

Why China's Periphery Strategy is so Important in its Overall Foreign Policy

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Abstract: China has the largest number of neighbors in the world, nearly 30 in number. A large number of neighbors present historical, religious, ethnic, political, economic, social, and cultural differences. Throughout its history, China has been involved in war disputes and conflicts with several countries, and to this day there are still border and territorial issues that have not yet been resolved. At the same time, China's neighborhood is also a place where the interests of the world's major powers meet. How to deal with its neighborhood is, therefore, the diplomatic key to China's ability to build a stable and harmonious neighborhood security environment and achieve peaceful development. This article focuses on a brief analysis of China's peripheral strategy and the current international situation and peripheral issues facing China. Through a study of the case of the past Diaoyu Islands incident, it illustrates the importance China has to attach to its peripheral strategy in terms of territorial integrity, security, and economic development, as well as a study of the case of the China-ASEAN Expo, which illustrates the improvement of China's geostrategy, economy, soft power and influence in terms of the development of The numerous benefits that the peripheral strategy has brought to China, and the analysis of the two cases to demonstrate the importance of China's peripheral strategy in its overall foreign policy.

Keywords: China's Neighborhood Strategy; Diaoyu Islands Incident; ASEAN Expo.

1. Introduction

The 18th National Congress of the Communist Party of China (CPC) clearly put forward the foreign policy of "treating one's neighbor as a good neighbor and one's neighbor as a companion". China focuses on the peaceful nature of its diplomatic philosophy, the defensive nature of its military strategy and the cooperative nature of its security policy, recognizing the autonomy of each country and respecting the diversity of the region. First of all, the distribution of benefits in China's relations with neighboring countries involves the following three modes: first, sharing of benefits; second, tilting the interests of neighboring countries; and third, putting aside disputes and seeking solutions that meet the interests of all parties to controversial issues as far as possible. An important feature of China's neighboring diplomacy is that it exercises a high degree of restraint in the use of coercive means, and China is often willing to adopt the attitude of "shelving disputes and jointly developing" on controversial issues. At the same time, the development of China's relations with neighboring countries is more prominently reflected in the construction of high-level partnerships and bilateral communities of destiny between China and neighboring countries.

2. The International Situation and Neighboring Issues Facing China

2.1. International Situation

The US has implemented several initiatives to reduce its dependence on China in the supply chain, encouraging multinational companies to withdraw from China and joining forces with Japan, Australia, India, South Korea, and Vietnam in an attempt to collectively "decouple" from China and weaken China's economic influence. The Indo-Pacific Economic Framework (IPEF) was officially launched on 23

May 2022 to curb China's development. In terms of restricting Chinese investment, both India and Australia have introduced access regulations to restrict Chinese companies from investing in their countries. At the same time, some middle powers have developed defense logistics systems that do not depend on the US, such as the Reciprocal Access Agreement signed between Australia and Japan. Secondly, as the great powers become increasingly powerful, it is increasingly difficult for ASEAN as a whole to continue to achieve a balance of power [1]. In a deeper reflection on the dominant economic interdependence in East Asia, scholars have also shown that the countries of the region face hybridity and associated dualistic tensions. Moreover, many OECD countries are uncomfortable with the Chinese model and have tightened restrictions on the acquisition of firms with key technologies by foreign interests. These measures could undermine the international system that has benefited China in the past [2].

2.2. Neighboring Issues

In recent years, China has faced disputes with Japan over the demarcation of the East China Sea and territorial sovereignty over the Diaoyu Islands. The South China Sea dispute with South East Asian countries has been used as part of the US geopolitical coalition to marginalize Beijing in the settlement process [3]. The existence of border demarcation issues between India and China, as Gewirtz research shows, many believe that China is powerful and fearsome and can threaten to blackmail other countries through its economic power, with India using the so-called under the guise of the so-called "Chinese threat", India's military security strategy has tilted towards the southern Indian Ocean, extending into the Malacca Strait, close to the South China Sea [4]. Secondly, China is also faced with the Taiwan issue, which is originally part of China's territory and has not been well resolved due to early war issues, but the US has always intervened in the

Taiwan issue.

3. Case Study: Diaoyu Islands Dispute

3.1. Introduction to the Diaoyu Islands Dispute

On September 8, 1951, Japan and the United States excluded China and the Soviet Union, the victors in the war against Japan, and privately agreed to the San Francisco Peace Treaty, which placed the Nansi Islands south of 29°N in the custody of the United States by force. These islands were also included in the "return area". On the morning of September 11, 2012, the Japanese government held a cabinet meeting and decided to allocate 2.05 billion yen from the 2012 budget to "purchase" the Diaoyu Islands and three of its subsidiary islands and "nationalize" them. The Japanese government decided to allocate 2.5 billion yen from the 2012 budget to "purchase" the Diaoyu Islands and three of its affiliated islands and nationalize them. On 16 October 2012, Chinese warships sailed past the Diaoyu Islands for the first time at a distance of 80 km from the islands, and on 12 December 2012, China launched its first three-dimensional patrol of the Diaoyu Islands in the air and sea, making clear its non-retreating attitude. China has broken Japan's "separate control" over the Diaoyu Islands with its assertive strategy and has achieved "cross-control". This was accompanied by a choice of strategies and interests between the great powers, with the US strengthening its strategic cargo resources in the Asia-Pacific region to gain more rights and interests. In this strategic game between China, the US, and Japan, the issue of the Diaoyu Islands has become even more complex.

3.2. The State of Peripheral Relations Facing China under the Diaoyu Islands Dispute

The US has given full support to Japan during the Diaoyu Islands incident. The implementation of the US "Return to Asia" strategy during the Obama administration has put China in a very serious challenge, whether economically, politically, or militarily. This has led some regions and countries in East, South, and Southeast Asia, especially Japan and the Philippines, to regard the United States as a powerful backer and to try to exploit their interests with China over border and territorial disputes, thus making East Asia a region with more serious international conflicts and the highest risk of war between countries.

For the United States to be fully on Japan's side on the Diaoyu Islands, Japan is very much in line with the United States' strategic shift to the east, actively bringing in the relevant ASEAN countries to check and balance China. After taking office, Abe frequently visited ASEAN countries around China, such as the Philippines, Brunei, and Singapore, and assisted in terms of arms, materials, and the provision of loans, to divert China from its ASEAN allies in the hope of turning to support Japan on the Diaoyu Islands issue [5].

3.3. The Impact of the Diaoyu Islands Dispute on China's Territory and Security as well as its Economy

From China's perspective on territory and security, firstly, the Diaoyu Islands dispute seriously challenges China's firm adherence to the principle of territorial integrity, and secondly, the security role of the Diaoyu Islands is to guard against Japanese surveillance and blockade, to ensure the security of the country's eastern territory and to expand the scope of maritime military defense. If Japan sets up radar on the

Diaoyu Islands, its surveillance will cover about 400km~600km of sea and airspace, basically covering the southern straits and waterways of the Ryukyu Islands, including the waterways of the Taiwan Strait, then all military activities within that range will be in a transparent state and very passive. Moreover, the occupation of the Diaoyu Islands would allow Japan's maritime sphere of influence to advance more than 400 kilometers southwest from Okinawa to the coast of Taiwan, Fujian, and Zhejiang in China, seriously affecting the security of these areas. In addition, the Diaoyu Islands serve the purpose of defending Taiwan from foreign intervention. Once the Diaoyu Islands are lost, Taiwan will not only be trapped in danger but may also be slowly disengaged from mainland China under the influence of the United States and Japan Day.

From the perspective of economic development, Sino-Japanese trade accounts for 8.5% of our total foreign trade, and a decline in Sino-Japanese trade would be a blow to Japan as well as a loss to the Chinese economy. China is the least open of the major economies, but many of China's bilateral and multilateral trade policies have been reducing barriers [6]. Before the incident, Japan also increased the upgrading of equipment and technology in China, which would have been beneficial to China's industrial upgrading, but the Diaoyu Islands incident has dampened the confidence of Japanese companies to invest in China and has also reduced China-Japan trade in goods, services, and tourism. At the same time, the cohesiveness of the East Asian economic and trade markets, which were the fastest growing and most dynamic, has declined sharply. The whole of East Asia has formed a huge international manufacturing center with China and Japan as the twin axes and the rest of the region and the world as sales markets, but if this system is disrupted in a way that makes it difficult to recover, it may affect not only the process of bilateral trade and economic negotiations between China and Japan but also the economic interests of the wider East Asian region and even other regional countries, benefiting only the US [7].

3.4. The Necessity of China's Development of its Peripheral Strategy in China's Foreign Policy under the Diaoyu Islands Dispute

3.4.1. Developing a Peripheral Strategy to Establish Our Camp Against the Hostile Camp

As we can see from the Diaoyu Islands incident, the current international situation is extremely complex, with the US constantly meddling in the affairs of China's neighboring countries in an attempt to hinder China's development. Even though the current development of economic globalization and regional blocs has led to deepening cooperation and exchanges between countries, Collins shows that all this has not changed the status quo of international anarchy, and conflicts have ensued due to differences in the pace of development of countries [8]. In such a system, states must rely on self-help to solve their security problems, have a clear understanding of their geopolitical environment, develop a strategic environment around them that is favorable to them, expand their camp while weakening and dividing the rival camp, and achieve a balance against threats.

3.4.2. Dealing with Peripheral Issues is Crucial to Maintaining China's Territory and Security

In the Diaoyu Islands incident, China's territorial and security issues were challenged. The rapid rise of China has

made neighboring countries and powers very wary of this. The US is using Japan to meddle in China's affairs, and at the same time intends to bring China's neighboring countries together to contain China and form a strategic encirclement of China. strategic encirclement of China [9], which seriously hinders China's peaceful rise and poses a serious threat to China's interests and security. The serious security situation facing China requires that China's foreign policy must be more proactive, actively develop friendly relations with neighboring countries, oppose US involvement, and divide the anti-China alliance constructed by the US; to this end, it is necessary to establish our alliance system and sphere of influence in East and Central Asia, strengthen regional cooperation and form a new order in which China dominates.

4. Case Study: China-ASEAN Expo

4.1. Introduction to the Development of the China-ASEAN Expo

The China-ASEAN Expo is one of the most successful strategic designs in China's neighborhood strategy and one of the most important mechanisms for regional cooperation between China and ASEAN. Established in 2004 and initiated by former Chinese Premier Wen Jiabao, it takes the form of an international exhibition co-hosted by the economic and trade departments of China, ten ASEAN countries, and the ASEAN Secretariat, and has become an important platform for economic and trade cooperation between China and ASEAN. The permanent venue of the China-ASEAN Expo is Nanning, the capital of the Guangxi Zhuang Autonomous Region, which is a national-level, border region expo for Southeast Asia hosted by the Guangxi Zhuang Autonomous Region. Held in Nanning, Guangxi in the second half of each year, the China-ASEAN Expo has been held for 11 consecutive sessions since its inception and has become an important platform for political, economic, and cultural exchanges between China and ASEAN. The main features of the China-ASEAN Expo are the combination of import and export, investment and capital attraction, trade in goods and services, economic and trade exhibitions and political and diplomatic dialogue, and the combination of exhibitions and conference activities. The China-ASEAN FTA will adjust its action strategy and the content of the expo according to the needs of China's neighborhood strategy and the different stages of development.

4.2. Expo Main functions of the China-ASEAN Expo

4.2.1. Economic and Political-Strategic Functions

On the economic front, the economic cooperation between China and ASEAN promotes bilateral economic and social development through the two-way market opening, thus contributing to the further deepening of economic interdependence. It has played an important role in promoting sub-regional cooperation such as the Regional Comprehensive Economic Partnership (RCEP), the Greater Mekong Development, the Pan-Beibu Gulf Development, and the Maritime Silk Road strategy. On the political front, it has enhanced the level of political trust between China and ASEAN through various forms of summit diplomacy and ministerial meetings to build a strategic partnership between China and ASEAN. The political diplomacy activities such as meetings between China and ASEAN leaders and ministerial dialogues held during the conference have become another

important venue for friendly exchanges between China and ASEAN countries, and have strengthened the strategic partnership between the two sides.

4.2.2. Regional Governance Function

This function is mainly reflected in the China-ASEAN regional cooperation system. The system can, on the one hand, constrain the behavior of countries in the region to act within the regional framework [10], on the other hand, form a sense of behavior and guide action. The institutional system of the China-ASEAN Expo has three main aspects: firstly, the exhibition system; secondly, the consultation and exchange system constituted by various conferences and forums, focusing on trade governance and gradually extending to areas such as infrastructure and maritime security; thirdly, the series of declarations, agreements, plans, initiatives and consensus signed by the governments and government authorities of the ten ASEAN countries during the period of the event, which also serve as the regional governance function Rule of law basis. In addition to trade and investment, the regional governance objects of the China-ASEAN Expo have been expanded through an increasingly dense system of governance networks to include a dozen conventional areas such as sub-regional cooperation, special economic zones, information engineering, public health, and several non-traditional security areas.

4.3. The Importance of Developing the China-ASEAN Expo in China's Diplomacy

4.3.1. Improvement of China's geo-strategic Environment

Firstly, the geopolitical environment has been improved, as the China-ASEAN Expo has promoted the construction of bilateral FTAs and has also made certain contributions in terms of tariff reduction, investment facilitation, and RMB internationalization. It also deepens the degree of interdependence between China and ASEAN and raises the level of political mutual trust, which can prevent the US containment strategy [11]. Secondly, the geo-economic environment is improved, as the China-ASEAN FTA helps China and ASEAN form a new pattern of higher level integration around people, logistics, information, capital, energy, infrastructure, and macro policies, and gradually build a unified market. It can counter the strategic pressure on China from the US-led TPP negotiations in the Asia-Pacific region, as well as increase its voice and influence within world economic organizations such as the WB, IMF, and WTO, and jointly promote reforms in regional organizations such as APEC and ADB [12]. Thirdly, the geo-cultural environment has been improved; China's cultural diplomacy has a long history and with China's pursuit of image shaping, China and ASEAN have deepened their cooperation in the cultural field, setting up permanent mechanisms or institutions responsible for cultural and educational exchanges, promoting cooperation between China and ASEAN in areas such as tourism and poverty alleviation, and also facilitating the entry of Chinese cultural industries into the ASEAN market [13]. Fourth, the improvement of the geo-security environment. In recent years China and ASEAN have cooperated in sub-regional governance, and the two sides have signed and implemented batches of regional development cooperation plans, such as Pan-Beibu Gulf Cooperation and Greater Mekong Sub-regional Cooperation, etc. These sub-regional cooperation plans have helped to enhance China's geo-security environment.

4.3.2. Promoting Identification with China

First, the regional concept embodied in the China-ASEAN Expo itself is recognized by the countries and peoples of the region. In the international practice of modern fairs, there are no cases of multiple governments co-hosting fairs, an innovation that reflects the idea of regional association and China's recognition of ASEAN's leading role in regional cooperation. Secondly, the concept of regional cooperation between China and ASEAN countries has become the consensus of regional countries through the operation of the fair. For example, the new security concept of "mutual trust, mutual benefit, equality and cooperation", open regionalism, and the leading role of ASEAN in regional cooperation in East Asia. Thirdly, a series of new concepts such as the China-ASEAN Unified Market and the China-ASEAN Security Community have emerged from the China-ASEAN Expo and are gradually influencing the transformation of China and ASEAN from the concept of a development community to that of a community of destiny.

4.3.3. Enhancing China's Soft Power in Southeast Asia

The China-ASEAN Expo has significantly enhanced China's soft power in the Southeast Asian region. As a typical large-scale exhibition event, it has an incomparable image display function. Men argues that hard and soft power interact and influence each other and that setting the agenda and appealing to others is just as important as forcing them to change their positions through the threat of using military and economic means [14]. Through the China-ASEAN Expo, China has been able to showcase its tremendous development achievements over the past 30 years of reform and opening up, which has greatly improved China's international image in Southeast Asia, with the "China threat theory" largely replaced by the China opportunity theory. The China-ASEAN Expo started with economic and trade cooperation but has expanded to include economic and social development, national governance, and regional cooperation, and the Chinese development experience and the Chinese model have been increasingly well received in the region. As China's rise accelerates and its cooperation with ASEAN deepens, the China-ASEAN Expo is increasingly becoming a platform for showcasing and learning from China's experience and Chinese models. At the same time, the cultural exchanges under the China-ASEAN Expo promoted the spread of Chinese culture in Southeast Asia and helped China to establish a good image as a great power.

5. Conclusion

China is currently facing a complex international situation in which the regional industrial chain is being restructured and some countries are trying to "economically decouple" from China; the United States is suppressing China on many fronts and its Indo-Pacific strategy poses a threat to China; and major powers are becoming increasingly powerful and the regional In addition, the "centrality" of ASEAN in the regional structure has been weakened, and the many unresolved peripheral issues left over from history have forced China to pay attention to the development of its peripheral strategy. Firstly, the analysis of the Diaoyu Islands case shows that the Diaoyu Islands dispute poses a great threat to China's territorial integrity and security, and has serious economic implications and that there is a great need for China to develop a peripheral strategy in China's foreign policy in light of the Diaoyu Islands dispute. Secondly, a case study of

one of the successful examples of peripheral strategy, the China-ASEAN Expo, reveals that the China-ASEAN Expo has economic and political strategic and regional governance functions, improves China's geo-strategic environment, promotes identification with China and enhances China's soft power in Southeast Asia, fully demonstrating the importance of developing the China-ASEAN Expo for China.

In summary, through an integrated analysis of two typical cases, it can be concluded that China's neighborhood strategy is very important in its overall foreign policy, an important guarantee for maintaining the country's territorial integrity and security, an important way to promote the country's continuous economic, political and cultural development, and an important way to enhance China's recognition in the international arena and improve its international competitiveness.

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