

ECIPE PRESS RELEASE, JULY 9, 2013

## NEW POLICY BRIEF:

### CHINA'S RISE: Perceptions and Misperceptions

**In a [new paper](#) – presented at an ECIPE Conference – Krishnan Srinivasan, former Foreign Secretary of India, analysed the political direction of China and its consequences for Europe and the world.**

- Recognising the controversies over China's rise in the past decades, Mr. Srinivasan pointed out that China has developed itself in the most extraordinary circumstances. With no universal message or rules-based vision for Asia, China, together with Japan and India, will continue with its inscrutable rising at the world stage in its own way.
- On China's transition and the new leadership, Srinivasan noted that China has managed the complex transition from the state planned economy to a dynamic one with competence. However, he also advised not to neglect the hidden problems on both macro and micro levels in China, as its financial difficulty will cause insolvency of the whole world.
- On China's new leaders of President Xi Jinping and Premier Li Keqiang, Srinivasan argues that they are likely to partly reform China's economic and political structures, while maintaining the role of the China Communist Party.
- As for China's role in the world, Srinivasan argues that China will stick to its "common but differentiated" principle in its role in maintaining international financial stability and global economic liquidity. In its approaches to Japan and India, and in its resistance towards Westernisation, China is likely to act alone without any formal allies in international systems. However, as Srinivasan also mentioned, China is not ready or willing to confront with the United States or its allies in the region.
- On Europe's views on China, Srinivasan urges Europe to adjust its view of China's rise from a threat to an opportunity, and to treat the new emerging giant as its counterpart. Europe should be ready to open up and engage more into Asia-literate activities by obtaining its "non-American" approach to China and all Asian countries.

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#### Publication details:

*CHINA'S RISE: Perceptions and Misperceptions, by Krishnan Srinivasan, ECIPE Policy Brief No. 06/2012*