

## **Sub-project II: China's Domestic Situation and Foreign Policy (China Study Group)**

### **1. Research overview**

Among the most significant variables defining trends in the international order and the international environment surrounding Japan are domestic circumstances in China and its foreign policies prescribed by them. China ranks highest among the emerging powers that have rapidly increased their presence within the international community over a short period and is, from Japan's standpoint, simultaneously a real threat to Japanese security in the East China Sea and Japan's largest trading partner.

Above all, these past few years have seen several important changes in domestic circumstances pertinent to China's foreign policy. First, the era of annual growth rates exceeding 10% has come to an end, and China is making the transition to a "new normal" of medium to low growth. China's economy is becoming increasingly hard to manage as the country hurries to modify its economic structure to avoid the "middle-income trap" even as it seeks to ensure a steady growth rate on the order of 7%. Second, the political and diplomatic actors in China have become increasingly diverse as the society itself has diversified. In other words, the greater China's presence in the international community grows, the more important become the political and diplomatic roles taken on by actors such as the military, corporations and the public (public opinion). This suggests that a need has arisen to revamp the coordination of differing interests at the center of power. Third, power has become concentrated in Xi Jinping, General Secretary of the Communist Party of China. By establishing the Central National Security Committee and various new "Central Leading Small Groups" headed by Xi himself and by pursuing a strict anti-corruption campaign, Xi Jinping already appears to have claimed for himself far more authority than his predecessor did.

In view of these circumstances, Sub-project II will conduct research on various factors in China that have an impact on China's foreign policy. The first task will be to analyze aspects of structure of the foundations considered to affect China's overall foreign policy direction, i.e., the stability of the political system and the potential for sustained economic growth. The second task will be to examine the diversification of foreign policy actors as Chinese society diversifies, clarify the respective interests and foreign policy orientations of the military, corporations, the general populace (public opinion) and other actors, and consider the forms in which they impact foreign policy decision-making and implementation.

The third task will be to analyze the systems and functions developed for integrating these actors and formulating foreign policy, as well as the systems and structures in place for overseeing actual policy implementation by these actors. Lastly, the sub-project will synthesize the above research findings to elucidate the structures pertinent to foreign policy formulation and implementation in China, and examine the outlook for China's foreign policy from this perspective. The implications of this foreign policy for Japan, particularly for Japan-China relations, will then be presented.

## **2. Research team (China Study Group)**

### Group Leader

Seiichiro TAKAGI                      Senior Adjunct Fellow, JIIA

### Deputy Group Leader

Yoshifumi NAKAI                      Professor, Gakushuin University

### Group Members

Naoko ETO                              Research Fellow, Area Studies Center,  
Institute of Developing Economies

Hideo OHASHI                          Professor, Senshu University

Norihiro SASAKI                      Associate Professor, National Defense Academy

Takashi SUZUKI                      Associate Professor, Aichi Prefectural University

Akio TAKAHARA                      Professor, the University of Tokyo/Adjunct Fellow, JIIA

Shinji YAMAGUCHI                    Senior Fellow, The National Institute for Defense Studies

Masahiro YUMINO                    Fellow, Executive Office of the Governor, Okinawa Prefecture

Shino WATANABE                    Associate Professor, Sophia University

(Japanese alphabetical order)

### Group Members/Secretaries

Shingo YAMAGAMI                    Director General (Acting), JIIA

Nobutaka MAEKAWA                Director of Research Coordination, JIIA

Shinya KADOZAKI                    Fellow, JIIA