

The China of Today and Relations between China and Croatia

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At the beginning of reforms and opening to the world China's GDP was about 200 US dollars. In 2002 China's GDP amounted to 950 US dollars per citizen. Until 2020 China is planning to: quadruple the GDP compared to that in the year 2000; realize the state governing by law; create a more perfect system of education, science technology, culture and health care. China advocates new just and rational international political and economic order and preservation of varieties of development models. The relations between China and Croatia are evolving successfully.

Key words: China development, China- Croatia

1. Introduction

China is one of the cradles of mankind, with over 5,000 years long history of its civilisation, at one time the most advanced country in the world that has given tremendous contribution to the progress of mankind. Since the time of the Industrial Revolution, China has fallen behind and in 1840, the Opium War turned China into a semi-colony, subjected to robbery from the imperialistic forces. The establishment of the People's Republic of China in 1949, marked the beginning of a new era in the Chinese history. Since 1979, China has started pursuing the policy of reforms and opening to the world, and has taken the course of socialism with Chinese characteristics, thus abandoning the model of socialism copied from the Soviet Union. Thenceforth, the Chinese people have embarked on a new "Second March" towards the revival.

2. Economic Development

At the beginning of reforms and the process of opening to the world, the Chinese GDP was about

200 US dollars per citizen. The supply of goods on the market was not sufficient. For that reason, most of the food and the industrial products were obtained by vouchers. In accordance to the condition of the state at the time, Mr Deng Xiaoping, who was then the leader of China, proposed the strategy of economic development, expressed in the so called "three steps". The first step was to double the GDP until the year 1990, thus solving the problem of food and clothing for the people. The second step was to double the GDP yet again until the end of the 20th century, thus ensuring a solid level of the living standard. The third step, to be implemented until the middle of the 21st century, is to achieve modernisation. During the last twenty years, owing to the policy of reforms and opening to the world, China has experienced a drastic historical change: the system of planned governing was abandoned, the framework of the market economy was formed, the economy has undergone the process of integration into the global economy on multiple levels, the aims of the first two steps were achieved even before the deadlines, and the living standard has been greatly improved. To be more specific, in this last twenty years, the rate of the Chinese economic growth has been kept

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above 9 %, and in 2002 the Chinese GDP amounted to 1,200 billion US dollars, which means 950 US dollars per citizen. The foreign trade climbed from the 32nd to the 5th place on the global scale, amounting to 620.8 billion of US dollars. Until this moment, the total use of the foreign investments amounts to 450 billion US dollars, considering that, since the year 1995, the inflow of the foreign capital per day has been over 100 million US dollars. The foreign investments in the last year alone amounted to 55 billion US dollars. At the end of 2002, foreign exchange reserve amounted to 286.4 billion US dollars, while the foreign debt amounted to 168,5 billion US dollars, 69% of which goes to medium-term and long-term debts. Today, the supply of the goods on the market is greater than the demand, a car has established itself as a product that every family requires, tourist travelling has become a current topic and hopefully the Chinese tourists will soon come to Croatia. In the first half of this year, China was struck by the SARS epidemic, resulting in holding back the business activities in the area of tourism, catering, transportation and other services. Considered generally however, since the control over the epidemic was gained relatively quickly and efficiently, and due to the size of the Chinese market, cheap labour force and considerably healthy foundations of the economy, the impact of SARS on the growth of the Chinese economy was limited. In the first four months of this year, the Chinese GDP experienced a 9.6% growth, and compared to the same period last year, the first five months marked the increase of 39.6% in the foreign trade, amounting to 309.3 billion US dollars. At the same time, the use of the foreign investments amounts to 24.09 billion of the US dollars, 46.78% more than in the same period last year. The World Health Organisation has recently revoked its recommendation against travelling to China. Consequently, China was taken off the list of the areas struck by the SARS epidemic.

On the grounds of the aims achieved during the first two steps of the economic development strategy, and in order to accomplish the third step of the strategy, with the purpose to basically reach modernisation until the middle of this century, China has drawn up the following intricate plan of social and economic development, to be implemented until 2020:

- regarding economy: to quadruple the GDP compared to that in the year 2000, to basically achieve industrialisation, to establish a perfected system of the economy market and a perfected system of the social supply, as well as to ensure the popularisation of the solid living standard for all the citizens of China;

- regarding politics – to realise the project of governing the state by law, as well as to create a more perfect democratic system and the rule of law;

- regarding the improvement of the quality of population – to create a more perfect, modern system of education, science, technology, culture and health care, as well as to popularise the compulsory twelve-year education and root out illiteracy;

- while following the way of accomplishing the set aims, to constantly reinforce the ability of sustainable development, make improvements regarding ecology and environment and increase the efficiency of the exploitation of natural resources.

3. Independent Foreign Policy

The above stated macro economic and social aims are proposed considering the current level of development and issues China is presently facing. After the thorough research and analysis, we believe that today's solid living standard of the Chinese people is still on a low level, neither comprehensive nor balanced. The level of the development of science, technology and education is not high, agricultural management is underdeveloped. Differences between the development of the country's regions are growing. There is still a relatively large number of the poor, and the total number of the population will continue to rise, while the pressure of employment and social supply will increase. The discrepancies between the environment protection and the rational exploitation of natural resources become more obvious day after day, as well as the ones between the economic and social growth. The system of management concerning different spheres is still not perfected, involving the sphere of economy, society in general and others. At the same time, however, we believe that, over the past twenty years of reforms and opening to the world, China has accumulated valuable experiences, as well as improved its material foundations, leaving us confident in the achievement of the aims until 2020, by making tireless efforts.

China is a permanent member of the United Nation's Security Council and a responsible large country, with its distinctive position in the International Community, honouring an important commitment to protect peace and safety in the world.

We believe that the advancement of the worldwide multi-polarisation and economic globalisation tendencies offer a chance and favourable terms for peace and development around the world. However, mankind is at the same time confronted with many serious challenges, reflected in the increase of undetermined factors, disrupting peace and development

around the world. Traditional and untraditional factors that form a threat to the security seem to be intertwining, while terrorist threats and their damaging effect are increasing, unilateralism tendency is on the rise, regional conflicts are resolving at one moment and escalating at the other, while the gap between the South and the North deepens.

In order to turn the world in which we are living together into a global village, defined by stability, harmony and prosperity, China proposes that all the countries make a joint effort to create a new, just and rational international political and economic order. In the manner of good neighbours, all countries should respect each other on the political level, try to reach an agreement and not impose one's will on the others. On the economic level, countries should support each other, jointly develop and take effective steps to reduce the gap between the South and the North. On the cultural level, the countries should learn from each other and walk the path of the prosperity together, leaving aside the acts of mutual exclusion and hostile feelings. On the safety level, we should form new views regarding the safety issues that would include mutual trust, mutual benefit, equality and co-operation. We should confront any form of enforcement policy and solve our differences through dialogue and collaboration, not by uttering threats and the actual use of force. At the same time, China advocates the preservation of varieties in the world, the promotion of democratisation of international relations, the varieties of development models, the right for each country to deal with its domestic issues on its own and equal terms for negotiating the common deals for all countries. All the civilisations in the world, all social systems and development paths should respect each other, compete each other through competition, and develop side-by-side, minding each other's differences in the common striving to create a state of dynamics and vitality, similar to a vision of springtime, when hundreds of flowers compete each other in their beauty and hundreds of birds sing at the same time.

China is strictly adhering to the independent and peace-loving foreign policy regarding the international relations, with the purpose to preserve world peace and initiate joint development. China is prepared to cultivate friendly relations and collaboration with all of the countries on the basis of the five principles of peace-loving co-existence. China has already established diplomatic relations with 160 countries and, is developing economic and commercial, cultural and other ties with over 200 countries and regions. China is paying special attention to the

development of its relations with the major world powers and is calling for mutual respect and expansion of the mutually useful co-operation, regardless of the social systems and ideologies. The development of good relations with the neighbouring countries represents the priority for the Chinese diplomacy. In the spirit of good will and partnership, China is pleading for the mutual disputes to be solved by negotiating on equal terms, by mutual understanding and concessions in order for peace and stability in the region to be preserved, and to promote the development of the collaboration on all levels. The reinforcement of relations with the developing countries is the main starting point of the Chinese foreign policy. The developing countries have the same basic interests and are willing to provide mutual support and make a joint effort to create a new, just and rational political and economic international order. As a permanent member of the Security Council, China is in favour of a determined protection of the United Nations' authority and sees itself playing a distinctive role in resolving the important international issues. At the same time, China is supporting the United Nations Organisation's reform with the purpose of reinforcing its representativeness and work efficiency.

4. Bilateral Relations

On 13th May, 1993 China established diplomatic relations with Croatia. During the last eleven years, due to joint efforts on both sides, the relations between China and Croatia are evolving successfully, collaboration is being constantly expanded on every level and the Chinese government is very satisfied with the situation. On the political level, China and Croatia are consistent in their respect for each other and their mutual friendly treatment, and are both working hard to improve the development of their relations. Statesmen from both countries are often returning each other's visits. Among others, the Chairman of the Permanent Committee of the All-Chinese People's Congress Mr. Li Peng and the Vice-chairman of the Chinese Government Mr. Li Lanqing have visited Croatia, while the Croatian President Mr. Stjepan Mesi and the Chairman of the Croatian National Parliament Mr. Zlatko Tomčić have visited China. On the economic level, the two governments have already signed the agreements regarding commercial and economic co-operation, promotion and mutual investment protection, the avoiding of double taxation etc., which provided the legal basis for the development of commercial and economic relations between the two countries. In the last several years, the Chinese-Croatian commercial exchange

has been constantly increasing, amounting to 118 billion US last year, while the both sides are actively considering the possibilities of achieving higher forms of co-operation, like mutual investments for example. On cultural and educational levels, the two governments have signed the Agreement on cultural and educational collaboration and the three-year programmes on implementing that Agreement are being successfully carried out. Also, there are exchanges outside this Agreement, happening more and more frequently. On the level of science and technology, the Chinese Engineering Academy and The Croatian Academy of Science and Art signed the Collaboration agreement last year and have already started considering concrete collaboration projects. This autumn, the Agreement on scientific collaboration will be signed between The Chinese Academy of the Social Sciences and The Croatian Academy of Science and Art. The collaboration between the two countries is constantly advancing and expanding also in the military sphere, as well as regarding the international organisations, the media, on the local level, tourism, unofficial connections and sports.

5. Conclusion

Successful development of friendly relations and cooperation between China and Croatia is very well founded. Firstly, there is a long lasting traditional friendship between the two countries. During the period of the existence of the former Yugoslavia, there were extensive exchanges and collaborations between China and Croatia on all levels, except the

level of the state. If we mention Marco Polo, we could say that the contacts between the Chinese and the Croatian people have been initiated 700 years ago. Secondly, since the establishment of the diplomatic relations, the two states have been consistent in equal mutual treatment and are trying to hold on to the principles of mutual support regarding the protection of the sovereignty and territorial integrity and respect for the path of development each side had chosen. Thirdly, the two governments are always paying special attention to the development of the many-sided friendly relations, trying hard to lay down favourable conditions for the development of the collaboration on all levels. Fourthly, the two countries are capable of solving their problems regarding bilateral relations through open, honest and constructive approach.

The Chinese side believes that the Chinese-Croatian relations, marked by equality, mutual trust and mutual benefit already have solid foundations. In addition to that, their relations were reinforced and expanded last year by the appearance of an appropriate development tendency. The Chinese party is willing to persist side-by-side with the Croatian party in the future tireless efforts to continue many-sided, healthy and stabile development of the relations between China and Croatia, in the spirit of The Joint Announcement of the People's Republic of China and the Republic of Croatia about the intensifying of the relations and mutually beneficial collaboration, signed by the heads of our countries in 2002. ■