



# **Chinese foreign policy – Implications for Developing Countries**

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Dr. Doris Fischer**



- Introduction
- General principles of China's foreign policy
- Securing political, economic and strategic interests in DCs
- Consequences for Developing Countries
- Conclusion



**Economic  
development**



**Political  
stability**

Policy of reform and  
Opening up

Accession to WTO

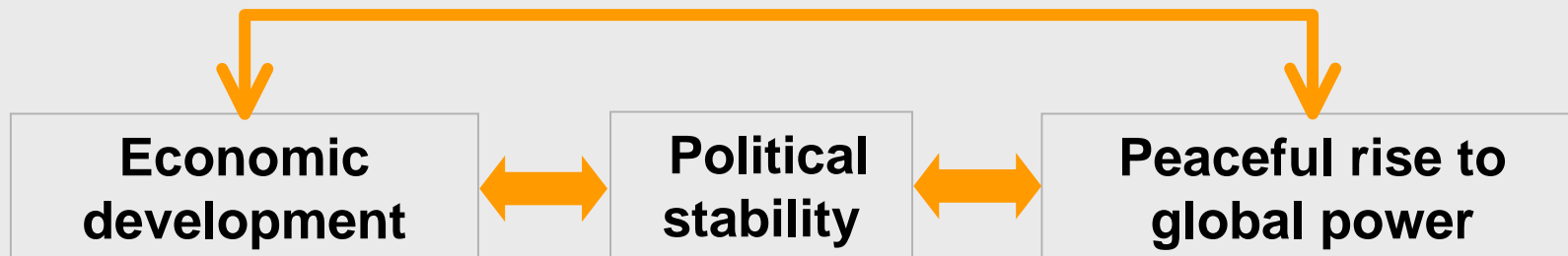
Status quo politics in  
International relations

**“Independent foreign  
policy of peace” (2003)**

Independence in foreign  
affairs

Non-interference in  
internal affairs

Peaceful co-existence



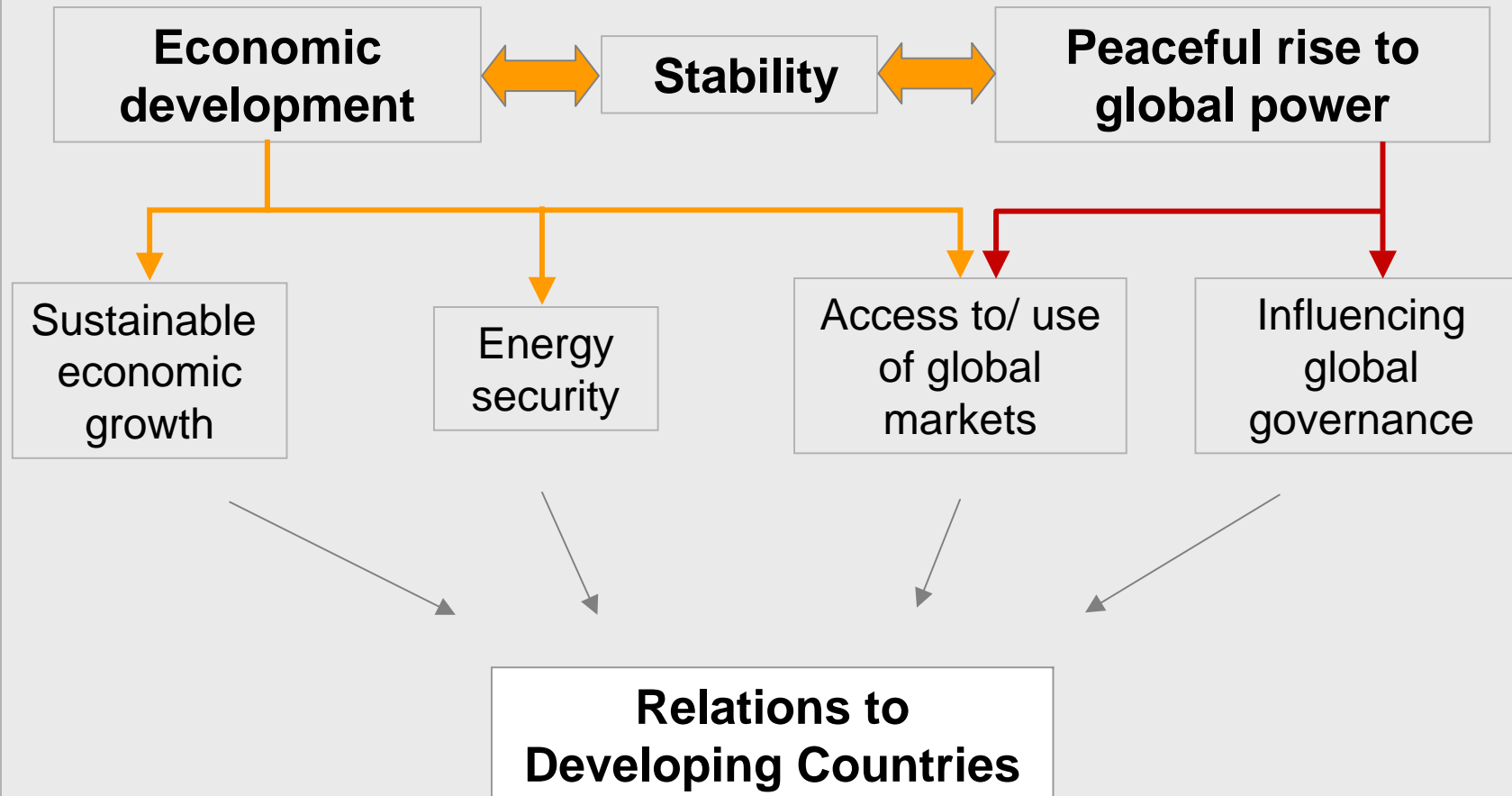
Regional and  
Bilateral trade  
Agreements

'Going global'

Ease concerns about China's rise to  
global power

Ensure that China's international  
influence is sufficient to secure future  
economic growth

Prove responsibility in international  
organisations for practical and image  
reasons (political and environmental  
standards)



## Securing political, economic and strategic interests in DCs



- Securing support in global governance organizations
- Exporting the Chinese political/diplomatic principals
- Securing access to energy and other natural resources
- Selling goods to DC markets
- Use DCs as a production base
- Exporting the Chinese model of economic development



- Securing DCs support in global governance organizations
  - UN human rights issues
  - World Bank/ IMF reforms
  - WTO negotiations
  - Taiwan question
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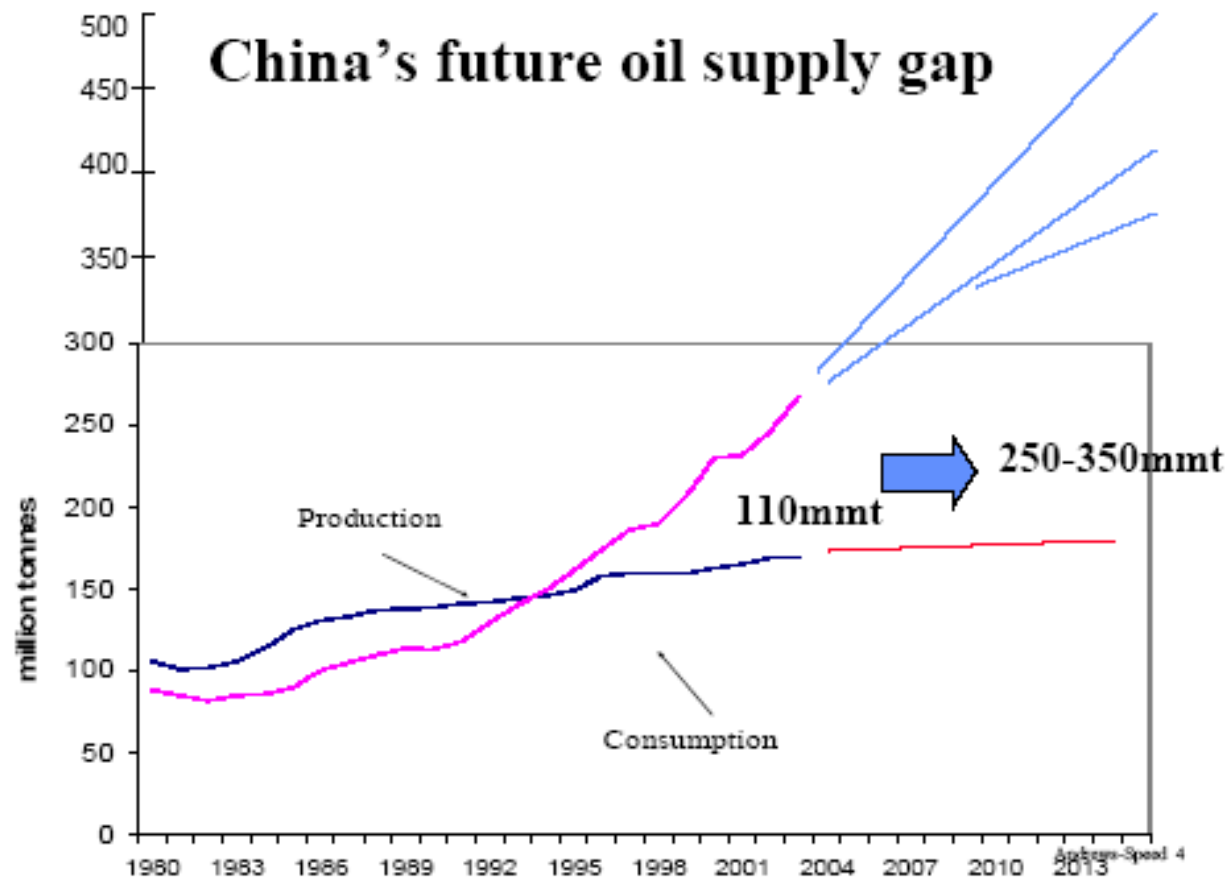
**China as a leader of developing countries**



- Securing DC's support in global governance organizations
- Exporting the Chinese political/diplomatic principles
  - Non interference in internal affairs
  - Multilateralism
  - Consensus decision-making
  - Mutual respect...
- Securing access to energy and other natural resources
- Selling goods to DC markets
- Use DCs as a production base
- Exporting the Chinese model of economic development



- Securing DC's support in global governance organizations
- Exporting the Chinese political/diplomatic principles
- Securing access to energy and other natural resources
  - Growing dependence on oil imports
  - Diversifying supply channels for oil
  - Copper, ore ...
- Selling goods to DC markets
- Use DCs as a production base
- Exporting the Chinese model of economic development



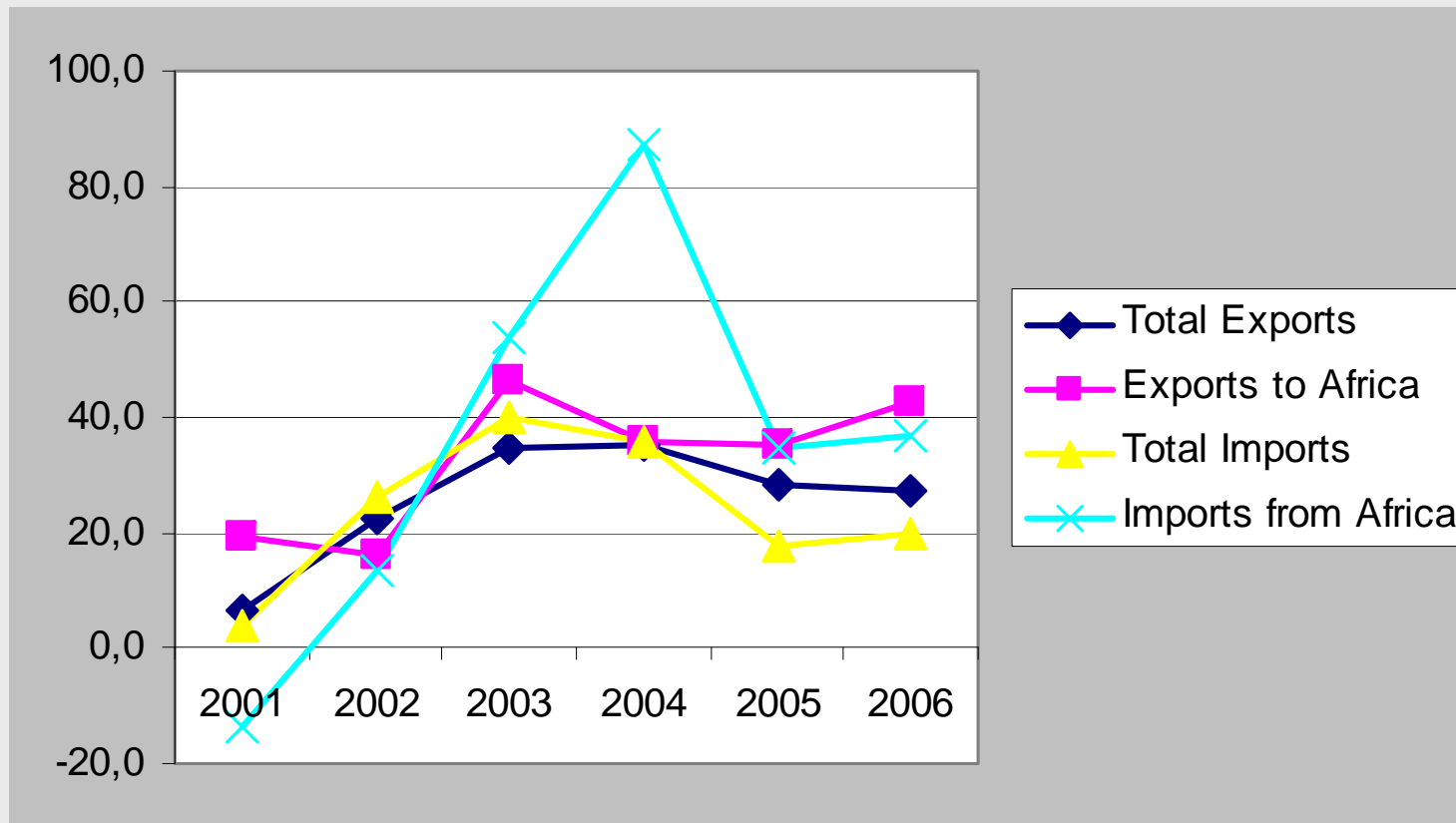
Source: Andrews-Speed, [www.nbr.org/programs/energy/presentations/andrews-speed.pdf](http://www.nbr.org/programs/energy/presentations/andrews-speed.pdf)

## Securing political, economic and strategic interests in DCs



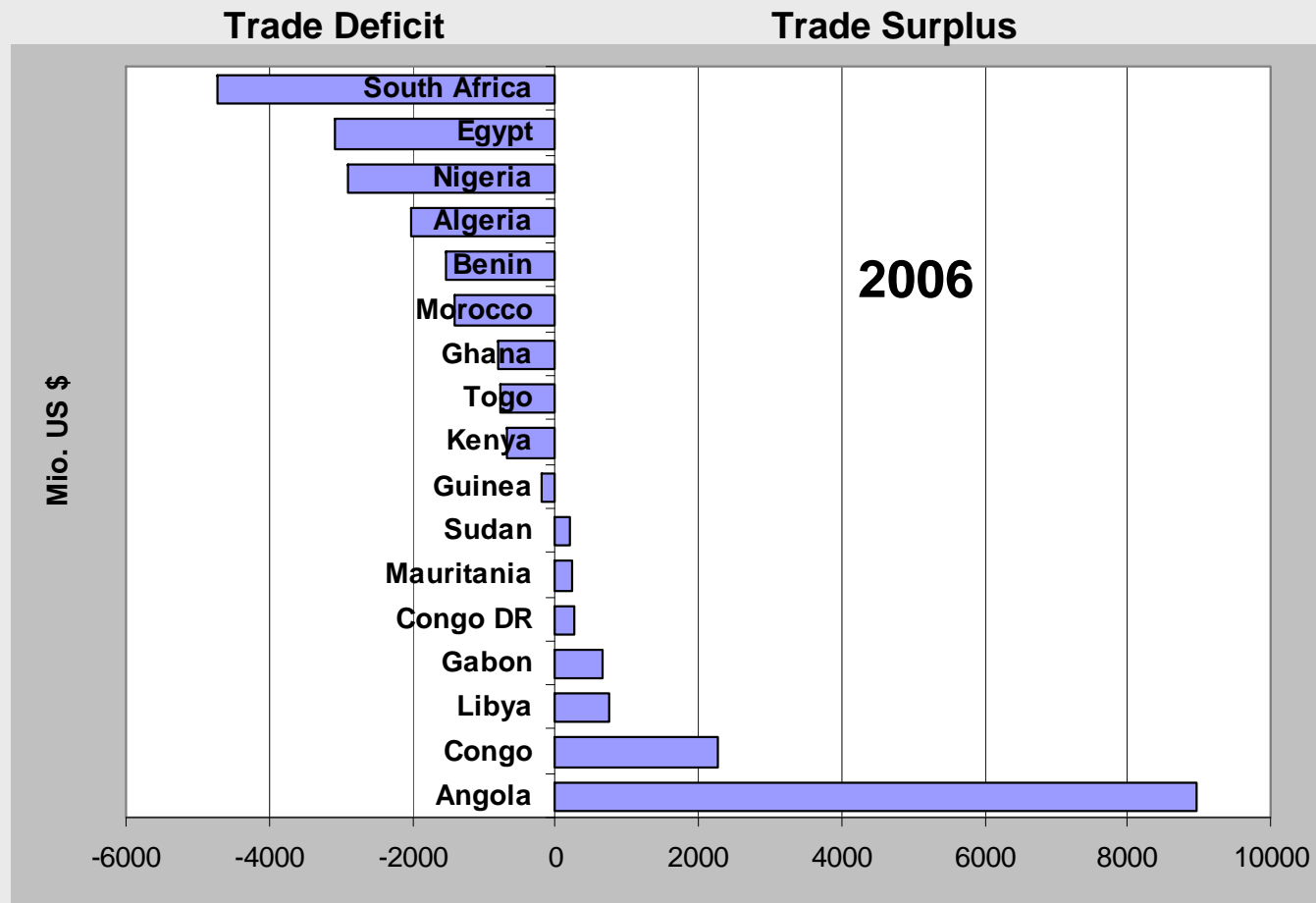
- Securing support in global governance organizations
- Exporting the Chinese political/diplomatic principals
- Securing access to energy and other natural resources
- **Selling goods to DC markets**
- Use DCs as a production base
- Exporting the Chinese model of economic development

## Growth rates of China's Foreign Trade



Source: China Statistical Yearbook, various issues

# Selected African Countries' Trade Balance with China



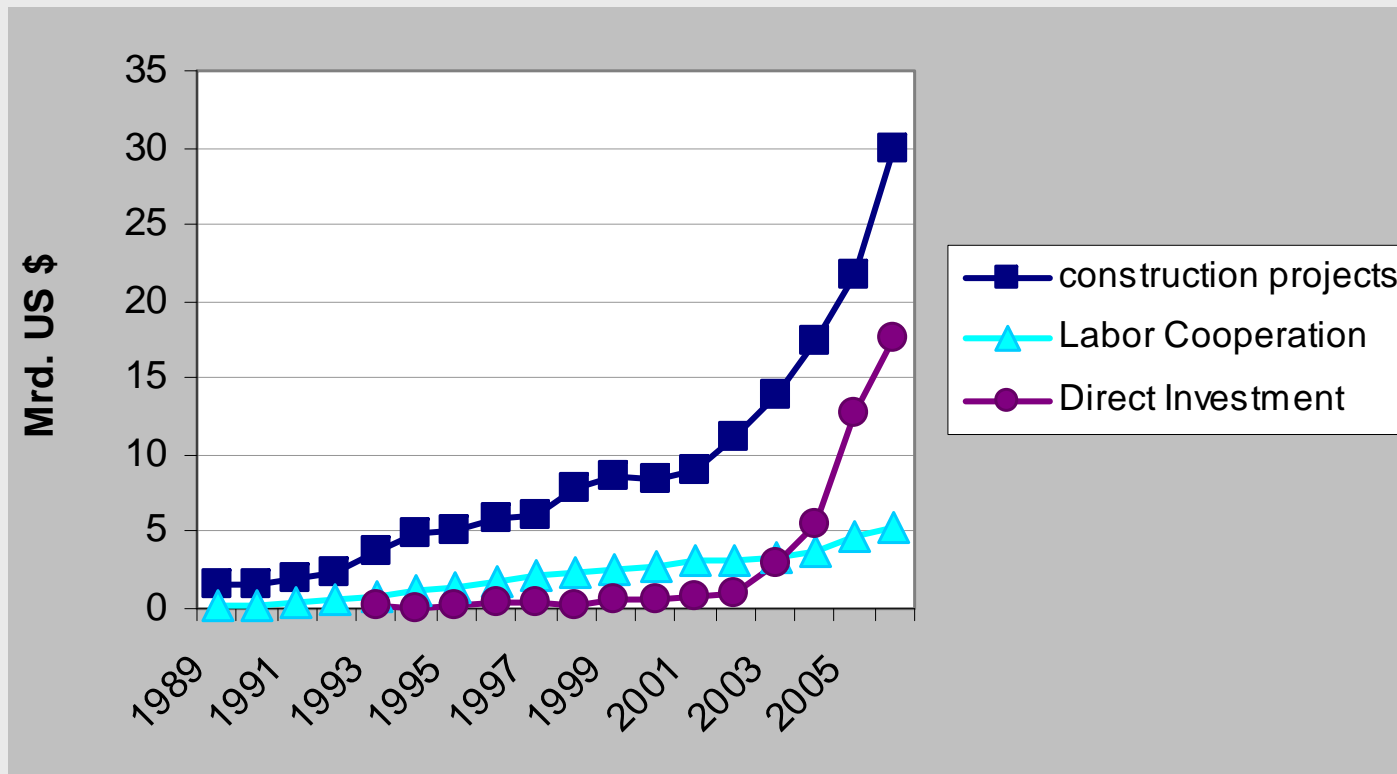
Source: IMF Direction of Trade Statistics, Sept. 2007

## Securing political, economic and strategic interests in DCs



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- Selling goods to DC markets
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# Chinese investment and cooperation abroad



Source: China Statistical Yearbook, various issues

## Securing political, economic and strategic interests in DCs



- Securing support in global governance organizations
- Exporting the Chinese political/diplomatic principals
- Securing access to energy and other natural resources
- Selling goods to DC markets
- Use DCs as a production base
- Exporting the Chinese model of economic development (?)



- ▶ differ according to their political situation (stabilizing role/destabilizing role)
- ▶ differ according to their resource endowment and production structures
  - Resource rich countries: of great interest to China, suffer potentially from the volatility of global resource market and prices; can use China's support for investment in infrastructure etc.
  - Resource poor countries with comparatively strong manufacturing sectors possibly face competition of China in the home market and in third markets
  - Resource poor countries with comparatively weak manufacturing sector may face strong competition within their home market



**Thank you for your attention!**

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