6 Conclusion

The ‘drama of China’s’ rise is slowly unwinding and the international community is alertly following its course. Analysts and policy makers, both realists and liberal have all contributed to the debate of how this ‘drama’ will play out, and the present thesis has been a contribution to such endeavours. Through an analysis of China’s energy security issue, a concern of increasing significance for the continuation of China’s economic and political rise the 21st century, the thesis has examined China’s foreign policy as well as the impact of China’s rise on the international order.

Many would argue that the current international order is one dominated by a hegemon, the United States, who upholds its ideals of democratic governance, human rights, and liberal economics on the international arena through various institutions as well as its military might and strategic influence, if necessary. However, as brilliant authors and historians such as Paul Kennedy have recorded, history demonstrates to us over and over again that international orders tend to change over time and hegemonies lose their overwhelming influence over the system to eventually give way to a new ones. Such historic approaches to the theory of international relations have created a considerable group of scholars and analysts, who believe that China is the new rising power to challenge US hegemony and the international order the US has built its reign upon.

As always, there are contending approaches to theories and one of the strongest one to his theoretical approach has been presented by neoliberals, who have based their theory on the observation, that the globalized, interdependent world we live in today is so drastically different from any time before. Such observations have led them to believe, that any rising power would now be integrated into the existing international order without any great power competition or the creation of regional power blocks. This theory seemed to apply well to China, whose economic rise was accompanied by successful integration with the international economy and its institutions. But how does China’s foreign policy fare in the face of rising global strategic interests?
China’s escalating dependence on imported oil and gas has put China into a situation where its economic growth is increasingly dependent on a number of outside factors. Economic security is vital for the Chinese regime for a number of reasons, above all social stability and regime survival and therefore China’s foreign policy, already driven by its economic interests since its opening up, has now gained a new dimension. To improve economic security China has to enhance its energy security as much as possible. The research done here has shown that this new dimension on energy security has led China astray from the neoliberal path as the country has not chosen to follow and respect the existing values and norms in its foreign economic policy as it overwhelmingly did earlier.

Foreign policy is conducted with the aim of reducing the threats a country feels exist to its sovereignty, development, and survival from the outside. Foreign policy to enhance energy security is thus aimed at relieving the threats a country feels emanate from its energy dependence. China’s threat perceptions are based on its distrust of energy markets and what it perceives as the hegemonic nature of US foreign energy policy. These perceptions have conditioned its foreign policy into one that does not place complete trust into international energy markets or into the collective use and defence of international energy supply sources and routes. The result has been a strategic approach to energy security issues, including a campaign to take initiative in diversifying its energy suppliers as well as energy routes while strengthening the security of its transport routes to avoid any malignant blockades. The first part of the thesis answers the question of what has this meant for China’s foreign policy?

The most prominent change has been China’s significantly increased involvement in energy rich regions close to and far from its borders. China’s strategic approach to energy security has meant that its investments into energy resource development and exploration have been accompanied by active energy diplomacy as well as a state backed go-out campaign of its NOCs. This has led to the spread Chinese diplomatic and economic interests and influence to as far as Africa and Latin America, not to speak of increasing them in the Middle East and Central Asia. As its energy diplomacy with these regions has meant not only diplomatic visits and summitry but has meant increasing economic involvement through investments and increasing trade relationships as well as aid, credit, and debt relief for partners in developing countries,
China’s impact globally has increased significantly. It is obvious then that the new dimension of energy security in China’s foreign policy is extensive and a clear step away from China’s previous concentration on economic relations within the scope of its foreign relations.

The new energy security dimension in China’s foreign policy has important implications for China’s rise. It well displays the increasing capacity China has to form strategic partnerships and spread its influence not only regionally, but globally. China already has positions on important global institutions such as the UN and WTO and has also increased it regional presence successfully. However, the energy security issue has shown that China is capable of stepping forward from its regional role and forming strong strategic partnerships all over the world, even in regions where the United States has been traditionally dominant, like the Middle East of Latin America.

In addition, China is displaying an interest in increasing its naval power capabilities, to take a stronger position on the Indian Ocean. The dimension added to China’s foreign policy by its energy dependency gives us a glimpse of how a powerful China acts on the global scene to secure its interests – independently and by using its huge economic capabilities while remaining distrustful of greater powers. This has the potential to increase competitive behaviour, especially between China and the US.

However, to better understand the character and impact of the rising China, it is useful to understand China’s foreign policy in light of the existing international order.

With regard to international institutions underlying the international order, China has been using its huge funds and diplomatic position especially successfully in developing countries that firstly, are in need of economic relations and credit and second, who are traditionally suspicious of Western countries or, conversely, where Western countries do not feel safe enough to invest. This has seriously undermined the work of the World Bank and IMF and has created a viable alternative development model for developing countries, different form the Western approach. In addition, China has been using its UNSC position to balance the impact of UNSC on its energy interests, compromising at the same time on issues of human rights and international security. Such behaviour has presented a clear challenge to the values, norms and functioning of these institutions. Thus it is clear that China is not yet a
responsible stake holder and is acting to protect its own interests rather than any international values (unless it serves its interests to do so).

However, before making final conclusion on such matters, it should be noted that China has moved from this position as a result of international pressure while taking a more subtle role in the Iranian case in order to safeguard its economic relations with Western countries. In addition, in developing countries, China may soon realise that solely concentrating on economic cooperation might not serve its interests quite as well as it seems to now. China’s presence on the global scene is still new and its policy is prone to change.

At present though, China’s involvement in the abovementioned countries has added complications rather than provided a better solution to solving problems, at least from the Western perspective. With regard to Bretton Woods institutions, key Western aid and credit institutions, Chinese credit is undermining their influence as well as their approach to lending and aid. Chinese unconditional aid and huge investments have given developing countries an alternative to Western credit, which traditionally comes with conditions for domestic reforms to enhance transparency, democratization, and liberal economic practices. Chinese energy diplomacy has thus been propping up authoritarian and sometimes even repressive regimes and undermining the values of the international organizations which underlie this international order. In addition, China has undermined the sanctioning process by vetoing or a more subtle process of stripping the sanctions of any meaningful content. Furthermore, China has continued economic cooperation with these countries and has continued with investments into the country. This has seriously undercut UNSC efforts to isolating these regimes economically and diplomatically.

On the basis of the research done into China’s energy security policy and its global impact, the thesis argues that China’s rise and expanding global influence has been undermining Western attempts to protect and spread the values of human rights, economic and social liberty, and democratic governance that underlie the existing international order. China’s growing worry over energy security has revealed China’s readiness to act outside of the international order if it serves its interests and has also has the potential to increased competitive behaviour between China and the US as
China continues to increase and strengthen its strategic partnerships and naval presence.

It is clear that China is not a *status quo* power in terms of bowing to US command and influence in international affairs or blindly nodding to the existing norms and values. Neither is it looking to demolish the structures of the existing international order, which give China a useful forum to increase its influence in global politics. Rather, China has chosen a soft balancing approach which allows it to slowly and without direct opposition increases its global presence and influence. China’s rise is undoubtedly one of the great dramas of the 21st century and China seems to be putting on quite a show. The research here suggest that realist theories are better at explaining China’s rise and its impact on the international order however China’s approach seems to still be evolving and might take more positive turns for the West, especially if the US and China find ways to overcome strategic challenges and distrust, and start to cooperate.