Conference Proceedings for the Workshop on China & Global Governance

by

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October 12, 2010

“中国与全球治理研讨会”会议记录

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2010 年 10 月 12 日

Based on the Workshop on China and Global Governance
Organized by Indiana University Research Center for Chinese Politics & Business
Held at Peking University School of Government
Beijing, China
July 23-25, 2010
Executive Summary

China’s active participation and influence in a wide range of global regimes, from the World Trade Organization to international energy markets, has inspired growing attention and excitement among scholars, policymakers, businesspeople, and others both within and outside of China. In July 2010, Indiana University’s Research Center for Chinese Politics & Business organized a conference at Peking University that brought together more than 40 scholars, government officials, and industry representatives to discuss China’s growing participation in global governance. The diverse group of conference participants had a wide range of expertise and came from the Chinese mainland, Taiwan, Canada, Japan, South Korea, Switzerland, and the United States. The conference covered a number of contentious and important issue areas, including the WTO, trade remedies, currency and financial market regulation, technology standards, global energy markets, climate change, and the relationship between bilateral relationships and multilateral forums.

The goal of this paper is to: 1) Present a faithful summary of the central points of discussion and debate of each panel; 2) Provide an analysis which highlights similarities and differences in Chinese participation across regime areas; and 3) Indicate likely areas of research which emerged from the discussion. Since the presentations and discussion were made on a “not for attribution” basis, the names of individual participants and their identifying information have been withheld.

摘要

中国对于诸如世界贸易组织和国际能源市场等一系列全球体制的参与和影响引起越来越多中外学者、决策者、商人等其他人士的广泛关注与兴趣。2010年7月，美国印第安那大学中国政治与商务研究中心在北京大学举办会议，汇集40多位学者、政府官员和行业代表共同探讨中国对于全球治理日益加深的参与。参与会者包括来自中国大陆、台湾、加拿大、日本、韩国、瑞士和美国的多个领域的专家。会议涵盖了很多有争议的、重要的问题，包括世贸组织、贸易救济、货币和金融市场监管、技术标准、全球能源市场、气候变化、双边关系及多边论坛。本文的目的在于：1）如实总结各小组讨论和辩论的要点; 2）着重分析中国在参与各个不同国际体制时的异同; 3）指出在讨论中发现的有研究价值的领域。对于各小组的发言和讨论，本文采取“不具名”原则，略去了他们姓名和身份。

1 The appendix includes copies of the workshop agenda in both English and Chinese.
Panel 1: Global Governance - What is It and Why is It Important to China?

The presentations highlighted the complexity of defining global governance, understanding the domestic and international factors that affect Chinese participation, and measuring changes in Chinese influence.

One of the panelists suggested that it is important to take a very broad view of global governance in terms of its definition, goals, and participants. Borrowing from Barnett and Duvall, global governance can be defined as "the rules, structures and institutions that guide, regulate, and control social life among people of different countries." Global governance encompasses both international and domestic rule-making, and the international and domestic use of rules. Moreover, these levels of governance interact with one another. This panelist argued that participants’ involvement in global governance can be motivated by the desire to promote compliance with existing rules and institutions, the desire to promote cooperation to solve international problems, or the desire to promote their own interests. Given these different goals, successful participation can be defined in alternative ways, including in terms of compliance, cooperation, and the ability of individual participants to advance their own interests. Moreover, global governance typically involves the participation of a wide variety of actors, including national governments, intergovernmental organizations, bureaucracies, individual politicians, sub-national governments, individual companies, business associations, experts and non-governmental organizations. As a result, it is usually not helpful when analyzing global governance to consider countries as unitary actors.

There are several broader questions about China’s role in global governance that deserve particular attention during this meeting, according to one speaker. First, what explains

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differences in how Chinese learn to engage in global governance across issue areas? Second, why are some kinds of Chinese actors -- for example those from different regions, companies, or parts of the bureaucracy -- more successful than others? And third, how does China's political system affect how Chinese participate in global governance (a question that can only be answered by comparing Chinese participation with that of others)?

Some of these distinctions and concerns were also highlighted by other panelists. One participant emphasized the impact of economic and social forces on global governance, in particular the expansion of international production chains as well as the growing importance of non-governmental organizations and sub-national governments. National governments were increasingly faced with grassroots pressures and the complexities brought about by the processes of "glocalization," which creates new winners and losers, complicating the Chinese national government’s participation in international organizations.

Another participant focused his remarks on the difference between informal and formal international institutions, that is, between organizations which set and enforce rules and those which serve mainly as forums for discussion and consultation. Participation in informal institutions typically involves fewer risks given that these organizations don't legally bind their members to any specific outcome. The panelist cited the case of APEC an informal organization that proved useful for Chinese leaders in the early 1990s. It was at an APEC leaders forum in 1993 that meetings between Jiang Zemin and US President Bill Clinton occurred, meetings that helped end the diplomatic isolation that had been imposed on China.

One of the panelists framed a series of three interrelated sets of questions for participants to consider when thinking about China's role in global governance that highlight the difficulties of integrating emerging powers – in this case, China – into existing institutions. The first focused
on how global rules are rewritten, or face resistance in being re-written, to reflect changes in the balance of power. This panelist wondered how rules might be rewritten in the absence of a hegemonic war, and whether or not an existing hegemonic power would need to grant rule-making authority to a rising power. A second set of questions focuses on the impact of the growing number of international organizations and the purposes and the effectiveness of China's investments in its diplomatic corps. A final set of questions related to how China's domestic economic and political situation affected its participation in international organizations.

Panel 2: China's Learning Curve in the WTO and Other International Organizations

The discussion of Chinese participation in the WTO and other international organizations had several themes: 1) China’s pace of learning has been gradual and uneven; 2) The importance of perception in evaluating China's role; 3) Chinese policymakers' use of the experience of China's East Asian neighbors as a guide; and 4) The role of crises in stimulating Chinese learning and institutional change.

It was clear from the discussion China has become more involved in the WTO, G20 and other international organizations and is considered central to addressing global problems. At the WTO it is now a key participant in negotiations. And China is central to the G20. However, according to one observer, although China’s economic size dictates it deserves a seat at the table, China has yet to wield “soft power” in these organizations, and hence, has less influence than India and Brazil.

Several panelists emphasized differences in perceptions between China and other countries in evaluating China's participation in international organizations. Chinese believe they have radically opened their markets, while others criticize China for meeting its WTO
obligations. (In the WTO’s Policy Review meeting held in June 2010, a record 1,550 questions were submitted to China.). Similarly, in finance, American officials have pressured China to carry out further liberalization by eliminating obstacles for foreign banks to operate in China; by contrast, one panelist noted that it is extremely difficult for Chinese banks to expand in the United States and Europe. The Chinese government believes it is helping Africa to develop, whereas Western governments are worried about Chinese investment there.

Several participants believed that the experience of other East Asian countries could serve as an important guide for Chinese government policy. The experience of the 1997 East Asian financial crisis convinced Chinese officials that they should limit China's vulnerability to sudden capital inflows and outflows by pegging the Chinese currency to the dollar and building up dollar reserves. It was clear that if global financial institutions lacked the capital to rescue smaller economies such as Thailand or Indonesia, China would have to depend on its own resources in the event of a similar crisis. In terms of global trade practices, one participant recommended that China continue to declare itself a developing nation in the WTO, as this gives it more flexibility, although it could also consider the examples of Korea and Taiwan which claim developing country status for agricultural products and developed country status for industrial products.

According to two of the panelists, Chinese learning and participation has also been heavily influenced by experiences in moments of crisis. In addition to the East Asian financial crisis of 1997, the most recent financial crisis has also stimulated Chinese learning and adaptation. The Chinese government was involved in the expansion of the G-8 to the G-20, a shift that was largely caused by the financial crisis. One participant noted that the experience of the most recent financial crisis shows that China can no longer rely on exports and should
reevaluate the currency peg with the dollar. The currency peg, which was initially designed to promote stability, has in the end become a destabilizing factor. In the view of one panelist, the solution to this problem is to internationalize the Chinese currency, while at the same time avoiding the instability caused by global currency trading.

Panel 3: China & Trade Remedies

In this panel, the participants analyzed China's use of the WTO-sanctioned antidumping mechanism from three complementary perspectives. One panelist offered a historical overview, another focused on analyzing individual cases, and another analyzed one case from the perspective of strategic international interaction.

One panelist offered an historical overview of the development of China's anti-dumping legislation. Antidumping legislation was first passed in 1994, but was not implemented until March 1997. In the mid-1990's the development of anti-dumping legislation was associated with China's general reduction of tariffs, undertaken in anticipation of joining the WTO. As Chinese firms faced greater foreign competition, the anti-dumping mechanism offered them a way to at least temporarily protect their industry. This legislation was distinct from WTO acceptable practice in several ways, by for example not providing the right to judicial adjudication. In 2002 after joining the WTO, China passed new anti-dumping legislation that was consistent with the WTO, which was later refined in 2004. The panelist observed that these legislative changes impacted Chinese complainants' success rate. Between 1997 and 2004, 95% of initiated investigations led to the imposition of tariffs on foreign imports. This figure fell to roughly 70% for the 2004-2006 period.
Another panelist offered a detailed overview of China’s cases and their economic consequences. Roughly three-quarters of China's antidumping cases have involved chemicals, while the next three most common types of products were paper, metals and textiles. The large number of chemical cases reflected the dominant position of China's two state-owned petrochemical companies, which are able to organize their subsidiaries relatively easily to fulfill the minimum market share requirements for launching a case. If one counts cases by product, China has initiated 64 antidumping cases and issued final decisions on 56 of them. If one treats each investigation launched against a different country as a separate case (as the WTO does), China has launched 186 cases. It has found dumping and imposed tariffs in 84% of concluded cases, failed to find dumping in 7% of cases, and found dumping of a negligible amount and not imposed duties in 1% of cases; in 7% of cases the complainants withdrew their charges and the cases were discontinued.

This panelist reported that China’s antidumping cases have resulted in greater Chinese production of these products, but often the benefits have not accrued to the companies who originally filed the cases. This can be seen in the 1997 newsprint case brought against Canadian, American and Korean paper companies. The imposition of anti-dumping tariffs led to the virtual disappearance of Canadian, American and Korean paper imports between 1998 and 2001. China’s paper industry grew rapidly thereafter, and the country is now a net-exporter of paper products. However, the individual Chinese companies involved in the case have not all fared well. Of the five companies who initiated the complaint, one saw dramatically rising revenue through 2006, two struggled, and another two were out of business or merged into other firms by 2005. Such an outcome seems partly at odds with the rationale for encouraging antidumping
investigations, which is to revive both the companies who file the cases and the domestic industry as a whole.

The last panelist showed how China has moved up the learning curve in trade remedies by discussing the political and economic factors that have shaped US-China frictions over poultry. The US in 2006 began banning Chinese poultry imports because they apparently could not meet US sanitary standards. In September 2009, China launched an antidumping investigation into US poultry, which appears to be in part retaliation for the American ban on Chinese poultry and the US special safeguards (Section 421) remedies imposed against Chinese tires that same month. What made a Chinese investigation into poultry especially effective was that the US poultry industry was already anticipating being excluded from the Russian market on phytosanitary grounds beginning January 1, 2010. Russia and China represented the largest two markets for US poultry exports. Hence, this shows how China was able to leverage its market to get the US’s attention. At the same time, however, Chinese penalties against US companies varied, with those for Tyson Foods lower than that for any other respondent. This is likely because Tyson Foods has investments in China. In addition, Tyson also lobbied the US government to refrain from sanctioning China, arguing such measures would be WTO-inconsistent. In sum, Chinese and American behavior reflects both the political environment in each country and the economic circumstances of their companies.

**Panel 4: Finance, Currency and Credit Risk Management**

Governance in finance differs substantially from trade. Norms are less institutionalized and they have been evolving very quickly, even before the global financial crisis. The discussion considered China’s role in governance of the global monetary/currency system and reform of
financial regulation. The discussion seemed to highlight that China has recently been more active in both areas but only exercised modest influence on financial regulation.

China made headlines when Zhou Xiaochuan called in March 2009 for making SDR’s (special drawing rights) more important in global financial transactions. Despite his statement and efforts to internationalize the RMB, we are still in a dollar-dominated world, according to participants. The Euro has been weakened by the crisis in Greece and Europe’s overall slow growth, and the same can be said for the Japanese yen. The RMB has made only minor progress in becoming an international currency. Hence, we are still far away from genuine currency competition, not to mention an SDR system or gold standard.

One reason, emphasized by one speaker for China’s limited influence on currency discussions, is that China is in a mostly defensive situation because of the criticisms about China’s foreign exchange regime, and the obstacle a continued weak RMB is to global rebalancing. If China is on the defensive, it may inhibit China from being a key player in international financial institutions.

In contrast to currency, China has played more of a role in discussions of how to reform international financial regulation, for example, with regard to banks’ capital adequacy requirements. China has been vocal in the Financial Stability Board, though less so in the G20 context.

Another participant noted that it is becoming more obvious that there are internal differences of opinion in China about the position it should have on international financial governance matters. Chinese authorities in the PBOC have a different position than officials responsible for industrial policy. (The tensions in the US are similar, but they cut along different lines.) This makes coordination across countries more difficult. One of the panelists argued that
China was less assertive in global financial reform because there was relatively little bottom-up pressure from domestic interest groups, especially when compared with trade issues. Another panelist took issue with this assessment, arguing that Chinese banking authorities had come under considerable pressure from China's state-owned banks, who lobbied central banking authorities for lower leverage requirements so they could expand more quickly.

One panelist raised the question of the desirability of international uniformity in banking practices. The panelist wondered if a certain amount of "bio-diversity" in national banking regulation would be healthier for the international financial system. As evidence, he cited the successful ability of Canada's large banks to avoid most of the effects of the financial crisis, arguably because of Canada's system of explicit leverage ratios, which differed from the United States.

Looking ahead, one panelist suggested several topics that are ripe for research: 1) How has Chinese behavior in international financial institutions changed since the financial crisis? and 2) How do Chinese financial institutions and regulators in different regions varyingly engage international financial governance requirements?

Panel 5: Technical Standards and Indigenous Innovation

The discussion on this topic revealed more differences of opinion than in earlier panels. This is in part due to some speakers measuring Chinese behavior according to a “compliance” yardstick and others according to an “effectiveness” yardstick.

Two panelists gave a relatively positive assessment of China’s growing role in technology governance and in spurring domestic innovation. Since 2001 China had moved from a period of passive study to active participation at the international level, and now is much more
involved in standards organizations. China has also hosted a growing number of international events and programs related to innovation, for example, an international conference on Chinese medicine in 2006 and a global working small group on renewable energy in 2007. In addition, China's indigenous innovation policies had elicited much excitement from countries around the world, with nations as varied as Mozambique, Vietnam and Russia all seeking to learn from China's innovation policies. At the level of individual Chinese companies, one panelist pointed out that Chinese industry leaders such as Baogang in steel and Guofeng in wind power have organized domestic alliances of firms to coordinate and improve their R&D efforts.

At the same time, there was disagreement about the permissibility and desirability of government involvement in promoting innovation. One panelist argued that Chinese technology policies differ from global best practices which indicate that innovation is promoted in the context of open cooperation with participants from multiple countries. By contrast, China’s “Indigenous Innovation” policies restrict market access and limits innovation. Another speaker noted that China’s technology standards in information technology amounted to technical regulations, and thus they differ from voluntary standards adopted elsewhere. By contrast, other panelists praised “Indigenous Innovation” policies and asserted that foreign companies are mainly upset because of their reduced market access, not whether such policies spur or hinder innovation. Another speaker stressed that although Americans and Europeans criticize Chinese technology policies, they also are often critical of each others’ policies; moreover, there are a variety of obstacles to developing countries using international standards, such as their high costs because of patents. This speaker suggested that the US and Europe be more open to a discussion of the most appropriate rules for technology standards and innovation in various forums; so far they have blocked or limited discussion of these topics at the WTO and APEC.
Several speakers suggested topics for future research, including: examining the relationship between patents and standards, compulsory licensing of technology used in national standards, how Chinese can be more effective in international standards bodies, and the relationship between standards and information security.

Panel 6: Energy - Beyond Suppliers versus Consumers?

Although there are points of tension between China and others in the area of technology standards and innovation, there are also substantial multilateral global governance institutions in which both cooperation and competition occurs. The discussion on this panel revealed quite a different picture in the energy sector.

Despite the existence of the International Energy Agency (IEA) and Organization of Petroleum Exporting Countries (OPEC), global governance in energy is extremely weak. Consuming countries rarely cooperate in any formal sense, and this may be a result of there being so many consumers, it would be hard to coordinate consumption patterns. In addition, there are no global organizations that set rules related to hydro-power and their effect on river systems that run through multiple countries. There is no scheme for fairly exploiting seabed energy resources. And China is not a member of the IEA.

Addressing energy problems is difficult in this context. In the absence of effective global institutions, countries pursue informal bilateral solutions, such as in energy cooperation ventures. The US and Chinese governments frequently compete, but future cooperation between Chinese and American companies could grow out of increased US energy exports to China, such as coal and natural gas. Also, China could improve its energy situation by taking unilateral actions to control consumption, raise efficiency, and improve domestic regulatory systems, but it is
possible that the lack of global governance norms and the pressure they would bring are absent here, unlike in trade (WTO).

Another panelist emphasized that in the current context of weak international institutions, energy governance is vulnerable to power politics. The world’s top six oil companies, despite being multinationals, still benefit from the relative power of their home governments. American oil companies have a particularly large amount of influence and latitude because of a powerful American military. China’s oil firms are in a weaker position. They have made significant progress in establishing overseas operations but face major problems. These challenges include the political instability of oil producing regions such as Nigeria and Iraq, and elsewhere nationalistic government policies such as in Venezuela and Ecuador. Another significant challenge is the difficulty in coordinating the actions of China’s two state-owned oil companies and the central government. Contrary to popular impression, the interests and actions of state-owned companies can diverge from central government policy, both because of company procedures and because even state-owned companies seek out profit. And as a country, despite being a large oil importer, China lacks any power to set prices in energy.

One panelist focused his remarks on areas in need of research. He suggested that understanding energy governance would benefit from coming to terms with the different interests and levels of concern that governments and companies (both state-owned and private) have toward different issues. One can imagine issues where both sides’ interest is quite high or quite low, or a mix of the two. He suggested the most interesting context would be when companies feel strongly about an issue but government does not. Regardless, he suggested three areas where such a framework could be applied: 1) Comparing Chinese involvement and perceptions of state-based regimes, such as the IEA, and market-based norms of behavior, such as product sharing
contracts (PSCs); 2) Analyzing how China’s domestic political environment and the incentives it induces (such as discouraging risk-taking) negatively affects Chinese behavior; and 3) How would Chinese propose to reform existing regimes and practices concerning production, investment, and pricing. More generally, despite the problems that exist currently because of weak international institutions, this speaker asked whether a strengthened global governance regime for energy would even be desirable for countries or companies.

Panel 7: Climate Change

As with the panel on technology standards, the discussion of climate change issues featured debate on the relative balance between competing goals. In this case, the panelist debated the value of reducing greenhouse gas emissions relative to the risks of slowed economic development. There was disagreement among panelists over the seriousness of global warming and discussion over what approach China should take to reduce emissions. One panelist cited the debate in the West over the science of global warming and observed that given the coldness of the previous winter it was not necessarily clear if the earth was warming. He conceded he was not a climate scientist and implied that it would be a shame to rewrite international law if scientists had in fact simply “fabricated a story.” In contrast, another panelist viewed global warming as an extremely serious challenge and asserted that the Chinese people would be its biggest victims. This participant noted that China was the world's biggest emitter of greenhouse gasses, and that emissions had risen steeply.

Panelists offered different perspectives on how China might reduce its emissions. One panelist offered historical data showing that through the 1990s China’s emissions were relatively stable even as the economy grew at an annual rate of around 8%. In contrast, over the last
decade, emissions growth accelerated, which was attributed to China’s more rapid GDP growth. He argued that China needed to keep its economic growth rate to around 8% per year in order to stabilize growth in emissions.

Another participant focused on the problems and advantages of implementing trading schemes for carbon emissions. He noted that they have been widely and relatively successfully implemented in Europe and by sub-national governments in North America and Asia. In particular, SO₂ trading regimes in North America were very successful at reducing emissions while minimizing the associated economic costs. In China, a few carbon trading schemes have been set up, though they have yet to be very successful. The panelist suggested success would only come when local governments received greater autonomy.

There was much discussion over what approach China should take in multilateral negotiations. One panelist argued that if China committed itself to substantial emissions reductions at the upcoming global warming conference in Mexico, the US and EU would likely commit to even more substantial emission reductions. Another panelist discussed the complicated question of border tariffs to adjust for differences in environmental regulations and limits on greenhouse gas emissions. While in theory environmental tariffs make sense, one participant suggested that they would be adverse to China’s economic interests. The panelist acknowledged this and indicated that China should take a two-pronged strategy of promoting discussion of environmental tariffs at the multilateral level while at the bilateral level encouraging trading partners not to impose protectionist tariffs.

Another topic of discussion centered over the question of which countries needed to participate in multilateral negotiations on global warming. Having all UN members attend and participate, as is now standard practice, risks making the conferences unwieldy. This seems
unnecessary given that the top twenty emitters produce 75% of global emissions and the emissions of the great majority of countries are negligible. One of the panelists agreed with this general assessment, noting that the two critical states were really the United States and China.

Panel 8: Global Governance and China's Regional Relationships: Complementary or Contradictory?

The discussion centered on the extent to which multilateral global governance is aided or undermined by bilateral and regional relationships and diplomacy, in particular trends toward Asian regionalism. On an economic level, China’s involvement in regional initiatives has been prompted by the Asian financial crisis and the integration of Asian economies into global production networks. China has taken a lead in the Chiang Mai Initiative, pushed ASEAN+3, then ASEAN+6 (also known as the East Asian Summit), signed several free trade agreements with neighbors, and is promoting the development of an Asian monetary fund.

Although impressive compared to two decades ago, one participant suggested there are limits to Asian regionalism involving China. Its smaller neighbors have both security and economic concerns about China, and there are domestic constraints to how many concessions China can make in regional arrangements. Hence, China’s FTA’s are far from comprehensive. (Another panelist disagreed on the depth of the arrangements.)

There was no consensus about the consequences of greater regionalism. One panelist argued that greater regionalism may be good for China, in that it allows China to forum shop, promoting its interests in whichever venue is most conducive, but doing so may not be beneficial to the broader international community. He contrasted China’s more constructive role in the creation of an Asian monetary fund with its less supportive role in the G20, which threatens to
become only a “talking forum.” Another speaker did not necessarily disagree, but pointed out that regional integration initiatives were launched by the European Union and United States (and even Japan) long before China started doing so, implying the blame lies in other capitals, not Beijing.

Despite these potentially negative consequences of regionalism, a panelist argued that strong bilateral and regional ties, and the trust that comes with them, is essential to achieving success in broader multilateral negotiations. Many of the issues discussed in this conference, including energy and climate change, require agreements between the United States and China. Hence, efforts to improve bilateral relations can be a boost to addressing global problems.

Panel 9: Comparisons and Lessons for Research

In the concluding panel, the panelists focused their remarks on different aspects of global governance with an eye toward future research needs. One panelist emphasized that trust was a recurring theme across many of the issue areas, and that lack of trust was a major barrier to cooperation, particularly between the US and China. This participant also observed that the nature of the international system was changing, and scholarly discourse was evolving beyond the discourse of multipolarity.

Two of the panelists stressed that building Chinese capabilities was important in promoting Chinese effectiveness. While one stressed building diplomatic and human resources, the other focused on China's relative lack of soft power, citing this deficiency as an obstacle to greater effectiveness. A good unanswered question is how capacity and soft power are built.

The importance of examining different regions and studying historic approaches to global governance was an emphasis of one of the panelists. This participant also suggested that new
institutions could not simply replace older institutions but that there could be a mutually
beneficial dialogue (对话) between these organizations.

One panelist concluded by posing a series of questions on the effectiveness of China in
global governance. These included the question of measuring effectiveness as well as
understanding the sources of Chinese effectiveness and ineffectiveness across issue areas. How
does China's political system affect its ability to participate in global governance? And how can
existing domestic and international institutions be reformed to facilitate Chinese effectiveness
and international cooperation?

Panelists discussed the need to analyze Chinese involvement at multiple levels. Little
discussed in the conference was an analysis of the nature of the international system and the
distribution of power within it. Another stressed that trends in globalization will have a direct
effect on global governance institutions. Another participant suggested looking within China, by
comparing across Chinese companies as well as considering the effect of China’s political
system on Chinese involvement in international institutions.

This last participant offered some very tentative conclusions about Chinese participation
in global governance. Chinese organizations tend to be more involved in international regimes
g geared to the interests of producers rather than consumers. Chinese organizations with an
international orientation tend to do better than those that are domestically oriented. And Chinese
organizations and the Chinese government generally worked to protect the status quo in
international negotiations over the rules of global governance. In the view of this panelist,
China's effectiveness and learning has been hampered by intra-bureaucratic conflict, insufficient
knowledge on the part of Chinese companies and insufficient collaboration between China's
government and industry.
Themes and Issues

Several themes and issues emerged over the course of the panels that deserve particular attention. To begin, there was no consensus over how to describe the participants and what their goals are. Some felt comfortable describing China as a unitary actor, a usage which was most common in discussion of state-to-state bilateral and regional diplomacy. Others resisted this lexicon and clearly distinguished between different parts of the Chinese state and members of society. This was particularly the case when analyzing the domestic political and economic factors shaping Chinese participation and in areas of governance that explicitly include non-state actors. Another unresolved issue concerns what outcome should be at the top of the agenda. Some participants focused on the extent of Chinese compliance with existing norms and rules (these came through in criticism of China’s Indigenous Innovation policies). By contrast, others were more concerned with cooperation (as was not achieved in climate change negotiations), while still others focused on Chinese effectiveness (such as in China’s relatively low soft power at the WTO). All three of these issues – compliance, cooperation, and effectiveness – deserve attention, but analysts need to be aware they may be talking past each other because they are using different measuring sticks.

Regardless of which measuring stick one uses, it is clear that Chinese participation varies tremendously from issue area to issue area. Chinese are deeply involved in trade and technical standards regimes, but are less active in setting rules related to monetary affairs and finance. This may be the product of the former regimes being more institutionalized, but may also be a product of differing economic and political circumstances within China. Similarly, although trade disputes do involve informal negotiations and backroom dealing, they are increasingly resolved
through routine institutional practices. By contrast, the world of energy seems almost bereft of state-based governing mechanisms, leaving tensions more vulnerable to raw power politics.

Judging the implications of this patchwork pattern is no simple matter. It is unclear whether we should view this as a problem in need of a solution. The variation in governance patterns across issue areas may indicate a “governance gap” in international economic affairs, but such differences may also be appropriate and reasonable given the varying economic and political contexts of different issue areas. Conversely, there may be regimes that are too all-encompassing in terms of participants (hence, doubts about whether we need all UN members to participate in climate change negotiations) or overly dependent on formal rules and sanctions. Determining the best fit between regimes and their governing principles is a task still to be completed.

Finally, learning is a central element of Chinese participation in global governance. However, there is variation in how Chinese learn and in what they learn. In some respects, Chinese have been adopting foreign practices through mimicking or socialization, such as in its laws related to handling trade remedies. However, there are other possible patterns of learning. Many, if not most domains of global governance involve imperfect international practices that present common challenges faced by both Chinese and non-Chinese alike. Both can work together to find new solutions to common problems. This seems to be the case in the area of technical standards, where both are grappling with finding a balance between protecting the rights of innovators and the benefits of widely disseminating new technologies. Alternatively, Chinese organizations and businesses have also learned independently from their Western counterparts and may advocate norms of governance quite different from those in the US and Europe. This appears to be the case in finance, where Chinese resistance to American pressure to
quickly engage in financial liberalization helped China avoid a financial crisis and preserve the economic accomplishments brought about by the Reform and Opening policy. Similarly, many non-Western countries are enthusiastic about China’s indigenous innovation policies, and China is following its own path in promoting energy efficiency and green technologies. In some areas China may be shifting from student to teacher.
Appendix: Workshop Agenda

Workshop on China and Global Governance 中国与全球治理研讨会
Held at Peking University School of Government 举行在北京大学政府管理学院
July 23-25, 2010 2010 年 7 月 23 日-25 日

Friday, July 23
7:00-9:30 pm Welcoming Reception (欢迎宴会)
Workshop participants, IU alumni and other guests
Location: Yanmingyuan Restaurant (Tsinghua University east gate)
宴铭园，海淀区中关村东路 1 号院 2 号楼（清华大学东门的西南侧）
Phone (电话): 6270-8988, 6279-3488

Saturday, July 24
Location: Peking University School of Government, Room 207
北大政府管理学院, 廖凯原楼 207 室

8:15-8:30 am Coffee and Tea
8:30-9:30 am Panel #1: Global Governance: What is It and Why is It Important to China?
Scott Kennedy, Indiana University (Chair)
Liu Hongsong, Shanghai International Studies University
Leng Tse-kang, Academia Sinica
Margaret Pearson, University of Maryland

9:30-10:45 am Panel #2: China's Learning Curve in the WTO and Other International Organizations
Zhang Hanlin, University of International Business and Economics (Chair)
Wang Xiaodong, World Trade Organization
Wang Zixian, MOFCOM Policy Research Office
Wang Qi, Ministry of Foreign Affairs
Ba Shusong, State Council Development Research Center Institute of Finance

10:45-11:00 am Tea Break

11:00-12:00 am Panel #3: China and Trade Remedies
Tu Xinquan, University of International Business and Economics (Chair)
Junji Nakagawa, University of Tokyo
Yang Rongzhen, University of International Business and Economics
Edwin Way, Indiana University

12:00-1:30 pm Luncheon
Conversation: Arthur Kroeber, GaveKal Dragonomics, and Wang Xiaodong, WTO
Location: Zhili Native Association Restaurant, next to Lakeview Hotel
直隶会馆，靠近北大博雅国际酒店

1:30-2:45 pm Panel #4: Finance: Currency and Credit Risk Management
Logan Wright, Medley Advisors (Chair)
Wang Xin, People’s Bank of China
Greg Chin, York University

2:45-3:00 pm  **Tea Break**

3:00-4:30 pm  **Panel #5: Technical Standards and Indigenous Innovation**
Arthur Kroebber, GaveKal Dragonomics (Chair)
Zhao Gang, MOST S&T Development Strategy Institute
Wang Yiyi, China National Institute of Standardization
Jimmy Goodrich, AmCham IT and Telecommunications Forum
Jia Xiaohui, China Academy of Telecommunications Research
An Baisheng, Ministry of Commerce

4:30-5:30 pm  **Panel #6: Energy: Beyond Suppliers Versus Consumers?**
Zha Daojiong, Peking University
Hu Jingjing, PetroChina
George Gilboy, Woodside Energy

5:45-6:30 pm  **Reception**
Location: Lakeview Hotel (北大博雅国际酒店)

6:30-8:30 pm  **Dinner**
She Duanzhi, IBM China
Location: Lakeview Hotel (北大博雅国际酒店)

**Sunday, July 25**
Location: Peking University School of Government, Room 207
北大政府管理学院, 廖凯原楼 207 室

8:15-8:30 am  **Coffee and Tea**

8:30-9:45 am  **Panel #7: Climate Change and Public Health**
Hu Angang, Tsinghua University (Chair)
Cheng Dawei, Renmin University
Sangbum Shin, Yonsei University

9:45-10:00 am  **Tea Break**

10:00-11:15 am  **Panel #8: Global Governance and China’s Regional Relationships: Complementary or Contradictory?**
Wang Yong, Peking University (Chair)
Wang Rongjun, CASS Institute of American Studies
Pan Rui, Fudan University
Liang Wei, Monterey Institute for International Studies

11:15-12:15 pm  **Panel #9: Comparisons and Lessons for Research**
Scott Kennedy, Indiana University (Chair)
Zhang Hanlin, University of International Business and Economics
Margaret Pearson, University of Maryland

12:15-2:00 pm  **Concluding Luncheon**
Location: Lakeview Hotel (北大博雅国际酒店)
中国与全球治理研讨会
北京大学政府管理学院举行
2010年7月23日-25日

7月23日，星期五
晚上7点至9点半 欢迎酒会
研讨会与会人员、印第安那大学校友、其他嘉宾
地点：宴铭园，海淀区中关村东路1号院2号楼
（清华大学东门的西南侧）
电话：6270-8988, 6279-3488

7月24日，星期六
地点：北京大学政府管理学院，廖凯原楼207室
8点15分至8点半 茶点
8点半至9点半 第一组：什么是全球治理及其对中国的重要性？
甘思德，印第安那大学（主持人）
刘宏松，上海外国语大学
冷则刚，中央研究院
裴松梅，马里兰大学

9点半至10点半 第二组：中国参与世贸组织和其他国际组织的学习曲线
张汉林，对外经济贸易大学（主持人）
王晓东，世界贸易组织
王子先，中国商务部政研室
王琪，外交部国际司
巴曙松，国务院发展研究中心金融研究所

10点至10点45分 茶歇

10点45至11点45 第三组：中国与贸易救济措施
屠新泉，对外经济贸易大学（主持人）
中川淳司，东京大学
杨荣珍，对外经济贸易大学
魏达文，印第安那大学

11点45分至1点15分 午餐
特邀发言人：葛艺豪，龙洲经讯；王晓东，世界贸易组织
地点：直隶会馆（靠近博北大雅国际酒店）

下午1点15至2点45 第四组：金融：货币与信贷风险管理
任龙生，麦德利咨询公司（主持人）
王信，中国人民银行研究局
陈宗翼，约克大学

2点45分至3点 茶歇

3点至4点30分 第五组：技术标准与自主创新
葛艺豪，龙洲经讯（主持人）
赵刚，中国科学技术部中国科学技术发展战略研究院
王益谊，中国标准化研究院
百石，美国商会
贾晓辉，信息产业部电信研究院
安佰生，中国商务部

4点30分至5点30分 第六组：能源：超越供应商与消费者的对峙？
查道炯，北京大学
胡菁菁，中国石油天然气股份有限公司
高承智，澳大利亚澳德赛能源有限公司

5点45分至6点半 酒会
地点：北大博雅国际酒店

晚上6点半至8点半 晚宴
特邀发言人：佘端志，IBM（中国）
地点：北大博雅国际酒店

7月25日，星期天
地点：北京大学政府管理学院，廖凯原楼207室

上午8点15分至8点半 茶点

8点半至9点45分 第七组：气候变化
胡鞍钢，清华大学（主持人）
程大为，人民大学
辛相范，延世大学

9点45分至10点 茶歇

10点至11点15分 第八组：全球治理与中国地方关系：互补还是互斥？
王勇，北京大学（主持人）
王荣军，中国社会科学院美国研究所
潘锐，复旦大学
梁微，蒙特雷国际研究院

11点15分至12点15分 第九组：比较与研究启示
甘思德，印第安那大学（主持人）
张汉林，对外经济贸易大学
裴松梅，马里兰大学

中午 12 点 15 至下午 2 点

午餐
地点：北大博雅国际酒店