign policy, as understanding China's underlying intentions and motives in foreign policy could also improve other countries' dealings with China. Knowing and understanding the motives for China's foreign policy actions would improve other countries' foreign policies towards China and in turn improve relations with China.

Research focus: Understanding the motivations of China's foreign policy

The topic of my paper is China's foreign policy approaches, more specifically the use of conditionality in foreign policy. There seems to be a contradiction between China's uses of conditionality and its adherence to non-intervention, where China will reject conditionality in some cases, on the background that it violates the principle of non-interference, while it uses conditionality in other situations. The academic debate on China's use of conditionality and foreign policy in general has concerned either China's non-conditionality in Africa, or has claimed that China has become more assertive in its foreign policy approaches. However, the debate fails to take in the full range of foreign policy approaches, something I attempt to do in my paper. I use two case studies to analyse China's uses of conditionality in foreign policy, Africa and Norway. China avoids political conditions tied to their aid packages in their aid engagement in African countries, claiming adherence to non-interference. However, in Norway, China puts conditions on the Norway-China bilateral relations, that concern the internal affairs of Norway. My question is why is China's use of conditionality, in Norway and African countries, so contradicting?

By investigating the reasons behind the contradicting use of conditionality in China's foreign policies, one can uncover any common motives behind the policies. The policies are on the surface very different, and China may have many different motivations for these policies, on different levels. Productive power, image promotion, asserting power asymmetry, trade and economic development, political support and international community participation and acceptance. Threats concerning sanctions may be motivated by a wish to place China as a powerful international power over Norway, by displaying a will to risk the relationship with Norway over disputes because of the power asymmetry in the diplomatic

relationship. However, little direct evidence exist on these sanctions actually having been enforced, and trade between Norway and China is only growing stronger. This may suggest that above all, China values its own economy and the further economic development of the country above adhering to or protecting ideology. While this is an often presented argument using Africa as an example, my essay further proves that even in cases concerning controversial topics such as human rights or Tibet's sovereignty, China still takes a pragmatic approach.

Helping readers understand China's underlying intentions and motives in foreign policy could also improve other countries' dealings with China. If there are any common motives for China's use of conditionality in Norway, and their rejection of it in Africa, knowing and understanding these would improve other countries' foreign policies towards China and in turn improve relations with China. This information would be especially relevant to policy makers.

As Howard agued in his article about language games, if there is not enough understanding of a country's intentions and motivations, countries can becomes 'locked' in a diplomatic process which serves certain expectations and understandings (826). Similarly, He and Feng argue that countries adopting a containment strategy towards China should reconsider, as an angry China will be a threat (He and Feng 231).) Therefore, having a clear understanding of China's motivations and intentions with these disparate approaches will improve diplomatic relations with China and help adopt the appropriate foreign policies towards them. Understanding the motivations for a country's actions always helps understanding of that country and its goals and values. The commonalities between the motives for contradicting policies will shine a light on China's most foundational motives and priorities. Probably, we will find that what at the surface seems contradicting and inconsistent is actually in accordance with the country's foreign policy goals and priorities, in China's case practical benefits to China's economy and development.

In order to add to the debate surrounding China's foreign policy, in my first chapter discuss China's use of conditionality in foreign policy and its goals with this usage. China claims that their use of conditionality in its foreign policy rests on a foundation of principles such as non-interference and sovereignty. China's foreign policy has long had these principles as important parts of its foundation. This has put them in unique positions especially concerning

their approach to aid. Unlike most Western aid donors, China has rejected putting conditions on their aid, claiming it would interfere in the aid recipient's internal affairs.

While traditional donors such as Western countries or the IMF often put conditions on their aid, for example democratization or poverty prevention, China rejects this. China themselves defend this lack of conditionality by claiming that interference in domestic affairs is never legitimate, and that their aid focuses on the real needs of the recipients. By rejecting conditionality, China gains access to certain sovereignty-conscious countries and markets more easily than other donors or investors, offering less competitive markets. These countries also offer China non-Western support in line with their non-interference and national sovereignty values. In other words, aid without conditionality is a way for China to participate in the international community while also benefiting its own economy and development.

In Norway, on the other hand, China does seem to use conditionality. The Norwegian Nobel Committee awarded Liu Xiaobo with the Nobel Peace Prize in 2010. Due to his work on human rights in China, as well as the fact that Xiaobo was imprisoned in China at the time of the award, as attacks on Chinese internal affairs. As this Nobel Committee is Norwegian, albeit private, China proceeded with threatening the Norwegian government that if they proceeded with the awards or supported the awards in any way, it would harm the China-Norway relations. These threats could also be seen as conditions on the China-Norway diplomatic and trade relations. Hence, I argue that here China is using conditionality in relation to Norway.

Understanding the motivations behind these foreign policy actions and these contradicting uses of conditionality will in turn improve the cooperation between China and other countries. Questions about the common goals China places on these contradicting policy actions have largely remained unanswered, as previous literature has focused on the relative assertiveness of China's approach with these actions.

Literature Review

Literature on China's foreign policy approaches and actions have previously argued either the relative assertiveness of China's actions, the unassertiveness of its foreign policy, or has treated only a small range of approaches. While many scholars have argued that China is more assertive now than before (Johnston 7), others have argued that China's foreign policy is less

assertive than usual in Africa, politically speaking, where they promote non-conditionality and non-interference (Tan-Mullins, Mohan and Power 857). However, in order to understand China's objectives in these countries and towards the global society as a whole, China's approaches need to be considered together within one paper. Debates concerning China's foreign policies do not consider the full range of China's foreign policy approaches, and principles such as sovereignty and non-interference, guiding principles for China's foreign policy, are not treated sufficiently in the debates. These debates therefore cannot give a complete picture of their motivations, or explain why the range of approaches is contradicting.

He and Feng examine whether the Chinese Communist Party's (CCP) new General Secretary Xi Jinping will continue predecessor Hu Jintao's assertive orientation, or if he will take a more cooperative approach. In their article 'Xi Jinping's Operational Code Beliefs and China's Foreign Policy', they analyse using 'operational code analysis', to examine Xi's 'operational code beliefs' and argue that they are similar to those of Hu Jintao. 'Operational code analysis' suggests that a leader's beliefs act as a transmission belt between individual leaders and the external environment. The authors found that Xi seems less optimistic than Hu about the political universe and the authors thus argue that he will follow a more assertive orientation (He and Feng 230). Further, the authors argue that Xi's more assertive orientation has been evident, claiming China's foreign policy has been increasingly assertive since 2009 when Obama met with Dalai Lama and China was deeply offended (He and Feng 230). The authors argue that China will hold a cooperative and optimistic worldview while still reacting assertively when facing external threats (He and Feng 230). The authors argue that Xi will continue this line and be even more assertive than Hu, in facing a severe external environment (He and Feng 230).

An article that focuses on one specific aspect of China's assertiveness, namely economic threats and sanctions, is Fuchs and Klann's "Paying a visit: The Dalai Lama effect on international trade?" In this article, the authors claim that China makes threats and impose economic sanctions on trading partners that meet with the Dalai Lama. According to the authors, China uses trade flows as foreign policy tools (Fuchs and Klann 164). They hypothesize that meeting the Dalai Lama has a direct negative impact on exports to China for trading partners of China. In order to examine this hypothesis, the authors run a gravity model of exports on 159 trading partners of China to look for political influence on trading decisions (Fuchs and Klann 167). They conclude that the empirical analysis shows that a meeting with

the Dalai Lama at the highest political level leads to a reduction of exports to China by 8.1% or 16.9% on average, depending on measuring technique used (Fuchs and Klann 167). Other authors however have found that, while trade in some sectors have gone down as a result of meeting Dalai Lama, the overall trade between China and trading partners has been minimally affected, suggesting China did not impose real economic sanctions on the countries (Langberg).

Fuchs and Klann present anecdotal evidence to support their hypothesis. Their first hypothesis is that there is a trade-deteriorating effect of Dalai Lama meetings (172). One event presented as evidence is the Dalai Lama visit to the US in 2009. President Obama decided not to meet Dalai Lama, postponing it to after his visit to Beijing. By saying the event caused "considerable discontent" in China and that the Chinese government said the meeting "damaged US-Chinese relations, which, in turn, would undermine the United States' recovery from the current economic crisis" (Fuchs and Klann 172), the authors present this as an example of the Chinese government threatening the US. Fuchs and Klann's next hypothesis is that the rank of the dignitary that meets the Dalai Lama affects the consequences. There are several examples where this has led higher level politicians to make lower level politicians meet with the Dalai Lama to try and minimize the threats or sanctions from China, as they believe this will offer less offence to China. Their last hypothesis is that the trade-deteriorating effect of the Dalai Lama meeting disappears as bilateral relations recover (Fuchs and Klann 177). The authors conclude, based on their empirical analysis and anecdotal evidence that there is indeed a Dalai Lama effect on international trade with China, which increases in severity with the rank of the dignitary, and wanes after 2 years (Fuchs and Klann 177).

Not all authors agree with the view that China's foreign policies has taken an 'assertive turn' since 2009. In his article "How new and assertive is China's new assertiveness?", Johnston comments on the narrative of China's new assertiveness on the grounds of two problems. First, he claims the key events of 2010 are underestimated and the amount of change is overestimated, and second, the explanations of the new assertive narrative are based on unclear causal mechanisms and lack comparative rigor. Johnston treats different events seen as key events marking China's new assertiveness, and point out their analytical problems such as focusing on confirming evidence and ignoring disconfirming events, ahistoricism and problematic causal arguments. Johnston takes a constructivist approach, as pointed out by He and Feng (215), and focuses on rhetoric and norms.

Previously, both He & Feng and Fuchs & Klann have exemplified the Dalai Lama's visit to the US in 2009 as an event that deeply offended China, caused considerable discontent and that deteriorated their trade ties with the US (He and Feng 230, Fuchs and Klann 9). He and Feng even go so far as to suggest this visit was China's turning point in assertiveness (230). Johnston, on the other hand, presents this as an example of an event in 2010 where China's statements towards the US were milder than usual, possibly in recognition of the delay of the meeting Obama arranged (17). This goes to show that there are some severe differences in perception of key events in China's foreign relations. In addition, while this is evidence of threats, according to Johnston, there was no evidence that any of the sanctions actually being imposed on the US (16), further supporting the claim that China did not become more assertive since 2009.

Johnston argues that in order to arrive at any conclusion about China's assertiveness, a range of China's actions and behaviours must be considered, not just the non-cooperative actions. Johnston exemplifies the China-US relations, saying that a lot of cooperative interaction and continued growth of US exports to China was missed by the new assertive China narrative. Possibly, this is what happens in Fuchs and Klann's article. While focusing on the diving imports of one good or sector, and using this as evidence of sanctions from China, they ignore the overall growing trade between China and these states. One could argue that any dip in trade or exports as a direct link to threats or sanctions is significant; however, this is not how sanctions work.

Jerdén also criticizes the conventional wisdom that China became more assertive during 2009-2010 in his article "The assertive China narrative: why it is wrong and how so many still bought into it". He does this through evaluating empirical evidence both claiming China's heightened assertiveness and the opposite. Lastly, he attempts to explain why so many scholars accepted the idea. He cites Johnston, stating that his article "put the key empirical assertion of the narrative to a systematic test. Johnston's study is an important step in the right direction, but it stops short of providing a complete assessment of the accuracy of the assertiveness argument" (Jerdén, 1).

To evaluate the accuracy of the narrative of a more assertive China, Jerdén conceptualizes the key empirical claim of the narrative, as a case of the general phenomenon of 'foreign policy change'. Jerdén applies first Johnston's results to this framework, and finds that three of the cases give unclear results due to lack of comparison across time. Jerdén aims

at improving these case studies and analyse additional events to assess the narrative of a new assertive China. Jerdén found that while China's behaviour in 2009-2010 definitely was assertive, following cross-temporal analysis, only three out of the 11 assertive acts examined departed from the pre-2009 policies, which agreed with Johnston's findings. Although there were some policy changes towards more assertive policies, this was according to Jerdén not the general trend. Occasional assertiveness was the normal approach for China throughout the 2000s, and did not change significantly in 2009-2010.

Jerdén and Johnston discuss foreign policy, which according to Hill concerns the sum of official external relations conducted by an independent actor (usually a state) in international relations (n.pag.), through it is often taken as the general objectives that guide these relations. Fearon states that there is a growing and significant literature on international relations that argues that domestic politics influence states' foreign policy (289), and Farnham argues that foreign policy is frequently influenced by domestic politics through a decision-making process influenced by ensuring domestic acceptance of policies first (444). In such cases, foreign policies can be influenced by a country's proclamation to adhere to for example principles such as sovereignty and non-intervention.

Sovereignty is the idea that "a state possesses and exercises a supreme and absolute power" (Troper, "Sovereignty" 11). Krasner argues that sovereignty is still important in the face of globalization, especially for weaker states for which it grants international recognition and grants access to international organisations and finance (20). However, following the emergence of forces such as globalization and especially the European Union, Troper suggests there has emerged a "crisis of state", where an organization has taken over powers previously reserved for individual states, apparently diminishing sovereignty for these individual states ("The Survival of Sovereignty" 132). Krasner argues that while Europe has changed elements of sovereignty for many of its countries, many countries such as the US, Japan and China are not inclined to give up their claim on sovereignty (Krasner 20). Troper agrees that the EU has not taken over the sovereignty of the individual member states, states which still exist and enjoy a considerable autonomy including individual laws ("The Survival of Sovereignty" 150). However, the nature of sovereignty has also changed in some respect. Krasner points out that in today's modern world, sovereignty refers less to a single hierarchical authority within each borders, and more to the idea of states being autonomous and independent from each other (20).

What follows from this understanding of sovereignty is the idea that one state does not have the right to interfere in the internal affairs of another state, or the idea of non-interference (Krasner 20). According to the United Nations Millennium Declaration of September 8th, 2000, heads of state should "rededicate themselves to support all efforts to uphold the sovereign equality of all states, respect for their territorial integrity and political independence, (…)non-interference in the internal affairs of states" (UN General Assembly, 1.4). In the same declaration, however, it is also stated "the heads of state and governments recognize that that they have a collective responsibility to uphold the principles of human dignity, equality, and equity, at the global level" (UN General Assembly, 1.2). There is a tension between these two statements, which comes to the forefront especially concerning humanitarian interventions or intervening to stop human rights violations. Bellamy writes in his article "Humanitarian Intervention and the Three Traditions.", that there are three traditions for thinking about humanitarian interventions. Realism believes that the world is in anarchy and does not want to risk its citizens' lives by intervening in a conflict that does not promote the interests of the state (Bellamy 10). Rationalism takes protecting citizens as priority, and supports intervention if it is backed by the UN (Bellamy 11). Finally, revolutionism takes human solidarity as priority and believes there is a moral universalism that believes in the responsibility to protect (Bellamy 13). Krasner, being a realist, emphasizes non-interference, however this is just one viewpoint as Bellamy shows.

Johnston and Jerdén fail to consider the true range of China's foreign policy approaches. In the discussion on how new and assertive China's 'new' assertiveness is, other areas of China's foreign policy, which are critiqued for being too non-invasive and without conditions, have been completely left out. In order to gain a complete picture of China's foreign policy approaches, these actions should also be taken into account.

China's adherence to the principles of sovereignty and non-interference is often brought up when talking about their rejection of conditionality. Conditionality concerns, according to Sacchi, "the granting of some good by a party to a second party that deems such a good valuable, linked to the latter party's compliance with some behaviour valued by the former party" (79). Within this definition, Sacchi includes macro-economic, financial, political, official and private conditionality (79). Conditionality is usually talked about in two situations: conditions on potential EU member countries, and conditionality in aid donations. According to Van Gerven, Vanhercke and Gürocak, aid conditionality entails exercising domestic

influence through the different requirements imposed by one state on another state, in their case by the EU on countries that use ESF funds (514).

In their article 'Redefining 'Aid' in the China-Africa context', Tan-Mullins, Mohan and Power present the ongoing discussion on the politics of China's engagement with African development, and how it has been marked by increasing concern over Chinese use of aid in exchange for preferential energy deals (857). Many authors criticize China for e.g. undermining 'good governance' by giving aid without any political conditions, unlike its Western counterparts (Tan-Mullins, Mohan and Power 857). The authors argue that these criticisms both ignore the longer-term motivations of Chinese aid and the historical diversity of China's relations with Africa, and assume 'Western' aid to be the right way of doing trade, morally and in terms of development (Tan-Mullins, Mohan and Power 857). They argue that Chinese and Western donors both employ different ideologies and practices of governance to conceal their own interests and political discourses in the African continent (Tan-Mullins, Mohan and Power 857).

The authors discuss the debates surrounding Chinese engagement in Africa, especially around aid and development issues. The authors lay out the discussion as follows: emerging donors are challenging the 'traditional' donors. They add new sources of finance for emerging economies and add 'competitive pressures' for established donors (Tan-Mullins, Mohan and Power 859). This pressure gives recipient countries some leverage and options in from where they receive their aid. Chinese aid in Africa differs in many ways from the 'traditional' aid from Western donors. It focuses on aid and influence "without interference" (Tan-Mullins, Mohan and Power 861), focusing on "the real needs of the recipient country" without being "tied-up with a package of political or economic reforms" (Tan-Mullins, Mohan and Power 861). Aid is often given on a project-basis, and conditions are often in terms of using Chinese workers or materials (Tan-Mullins, Mohan and Power 862). One of the key criticisms of China's aid practices concerns the lack of political conditions, which critics claim undo the good work Western donors have done in terms of development and human rights.

The authors conclude that the discussion on conditionality in aid comes from competition between global powers seeking to assert moral superiority over the other. Chinese aid has given African recipients the possibility to 'triangulate' between donors and partly due to the non-conditionality, African leaders seem to prefer Chinese guidance in economic development (Tan-Mullins, Mohan and Power 875). Finally, 'by rejecting regulation

efforts on the grounds of non-interference, China can position itself to win the political favour of, and by extension economic benefits from, sovereignty-conscious governments (e.g. Angola)' (Tull, 2006: 474). (Tan-Mullins, Mohan and Power 876). However, Tan-Mullins, Mohan and Power also acknowledge how Chinese non-conditionality aid has made political situations worse in some areas, e.g. in Sudan. Here, China ended up having to adjust their approach in Sudan to deep political engagement, which might demonstrate the changing nature of China's political role in Africa and the rest of the world (Tan-Mullins, Mohan and Power 876).

In the article 'Foreign Aid Strategies: China Taking Over?", Kjøllesdal and Welle-Strand presents China's approaches in Africa, especially concerning aid, and how they differ from the approaches of traditional aid donors. According to the article, China's emerging aid in Africa challenges the current aid paradigm in four ways: partnership between equals, mutual benefits, lack of conditionality and lack of multilateralism. The author argues that China's aid approach is not likely to change drastically, and that the effect of Chinese aid on the traditional donors is already evident. The Chinese approach, called the Beijing Consensus, stands in contrast to the Washington Consensus (Kjøllesdal and Welle-Strand 4). The attraction of the Beijing Consensus is partly a rejection of the Washington Consensus. Chinese aid to African countries is often given on a project-basis, in the form of grants and technical assistance, concessional finance, interest-free loans and debt relief (Kjøllesdal and Welle-Strand 6). Loans are extended before debt is cancelled, giving China political leverage with these countries, and the extension of credits to exporters and importers of Chinese goods also helps facilitate between China and the aid recipients (Kjøllesdal and Welle-Strand 7). There are many differences between Chinese and traditional donors' foreign aid. China is often criticized for not requiring administrative reform, accountability or transparency as conditions of its aid. The authors explain China's reasons for non-conditionality as them being a communist country and having little interest in promoting Western democratic values (Kjøllesdal and Welle-Strand 7). According to the author, China's approach "may more easily answer the immediate, economic needs as perceived by many African leaders" (Kjøllesdal and Welle-Strand 8). Unlike traditional donors, who generally avoid it, China is most heavily engaged in the construction sector. The focus is on infrastructure and future commercial contracts (Kjøllesdal and Welle-Strand 8).

The authors acknowledge criticisms saying that China "exploits its power as an increasingly important provider of foreign aid financing in order to gain concessions that are not favourable to the aid recipient" (Kjøllesdal and Welle-Strand 8). Kjøllesdal and Welle-Strand however then argues, same as Tan-Mullins, Mohan and Power (874) that African countries do not always accept aid from China, and are not passive recipients but are driven by the same commercial focus as China (8). Cooperation might therefore actually be mutually beneficial (Kjøllesdal and Welle-Strand 8). The authors believe that the Chinese challenge to the foreign aid paradigm is substantial enough for other donors to rethink their approaches. Their focus on equal partners challenges the donor-recipient relationship of traditional donors, and their aid without conditions undermines traditional donors' leverage for promoting good governance. This completely ignores Tan-Mullins, Mohan and Power's point about how China's non-conditionality might not be sustainable in the future, giving the Sudan case as an example. Kjøllesdal and Welle-Strand fails to acknowledge any downside to China's approaches, focusing only on the shortcomings of traditional donors and on how China will increasingly "provide the frame of reference for foreign aid" (Kjøllesdal and Welle-Strand 11).

Debates regarding China's foreign policy approaches have failed to consider a wide enough range of policy actions, which has led to conclusions about China's assertive or unassertive policy actions. All these articles display China's range of foreign policy approaches and the range of assertiveness these actions display. However, the wider range has not been considered within one article before, and as such, the real motivations common for China's foreign policy approaches has not been presented. Focusing on a broader range of foreign policy actions, combined with analysing important principles influencing China's policy approaches, will create a better foundation for investigating China's foreign policy motivations and goals.

Ch.1 Conditionality in China's foreign policy

China rejects the use of conditionality by claiming it goes against the principle of non-interference. However, in certain situations, China still uses conditionality in relation to its bilateral partners. In fact, China has a flexible adherence to the principles of non-interference and sovereignty, and adapt this adherence and the subsequent use of conditionality to fit the economic needs of China. For many years, China's foreign policy has followed Deng Xiaoping's

saying "Hide brightness, cherish obscurity," focusing on developing the economy and political stability at home (Economy 142). China has proclaimed little interest in shaping international affairs, and instead wished to rise peacefully (Economy 142). Economy argues that China now has realized that a new course is due (142). Maintaining economic growth now requires a more active global strategy, which is why Beijing launched the "go out" strategy. The first 'go out' strategy encouraged China's state-owned enterprises to go abroad in search of natural resources, while the second wave of 'going out' is encouraging the SOEs to buy stakes in, or acquire, foreign companies (Economy 145, 147). Economy argued that China launched the 'go out' strategy to 'remake international norms and institutions' (Economy 142), norms which emphasize issues such as transparency, good governance and human rights (Tan-Mullins, Mohan and Power 874), and took this as evidence of China's rise as a global power. Etzioni however, opposes this understanding of the 'go out' strategy, arguing that China will be too preoccupied with internal difficulties regarding environmental problems, inequality and an aging population to focus on becoming a global power (107). Etzioni also believes that China will focus on increasing its regional role, and that the enemies this inevitably creates in countries such as Malaysia and the Philippines will make it difficult to assert itself as a global power (107). This suggests that, rather than actively trying to change the international community to suit its rise to global power as Economy argues, instead, domestic development and economy will continue to be the main focus of China also in the future.

An important aspect of China's foreign policy has been the promotion of and adherence to the principle of non-interference in the internal affairs of other states, seen by the Chinese as the core meaning of sovereignty (Yahuda 340). The Chinese definition of non-interference is according to Gonzalez-Vicente a "legal-diplomatic understanding, resting on an unproblematic acceptance of the Westphalian state order" (206). Gonzalez-Vicente argues that the Chinese see the policy not as restricting political action but as a specific norm of political engagement in itself (207). This understanding of non-interference, Gonzalez-Vicente argues, goes against other supra-national institutions such as the EU or other trade alliances, and instead emphasises bilateralism and state-based decision making (207), something which further distinguishes China from its Western counterpoints, at least in Europe. China has long adhered to and defended the principle of 'non-interference', and is widely known as the principle's main adherent (Pang 238).

However, some scholars claim that there are limits to China's adherence to non-interference (Power and Mohan 462, Gonzalez-Vincente 205), and Chinese representatives themselves have made comments on needing to revise policies regarding non-interference in certain situations (Pang 240). Pang argues that China, experiencing great pressures and many uncertainties, needs to balance its commitment to non-interference with its responsibilities as a great power (237), and exemplifies China's increased involvement in interventions mandated by the UN Security Council or UN Peacekeeping troops (Pang 238). Chinese analysts and scholars have also voiced changing views on the responsibility to protect (R2P) which deals specifically with the international community's responsibility to intervene in humanitarian crises (Pang 240). Chinese scholars have however emphasized and maintained the need for a UNSC[1] mandate for military interventions, and see it as a bridge between supporters of "responsibility to protect" and the supporters of sovereignty and non-intervention (Pang 241).

All scholars do not agree with the idea of a gradual change in China's stance towards non-interference. Power and Mohan argue that the practice of non-intervention has rather always been flexible, as adherence to such a principle can never be permanent (482). They further suggest that wherever China has vested interests, it wants to keep regimes stabile so as to protect its contracts with these states, and that current rhetoric suggests non-interference is the best way to achieve 'harmony' and stability in their partners, however this could easily change (Power and Mohan 482). Muekalia argues that China's foreign policy has shown gradual change from an ideological focus in policy-making, towards a greater emphasis on economic cooperation (5). However, Mohan and Power's notion of a flexible adherence suggest that China uses the principle of non-interference and the protection of sovereignty in whichever way has been most beneficial to its own interests, and that rather than a shift away from ideology, adherence to this principle has always been flexible.

While this flexibility in the adherence to non-interference has allowed China to participate in the WTO and contribute to UN's Peacekeepers in the recent years (Yahuda 340), the principle has also remained a proclaimed core value and foundation for China's foreign policy. While Pang claims that adherence to non-interference has restricted China's response to and engagement in international conflicts (238), following Mohan and Power's argument

[1] United Nations Security Council

about the flexibility of adherence, it has perhaps instead allowed China to avoid engagement in conflicts that do not serve its immediate interests. This also seems more likely considering Yahuda's argument earlier that China has participated in some UN missions (340). China engages when it wants to participate in the international community, and refuses based on the principle of non-interference when the risks outweigh the benefits to its own economy and development. Regardless of flexible adherence, this proclaimed adherence has probably influenced the development of the peaceful-rise image. Further, the non-interference principle has also influenced bilateral and multilateral relations in developing, non-Western countries in Asia, Africa and Latin America, where China has insisted it will maintain the principle (Pang 238).

Having the principle of 'non-interference' as a foundation for foreign policy has in turn influenced China's stance on conditionality. Especially in relation to official development assistance (ODA), China has been unique in offering aid with 'no political strings attached' (Pang 243). Unlike the traditional Western donors, China does not demand adherence to better forms of governance from their trading partners, seeing this as interference in internal affairs (Yahuda 341). As such, China's approach is guided by Chinese leaders' views on China's national interest (Yahuda 341), focusing on mutually beneficial trade and not the internal politics of other states.

However, many scholars report that also in relation to ODA, China's adherence to 'non-interference' is changing. Pang argues that China's rejection of conditionality in ODA is facing many new challenges, such as international pressure to reform their aid policy to harmonize with other donors (243). Large however argues that the motive is more economy-oriented, and that as China begun importing Sudanese oil, investment protection together with economic competition in Sudan became important factors for China (104). This seems likely in light of the idea that China's adherence to non-interference is flexible and is used in such a way to best benefit China's economy and development. Large, however, argues that the tension between non-interference and promotion of national interests is growing for China (Large 105). This would suggest that in previous years, the protection of interests more easily coincided with a protection of non-interference and sovereignty. However, now China increasingly sees a need to engage more in its trade partner states in order to keep regimes stabile and protect their contracts and investments. Thus, a tension arises perhaps not within

China regarding its adherence to non-interference, but rather in relation to the international community and the credibility of China's adherence to certain principles.

Some of China's more interfering actions also support the idea of China's adherence to non-interference being flexible and guided by interest-protection motivations. While China claims non-interference and rejection of conditionality as important aspects of their foreign policy, certain actions taken by China can be seen as enforcing conditions on bilateral partners. For example, China objected for a long time to the UN's efforts to condemn human rights violations in Burma, claiming the UN's actions would interfere in internal affairs. However, once it became clear that this would damage China's image close to the 2008 Beijing Olympics, China quietly changed its policy towards Burma and began making statements about restoring internal stability in the country (Cha 1296). Once the rejection of conditionality threatened the image of China outwards and its standing in the international community, they swiftly changed their policy. In the run-up to the Beijing Olympics, a good image outwards was more important than adhering to the principle of non-interference. In this case, the goal of conditionality was portraying a beneficial image to the international community, possibly also more than actually helping either Burma or the UN. One could even argue that maintaining an advantageous image outwards leading up to the Olympics could also have economic and development goals, e.g. securing foreign sponsors and participants, and ensuring continued and increased future trade with the international community.

In adhering to the principle of non-interference, China's rejection of conditionality in foreign policy would at first seem to be a normative approach, its goal being to follow international law and adhere to the international norm of non-interference. According to Tocci's definition, a normative approach "delimit the sphere of permissible acts", instead of permitting all means to a specific ends (10). A normative policy approach would therefore pursue normative goals, which are concerned with the wider environment of international relations, even while being indirectly related to an actor's specific interests (Tocci 7). In putting the principle of non-interference and the importance of respecting other states' sovereignty as their foundation for non-conditionality, China is proclaiming a concern for international law and the UNMD[2]. This would fall under a normative approach.

[2] United Nations Millennium Declaration of 2008, states the principle of sovereignty and non-interference (UN General Assembly).

If China does reject conditionality purely based on adhering to the principles of sovereignty and non-interference, their non-conditionality in aid donation could very well have normative goals. These could be for example strengthening developing countries and their self-determination, and allowing them to play donors off each other by providing an alternative to traditional Western donors (Kjøllesdal and Welle-Strand 9). Possible added benefits such as support from developing countries would only be an added bonus. However, as Tocci argues, normative goals are pursued continuously and not only at times when they offer non-normative, "immediate possession goals" (7). Thus, given China's flexibility in their adherence to the principles of non-interference and sovereignty, a more likely explanation is that using conditionality has been a mix of normative and non-normative goals, where non-normative goals such as economic benefits weigh more heavily.

China's adherence to non-interference is of a flexible nature, guided by China's own interests concerning domestic development and economics. Both China's use and rejection of conditionality is motivated by practical benefits such as domestic economic development, even when this means stretching or violating the previously proclaimed core principle of non-interference and sovereignty. Not only is China's rejection of conditionality non-normative, motivated by accessing niche markets and securing trade relations. The Chinese government's use of conditionality, in cases where it no longer serves their interests to reject it, is also a non-normative approach, serving short-term, commercial or economic goals. This is evident in China's aid engagement in Africa, where after having proclaimed non-conditionality for years, China is beginning to engage politically and use conditionality to protect its investments.

Ch.2 Case study: Non-conditionality in Africa

China's foreign policy in Africa rejects the use of conditionality, claiming to protect the sovereignty of recipient countries. However, China is increasing its political engagement in certain African countries. Through analysing China's aid engagement in Africa and the use of conditionality in this aid, it becomes clear that China's goals for both using and rejecting conditionality in Africa are primarily in China's own domestic interest and of benefit to its economy.

Chinese aid in Africa

China's aid engagement in African countries is sometimes hard to distinguish from investment or support of joint ventures, partially due to the nature of Chinese aid (Tan-Mullins, Mohan

and Power 862). Chinese aid is often bilateral, and there are therefore variations as to what constitutes Chinese aid in African countries. Still, some general similarities exist. In addition, according to China's second White Paper on foreign aid, China spent half of its foreign aid in 2010-2012 in 51 African countries, which is nearly the entire continent (Murphy n.pag, Niticentral staff n.pag.). Therefore, this paper treats the African continent as a whole, instead of individual states and case studies. China often gives aid on a project-basis or in the form of debt cancellation (Kjøllesdal and Welle-Strand 6). The focus is on infrastructure and technology, and China is most heavily engaged in the construction sector. In the first decade of the 2000s, China's engagement in Africa increased. Both aid and investment is channelled through a group of Chinese corporations, which are part of the 'Go Out' Policy of 2002 (Tan-Mullins, Mohan and Power 863). While the focus of Chinese aid in African countries is infrastructure projects and trade connections, traditional donors' approach to aid differs from China's approach.

China focuses on the investment projects themselves and the trade and cooperation between China and the recipient countries, and not on politics. This differs from traditional donors, as we will see in later sections. China's strategy is according to Qian and Wu "one of humanitarian and development aid plus influence without interference" (1 qtd. In Tan-Mullins, Mohan and Power 861), and the focus is on "the real needs of the recipient countries, free from the shackles of unpractical ideas" (Huang 84 qtd. In Tan-Mullins, Mohan and Power 861). China emphasizes a mutually beneficial partnership between equals, in contrast to the traditional donors' donor-recipient relationships. For example, China often insists that the Chinese contractor appointed to a project should import as much materials and technology from China as possible (Tan-Mullins, Mohan and Power 864), showing that China makes these engagements beneficial for their own economies as well. However, in some countries in Africa, such as Sudan, China has increasingly engaged in local politics to protect its investments. China's pragmatic and economically motivated approach to conditionality in aid and investment shows that practical benefit to China's development takes priority. China's approach to aid in Africa diverts from the traditional approach, especially on the topic of conditionality, which will be discussed in the following sections.

Conditionality

Critics of China's aid approach have been particularly concerned by the lack of conditionality in their aid. While other traditional donors often focus on "'[h]uman rights, gender equality, environment and other cross-cutting themes [that] strengthen empowerment, local capacity, participation, transparency, leadership and joint responsibility'" (OECD 13 qtd. In Kjøllesdal and Welle-Strand 8), China focuses more on the immediate infrastructural or technological needs of the African leaders, separate from any political or economic reform project. Kjøllesdal and Welle-Strand argue that there was a shift already in the 1980s, in the Chinese foreign aid approach, towards focusing more on the mutual benefits of trade relationships and an increased emphasis on technical assistance and profit-seeking behaviour (5). China's foreign aid policy in Africa is committed to non-interference in the internal affairs of sovereign countries. China explicitly does not include "political or economic reform" or "the West's coercive approach of sanctions plus military intervention" in their aid packages (Tan-Mullins, Mohan and Power 862). China specifically avoid conditions pertaining to the recipient country's internal affairs, and critics claim that by not including political conditionality in their aid, China is undoing the good work done by traditional Western donors in the realms of democratization and good-governance by giving the recipient countries a choice of donors (Tan-Mullins, Mohan and Powers 864). This differs from Western donors such as the International Monetary Fund, whom for example required a Poverty Reduction Strategy Plan from Angola in 2006 before agreeing to a meeting (Kjøllesdal and Welle-Strand 8). China then stepped in and offered Angola a concessional loan with the only condition being future oil supplies, no politics (Kjøllesdal and Welle-Strand 8). This illustrates how China is focused on establishing and maintaining investment and trade relations in Africa that also benefit its own economy, without concerning itself with recipients' the internal affairs.

There are still often conditions linked to China's aid and investment, however, these conditions concern economic and trade related conditions, such as the use of Chinese imports and technology (Tan-Mullins, Mohan and Powers 864). This is part of the idea of a mutually beneficial relationship.

While stressing that the services and assistance China is providing in Africa are very different from 'traditional' aid, China still emphasizes that it is part of the global aid efforts, uses the Millennium Development Goals vocabulary and wants to be part of international organizations (Tan-Mullins, Mohan and Powers 861). China is trying to partake in the

international environment and the global aid effort, by categorizing their efforts in Africa as aid that adheres to the Chinese development model and values such as non-interference. Yanzhong exemplified China's health aid to Africa, and concluded that China is involved in developmental assistance for health (DAH) to expand its global influence and improve its image, while at the same time serve the market and acquire resources needed for domestic economic development (196). This two-fold motive could be applicable to China's aid engagement in Africa also outside health assistance. Instead of focusing on forcing political reforms on the recipient countries, non-conditionality is a way to improve China's image in the international community and especially in non-western or developing countries.

Tull argues that providing aid to developing countries makes them a better trading partner for China. China's engagement in Africa began at the same time as large new oil discoveries were made on the continent (465). As mentioned earlier, one system China uses for providing aid is providing infrastructure as payment for oil exports to China. By improving infrastructure and technology, countries such as Angola can export oil to China more efficiently or on a larger scale. Tull suggests that by rejecting conditions and focusing solely on trade, China can access niche oil markets such as Sudan or Iran, which Western countries cannot access due to their focus on democratisation or good governance (469). This can be extrapolated to any resource market that China can access more easily due to their non-conditionality approach, resulting in access to less competitive markets. China's alternative approach is a means to accessing sovereignty-conscious countries that are interesting trading partners for China. Providing aid is one way of partaking in the international community, while still doing it on China's terms and in a way that benefits China's interests.

Some scholars are reporting that China's stance on non-interference and conditionality is changing (Pang 237, Power and Mohan 462). However, this is still a misunderstanding of China's initial stance on non-interference, which is in fact flexible. For example, China's economic involvement in Sudan has grown since the 1990s, and their role has become more embedded and politically consequential (Large 93). The combination of conflict in Darfur and the change in politics after the Comprehensive Peace Agreement between North and South Sudan in 2005 led China to influence Sudanese politics in ways that are largely incompatible with non-interference (Large 104). Further, Large argues that it was especially after China began importing Sudanese oil that investment protection together with economic competition in Sudan became important factors for China (104). Since investment protection

entails political engagement and exerting influence on politics, this clearly goes against non-interference (Large 105). However, rather than understanding this as a change in China's adherence, I argue that it illustrates the flexibility China maintains in its adherence to non-interference. China's adherence to non-interference is not changing. Rather, the situations and how these situations can benefit the Chinese economy and development, are changing. As Power and Mohan argued, wherever China has vested interests, the goal will be to keep these regimes stabile (482). While earlier rhetoric has suggested that non-interference has been the best approach towards this stability, changing situations in countries such as Sudan has led to a modification of this approach. This further suggests that while China has always been flexible in its adherence to non-interference, non-interference was a more appropriate approach to protection of interests before, while currently, this is changing.

Another possibility is that China will eventually have to intervene in more aid recipient countries if they prove unable to pay back loans due to economic mismanagement. Being flexible in their stance on conditionality and non-interference only goes against their self-proclaimed adherence to these principles. It does not hurt their image in the international community, as most western donors want China to match their approach and use conditionality. As protecting their investments is the motivation behind engaging politically, it does not hurt their trade or economic relations either. This shows how China is open to amend their adherence to non-interference in cases where it benefits their investments or in other ways trade relations and China's self-interests. As such, China's flexible adherence to non-intervention allows them to use conditionality primarily in ways that benefit their economic and domestic interests, and not in accordance with ideology.

According to Kjøllesdal and Welle-Strand, China's strategy of non-interference in domestic affairs means that "China needs not exclude any countries from its aid programmes" (4). While Western donors have conditions for providing aid, conditions that can be rejected by recipient countries and hinder trade or aid, China has fewer obstacles in the way of providing aid. This leads to an increased number of mutually beneficial aid relationships, which also serves the Chinese economy. Economic conditions such as Sino-African joint ventures and the use of Chinese labour and equipment further increases trade between Africa and China, and increases Chinese exports. For example, the US$ 5 billion China-Africa Development Fund (CADF) is only made available to Chinese companies or joint ventures between African

countries and China (Kjøllesdal and Welle-Strand 7). As such, China makes sure the trade is beneficial for their own economy as well.

While power, politics and economics are all factors that play into China's use of conditionality in their aid in Africa, the primary goal behind their foreign policy approach is improving China's economic and domestic development. China themselves defend their non-conditionality by claiming that "providing assistance is just for the benefit of the people, it is not for political reasons or for showing off to the outside world" (Liu Guijin qtd. In Xinhua qtd. In Tan-Mullins, Mohan and Power 865). This underpins their policy stance on how foreign interference into internal affairs can never be legitimate (Tull 461), and enforces the image of China as pragmatic, with only commercial goals (Tan-Mullins, Mohan and Powers 865). Although Liu states that assistance is not for political reasons, he did not mention economic reasons, which highlights how China's foreign policy prioritises benefits to China's domestic economic development.

Both China's rejection of conditionality, as well as its occasional use in cases where this is deemed beneficial, is motivated by ensuring trade relations and economic cooperation that benefits China's domestic development. While China claimed that adherence to non-interference was at least part of the reason for rejecting conditionality, their disregard for the same principle in other situations proves that practical benefits to Chinese domestic economy and development are actually the primary motivation. This demonstrates that China's use of conditionality is non-normative, with immediate possession goals. Both rejection of conditionality and use of conditionality is motivated by securing beneficial trade relations and contracts.

China's changing stance on conditionality and non-interference illustrates that benefitting its domestic interests takes priority over adhering to ideology. However, it is not only in trade- and investment-oriented situations that China is prioritising domestic development and economy. Also in cases concerning more controversial issues such as human rights and the Nobel Peace Prize, China focuses on securing important trade ties over protecting the principle of non-interference.

Ch.3 Case study: Conditionality in Norway

China's use of conditionality in Norway contrasts its proclaimed adherence to non-interference. China extends threats to Norway, claiming that the Norwegian Nobel Committee

interfered in Chinese internal affairs, which violated the non-interference principle. However, China does not follow through on the conditionality to the extent expected, largely in order to protect its own economy. This further strengthens the argument that conditionality is used in a pragmatic way to benefit China's domestic economy, trade relations and development.

China and Norway

The bilateral relationship between Norway and China, while asymmetric, is important for China's economy as well as for Norway. There are 212 Norwegian businesses in China[3], and there are a number of large Chinese investments in Norway[4], as well as development aid focusing on environment and climate in China, likely results of the second 'go out' strategy (Norwegian Foreign Ministry). In 2010, China was Norway's third most important source of imports, which consisted of labour-intensive products such as electronics and clothing (Sverdrup-Thygeson 106). Norway however, is China's sixty-fifth largest trade partner, and Chinese imports from Norway are mainly skill-intensive products such as machinery, capital intensive products such as chemicals and raw materials such as nickel, as well as seafood, which serve as inputs to the Chinese export industry (Sverdrup-Thygeson 106). This large trade asymmetry made it easy for China to threaten with trade-retaliations when the Norwegian Nobel Committee nominated human rights activist and Chinese dissident Liu Xiaobo with the Nobel Peace Prize in 2010 (Sverdrup-Thygeson 107). However, while the diplomatic relationship was severed, economic sanctions turned out to be much less severe than expected. China adapted their use of conditionality in regard to Norway, guided by their primary goal of protecting their trade relations and domestic economy.

Conditionality and threats

China has on several occasions voiced strong dissatisfaction with actions taken by either the Norwegian government or Norwegian organizations. On two occasions, the Chinese government has protested against the Norwegian Nobel Committee's decision to award the Nobel peace Prize to certain individuals. In 1989, the Dalai Lama was awarded the Nobel Peace Prize. Similar dissatisfactions and threats were voiced in relation to this Peace Prize as in 2010; and although this case will not be the focus of this analysis, it merits some mentioning. In 1989, after the Nobel committee's decision to award the Dalai Lama the Nobel Peace Prize, China

[3] Primarily sectors such as service, maritime and construction, including large actors such as Statoil and Aker Solutions in addition to interest organisations (Norwegian Foreign Ministry).
[4] The largest investors being China Oilfield Service and China National Bluestar (Norwegian Foreign Ministry).

expressed “great regret and indignation’ (jidayihan he fenkai), and denounced it as ‘open support of … secessionist activities’ and a ‘gross interference” in its internal affairs (Liu qtd. In Jerdén 66). According to Thygeson-Sverdrup, China was in a different situation in 1989, and the trade asymmetry was not large enough to enable enforcing any economic sanctions on Norway (106). While trade between the countries did decrease somewhat in 1990, Sverdrup-Thygeson argues that the general Sino-Norwegian trade was too small to draw any definitive conclusions (106).

In 2010 however, China was in a much different situation than it was in 1989. As a great economic power, with notably different views on human rights and democracy from Western countries, China quickly denounced the actions of the Norwegian Nobel Committee. The Peace Prize was awarded to human rights activist and Chinese dissident Liu Xiaobo, “for his long and non-violent struggle for fundamental human rights in China” (The Nobel Peace Prize 2010). China voiced its dissatisfaction with these actions both leading up to and following the ceremonies. A week before the 2010 award ceremony, Chinese representatives declared the award a ‘gross interference’ in China’s internal affairs (Jiang “2010 年 12 月 2” qtd. in Jerdén 66). China regarded the Nobel Committee awarding Liu Xiaobo with the Nobel Peace Prize as an attack on Chinese internal affairs, especially since Liu was imprisoned in China at the time.

China’s threats can be classified as using conditionality, as China tried to put conditions on the Sino-Norwegian bilateral relationship concerning the internal affairs of the Norwegian government. It is interesting that China interferes in Norway’s internal affairs as a punishment for Norway interfering in its internal affairs, and shows clear signs of a pragmatic rather than an ideological approach to the principle of non-interference. However, the Norwegian government does not control the Norwegian Nobel Committee, and therefore, China’s initial threats or dissatisfactions voiced to the government demanding that Liu would not receive the prize were futile. However, the additional demands that the Norwegian government should not support the Prize or attend the ceremony concerned the internal affairs of Norway, and thus constituted conditionality. In a press conference on October 8th 2010, Chinese representatives declared that if the Nobel Peace Prize were awarded to Liu Xiaobo, this would harm relations between China and Norway (Jiang “外交部发言人马朝旭答记者” qtd. in Jerdén 65). On December 7th, 2010, three days before the award ceremony, Chinese representatives again warned that if the Norwegian government supported the Nobel Peace

Prize it would ultimately destroy the “political basis and cooperative spirit” of their bilateral relationship (Jiang "2010 年 12 月 7” qtd. in Jerdén 66). Similar threats were also presented in 1989 concerning the awarding of the Nobel Peace Prize to Dalai Lama (Jerdén 66). Here, China is clearly putting conditions on Norway for their cooperation and bilateral relationship. If Norway fails to comply, the relationship will be destroyed. The threats China presented concerned trade relationships as well as diplomatic relations, and it with it, China is using the power it holds over its expanding domestic markets as a way to threaten countries into complying with its demands and requirements. The conditions concerned the internal affairs of the Norwegian government, and not politics that directly influence China. Thus, as China is attempting to exercise domestic influence on the internal affairs of Norway through demands imposed on them, they are using conditionality.

China relied heavily on rhetoric to threaten Norway, and as the Norwegian Nobel Committee eventually did award Liu Xiaobo the Nobel Peace Prize, many scholars expected severe economic sanctions on Sino-Norwegian trade to harm the trade relations. This was expected especially following the “Dalai Lama effect” on trade presented by Fuchs and Klann, which claimed that meeting the Dalai Lama systematically reduces exports to China by 8.1 to 16% (Fuchs and Klann 167). This effect could be easily applied in relation to the situation with Liu Xiaobo as well. If China had reacted by enforcing economic sanctions on states before simply for receiving the Dalai Lama, surely awarding a Chinese dissident with the Nobel Peace Prize would elicit a similar, if not even more severe, response. Pollins has also argued that there is a clear effect of bilateral diplomatic relations on imports, and that the relative cooperation or hostility of bilateral relations affect trade flows between states (465). Pollins even argued that importers take account of the political relationship between the importing and the exporting nation essentially to secure their trade relations in ways that minimize risks of disruption in supply, as well as to manage the possibility of hurting friends or aiding foes (465-466). However, while Pollins expected levels of trade to decline as relations become more hostile and to increase as relations become friendlier, this is not what happened in Norway.

While the diplomatic relationship between Norway and China was severely harmed, effects on the economic relationship were not nearly as severe as expected. China did sever all diplomatic contact with Norway after the Nobel Peace Prize Ceremony (Jerdén 67), and this boycott continues today (Sverdrup-Thygeson 102). However, despite the rhetoric used and

the threats made by China towards Norway concerning the bilateral trade relationship between Norway and China, trade was not significantly harmed by sanctions from China. Sverdrup-Thygeson found that while certain sectors, such as the symbolically important salmon exports, had problems after the Nobel Peace Prize award, overall bilateral trade continued upward (103). Trade between China and Norway only increased in the years after 2010, and China kept importing other types of fish and other goods (Sverdrup-Thygeson 103). This shows how China is much more sensitive to its own economy, and does not carry these threats out to full effect if it will hurt their own economy. Further, Sverdrup-Thygeson found that the main export of seafood from Norway to China is fish processed and re-exported by China, which contributes to Chinese employment, was not affected by economic sanctions (113). This shows how China has targeted symbolically important sectors of the economy to enforce sanctions on, which it could easily replace with imports from other countries. Sectors of the Norwegian economy and Sino-Norwegian trade that hold a more crucial role for the Chinese economy and is difficult to replace, were protected (Sverdrup-Thygeson 113). Sverdrup-Thygeson concluded that the threshold for China to enact economic retaliations seems higher than is often acknowledged, and that China's sensitivity is primarily to the cost and benefits of the relevant country's trade (101). This suggests that signalling to other states the consequences of interfering in China's internal affairs was less important than securing inputs for the Chinese export industry, despite the trade asymmetry that exists between Norway and China.

This further proves the argument that China's foreign policy is guided by domestic interests, and takes practical benefits to the Chinese economy and development as priority. This is especially striking, considering China's status as an emerging economy with a partially free market economy. Fuchs and Klann suggest that since emerging economies have stricter trade regulations and state-owned enterprises are more important for the economy, their economic decisions are more often politically driven (169). While the authors suggested that this would lead the Chinese government to turn "trade ties into a transaction channel via which the political agenda of a country can be globally disseminated and enforced upon trading partners" (Fuchs and Klann 169), this is not what happened after the Nobel Peace Prize. Instead, China decided to focus on economic development and trade, rather than on trying to force ideology or political agenda on another state. This proves China's non-normative use of conditionality, where decisions to use or reject conditionality are largely based on immediate

benefits to the domestic development and economy, and are not guided by long-term goals or adherence to ideology. Arguably, China's initial use of threats, meant to discourage other countries from interfering in their internal affairs, is also non-normative. Based on a flexible adherence to non-interference, it served to hold off scrutiny of China's human rights treatments that might hurt China's international image and in turn harm bilateral relations.

China used the threats towards the Norwegian government to show their dissatisfaction, and to signal to other states the consequences of interfering in China's internal affair. However, as this case study illustrated, a far more complex calculation of political and economic factors than is often assumed are included in China's decision to 'punish' a country for interfering in their internal affairs (Sverdrup-Thygeson 102). As Sverdrup-Thygeson concluded, China's trade with Norway, although miniscule, provided certain benefits to the Chinese economy and development was deemed by Chinese leaders as more important than strict adherence to political principles such as non-interference (103). In addition, China was using conditionality in its relation to Norway, subsequently interfering in the internal affairs of Norway, while at the same time voicing dissatisfaction over Norway's alleged interference in its own internal affairs. This contradicting approach to the principle of non-interference does not signal any strong ideological motives, and rather shows a pragmatic take on adhering to the principles. This is an example of a situation where initially, China found that conditionality was necessary to protect itself against interference in internal affairs regarding its domestic treatment of human rights and dissidents. However, as this goal proved less important than securing trade relations, China's flexible stance on non-interference allowed it to scale down its reaction and protect its economy. China did not want to hurt their own economy in making an example of Norway, and ultimately, they handled the situation in a pragmatic way. China had vested interests in certain sectors of the Norwegian industry and their relation, and again concluded that non-interference was the appropriate way to keep these relations stabile. I argue that practical benefits took priority over adhering to the principle of non-interference, as well as being more important than punishing Norway for violating that principle.

Cases such as this, where China has threatened with economic sanctions or with harming bilateral relations, have been used as examples of China's assertive turn or general assertiveness (he and Feng 230, Fuchs and Klann 172). This again can be the basis for policymaking. However, as this analysis shows, China's approach is not assertive, but rather

pragmatic in nature. The rhetoric does not always lead to action. As such, understanding the motivations behind these actions may lead to better policy approaches towards, and thus, more fruitful and efficient cooperation with, China.

Ch.4 Discussion and conclusion

China's goals with its foreign policies and use of conditionality have often been misinterpreted and misunderstood. China has claimed to be a strong adherent to the principles of sovereignty and non-interference, and that these principles guide their foreign policies. However, this contradicts China's foreign policy approaches in other situations, where China violates the non-interference principle, most often, in order to secure its own trade relations. I argue that China has shown itself to be flexible in its adherence to the principles of non-interference, and to take practical benefit as priority, also when this means interfering in other states' internal affairs, and even over punishing other states that interfere in China's internal affairs.

China rejects tying any development requirements or political conditions to their aid projects or investments in Africa. Their main goals are improving trade partners and accessing niche markets with natural resources to benefit their own economic development. The importance of sovereignty and non-interference in internal affairs is put to ground for the rejection of political conditions. However, China has increasingly revised its stance on conditionality, finding it necessary to interfere more in the internal affairs of some of its aid recipients. This revision shows a pragmatic approach to the use of conditionality in aid engagement rather than an ideological one, with the primary goal of benefitting China's domestic economic development. This illustrates how both the rejection of conditionality and the gradual acceptance were motivated by the same goals, which are China's primary goals behind any foreign policy approach, namely ensuring trade relations and economic cooperation that benefits China. In attempting to achieve these goals, China applied conditionality in a pragmatic way.

The case with Norway was initially an example of China using conditionality. China threatened that if the Norwegian government attended the Nobel Peace Prize ceremonies or supported the awards in any way, interfering in China's internal affairs, this would significantly harm the bilateral political and trade relationship between Norway and China. By making these threats, China essentially put conditions on the furthered bilateral cooperation. While diplomatic ties to Norway were severed by China following the Nobel Peace Prize ceremony,

trade relations were not as severely impacted. China used the threats towards the Norwegian government to show their dissatisfaction, and to signal to other states the consequences of interfering in China's internal affair. In the end however, these goals were second to maintaining trade relationships crucial for the Chinese economy and development. While trying to avoid hurting their own economy in making an example of Norway, China handled the situation in a pragmatic way. Therefore, I argue that although China was dissatisfied with the Nobel Peace Prize being awarded to a Chinese dissident, securing the Chinese economy and its inputs and trade relations were more important than adhering to and protecting the principle of non-interference. This is important because this is a controversial issue which China is usually expected to react strongly on. This demonstrates the importance China places on domestic economic development and trade.

I argue that the common motivations for China's foreign policy approaches, regardless of its stance on conditionality, are securing practical benefits to the Chinese economy and domestic development, and that the contradicting approaches stem from a flexible adherence to non-interference. China's foreign policy approaches and actions have often been misunderstood, as interpretation has been based on an assumption that they are strong adherents to and protectors of the principles of non-interference and sovereignty. If one instead analyse China's actions while knowing that their adherence to these principles is flexible, the common motivations behind all these contradicting approaches emerge. China's stance on non-interference has always been flexible, which has allowed China's utilization and rejection of conditionality to be chosen on a case-by-case basis, with the ultimate goal of benefiting Chinese development and economy. I further argue that practical benefits to China's economy and development take priority even in cases concerning controversial issues such as human rights. Previously, one might have expected China to retaliate or take a stronger stance against such issues, based on the assumption that they were strong adherents to non-interference. Instead, China's foreign policy practical benefits to the domestic economy and development as priority. China is taking a pragmatic approach in its foreign policy, which is the opposite of an ideological approach. This shows how China is more flexible in relation to ideology, and more sensitive concerning trade and economic relations.

Further, the fact that China was lenient with the consequences of interfering in its internal treatment of human rights, suggests that China is not 'allergic' to human rights. China has gained experience over the years in dealing with issues concerning human rights both

domestically as well as in relation to international pressure. China probably no longer feels that events such as the one in Norway, experienced by China as criticism on their internal affairs and policies, necessitates as strong a reaction. This reaction to international pressure or demands suggests that as China continues to develop and grow its economy, it may accepted its position in the international community as a counterweight to the Western values of human rights and democracy, and is focusing on developing through its own means, without feeling too pressured or threatened. China chooses to focus more on its own development and building its economy, as well as its role as a regional leader. As Breslin argued, "while China might be dissatisfied with the (global) status quo, it will articulate this dissatisfaction and push for change in a responsible manner that does not destabilize the global system."(Breslin 616). This is also evident in the numerous incidents where China act out of concern for its international image, such as its change of heart in Burma, or its protest against human rights criticism in relation to the Nobel Peace Prize. Although such pressure does not dictate China's actions, it does show that China is not acting in a vacuum, and that it is sensitive to its place in the international community. A harmonious international community, where China can participate on its own terms and still focus on its priorities, domestic development and economy, is the most beneficial for China as well as the rest of the international community.

China's use of non-normative and pragmatic approaches in its foreign policy has policy consequences for other countries as well. Knowing and understanding China's motivations will improve other countries' foreign policies towards China and in turn improve relations with China. This paper proved how situations which previously have been used as examples of assertive behaviour on China's part, or which were expected to result in certain reactions from China, were actually strongly guided by concerns for economy and practical benefits, and were handled in a pragmatic way. Misunderstanding a situation of this kind could lead to unfortunate foreign policies towards China by other countries, as they try to engage with a mistaken interpretation. As Howard demonstrated in his article on language games, if there is not enough understanding of a country's intentions and motivations, countries can becomes 'locked' in a diplomatic process which serves certain, false, expectations and understandings (826). Therefore, having a clear understanding of China's pragmatic motivations behind these contradicting approaches will improve diplomatic relations with China and help adopt the appropriate foreign policies towards them. Recognizing a country's motivations always helps

the understanding of that country and its goals and values, and in turn improves other countries' dealings and interactions with China. The common motivations for China's foreign policies and its use of conditionality is practical benefits to China's economy and development. Future research including a greater number of case studies illustrating more nuances in China's foreign policy approaches would be relevant in adding to an even more thorough analysis of China's foreign policy motivations.

Works Cited

Bellamy, Alex J. "Humanitarian Intervention and the Three Traditions." Global Society 17.1 (2003): 3 20. Web. 17 Apr. 2015.

Breslin, Shaun. "China and the Global Order: Signaling Threat or Friendship?." *International Affairs* 89.3 (2013): 615-634.

Cha, Victor D. "Winning is Not Enough: Sport and Politics in East Asia and Beyond." *The International Journal of the History of Sport* 30.11 (2013): 1287-1298.

Economy, Elizabeth C. "The Game Changer." *Foreign Affairs* 89.6 (2010): 142-152. *Business Source Alumni Edition*. Web. 13 Apr. 2015.

Etzioni, Amitai. "Is China a Responsible Stakeholder?." *International Affairs* 87.3 (2011): 539-553

Farnham, Barbara. "Impact of the Political Context on Foreign Policy Decision-Making." Political Psychology 25.3 (2004): 441-63. Wiley Online Library. Web. 12 Apr. 2015.

Fearon, James D. "Domestic Politics, Foreign Policy, and Theories of International Relations." Annual Review of Political Science 1.1 (1998): 289-313.

Fuchs, Andreas, and Nils-Hendrik Klann. "Paying a Visit: The Dalai Lama Effect on International Trade." Journal of International Economics 91.1 (2013): 164-77. ScienceDirect. Web. 20 Feb. 2015.

Gonzalez-Vicente, Ruben. "The limits to China's Non-Interference Foreign Policy: Pro-State Interventionism and the Rescaling of Economic Governance."*Australian Journal of International Affairs* ahead-of-print (2014): 1-19.

He, K., and H. Feng. "Xi Jinping's Operational Code Beliefs and China's Foreign Policy." The Chinese Journal of International Politics 6.3 (2013): 209-31. Web. 25. Feb. 2015

Hill, Christopher. "Foreign Policy." The Oxford Companion to Politics of the World. : Oxford University Press, 2001. Oxford Reference. 2004. Date Accessed 19 Apr. 2015 <http://www.oxfordreference.com/view/10.1093/acref/9780195117394.001.0001/acref-9780195117394-e-0257>.

Howard, Peter. "Why Not Invade North Korea? Threats, Language Games, and US Foreign Policy." *International Studies Quarterly* 48.4 (2004): 805-828.

Jerdén, Björn. "The Assertive China Narrative: Why It Is Wrong and How So Many Still Bought into It." The Chinese Journal of International Politics 7.1 (2014): 47-88. Oxford Journals. Web. 20 Feb. 2015.

Jiang, Yu. "外交部发言人马朝旭答记者问." *Fmprc.gov.cn*. Ministry of Foreign Affairs of the People's Republic of China, 8 Oct. 2010. Web. 23 Apr. 2015. <http://www.fmprc.gov.cn/mfa_chn/wjdt_611265/fyrbt_611275/t759532.shtml>.

----- "2010 年 12 月 7 日外交部发言人姜瑜举行例行记者会." *Fmprc.gov.cn*. Ministry of Foreign Affairs of the People's Republic of China, 7 Dec. 2010. Web. 23 Apr. 2015. <http://www.fmprc.gov.cn/mfa_chn/wjdt_611265/fyrbt_611275/t775065.shtml>.

----- "2010 年 12 月 2 日外交部发言人姜瑜举行例行记者会." *Fmprc.gov.cn*. Ministry of Foreign Affairs of the People's Republic of China, 2 Dec. 2010. Web. 23 Apr. 2015. <http%3A%2F%2Fwww.fmprc.gov.cn%2Fmfa_chn%2Fwjdt_611265%2Ffyrbt_611275%2Ft773892.shtml>.

Johnston, Alastair Iain. "How New and Assertive is China's New Assertiveness?." International Security 37.4 (2013): 7-48.

Kjøllesdal, Kristian Aamelfot, and Anne Welle-Strand. (2010) 'Foreign Aid Strategies: China Taking Over?', *Asian Social Science*, 6 (10), pp. 3-13.

Krasner, Stephen D. “Sovereignty”, *Foreign Policy*, 122 (2001): 20-22+24+26+28-29

Langberg, Øystein Kløvstad. "Fredsprisen Ga Ikke Kina-sjokk I Norsk økonomi." *Aftenposten.* Aftenposten, 07 Jan. 2015. Web. 21 Feb. 2015.

Large, Daniel. "China & the Contradictions of ‘Non-interference’in Sudan."*Review of African Political Economy* 35.115 (2008): 93-106.

Liu, Jianchao. "Foreign Ministry Spokesman Liu Jianchao's Remarks on the US Congress to the Dalai Lama "Awarding Medal"" *外交部发言人刘建超就美国会向达赖"颁奖"事*

发表谈话. Ministry of Foreign Affairs of the People's Republic of China, 18 Oct. 2007. Web. 13 May 2015. <http://www.fmprc.gov.cn/mfa_chn/fyrbt_602243/dhdw_602249/t373510.shtml>.

Muekalia, Domingos Jardo. "Africa and China's strategic partnership." *African Security Studies* 13.1 (2004): 5-11.

Murphy, Tom. "What Does China's White Paper Tell Us about Its Foreign Aid Spending?" *Humanosphere.org*. Humanosphere, 14 July 2014. Web. 21 Apr. 2015. <http://www.humanosphere.org/world-politics/2014/07/chinas-white-paper-tell-us-foreign-aid-spending/>.

Niticentral Staff. "China's White Paper on Foreign Aid." *Niticentral.com*. NITICENTRAL, 04 Aug. 2014. Web. 21 Apr. 2015. <http://www.niticentral.com/2014/08/04/chinas-white-paper-on-foreign-aid-235138.html>.

Norwegian Foreign Ministry. "Bilaterale Forbindelser." Landsider.no : :. Norwegian Foreign Ministry, 27 Mar. 2014. Web. 29 Mar. 2015. <http://www.landsider.no/land/kina/fakta/bilaterale/#contentinfoanchor>

Pang, Zhongying. "China's Non-Intervention Question." *Global responsibility to protect* 1.2 (2009): 237-252.

Pollins, Brian M. "Does trade still follow the flag?." *The American Political Science Review* (1989): 465-480.

Power, Marcus, and Giles Mohan. "Towards a Critical Geopolitics of China's Engagement with African Development." *Geopolitics* 15.3 (2010): 462-495.

Sacchi, Stefano. "Conditionality by other means: EU involvement in Italy's structural reforms in the sovereign debt crisis." *Comparative European Politics*13.1 (2015): 77-92.

Sverdrup-Thygeson, Bjørnar. "The Flexible Cost of Insulting China: Trade Politics and the "Dalai Lama Effect"." *Asian Perspective* 39.1 (2015): 101-123.

Tan-Mullins, May, Giles Mohan, and Marcus Power. "Redefining 'Aid' in the China-Africa Context." *Development and Change* 41.5 (2010): 857-81.Wiley Online Library. Web. 1 Mar. 2015.

The Nobel Peace Prize 2010". *Nobelprize.org*. Nobel Media AB 2014. Web. 7 May 2015. <http://www.nobelprize.org/nobel_prizes/peace/laureates/2010/index.html>

Tocci, Natalie. "Who is a normative foreign policy actor? The European Union and its global partners." *CEPS Paperback Series* 3 (2008): 1-336.

Troper, Michel. "Chapter 7 - The Survival of Sovereignty." Sovereignty in Fragments the Past, Present and Future of a Contested Concept. By Hent Kalmo. Cambridge: Cambridge UP, 2010. 132-50. Print.

Troper, Michel. "Sovereignty." Oxford Handbooks Online. 2012-11-21. Oxford University Press. Web. 19 Apr. 2015.

Tull, Denis M. "China's engagement in Africa: scope, significance and consequences." *The Journal of Modern African Studies* 44.03 (2006): 459-479.

UN General Assembly. *Resolution Adopted by the General Assembly: 55/2. United Nations Millennium Declaration*. Resolution. N.p.: United Nations, 2000. Print. Ser. 8.

Van Gerven, Minna, Bart Vanhercke, and Susanna Gürocak. "Policy learning, aid conditionality or domestic politics? The Europeanization of Dutch and Spanish activation policies through the European Social Fund." Journal of European public policy 21.4 (2014): 509-527.

Yahuda, Michael. "China's foreign policy comes of age." *The International Spectator* 42.3 (2007): 337-350.

Yanzhong, Huang. "Domestic Politics and China's Health Aid to Africa." *China: An International Journal* 12.3 (2014): 176-198.