

THE GEOPOLITIC BEHAVIOUR OF CHINA AND ITS IMPACT ON EXTERNAL RELATIONS

Larisa Luchian, PhD Student, "Al. Ioan Cuza" University of Iași

Abstract: The issue addressed in this study refers to the aspects less advertised and therefore less known on how the People Republic of China, aspiring to the title of world economic power, has become the protagonist of unprecedented economic growth, as a result not only of increased trade following diplomatic relations at international level, but also as a result of an intervention less peaceful, even threatening, coming from the military. Therefore, the author aims to provide explanations for their decisions in the areas of geopolitics and national security and their impact on the entire global economic and political circuit.

Keywords : *global economy, political power, geopolitical behaviour, strategic decisions, economic growth.*

JEL Classification: F16, F54, F63, N15, N45

INTRODUCTION

China's geopolitical behavior today started by expanding its sphere of influence first in neighboring countries, and then by working with other world powers. In its relationship with other countries, China often resorted to intimidation, especially when profit was foreseen. When deemed necessary, the Chinese state has appealed to military movements. China become increasingly threatening with its current military development. Having a consistent declared military budget, China's actual spending for the military sector is growing annually, aspiring to the position of military supremacy.

The analysis of Chinese society regarding future is divided between the desire to see a peaceful China, dedicated to cultivating economic and diplomatic relations on an equal footing with other states of the world and fear of implacable dictatorship, being more dangerous as it simulates a fair behavior. China claims that it does not want to become an international political power, but an economic power.

LITERATURE REVIEW

The idea of Chinese economic growth and development is subject to conflicting debates in the specialized literature, reflecting different opinions and attitudes of the economic analysts regarding the changes and opportunities growth rate of China's economic situation. So, while some are impressed by the energy and dynamism that characterize the Chinese economy, there are skeptics who see this jump as unsustainable and it may threaten the rest of the world which claims that China's integration into the world economy was done in an improper way, not peacefully.

However, it is widely recognized that this country had record development, subsequently involving the entire global economy, thus, earning the right to run for the position of the next economic power of the world.

Oded Shenkar, professor of management and human resources at Fisher College of Business within University of Ohio, speaks in his book entitled "Chinese century" on how China managed, after 500 years of obscurity, to lead the world economy, monetizing its bountiful resourced, important technological and financial resources, having qualities such as pragmatism, patience and a developed sense of entrepreneurship. The author argues that the rise of this country will result in a fundamental restructuring of the global business system that will determine a repositioning of its key elements.

Kenneth Pomeranz aims to point out through his book entitled "The Great Divergence. China, Europe and the birth of the modern world economy " an overview of modern history, by making parallel between economic expansion of Europe and East Asia and highlighting the most important issues regarding population growth, capital accumulation, investments, consumption and technology. In this respect, the most significant representative of Asia, China, seems to be coming increasingly more close to the European model, as will be seen further in the analysis carried out.

On the opposite side there are Peter Navarro and Greg Autry, the authors of the book "China kills: a global call to action". Peter Navarro, economist and professor of California University, is known as an outspoken critic and commentator on China. Together, the authors, reveal the aggressive methods used by China to become a world leader. Thus, we are presented with a capitalism that combines protectionist and mercantilist measures in order to penetrate all areas of American industry, a Chinese military power trained to face a possible confrontation with the U.S., an undervalued Chinese currency that may harm the United States and Europe, a country that promotes nuclear proliferation in order to obtain oil, cyber-attacks targeting defense system and American core sectors. In other words, China is shown as a threat to U.S. and, therefore, to the rest of the world.

In the book "China- wars to come" published by the same Peter Navarro in 2011, the issues behind the Chinese economic expansion are expressed as follows: " Chinese prices" are the result of modern slaves associated with a complex system of unfair trade practices that violate the principles and rules of international trade; Chinese economy is based on commercial piracy and counterfeit goods; China's commercial strategy for oil acquisition is based on monetizing nuclear weapons; China is characterized by a strong imperialism and the use of weapons of mass destruction; the coal used by the Chinese industry can be considered a determinant of global warming; China is involved not only in internal conflict but also external ones (the preparation of the Red Army to face any type of conflict, the possibility of a cosmic war following Chinese involvement) .

Taking over and developing of these ideas were aimed at explaining how unfair China started the battle for world supremacy, endangering not only the stability and national security of the less developed countries in its vicinity, but also those already involved the world economic circuit.

Flipping American hegemony and moving the geopolitical center of the North Atlantic to the Pacific area, raises some fears related to obtaining through violence and constraint of a new balance. According to Chinese doctrine raised throughout history, when a state has the ability to cause a change in its favor, will not hesitate to do it sooner or later. In this respect, the analysis of relations between China and key strategic actors of the world and the

possibility of extending their particular interest becomes particularly interesting.

THE GEOPOLITICAL BEHAVIOUR OF CHINA

Given China's imperial past and its global present, some geopolitical actions with military implications were identified and ranked according to priorities and expected results on short and medium term. Thus, we can talk about the following objectives: recovery of existing delays in the areas of advanced technology, aviation development, the country's independence and ability to cope with the potential threat of nuclear deterrence and, not least, increased naval presence in the Indian and Pacific oceans.

The way in which the Chinese want to reduce the advance earned by world powers in the fields of high technology is by stimulating the military investments in the People's Liberation Army. This only confirms the less peaceful manner by which China would acquire know-how if faced with some difficulties from the owners. In this respect, the number of missiles located in the straits areas was increased in order to achieve a greater control and supremacy over command capacities.

Owner of the most important ballistics program in the world, China wants to prevent U.S. Navy military fleets to intervene in the area called the second island chain. In this respect, the country has five types of conventional and nuclear submarines prepared to face any situation at any time.

Aviation plays an important part in the development of military and draws massive investments. The main supplier of military technology was the Soviet Union and currently Russia, ranked on the second place (after the U.S.) in the world's military powers aviation. While military experts approximate the time that China would need in order to compete with the world leaders in the field would be 20-40 years, the sharp pace of Chinese aviation development suggests that it will only takes 10-15 years for the country to reach the potential of the first two fleets of the world.

Another top area where China invests to ensure independence of the country against a possible nuclear attack is a ballistic missile program (artillery program II). Currently it is estimated that Chinese nuclear arsenal consists of a number of 240 nuclear weapons. Regarding this issue, it is important to highlight China's concern about U.S. decision to build the missile shield and the awareness that this strategy is aimed at undermining the deterrence ability to deter China.

The decision to increase the number of Navy ships in the Pacific and Indian Oceans is correlated with the desire to protect the interests of the national supply. Making an incursion into the past history of this state, we find out that since 1993, China occupies a leading position among oil-importing countries. Dependence on imports has increased (now the share of oil consumption coming from abroad exceeds 60%) to the extent of industrial development and increasing living standards for most of the population. And the Middle East remains the main supplier.

Geopolitical problem of the area of supply is doubled by the oil tankers routes, the most commonly used route being through the Malacca Strait. A threat of future imports of petroleum products can come from a hostile Taiwan that might restrict the trade route. But in this respect China has been cautious, developing the "String of pearls" strategy that provides

the location of civil and military bases along the naval way to act as protection and as rapid reaction forces. Another solution was found by China together with Thailand, a country that allows access to the Chinese fleet through Kra channel so as to avoid the Malacca Strait.

In turn, Cambodia signed in 2003 an agreement that allows China the construction of a railway that can take the oil before it reaches the Malacca Strait. Another strategic action taken by China was to modernize and increase the number of military units in Hainan, Spratly, Woody and Parcel islands.

Spratly Island represented the target of a geopolitical and military conflict between China and Vietnam, resulting in the triumph of the former. This island has so far remained a cause of dispute, holding important resources of oil and natural gas.

Parcel Island, initially in the custody Vietnam was conquered by China in 1994, after countries such as Malaysia, the Philippines, Taiwan, Vietnam and Brunei expressed the desire to exploit it.

CHINA'S INFLUENCE SPHERE

Today China's geopolitical behavior started by expanding its sphere of influence in neighboring countries. In this respect, commercial agreements were negotiated and concluded, creating a certain dependence of the small states of Central Asia or Indochina Peninsula. Benefits arising from these agreements were embodied in acquiring additional resources to facilitate access to remote geographical regions but vital in obtaining diplomatic support from the UN or regional alliances. China wants to discourage assertion of Taiwan's "de jure" independence by placing a large number of tactical missiles (800 in 2006) in the Taiwan Strait, to discourage any attempt of rebellion coming from the island in question.

Regarding the interest in the "second island chain", this still remains a desirable objective, lacking support from a military perspective. It still remains as an indicator of the future direction of political, economic and military action in the region.

Besides the great powers (Russian Federation, European Union, USA, Japan and India) and the relationships they have with China, it is important to explain the role that the African continent plays in China's geopolitical game. China is the major importer of oil from Africa, and this explains the caution in cooperating with countries such as Angola, South Africa, Sudan, Nigeria and Egypt. Besides purchasing the raw materials needed for the development of their economies, China wants to limit dependence on Western countries and to capture new markets.

China's has four development pillars: mining, energy, construction and telecommunications.

If until 2000 China was involved only in the oil industry in Sudan (China National Petroleum Corporation was owned by the state), currently, Chinese companies in the oil sector operate in 20 African countries. In addition to energy resources Chinese companies import timber, copper and diamonds, iron, manganese, gold and other base metals.

China aid to African states took the form of investment in infrastructure, particularly in energy and railway construction.

China's intervention in Africa should not be seen necessarily as a negative element. While the provision of financial resources experts and technology are factors of progress for the African

continent, supporting illegitimate regimes, offering arms and encouraging the use of violent means for the resettlement of people living in oil-rich areas is a factor of instability. China's attitude towards the African continent is often likened to that of the old colonial empires.

China is accused of undermining the international financial institutions (World Bank and International Monetary Fund) to compel African states to respect human rights, providing loans under more favorable conditions and without imposing constraints on domestic affairs. The Chinese state does not impose restrictions on financial aid because, according to its policy, economic development is more important than human rights. In addition to financial support, China has provided African governments military training and weapons programs.

CONCLUSIONS

The current global context, characterized by permanent political, social and especially economic confrontations, become the scene emerging, consolidating and increasing of multilateral relations aimed not only to acquire a global reputation but also cooperation and coordination to ensure the welfare and prosperity of nations.

Of course, there were always gaps and difficulties, throughout history, in establishing mutually beneficial relationships, and this can be seen today, although attempting to limit and diminish their negative effects. We talk about countries that have achieved such a high level of development, the emerging countries and, not least, about the underdeveloped states, whose actions are aimed first of all to survival.

Following the course of history we see how the transition to a market economy occurs due to social and political movements and orientations that are aimed at restoring relations between the productive forces, placing them at the center of private property.

Today, thanks to the dynamics of integration processes to the highest level, countries that have similar development levels crave expansion and attraction of less developed economies to strengthen their positions globally. An example is the People's Republic of China, an actor becoming increasingly important on the world economic stage.

Important element of the global economic system, China has felt the effects of the current global crisis, although to a lesser extent. Therefore, the steps taken in recent years have sought to counter the slowdown mainly due to economic instability in the Eurozone and slow recovery of the U.S. economy. Another issue that the Chinese government has proposed to cover was to transform the pattern of economic development based on export, in a growth supported by domestic consumption, which can only be achieved through increased investment that will generate demand in the future.

So, starting from the premises already given predecessors who have treated such a subject, the effects of geopolitical decisions and military actions of China have on its external trade and economic and diplomatic relations with the rest of the world, its assertion context on economic and global political scene could be identified.

Although China claims that it does not want to become an international political power but an economic power, the spectacular leap of the country in economic terms cannot hide the reality of a more peaceful regime than communism, but repressive enough .

In the relationship with other countries, China often resorted to intimidation, especially when foreseeing advantages. When deemed necessary, the Chinese state has

appealed to military movements (e.g. USSR border incidents, involvement in the conflict in Korea by attacking U.S. military, fights with India for certain territorial limits, invasion of Tibet, war with Vietnam). Today China has become increasingly threatening with its military development. Having a consistent declared military budget, China's actual spending for the military sector is growing annually, making it entitled to aspire to the position of military supremacy.

ACKNOWLEDGMENTS

This work was co financed from the European Social Fund through Sectoral Operational Programme Human Resources Development 2007-2013, project number POSDRU/159/1.5/S/134197 "Performance and excellence in doctoral and postdoctoral research in Romanian economics science domain

REFERENCES

1. Ash, R., Booth, A. (2000), *The Economies of Asia 1950-1998*, London: Routledge.
2. Benini, Roberta, Liping, He (2013), Special issue on China: Re-thinking China's economic transition and development in the post-crisis era, *Economic Change and Restructuring*, Volume 46, Issue 1, pp. 1-7.
3. Canton, J. (2010), *The Extreme Future: The Top Trends That Will Reshape the World for the Next 5, 10, and 20 Years*, Iași: Polirom.
4. Cooper, Orrin, Dong, Qingxing (2013), Bilateral relations between China and the United States: Policy prioritization with the ANP, *Journal of Systems Science and Systems Engineering*, Volume 22, Issue 2, pp. 202-226.
5. Dewitt, D. (2003), *Development and Security in Southeast Asia*, England: Ashgate Publishing Limited.
6. Navarro, P. (2011), *The Coming China Wars: Where They Will Be Fought and How They Can Be Won*, Revised and Expanded Edition, Bucharest: Niculescu.
7. Navarro, P., Autry, G. (2012), *Death by China: Confronting the Dragon - A Global Call to Action*, Bucharest: Niculescu.
8. Pomeranz, K. (2012), *The Great Divergence: China, Europe, and the Making of the Modern World Economy*, Bucharest: Polirom.
9. Shenkar, O. (2008), *The Chinese Century: The Rising Chinese Economy and Its Impact on the Global Economy, the Balance of Power, and Your Job*, Bucharest: Teora.