



ДИЈАЛОЗИ О КИНИ
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DIALOGUES ON CHINA

The 4th International Academic Conference - Dialogues on China 2024

Harvesting the winds of change: China and the global actors

CONFERENCE PROCEEDINGS



Aleksandar Mitić
Katarina Zakić (Eds.)



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The 4th “Dialogues on China”
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Volume I

October 10–11, 2024

Dr. Aleksandar Mitić
Dr. Katarina Zakić (Eds.)

Conference organisers



Institute of International Politics and Economics
Institute for European Studies, Chinese Academy of Social Sciences

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CONTENTS

Preface

CHINA'S DIPLOMATIC PANOPLY: NAVIGATING A (DE)GLOBALISED WORLD AMID A GEOPOLITICAL STORM	11
ADDRESS BY HIS EXCELLENCY MR. MARKO ĐURIĆ	15

CHINA AND THE RETURN OF THE GREAT POWER STORM

Keynote speech

Richard Sakwa RUSSO-CHINESE RELATIONS IN A TIME OF WAR	21
Zeno Leoni THE TWO COLD WARS AND THE RETURN TO GEOPOLITICAL BLOCS	42
Greg Simons GLOBAL NORTH'S FINAL STAND: INTERPRETING GEOPOLITICS IN THE FIFTH DIMENSION OF STRATEGY	58
Dušan Proroković US VS CHINA: A BATTLE FOR THE 21ST CENTURY	84
Vanja Rokvić BACK TO THE FUTURE: THE US-CHINA AI ARMS RACE?	97
Ladislav Zemánek SINO-RUSSIAN PARTNERSHIP: BOOSTING SYNERGIES IN GLOBAL STRATEGY	124

Maximilian Ohle	
PEACE FACILITATOR OR SHIRKER? CHINA'S UKRAINE POLICY AND ITS IMPACT ON CONTEMPORARY SINO-RUSSIAN RELATIONS	142
Nikola Rajić	
THE GENESIS OF THE SINO-RUSSIAN STRATEGIC PARTNERSHIP SINCE THE ESCALATION OF THE UKRAINIAN CRISIS	160
Elena Jovičić, Nevena Jolović	
SINO-RUSSIAN ECONOMIC RELATIONS AMIDST GLOBAL UNCERTAINTIES	172
Jelena Gledić	
EVOLVING PARADIGMS OF INTERNATIONAL ORDER: CHINESE CATEGORIZATION OF FOREIGN RELATIONS	191
Yuan Lyu	
DEVELOPMENTAL DYNAMICS OF THE BELT AND ROAD INITIATIVE: CONCEPTUAL ANALYSIS AND CASE STUDIES	215
Ruojie Xu	
THE GENESIS AND IMPACT OF "PAN-GEOPOLITICS"	233
Alexander Lukin	
CHINA AND SHANGHAI COOPERATION ORGANIZATION IN THE NEW GEOPOLITICAL REALITY	246
CHINA AND THE GLOBAL SOUTH: EMERGENT POLES, DIVERGENT PATHS?	
<hr/>	
Marek Hrubec	
THE GLOBAL SOUTH, A COMMUNITY WITH DEVELOPING CHARACTERISTICS	259
Iulia Monica Oehler-Sincai	
CHINA'S ROLE IN THE BRICS+	274

Antonina Habova	
THE PLACE OF LATIN AMERICA IN CHINA'S GLOBAL STRATEGY	290
Carola Ramon	
CHINA AND THE UNITED STATES: A BALANCING ACT FOR LATIN AMERICA	309
Jovana Nikolić	
CHINA IN LATIN AMERICA: ECONOMIC RESULTS AND PROSPECTS OF THE BELT AND ROAD INITIATIVE	327
Stanislav Myšička	
CHINA'S USE OF MILITARY FORCE: WHAT THE SINO-VIETNAMESE WAR OF 1979 CAN (STILL) TEACH US	348
Carla Melo	
THE GEOECONOMIC STRATEGY IN NORTHEAST ASIA: NATIONAL INTERESTS VS. REGIONAL INTEGRATION	365
Tiago Botelho dos Santos, Diogo Borges	
THE BRI 2.0 AND THE ROLE OF NEPAL AS A SOUTH-SOUTHEAST ASIAN CONNECTOR	382
Stefano Valente	
CHINA AND TURKEY: NEW BALANCES IN THE MEDITERRANEAN?	403
Najla Alzarooni	
AN ALIGNED PARTNERSHIP: CHINA-GULF RELATIONS FOR GREATER GLOBAL SOUTH COORDINATION IN THE MIDDLE EAST	420
Jasminka Simić, Ako Chubiyoyo Abbah	
HOW TO REACH THE EQUAL OUTCOME THROUGH "WIN-WIN" COOPERATION – CASE STUDIES OF SERBIA AND NIGERIA WITHIN THE BRI"	432

Marcela Ganea	
CRITICISM OF CHINA IN 2024	452
Khalid Taimur Akram	
CHINA ROLE IN THE GLOBAL SOUTH: GROWING ECONOMIC POWER	473
Davoud Gharayagh-Zandi	
THE POTENTIAL CHALLENGES OF THE SINO-IRAN 25-YEAR COMPREHENSIVE COOPERATION PLAN: CONCERNING ON THE ALLIANCE SECURITY DILEMMA	489

CHINA'S DIPLOMATIC PANOPLY: NAVIGATING A (DE)GLOBALISED WORLD AMID A GEOPOLITICAL STORM

Three-quarters of a century ago, the People's Republic of China embarked on a challenging yet awe-inspiring journey, bringing the Chinese nation back to its rightful historical place as a leading global transformative power.

As it marks the 75th anniversary of the PRC, the Chinese nation does not shy away from introspection about the pitfalls, rebounds, and resounding successes of the country's modernisation. These results point to strategic deliberation, capacity to adapt, and strength to implement complex decisions in an ever-evolving international environment, nowadays overshadowed by a geopolitical storm.

In such circumstances, beyond economic power, Beijing has displayed the diplomatic panoply of its bilateral and multilateral relations with the challenge of upholding the UN system during a transition to multipolarity. As expected, the reaction of global and regional actors varied in levels of support or obstruction, but with an undeniable message: China is an indispensable world actor.

The "Dialogues on China" paid tribute to this evolving and leading role by dedicating the fourth instalment of the international scientific conference to the theme: "Harvesting the Winds of Change: China and Global Actors."

The conference, held on October 10-11, 2024, at the Exhibition Hall of Belgrade's Crown Plaza and the Solemn Hall of the Institute of International Politics and Economics (IIPE), gathered 80 scholars from 27 countries worldwide.

Organised by the IIPE and the Institute of European Studies at the Chinese Academy of Social Sciences (IES CASS), the conference received support from the Ministry of Science, Technological Development and Innovation of the Republic of Serbia, the Science Fund of the Republic of Serbia, and the Chamber of Chinese Companies in Serbia. A special panel, "Innovation Practices in Foreign Policy Research – COMPASS Project", was devoted to the findings of the project COMPASS (Contributing to Modern Partnerships:

Assessments of Sino-EU-Serbian Relations, No. 7294) funded by the Science Fund of the Republic of Serbia and implemented in 2024-2025 by the IIPE and the Institute of Social Sciences from Belgrade.

Prof. Dr. Branislav Đorđević, director of IIPE, and Prof. Dr. Feng Zhongping, director of IES CASS, opened the conference as the host. The ceremony was also addressed by H.E. Mr. Marko Đurić, Minister of Foreign Affairs of the Republic of Serbia and H.E. Mr. Li Ming, Ambassador Plenipotentiary and Extraordinary of the PR China to the Republic of Serbia.

On Day 1 of the conference, Professor Emeritus of the University of Kent, Dr. Richard Sakwa, gave a Keynote Speech on the theme: “Russo-Chinese Relations in a Time of War”. On Day 2, it was the turn of IIPE Research Fellow Dr. Katarina Zakić to deliver her Keynote Speech entitled “Serbian development path of FDI – Navigating between the EU and China”, a theme under the auspices of the COMPASS project.

Panels at the conference reflected some of the key, albeit far from all, opportunities and challenges facing China’s relations with the United States of America, the Russian Federation, the European Union, countries of the Global South, and the Western Balkans. They also discussed Beijing’s flagship “Belt and Road Initiative,” BRICS, the Shanghai Cooperation Organization, the perspectives of Asian connectivity, and UN multilateralism.

Due to many peer-reviewed papers (53), the Conference Proceedings are published in two volumes, the first of which you are holding in your hands.

Volume 1 is divided into two parts, entitled “China and the Return of the Great Power Storm” and “China and the Global South: Emergent Poles, Divergent Paths?”. It includes 27 contributions from authors representing 16 countries: Argentina, Bulgaria, China, Czech Republic, Germany, Italy, Iran, Latvia, Nigeria, Pakistan, Portugal, Romania, the Russian Federation, Serbia, the United Arab Emirates, and the United Kingdom.

The first chapter of this volume encompasses articles related to China’s role and place in the current geopolitical context, reflecting on the impact of the geopolitical and normative rivalry between major political actors. This chapter also includes articles that focus on Sino-US and Sino-Russian relations. Additionally, several articles analyse the conflict in Ukraine and China’s role in peace mediation.

The second chapter included articles that evaluated China's evolving bilateral and multilateral partnerships. The authors analysed connectivity projects China is conducting in Asia, Africa and Latin America, which are increasing partnership relations within countries that belong to the Global South. Several analyses were related to China's involvement in the arms and technological race, the implications of the COVID-19 pandemic on the global economy and China's stance on artificial intelligence development. Besides this, the authors provided numerous relevant case study analyses, enabling a better understanding of China's foreign political and economic policies.

The fourth edition of the Dialogues on China set new records in conference contributions and attendance while remaining firm on the quality of discussions, facilitation of intellectually stimulating debate, promotion of scholar mobility, and high-quality and cutting-edge research on China studies. It continues its mission of serving as a premier platform for exchanging innovative research and the latest insights on China's global agenda in political, economic, and security affairs.

The Organising Committee would like to express its gratitude to the Ministry of Science, Technological Development and Innovation of the Republic of Serbia, to the Institute for European Studies of the Chinese Academy of Social Sciences, the Science Fund of the Republic of Serbia, researchers from IIPE, the volunteers, staff and particularly the leadership of the Institute of International Politics and Economics for their continuous support in making the "Dialogues of China" possible.

In Belgrade, October 2024

Editors

Dr. Aleksandar Mitić

Dr. Katarina Zakić

ADDRESS
BY
HIS EXCELLENCY MR. MARKO ĐURIĆ
MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF SERBIA
AT THE “DIALOGUES ON CHINA”
OCTOBER 10, 2024

Dear Prof. Đorđević,
Your Excellency Ambassador Li Ming,
Excellencies,
Ladies and gentlemen,

At the outset, I would like to express gratitude to the Institute of International Politics and Economics for organizing the 4th Dialogues on China. This event serves as an essential platform for fostering dialogue and deepening understanding. We are proud to have one of the oldest European state scientific institutes dedicated to international relations here in Belgrade. While the theme of today’s conference is “Harvesting the Winds of Change,” I sincerely hope that the Institute remains steadfast in its commitment to research excellence and continues to advance our understanding of international politics.

Today's event is the largest European conference this year focused on studying and understanding China. It underscores the commitment of the Republic of Serbia and its institutions to further strengthening the ironclad friendship with the People's Republic of China. We are joined today by academics and researchers not only from Europe and Asia, but also from Africa and South America, alongside over a dozen accredited ambassadors in Serbia. This is a testament to the fact that Belgrade and Serbia continue to serve as a meeting point for people and governments from both East and West, maintaining our long-standing tradition of extending a hand to partners around the world and bringing them together in our country.

Furthermore, in times of heightened scrutiny of diverse views and opinions, the Republic of Serbia remains committed to promoting open debate on modern geopolitical challenges, regardless of the region or topic under discussion. To all our international guests present here today, I extend

a warm welcome and hope that you will enjoy and embrace the hospitality that this city has to offer.

Dear participants,

This year marks several significant milestones for China. Just a few days ago, China concluded its Golden Week, celebrating the 75th anniversary of the founding of the People's Republic of China. Additionally, in 2024, China will celebrate the 70th anniversary of the National People's Congress and its constitution. In this year of commemorations, the study and understanding of China have perhaps never been more important. Over the past 25 years, China has increased its share of the global economy from less than 7% to an estimated 19% in 2024 (according to the IMF). Serbia views this development positively, recognizing the opportunities it brings for global economic growth and cooperation. As major powers compete across various spheres, Serbia remains committed to navigating this evolving landscape through diplomacy and constructive engagement. Our country remains determined to pursue an independent foreign policy based on its national interests, while building partnerships globally.

Serbia's foreign policy, defined as 'Strategic Independence with Serbian Characteristics,' draws on the experiences of nations that have successfully navigated similar challenges throughout history. These lessons guide our approach as we strive to maintain our sovereignty while fostering constructive relations with global powers. Upon the passing of Singapore's founding leader, Lee Kuan Yew, President Xi referred to him as "Our senior who has our respect," while President Obama described him as "a true giant of history and a great strategist of Asian affairs." Similarly, Serbia aspires to deepen its relationships with all major powers to drive the growth of our country and benefit our citizens.

Today, I cannot miss the opportunity to touch upon the significance and nuances of our bilateral relations with China. I wish to emphasize that our political ties are extraordinary, characterized by a comprehensive strategic partnership and an ironclad friendship. The historic visit of President Xi Jinping to Belgrade on 7 and 8 May 2024, at the invitation of President Aleksandar Vučić, gave a new, strong impetus to the continued comprehensive development of Serbia-China relations. During this visit, 29 bilateral agreements were signed, including joint statements on deepening and

elevating the Comprehensive Strategic Partnership and building a community with a shared future in the new era. We are honored to be the first country in Europe to expand our cooperation with China to such an extent, and we remain committed to further strengthening our excellent relations with the People's Republic of China.

In parallel, our economic ties received a significant boost with the signing of the Free Trade Agreement, which came into force in July this year. This agreement is expected to drive further growth in trade and services, which reached \$6.6 billion in 2023, largely due to a rise in Serbian exports to China. We will continue to actively participate in the Belt and Road Initiative and other political and economic frameworks developed by China, which have already helped us build infrastructure and attract major investments to Serbia.

We remain committed to supporting and actively participating in the "Belt and Road" initiative, as well as in the China-CEEC cooperation mechanism. It gives me great pleasure to highlight the success of establishing direct flights between our two countries which are now in full swing. Alongside the Belgrade-Beijing and Belgrade-Tianjin routes, we are thrilled to announce a new direct flight between Belgrade and Guangzhou, with a Belgrade-Shanghai route soon to follow. We are confident that these connections will enhance people-to-people contact, which has already been strengthened by our visa-free regime, and will encourage the arrival of even more Chinese entrepreneurs, investors, and tourists.

During President Xi Jinping's recent visit to Belgrade, an important announcement was made that has the potential to shape the future of our young people. China pledged to invite 300 young students from Serbia to study in China and extend an opportunity for 50 young Serbian scientists to participate in research projects over the next three years. This initiative is not just about education and research- it symbolizes a bridge between our two nations. It offers our youth a chance to immerse themselves in a different culture, gain invaluable knowledge and forge connections that will last a lifetime.

As you can see, our relationship with China is both broad and deep, rooted in close communication and the personal friendship between President Aleksandar Vučić and President Xi Jinping. Moreover, our relationship extends to mutual support on issues of vital national interest, particularly the principles of non-interference in internal affairs, as well as respect for sovereignty and territorial integrity. We are profoundly grateful

for China's principled stance on the issue of our southern province, Kosovo and Metohija, and for its consistent support in preserving the territorial integrity and sovereignty of the Republic of Serbia—an issue of the highest national importance for our country and people. China's support, along with our coordinated efforts in international organizations, is of great significance to Serbia. Continuing to uphold the 'One China' policy, alongside the 'one country, two systems' framework, Serbia supports China's territorial integrity.

Dear Guests,

In conclusion, Serbia is entering a period of its most intensive development in recent history. In three years, Belgrade will host the global specialized exhibition, EXPO 2027. We will be at the center of the world stage, welcoming millions of visitors from abroad. We look forward to China's participation, along with that of other nations, to showcase their contributions to the world. Under the theme “Play for Humanity”, Serbia will tell a story of prosperity through artificial intelligence and biotechnology while emphasizing the importance of its people as the key asset in achieving our national goals.

While I hope that today's conference will foster new partnerships and synergies, I also extend my invitation to you all to return in 2027 to witness the progress we are yet to achieve.

Thank you!

China and the Return of the Great Power Storm

RUSSO-CHINESE RELATIONS IN A TIME OF WAR

Richard SAKWA*

Abstract: The Sino-Russian alignment is one of the most important global developments in the twenty-first century, but will it last? Does Russia underestimate the implications of great power competition and, blinded by the historic grievances with the West, underrate the dangers of the Chinese embrace? Will it escape from the Western frying pan only to be burned in the Chinese fire? These questions became increasingly sharp and relevant following the beginning of the Russo-Ukrainian war in February 2022. This paper will provide some historical context and comparative analysis. Mikhail Gorbachev healed the Soviet-era split, Boris Yeltsin signed the Friendship Treaty and border demarcation agreements, and in the early Vladimir Putin years, the relationship was cordial and professional. However, the warm personal relationship between Putin and Chinese President Xi Jinping is of exceptional historical character, implying that the relationship is the creation of a new international community with an open invitation for others to join. This is the multipolarity of a new type. The Sino-Russian alignment became a major strategic asset for both sides. Neither country seeks a bloc-type alliance, but the alignment was tested by pressures generated by war.

Keywords: International society, Russo-Ukrainian war, Charter, international system, Political West, Vladimir Putin, Xi Jinping.

INTRODUCTION

The relationship between China and Russia is one of the most consequential of our era. It raises fundamental questions about the character of international order and the enduring validity and efficacy of the norms and principles of the Charter International System (Sakwa, 2023a, pp. 189-96).

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This paper argues that today, globalisation is fragmenting, but above all, we are witnessing a bifurcation in international society. On the one hand, there is the US-led Political West, once described as the liberal international order but more recently presenting itself as the rules-based international order (RBIO). The foundational institutions of Western international society include NATO and the European Union, as well as ostensibly universal economic institutions such as the International Monetary Fund (IMF), the World Bank, and the World Trade Organisation, which remain dominated by the Western powers. On the other side, there is a far less cohesive but no less important nascent political formation, which, for convenience, can be dubbed the Political East. The institutions comprising this emerging Eastern international society include the BRICS+ association and the Shanghai Cooperation Organisation (SCO). Both international societies claim allegiance to the universalism embedded in the Charter system. Yet, their contestation is partly focused on who can best use Charter institutions and practices for their own benefit. In other words, whereas in Cold War I, the bipolar struggle between the world orders represented by the US and the USSR took place within the international system represented by the UN and its norms, today, the subject of struggle is the Charter system itself. The RBIO has effectively usurped the privileges and prerogatives vested in the Charter system. The Political East challenges this appropriation, but it has not yet been able to displace the dominance of the Political West. The great danger is that the Charter system becomes a victim of the struggle. Already, there are calls in the Political East for an alternative system to be devised beyond the control of the Western power (for example, Karaganov, 2024).

In English School thinking, an international society is a system of shared norms and institutions underpinned by a commitment to a common set of rules. These common rules are maintained through a set of what Hedley Bull called “fundamental institutions” (1977, p. 71). These were subsequently categorised by Barry Buzan into “primary institutions”, including such practices as diplomacy, the balance of power, great powers, nationalism, state sovereignty, and, surprisingly, war. The so-called “secondary institutions” manage these primary characteristics of international politics (Buzan, 2004, pp. 161-204, drawing on Bull, 1977, pp. 97-222). The main secondary institution in this framework is the United Nations (UN), with great power contestation internalised in the Security Council and, in particular, in the five veto-wielding permanent members (P5). In recent years, the three Western members of the

P5 have not only increasingly voted as a bloc but also asserted their power over the institution as a whole through agenda and coercive vote management and dominance over the Secretariat. Equally, Russia and China have also tended to align their votes. Instead of acting as a forum for overcoming conflict, the Security Council and the UN, as a whole, have become a forum for waging the new Cold War. An instance of this is the Responsibility to Protect provisions of 2005, which eroded sovereign internationalism, the foundational principle of the Charter system, in favour of the democratic internationalism favoured by the Political West. The RBIO, by definition, deploys the rules selectively and instrumentally as just another instrument in the armoury of great power politics. The overall long-term effect has been to undermine the universalism of Charter multilateralism, and in its place, the particularism of contesting world orders has become increasingly manifest.

The Russo-Chinese alignment is at the core of the alternative Eastern international society, with an expanding circle of states from the Global South ready to align with it. The nascent alternative political association is far more than a reaction to the expansive ambitions of the Political West. It reflects the maturation of the global state system and the shifting balance of economic power to the East. Few, if any, of the 193 UN members are ready to compromise their sovereignty, and an increasing cohort of middle powers, and even some smaller states, assert their presence in international politics. The Political East not only counters the expansive claims of the Political West but also offers an alternative model of social and political development. The emergence of a sustained alternative to the formerly dominant Political West is a forceful manifestation of multipolarity, but as a “pole”, it differs significantly from the Western version (Lukin, 2023a). It is far less cohesive than its Western protagonist, and indeed, one of its core principles is the rejection of bloc formation on the Western model. Systemic diversity and developmental pluralism are embraced. For example, ASEAN+ encompasses a considerable range of social systems and political orders and does not interfere in the internal affairs of its members. The normative principle is sovereign internationalism, the foundational norm of the Charter system. Thus, the inherent interventionism of the Political West’s democratic internationalism is rejected.

The growing confrontation between the United States (US) and China reflects a broader shift in international politics (Lukin, 2023b). There is a growing range of “post-Western” institutions (Stuenkel, 2015, 2016). At the heart of the nascent political formation, although without a formal hierarchy,

is the Greater Eurasian Partnership of Russia and China and a growing number of national and institutional partners. The original SCO members (China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan) have now been joined by India and Pakistan, and later Iran and Belarus. The BRICS bloc has established a development bank and reserve drawing rights, while a growing list of countries seek to join. In 2024, Egypt, Ethiopia, Iran, Saudi Arabia, and the UAE joined, while a range of countries from Algeria, Kazakhstan, and Indonesia to Gabon and Mexico have expressed an interest. The creation of the Belt and Road Initiative (BRI), a multi-billion-dollar project encompassing over a hundred countries for investment in transport infrastructure, networks, and ports, reflects China's more assertive stance in international politics (for a critical view, see Bennon & Fukuyama, 2023). Beijing also created the Asian Infrastructure Investment Bank (AIIB), which already invests more in developmental projects than the World Bank. An alternative world order is taking shape.

The challenge to US hegemony is real, and Washington has doubled down on preventing a Chinese strategic breakthrough (Pottinger, Johnson & Feith, 2022). The Political West has responded by militarising the Asia-Pacific region. Its creeping advance takes the form of the Quadrilateral Security Dialogue (the Quad, comprising Australia, India, Japan, and the US), AUKUS (Australia, the UK, and the US), and increased activism, including talk of the creation of an Asian NATO. Critics warn that this introduces destructive European Cold War practices into the region. Once again, a Eurocentric model of world order is being imposed on a region that is freeing itself of colonial legacies.

The fundamental question is whether this nascent international society will ultimately create an international system of its own, bypassing the Western-dominated one. So far, voices calling for the creation of an alternative system have been marginal. The proclaimed normative foundation of the Political East remains sovereign internationalism and other core ideas of the Charter system, combined with the defence of the system itself. Numerous resolutions and declarations assert UN norms, complemented by reference to the 10-point Bandung Declaration of 1955, which itself incorporated the principles of the UN Charter. The emergence of a Political East does not threaten the Charter international system but seeks to strengthen it. However, the struggle over the system can only be damaging. The Political West opposes the elevation of representatives of the Political East to leadership

positions in the UN and other agencies, accompanied by boycotts and walkouts. It has also consolidated its stranglehold on the UN Secretariat. This is also accompanied by the misrepresentation of Russia and China as revisionist powers.

In formal terms, their commitment to the Charter principles at the level of the international system makes them conservative status quo powers. However, at the level of international politics, their refusal to accept the hegemony of the Political West renders them to a degree revisionist, reflecting changes in the balance of power and the relative willingness of the previously subaltern states to assert their positions. In conceptual terms, they can be described as neo-revisionist, defending the Charter International System but repudiating the practices of the Political West in international politics (Sakwa, 2023b). From this perspective, the binary (indeed, Manichean) division of states into democracies and autocracies is not only misleading but also fundamentally conceptually flawed. Not only is there a range of intermediate positions on the spectrum, but a more profound question is the positionality of the state regarding the Charter norms (cf. Paikin, 2023). On that scale, conventional binaries collapse, and a more objective assessment can be made.

DYNAMICS OF THE NON-BLOC RUSSO-CHINESE ALIGNMENT

There are enduring economic and strategic reasons for strong Sino-Russian ties. Russia provides China with an increasing proportion of its energy and agricultural product needs, and defence cooperation means that their long border (4,209 km or 2,615 miles) has become a source of stability rather than insecurity. The Sino-Russian alignment has become a major strategic asset that “strengthens their respective status on the international stage and provides basic support for the diplomacy of both countries” (Bhadrakumar, 2020). However, neither country seeks to establish a bloc-type alliance. For China, “alliance has gradually been framed as a negative political concept” (Yan, 2019, p. 65). Russia was long entangled in the Soviet bloc in Eastern Europe, with little to show for it except a legacy of bitterness and recriminations.

Only some 15 years since 1949 have been marked by antagonism; otherwise, since the foundation of the People’s Republic of China (PRC), there has been normative and strategic convergence between the two states. Following the healing of the Sino-Soviet rift, the Soviet-Chinese Joint Communiqué of 1991

included an “anti-hegemony” provision, which set the tone for later relations (Anderson, 1997, p. 14). In 1997, a “strategic partnership” was declared between the two countries, sealed in July 2001 by the Treaty of Good Neighbourliness and Friendly Cooperation. In 2015, the bilateral relationship was elevated to a “comprehensive strategic cooperative partnership in a new era”. Relations between the two countries became a model of sovereign internationalism, but as confrontation with the Atlantic powers intensified, the two were drawn together into a quasi-alliance. This was sealed by an intense personal relationship between President Xi Jinping and President Vladimir Putin, with numerous visits and protestations of friendship. Putin’s visit to China in May 2024 to mark the 75th anniversary of the establishment of diplomatic relations between the two countries was the 43rd meeting between the two leaders. The Joint Statement published to mark the occasion called for an international order free of “neo-colonialism and hegemonism” and condemned countries that “attempt to replace and subvert the universally recognised international order based on international law with a “rules-based order”” (Xinhua, 2024). The document “pointed out that current Sino-Russian relations go beyond the military-political alliance model of the Cold War period and are non-aligned, non-confrontational, and non-aimed at any third party” (Xinhua, 2024).

The relationship is also underpinned by a remarkable shift in popular sentiments, with Russian views of China after 2014 becoming much more favourable. By 2021, three-quarters of Russians saw China in a positive light and only 14 per cent negatively, while 55 per cent considered that Russo-Chinese relations raised Moscow’s global standing (The Moscow Times, 2021). The alignment is increasingly embedded in a new social reality. The number of Chinese students in Russia tripled in ten years to reach 56,000 in 2017 (Valdai Discussion Club, 2017). Putin’s stand against the West is greatly lauded in the Chinese media, and by the early 2020s, his popularity in China was only slightly less than in Russia. Opinion polls suggest that already a quarter of Chinese consider Russia their best friend (Snelder, 2015). The Sino-Russian alignment is one of the most important global developments in the twenty-first century, but will it last? Does Russia underestimate the implications of great power competition and, blinded by the historic grievances with the West, underrate the dangers of the Chinese embrace? Will such warm relations endure after the current leaders move on? Above all, the Russo-Ukrainian war tested the limits of the relationship and introduced some fundamentally new elements.

Let us first look at the alignment, which rests on five main pillars. The first is the *defence of common norms*. An anti-hegemonic alignment emerged, based on the principle of sovereign internationalism and opposition to the “double standards” generated by Western hegemony. By the time Xi visited Moscow in June 2019, the talk was of a “comprehensive strategic partnership of coordination for a new era”. In his visit to Moscow in September, Li Zhanshu, the chair of the Standing Committee of the Chinese National People’s Congress, noted that “The US today is carrying out the double containment of China and Russia, as well as trying to sow discord between us, but we can see this very well and will not take that bait” (President of Russia, 2017). This was an alliance relationship in all but name. Interests can change, but the real foundation of the relationship is normative alignment. The December 2017 US *National Security Strategy* (NSS-2017) characterised the two powers as “revisionist”, but as we have seen, this is a category error. The two are fundamentally conservative status quo powers, although they proclaim their great power status. They repeatedly affirm their commitment to the fundamental principles of sovereign internationalism, the core of the Charter international system. These include the primacy of state sovereignty, territorial integrity, the supremacy of international law, and the centrality of the UN and its Security Council.

Their common views were on full display at the virtual Davos World Economic Forum in January 2021. Xi argued that multilateralism was the only way to deal with the pandemic and that it should not be used as an excuse to reverse globalisation in favour of “decoupling and seclusion”. He warned President Joe Biden that the US risked a new Cold War if he continued Trump’s protectionist policies: “To build small circles or start a new Cold War, to reject, threaten, or intimidate others, to wilfully impose decoupling, supply disruption, or sanctions, and to create isolation or estrangement will only push the world into division and even confrontation” (Elliott, 2021). He went on to stress that “state-to-state relations should be coordinated and regulated through proper institutions and rules. The strong should not bully the weak” (Elliott, 2021). He rejected criticism of China’s human rights record, noting that: “No two leaves in the world are identical, and no histories, cultures, or social systems are the same. Each country is unique with its own history, culture, and social system, and none is superior to the other. Difference in itself is no cause for alarm. What does ring alarm is arrogance, prejudice, and hatred; it is the attempt to

impose hierarchy on human civilisation or to force one's own history, culture, and social system upon others (Elliott, 2021)."

Putin's online speech on January 27 echoed Xi's conciliatory stance, arguing that "Russia is part of Europe, both geographically and most importantly in a cultural sense. In fact, we are one civilisation" (President of Russia, 2021). He called for a turn to a "positive agenda", rising above "problems and phobias". He stressed that Russia was open to foreign investment but reiterated the fundamental principle of multipolarity. In that context, he once again stressed the importance of international institutions, affirming the centrality of the UN and its role in settling international disputes. He also promoted the G20 as an economic forum, where Russia enjoyed the support of much of the non-Western world. He lauded the agreement with Biden on extending New START, but nevertheless starkly warned that "the differences are leading to a downward spiral. As you are aware, the inability and unwillingness to find substantive solutions to problems like this in the 20th century led to the WWII catastrophe" (President of Russia, 2021). He compared the current situation to the 1930s, "including the comprehensive, systemic nature of the challenges and potential threats" (President of Russia, 2021). Conflict today would mean "the end of humanity", but "the situation could take an unexpected and uncontrollable turn unless we do something to prevent this" (President of Russia, 2021). He praised the way that globalisation had lifted a billion people out of poverty and that since 1980 global per capita GDP had doubled in PPP terms, but condemned the attendant inequalities and the "vulgar and dogmatic" application of the Washington Consensus principles. Russia, he insisted, was open to the "broadest international cooperation", stressing that "the era linked with attempts to build a centralised and unipolar world order has ended" (President of Russia, 2021).

It was on this basis that the two countries worked together at the UN. There was a long history of voting together and exercising veto powers jointly in the Security Council. The two countries are often accused of knowing what they do not like but of failing to propose a model that would be attractive to other countries (Economy, 2018, p. 221). This is a fair criticism, but the idea of sovereign internationalism is not just a negative norm but provides a framework for international pluralism and diverse developmental paths. It also shields against the irresponsible deployment of hegemonic power.

The second pillar rests on *energy, investment, and trade*. By 2018, Russia had become China's major oil supplier. In that year, a second branch of the East Siberia-Pacific Ocean (ESPO) pipeline doubled Russia's direct oil exports to China, and at the same time, Beijing purchased oil from the pipeline's Pacific terminal at Kozmino. Gazprom's Power of Siberia pipeline started pumping gas in late 2019, and by 2024 it had reached a record 38 billion cubic meters, with plans to increase capacity by another 10bcm from 2027 under an agreement signed in 2022. The Power of Siberia 2 pipeline (Soyuz Vostok) across Mongolia would raise deliveries by another 50bcm, but enduring disagreements over price and the precise route delayed signing the contract. The two countries also deepened their joint work on LNG developments. In 2019, Novatek sold 19 per cent of its Arctic LNG-2 project to the China National Petroleum Corporation (CNPC) and the China National Offshore Oil Corporation (CNOOC). Between 2011 and 2020, China invested some \$36bn in Russia, with the greatest share devoted to raw materials and energy enterprises. Agricultural goods and foodstuffs comprise a growing proportion of exports since China opened its market for Russian producers. However, mutual investment between the two countries remains negligible. In 2022, China's investment in Russia was less than 0.3 per cent of total outbound investment, while Russia had invested a grand total of \$40m in China (Wen, 2024).

The third pillar is *security and defence*. Chinese forces regularly take part in Russia's annual military exercises, participating in 28 between 2002 and 2012, while in 2014 alone, they took part in 31. In 2018, this became a more formal annual occurrence. As part of China's "going out to the world", in 2019 and again the following year, the two countries conducted a joint bomber patrol along the East Asian coast. There was even talk of China relaxing its traditional hostility to joining military alliances (Economy, 2018, p. 214). Although Beijing reverse-engineered the Sukhoi SU-27SK and SU-33 to create the J-11B and J-15, respectively, Moscow was now ready to share its technologies in exchange for high-quality Chinese goods, as well as investment and tourism. China now became a key supplier of parts, components, and avionics for the advanced SU-35 fighter jet, and in November 2015, the People's Liberation Army became the first export customer for the plane. Sales of military technology slowed as China developed its own defence production (Spivak, 2021). Russian arms sales were diverted to India and Vietnam, countries with contentious relations with China, while China's burgeoning relations with numerous post-Soviet states

in Russia's neighbourhood are potential sources of aggravation. Nevertheless, Russia was granted privileged status at China's tropical spaceport at Wenchang, opened in 2016. The Moscow Power Engineering Institute was allotted 40 hectares to establish a university for some 10,000 students of aerospace engineering and science. Russia helped China build missile-warning and defence systems. Russia and China are linking their respective satellite navigation systems, Beidou and Glonass (The Economist, 2024).

Will the Russo-Chinese "strategic partnership" develop into something more? In October 2019, Putin disclosed, "We are now helping our Chinese partners create a missile attack warning system. This is very important and will drastically increase China's defence capability. Only the US and Russia have such a system now" (President of Russia, 2019). The transfer of the Missile Attack Warning System (known by its Russian initials, SPRN) is part of a deepening pattern. Asked whether it was "possible to conceive of a military alliance between China and Russia", Putin replied that "it is possible to imagine anything. We have always believed that our relations have reached such a level of cooperation and trust that it is not necessary, but it is certainly imaginable, in theory" (President of Russia, 2020). He also noted that Russia and China share sensitive military technologies to boost China's military potential (President of Russia, 2020). In classic deterrence terms, this stabilises the nuclear balance. China now has access to reliable information on potential US missile launches. However, the Chinese defence ministry clearly stated that Beijing was not interested in creating a united front with Russia against NATO, and while the military ties between the two serve as the basis for a strategic partnership, the two sides abide by the principle of non-participation in alliances (TASS, 2021).

The fourth pillar is *conjugation and decoupling*. In May 2015, the two countries agreed to the "conjugation" (*sopryazhenie*) of the Eurasian Economic Union (EEU) and the BRI, and numerous commissions worked to deepen relations. A year later, Putin broadened the terms of the docking to encompass the Greater Eurasia Partnership. This is accompanied by accelerating decoupling from the Atlantic powers, in part forced by US pressure. In May 2019, the Department of Commerce banned US companies from doing business with Huawei because of espionage concerns. On the other side, Russia became one of Huawei's fastest-growing markets. Huawei and ZTE are at the heart of Russia's plans to develop 5G networks,

accompanied by extensive technological localisation. In June 2019, Huawei and the Russian telecommunications giant MTS agreed to build a 5G network in Russia; in March 2020, Huawei signed a deal with Sberbank to create a cloud platform for Russian businesses; and in October, Huawei agreed with Avtodor to build roads capable of supporting autonomous vehicles. Russia's enormous scientific and mathematical capacity helps Huawei find ways to reduce the burden of US sanctions. In particular, Russian and Chinese engineers developed the Harmony operating system (OS) to replace Google's Android OS (Google had been forced to suspend Huawei's Android license in 2019) (Simes, 2021). There were clear synergies between the two countries. Russia is strong in basic science, military, and dual-use technologies, while China has an impressive record in infrastructure development, transport, and civilian technologies (Smirnova, 2021).

The fifth pillar comprises *post-Western regional associations*, as mentioned earlier. The most important of these are the BRICS and the SCO, multilateral bodies that enshrine multipolarity and thus reinforce the autonomy of the international system. They are not so much anti-Western as anti-hegemonic. The establishment of the AIIB reinforced demands to reform global governance to reflect changing international realities, and at an early stage, there were even attempts to get the US to join. The SCO now includes the two South Asian powers but has thereby imported one of the most enduring conflicts of our time. Above all, the BRI signals China's intention to "go global". While Russia was one of the first to sign up, many routes bypass the country, and little investment has come to Russia in that format. The designation of the Arctic as part of the Polar Silk Road reinforced China's claim to be a "near-Arctic" power and thus trespassed into a region that Russia had long considered its exclusive preserve. Nevertheless, the outlines of an alternative globalisation are also emerging. In sum, an alternative architecture of global governance and associations is being created, tangible evidence of a world moving out of the shadow of Western dominance.

These five pillars provide a sturdy foundation for one of the great geopolitical alignments of the twenty-first century. However, on both sides, there are contesting views of the relationship. Chinese thinking is divided between the ideas of "no limits" and "endogenous drives", but both assert that relations are substantive (Zhang, 2021, pp. 5-8). It far exceeds an "axis of convenience" (Lo, 2008). It is founded on more than a reaction to being

labelled “revisionist” by the US. Chinese scholars stress that there should be “no limits” to the relationship, which in 2021 was formulated by foreign minister Wang Yi as the “three-no principle”: “no end limit, no forbidden zone, no upper bound” (Zhang, 2021, p. 6). This is complemented by the notion of “endogeneity”, referred to by Xi himself in 2020 when he told Dmitry Medvedev (in his last days as PM) that there was “solid political consensus, solid public opinion support, and strong endogenous drives for developing the Sino-Russian comprehensive strategic partnership” (Zhang, 2021, p. 6). The no-limit discourse suggested that a traditional military alliance is appropriate for the type of relationships pursued by the US, but Sino-Russian relations were at a more advanced level. Xi in 2020 argued that endogeneity resulted in “strengthened strategic cooperation between China and Russia that can effectively resist any attempts to suppress and divide the two countries and build a solid barrier to safeguard international justice and equity” (Zhang, 2021, p. 7).

WARTIME STRESSES

What impact has the Russo-Ukrainian war had on the relationship? The Joint Statement of February 4, 2022, just weeks before Russia launched its “special military operation” in Ukraine, declared a “no-limits friendship” (President of Russia, 2022). This was sorely tested in the following years. China helped Russia withstand the “sanctions from hell” imposed by the Western allies, stepping up its purchase of Russian energy and selling trucks, cars, and much else that compensated for the ban on sales from the West. However, China has been careful not to overstep the mark and incur secondary sanctions. Washington issued repeated warnings to Chinese banks and exporters about the consequences if they helped bolster Russia’s military capacity. Secretary of State Antony Blinken also sought to draw America’s European allies into the “anti-China crusade”, arguing that “Beijing cannot achieve better relations with Europe while supporting the greatest threat to European security since the end of the Cold War” (Walsh, 2024). China, by contrast, operated according to the principle that “everything that is not banned is allowed”, but the major beneficiaries have been second- or even third-tier Chinese companies and banks (Prokopenko, 2024).

Despite the restrictions, Chinese exports to Russia increased by over 60 per cent since the beginning of the war and provided a lifeline for the Russian economy. Semiconductors, telecommunications equipment, and machine tools are among the largest categories of exports (Sher, 2024). Trade volumes were also driven by oil and gas sales and the purchase of electronic equipment, industrial equipment, and cars. Russia's trade with China hit a record of \$240bn in 2023, more than double the \$103bn recorded in 2020. This includes some \$300 million worth of dual-use components that could be used to produce missiles, tanks, and drones. Over 90 per cent of trade settlements are now conducted in national currencies. Nearly a quarter of Russia's imports are now settled in Yuan, up from just four per cent at the beginning of the war. By 2023, Russia was the fourth among China's trading partners.

In February 2023, China issued a 12-point peace plan for Ukraine (MFA PRC 2023). In practice, the document was less a peace plan than a statement of general principles that could underpin a peace process. They stand in marked contrast to Ukrainian president Volodymyr Zelensky's so-called peace proposals of November 2022, which basically call for Russia's capitulation and a return to Ukraine's borders of 1991 (Zelensky, 2022). In a meeting with German Chancellor Olaf Scholz on April 16, 2024, Xi outlined four principles for the peaceful resolution of the Ukraine crisis, which built on the earlier plan and provided constructive steps to resolve the crisis:

First, focusing on the overall interest of peace and stability rather than seeking selfish gains; second, cooling down the situation rather than adding fuel to the fire; third, accumulating conditions for restoring peace rather than further aggravating tensions; and fourth, reducing the negative impact on the world economy rather than undermining the stability of global industrial and supply chains. China is not a party to the Ukraine crisis, but it has consistently promoted talks for peace in its own way. China encourages and supports all efforts that are conducive to the peaceful resolution of the crisis and supports the holding in due course of an international peace conference that is recognised by both Russia and Ukraine and ensures the equal participation of all parties and fair discussions on all peace plans (PRC Consulate in Munich, 2024).

As has become customary, engagement between representatives of the Political West and East was a dialogue between the deaf. Scholz simply pressed China to stop the export of dual-use goods to Russia (Rinke, 2024).

China presented itself as a mediator in the conflict, dispatching envoys to Moscow, Kiev, and other capitals. It did not accept Ukraine's invitation to attend the Kiev-organised "peace talks" in Switzerland in June 2024 and instead gathered support for an inclusive peace conference attended by all the belligerent parties. A joint statement issued by Chinese foreign minister Wang Yi and Brazilian foreign affairs adviser Celso Amorim on May 23, 2024, called for an international peace conference in which both Russia and Ukraine would be represented and all peace plans assessed (Gabuev, 2024a).

Putin's first trip abroad following his inauguration for a fifth presidential term in May 2024 was to China. The Joint Declaration, discussed above, was adopted, and the two leaders discussed the integration process between the EEU and the BRI, cooperation within the framework of the BRICS, conflicts in Ukraine and the Middle East, as well as larger geopolitical matters. Putin was accompanied by the new defence minister, Andrei Belousov, as well as the former defence minister and newly appointed head of the Security Council, Sergei Shoigu. In advance of the meeting, Putin stressed that "Russia-China ties, as they are today, are free from the influence of either ideology or political trends. Their multidimensional development is an informed strategic choice based on the wide convergence of core national interests, profound mutual trust, strong public support, and sincere friendship between the peoples of the two countries" (President of Russia, 2024a). With Russia as chair of the BRICS in 2024, work continued on the three main pillars of cooperation: politics and security, economy and finance, and culture and people-to-people contacts.

In his annual address to the Federal Assembly on February 29, 2024, Putin presented the idea of establishing an Eurasian security system. It was obvious by then that post-Cold War European security had collapsed and was irredeemable. Instead, Putin talked of "democratising the entire system of international relations", a synonym for dismantling Western hegemony and the RBIO. He proposed replacing it with "a system of undivided security", whereby "the security of some cannot be secured at the expense of the security of others", and he called on Russian diplomats to work on creating a Greater Eurasian security order (President of Russia, 2024b). Putin repeated his call for a new Eurasian security architecture in his landmark speech to Russian diplomats on June 14. He called on them and government ministers to work "jointly with partners, with all interested countries... their version of

guaranteeing security in Eurasia”, to be followed by a “wide international discussion” (President of Russia, 2024c). He revealed that in his May visit to China he had discussed this with Xi, and they agreed that “the Russian proposal does not contradict, but, on the contrary, complements and is fully in agreement with the basic principles of the Chinese initiative in the sphere of global security” (President of Russia, 2024c). The envisaged Greater Eurasia security pact would combine the disparate Post-Soviet and Political East organisations and associations, the CIS, the Collective Security Treaty Organisation (CSTO), the EEU, the Russia-Belarus union state BRICS+, and CSTO, into a single architecture—a new international society based on shared principles to achieve the “common goals of security and development” (President of Russia, 2024c). Putin endorsed the Belarusian foreign minister’s (Sergei Aleinik’s) proposal of October 23, 2023, to codify these common goals and principles in a “programmatic document: a charter of multipolarity and diversity in the twenty-first century” (Общенациональное телевидение, 2023). The Belarusian proposal also included the Organisation for Security and Co-operation in Europe (OSCE) as part of this architecture and was presented at a major international conference on international affairs held in Minsk (Общенациональное телевидение, 2023). A post-European Eurasia is emerging, a constituent part of the post-hegemonic and post-Western Political East.

The puzzle remains over why China appears ready to jeopardise its relations with the West to support Russia in its wartime struggle. One notable critic argues that China today is in danger of repeating the mistake made by Germany in 1914, supporting Austria-Hungary as it “harassed its neighbours in the Balkans even as German leaders appealed to the high principles of international justice” (Westad, 2024). Odd Arne Westad argues that “This hypocrisy helped produce war in 1914. Right now, China is repeating that mistake with its treatment of Russia” (Westad, 2024). Although the comparison is instructive, the situations are very different. China sees in Russia’s struggle an analogue for its own ability to sustain its sovereignty and independence against the hegemon. As one commentary puts it, “China realises that if it wishes to break the US monopoly on power, it cannot go about it alone. Aside from requiring a strong Russia to help reform the US-dominated international system, China needs Russia for its long-term survival” and refers to the Chinese proverb “Once the lips are gone, the teeth will feel the cold” (Tan, 2024). Chinese elite thinking is divided, but overall believes that the US is using the

Ukraine war to encircle China, hence “wants to stand by Moscow to prevent the US winning” (Bachulska & Leonard, 2023). The US strengthened its alliance system in Eurasia and the Asia-Pacific region to target Russia and China, inevitably drawing the two countries together. The two countries began a dialogue on Eurasian security with the aim of “double counteracting” the US-led Euro-Atlantic alliance system (Bloomberg News, 2024). The deepening rift between the West and the two countries signals an epochal realignment in international politics. As a sceptical critic puts it, “The tightening of this alignment between Russia and China is one of the most important geopolitical outcomes of Putin’s war against Ukraine” (Gabuev, 2024b).

CONCLUSION

The Sino-Russian partnership can no longer be dismissed simply as one of convenience but is increasingly based on a perceived identity of interests. The relationship is the cornerstone of a nascent international society, a Political East that is increasingly attractive to many countries in the Global South. The significant power disparities between the two will inevitably create tensions, yet the transformative quality of the alignment has the potential to create a fundamentally new reality. Liberal hegemony will be questioned, and US primacy will be challenged. The two countries have complementary security and economic interests, and while neither wishes the relationship to be exclusive or detrimental to others, the relationship has a transformative quality. The long history of conflict and suspicion between the two countries was transcended in a manner not achieved in Russia’s relations with the historic West. The future of the Sino-Russian relationship depends on how larger power shifts develop. For some, the key determinant is the slow yet ineluctable decline in US power. One of the main battlefields is Europe and the gradual weakening of Atlantic ties. Another is how China applies its new-found power and whether it can be sustained. The Belt and Road is clearly an expression of China’s global ambitions, but it is more than just infrastructure—roads, modernised and high-speed rail networks, dams, as well as high-end connectivity, including fibre optic cables—but about a new model of development and definition of modernisation and modernity. The re-emergence of China and Russia’s estrangement from the Political West is ending the 500-year dominance of the Atlantic powers. A new international society is emerging, with the potential to transform international affairs in their entirety.

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THE TWO COLD WARS AND THE RETURN TO GEOPOLITICAL BLOCS

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Abstract: The world order appears to be reverting to geopolitical blocs with associated spheres of influence. Although the Cold War officially ended three decades ago, a cold peace has arisen, manifested in the return of old adversarial dynamics amid Russia's resurgence and the sharpening strategic competition between China and the United States. As a result, three tentative blocs are emerging, albeit ones that are less ideologically driven than those of the Cold War: a renewed yet diminished Western bloc, a large but leaderless Eurasian bloc, and a confluence of swing states not bound to any particular hegemon. While such divisions increase the likelihood of global conflict, the West's relative political cohesion should enable it to continue to remain swayed. Nonetheless, the West's ability to retain a global leadership role could yet be undermined by the emergence of an increasingly illiberal America.

Keywords: world order, great powers, New Cold War, China, United States.

INTRODUCTION

In early 2023, one year into the Russia-Ukraine war, US Secretary of State Anthony Blinken told the US Senate Committee on Foreign Relations that “[t]he post-Cold War world is over, and there is an intense competition underway to determine what comes next” (Blinken, 2023, p. 1).

The statement is of historical proportions, marking the end of an era that started with Fukuyama's rushed announcement of an emerging *end of history* after 1989. It comes amidst a growing strategic rivalry between China and the US, on the one hand, and an evidently indirect military confrontation between the West and Russia in Ukraine. The former vector of competition has, since 2018, given rise to debates on whether we are in the midst of a New Cold War. At the same time, there are a few suggestions that the one

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between the West and Russia might be a second Cold War or a continuation of the Cold War, although this discussion remains undeveloped.

This paper argues that not only is the international order seeing the emergence of a new type of Cold War between the US and China, but it is also necessary to make sense of the fact that an old Cold War seems to co-exist with what many observers define as the New Cold War. In this respect, this paper maintains that the war in Ukraine and the diplomatic posturing of China towards it, while the US is trying to leverage the drama of the conflict to increase its influence over Europe, have led to an overlap of both Cold Wars, as the international order is again quickly splitting into blocs.

The rest of the paper is divided into four sections. The first section summarises debates on the New Cold War, outlining three different schools of thought before putting forward a contribution. The second section reflects on the possibility that the Cold War did not end in 1989, but it was only paused as the underlying sources of conflict have never disappeared. The third section shows how the international order is splitting into competing blocs, with two particularly confronting one another, such as a Western and an Eastern bloc. The fourth section reflects on some lessons that can be drawn from the fact that only three decades after the end of the Cold War, the international order is once again divided and threatened by great power competition.

A NEW COLD WAR? THE DEBATE

Since the rise of Donald Trump in US electoral politics, the relationship between the United States and China has been described by many as a New Cold War. That has, in turn, triggered a wider debate on whether the Cold War is an appropriate framework against which to compare the current geopolitical competition between Washington and Beijing.

The first group of commentators, mostly formed by journalists, describes US-China relations as a New Cold War. Some do this because of the wide range of disputes between the US and China, from security in the South China Sea to semiconductors and the COVID-19 pandemic to political values, among other things (Kaplan, 2019; Kemp, 2020; Kynge, Manson & Politi, 2020; Rachman, 2020; The Economist, 2019). These journalistic views are shared by realist scholarship when they associate US-China relations with a developing “bipolarity” in the global balance of power, albeit a loose one

(Maher, 2018, p. 497). The main rationale is that “no other state is strong enough to serve as a competitor of these two” (Tunsjø, 2018, p. 1). Others certainly see bipolarity in Asia in addition to ideological competition and mutual nuclear deterrence (Khong, 2019, p. 223).

Perspectives from a second group of commentators who disagree with the New Cold War label can be divided into those who disagree substantially and those who disagree methodologically. Among those who see characteristics of US-China relations as different from those of the Cold War, some argue that the former is a different kind of rivalry because the “risk of immediate war is lower and the odds of limited cooperation are higher”. The reason for this is that China pursues “regional dominance” as opposed to global dominance (Westad, 2019, pp. 91, 93). On the other hand, some see this as a “more complex” but also “harder to manage” relationship compared to the Cold War (Bisley, 2020). Others see differences in the level of ideological competition and the formation of distinct economic and diplomatic blocs (Christensen, 2020, p. 8). Some see the lack of an “across-the-board freeze of cooperation and dialogue” as a fundamental difference (Ross, 2020, p. 70). Among those who are concerned with the methodological flaws of the New Cold War thesis, it was argued that the effectiveness of “analogical reasoning” leads to emphasising superficial similarities while neglecting the “underlying differences” (Ashford & Kroenig, 2020; Campbell & Sullivan, 2019, p. 98).

These critiques have not put an end to the debate, though. A third school of thought has emerged, more varied and less coherent than the previous ones. Different scholars in this group continue to show a degree of scepticism towards the New Cold War thesis. Yet, they invite readers not to underestimate historical similarities or the relevance of such a comparison. In doing so, they have occupied the middle ground of the debate (McFaul, 2020, pp. 8–9; Pugliese, 2020, p. 8; Rudolf, 2021, pp. 87–88, 90-91; Goldstein, 2021, p. 49). Perhaps the main feeling within this group can be characterised by Hal Brands and John Gaddis’s statement:

“Is the world entering a new Cold War? Our answer is yes and no. Yes, if we mean a protracted international rivalry,...No, if we mean the Cold War” (Brands & Gaddis, 2021, p. 10).

Building on Brands and Gaddis’s argument, the author has, in a recently published work, developed his own contribution to the third school of thought on the New Cold War debate, arguing that “the relationship between

the US and China represents a new type of cold war”, to the extent that this is a cold war, in small letters, as it is so for (partly) different reasons from those that led to the Cold War (Leoni, 2024, pp. 50-51). While the debate on the New Cold War continues to develop, this paper wants to add a layer of complexity to it. For those who side with either the first or the third school of thought, further reflection is required about whether two Cold Wars or cold wars exist simultaneously, why this is eventually the case, and what lessons can be learned from it.

The war in Ukraine is central to these questions. The first Cold War may be an unending vector of competition or one that has restarted, as argued by Sakwa in his book about the “second cold war” (2023b). The Russian invasion of Ukraine and the problems that Putin listed as reasons for doing so, for instance, the expansion of the North Atlantic Treaty Organisation (NATO), indicate that one might look back at NATO-Russian tensions during the last 30 years as a continuation of the Cold War. Indeed, while the Cold War officially ended in 1989, structural problems at the heart of it and their “consequences” have outlasted its end (Westad, 2018, p. 1). After the official end of the Cold War, it was still pointed out that its end would only come “when both sides recognise each other explicitly as legitimate antagonists”, not through an announcement made by the victor(s) (Stephenson, 1998, p. 83). That did not happen because the West sought to exploit its victory to constrain Russia’s influence in Europe. After the mid-2010s, there were still arguments that competing perspectives between both sides of the Iron Curtain did not disappear with the end of the Cold War, which remains a “mirage” to the extent that “the path to a pragmatic, stable partnership with Russia that could alleviate challenges to Europe’s security is steeper than commonly assumed” (Wohlforth & Zubok, 2017, pp. 416–417). Heonik Kwon, meanwhile, admitted that while the causes and beginning of the Cold War are debated among historians, the end of it has seen very little debate, as the mantra of *the end of history*, the narrative of the victorious side, quickly became the mainstream narrative.

Indeed, part of the problem lies in the fact that, as Kwon wrote, “[t]here is no consensus about the question of ‘beginning signals, ‘openness to historical reasoning, and imagining”. However, this predisposition towards a critical review of history “cannot be seen with regard to the conclusion of the Cold War” (Kwon, 2010, p. 1). Westad seemed to echo this when suggesting

that the end of the Cold War is treated in the literature as “a fait accompli, a universal historical reality”, meaning that the assessment of the Cold War nowadays is a story with ‘an open-ended beginning and a closed ending” (Westad, 2004, pp. 3, 68). Although he was guilty of blaming it exclusively on Russian imperialism and insecurity, after the invasion of Ukraine, Stephen Kotkin argued that “the original Cold War’s end was a mirage” to the extent that “the history made in those earlier eras is still being made today” (Kotkin, 2022, pp. 66–67). He added that while “events of 1989–1991 were consequential”, these were “not as consequential” as many observers believed. To him, supporting the thesis of the end of the Cold War is equal “to reduc[ing] that conflict to the existence of the Soviet state” (Kotkin, 2022, p. 67). Others, instead, asked “whether or not the Cold War ever ended in East Asia”, to the extent that the “geopolitical divide in the region and the security alliance system” that took shape during the Cold War “is still very much part of the regional security dynamics in the 21st century” (Thang, 2014, p. 655). This discussion is not as important as the reflections made earlier in this chapter on the Cold War analogy. Yet, it matters in some aspects of this book, especially the final chapter. Indeed, adventuring into a Cold War analogy to explain a New Cold War poses the question of how the Cold War with the Soviet Union eventually relates to a potentially New Cold War between the US and China. More to the point, how can the two vectors of competition coexist at the same time nowadays? Is there a relationship, and are these cold wars two sides of the same coin, or are these two processes disconnected? If the answer is the latter, this would present a challenge because it means there would not be a systemic or logical explanation for such a coexistence.

HOW THE UNENDED COLD WAR AND THE NEW TYPE OF COLD WAR CO-EXIST

As Russia invaded Ukraine and the West responded by spending hundreds of billions of dollars in what soon became a proxy war, one must answer the question of how the new type of Cold War intersects the (unended) Cold War, if in any way at all. The war in Ukraine, in this regard, matters to the question set out in the title of this chapter. On the one hand, the war has shown thus far that frictions between two spheres of influence led by the US and Russia during the Cold War were not fully resolved. As Putin’s resurgence to power

in the late 1990s signalled, the *status quo* was not accepted by Russia, despite US promises of non-expansion of the North Atlantic Treaty Organisation (NATO), which were not kept anyway (Deudney & Ikenberry, 2009, p. 41; Shiffrinson, 2017, p. 11). In 2014, following Russia's annexation of Crimea, German Chancellor Angela Merkel stated that "[f]irst in Georgia back in 2008 and now in the heart of Europe, in Ukraine, we are witnessing a conflict about spheres of influence and territorial claims of the kind we know from the 19th and 20th centuries, but we thought we had put behind us" (Mead, 2014, p. 69; The Federal Government, 2014). Meanwhile, as implicitly demonstrated by NATO's enlargement, the alleged victory of the Cold War was not enough for liberalism to triumph, but an iron fist was still needed. Scholars concluded that "Ukraine's misfortune was to be caught up in this struggle, in a *grey zone* midway between the EU and Russia" (Ferguson, 2018, p. 302). The fragility of the post-Cold War equilibrium, pace Fukuyama, has fomented a rich body of literature, with some wondering about a new "twenty years' crisis" (Kalb, 2015; Lucas, 2009; Sakwa, 2008, pp. 265–267). Meanwhile, in 2010, others asked, "[h]ow can we try to refute the notion of a New Cold War altogether? Is it the old Cold War that has been renewed/resumed, or is this a completely "new cold war"? Does it make any sense at all to talk about a New Cold War?" (Harasymiw, 2010, p. 3). Similarly, some wondered whether "the Cold War ever ended". "[I]n 2013, Russia spent a higher portion of its gross domestic product (GDP) on defence than the United States for the first time in a decade" (Frum, 2015, p. 84). That was particularly obvious when the Russian troops were massed on the Ukrainian border. Someone stated that "[w]e thought issues were resolved, but it is now clear that they were not" (Wright, 2022). Stephen Kotkin added that "[t]o argue that the Cold War ended, in other words, is to reduce that conflict to the existence of the Soviet state" (Kotkin, 2022, p. 67). On the one hand, "the collapse of Russian power was hardly permanent, just as it was not after the Treaty of Versailles of 1919". On the other hand, many issues have remained unresolved; for example, the Korean Peninsula continues to be divided and China remains communist; "ideologically tinged rivalries and resistance" to the US and Western power still exist, as does "the potential for nuclear Armageddon" (Kotkin, 2022, p. 67).

If the end of an ideological clash between the West and the East and the crisis of the Soviet Union did not end the confrontation between Russia and the US in 1989, this poses the question of how the old Cold War intersects with the new type of Cold War between the US and China. To answer this

question, two historical vectors must be considered. On the one hand, the US grand strategy of keeping the global political and economic space open and free of political obstacles to international capitalism and, where possible or convenient, to democratic regimes, did not stop with the end of the Cold War, but it has continued with even more energy ever since. From this viewpoint, there was no watershed in 1989 but a substantial continuum from the end of the Second World War until now (Panitch & Gindin, 2004). A target of this strategy has also been China, particularly since the Obama administration launched its *pivot to Asia* policy, but in a more sophisticated manner after the Biden administration was elected. On the other hand, China's choice to provide diplomatic support for Russia after its troops invaded Ukraine gave the impression that the two Eurasian powers are increasingly aligned in a bloc, and the rationale for this is the opposition to the West. This argument seemed to be confirmed one year into the Russia-Ukraine war by US Secretary of State Anthony Blinken, who told the US Senate Committee on Foreign Relations that “[t]he post-Cold War world is over, and there is an intense competition underway to determine what comes next” (Blinken, 2023, p. 1). More to the point, days before the start of the war in Ukraine, it was rightly noted that “[b]y cementing the split between Russia and Europe, a Russian invasion of Ukraine would thus risk dividing the most important powers into two blocs—Russia and China on one side and the US and Europe on the other—re-creating the Cold War security arrangements that China claims to vehemently oppose” (Blanchette & Lin, 2022).

A RETURN TO GEOPOLITICAL BLOCS

Fortress West and the Liberal Order 2.0

The Russian invasion of Ukraine and international reactions to it contributed to accelerating a trend towards the return of rival geopolitical blocs. The current world order is splitting into two increasingly defined blocs, in addition to a more fluid third bloc (Leoni & Tzinieris, 2024).¹ The first bloc is the so-called Global West. From a world-order perspective, the war has given the Biden administration more leverage over its allies to renegotiate

¹ For an account of the third bloc, see Leoni (2024) or Leoni & Tzinieris (2024).

diplomatic arrangements. Frustrated with the post-Second World War Liberal International Order in the same way that the Trump administration was, the Biden administration has, in a more sophisticated way compared to the previous one, sought to “update” (Biden’s own words) US alliances (White House, 2021). The US is adapting to an era of strategic competition. In light of this, the “essence” of the Biden administration’s foreign policy is “to lay a new foundation of American strength so that the country is best positioned to shape the new era” (Sullivan, 2023, pp. 10–11). Crucial to effectively achieving this objective is the role of alliances, “many of which...had to be updated...for the challenges of today” (Sullivan, 2023, p. 11).

This effort can be described as an attempt at creating a liberal order 2.0 (LIO 2.0), a more exclusive club compared to the post-Second World War LIO, based on a stricter umbrella of rules. The LIO 2.0’s principal aim is to exclude China from accessing sensitive parts of the Western economy and building military relationships with US allies. Meanwhile, the LIO 2.0 seeks to draw US allies more deeply into Washington’s sphere of influence. Indeed, such a development can be framed through the lens of what Kyle Lascurettes described as “order by exclusion”, that is, the making and remaking of order by dominant actors with the aim of “weakening, opposing, ostracising, and above all, excluding those entities they perceive as most threatening” (Lascurettes, 2020, pp. 36, 237). Biden’s foreign policy ultimately pursues this objective by leveraging the US’ relationships with Western democracies at a time of growing strategic rivalry with non-Western, autocratic countries (Crabtree, 2022, pp. 24–25).

The war in Ukraine, in this regard, has provided momentum for the US to pursue this strategy and exert pressure on its allies to choose on which side they stand. This has given the Biden administration greater leverage over allies, especially those within the G7. It is in this sense that National Security Advisor to Biden, Jake Sullivan, stated that in the recent past, the G7 “was struggling for any consensus”, yet “[t]oday, it is the steering committee of the free world” (Sullivan, 2023). While Washington’s international power and influence have clearly declined in the 21st century, as compellingly explained by David Miliband (2023), US influence within the core of the West is on the rise, as demonstrated by the ability of the US to ensure the support of European partners for Ukrainian forces. As Kotkin put it, “Nothing is more important than Western unity against both China and Russia. This is where

the Biden administration has taken an important step forward” (Kotkin, 2022, p. 76). This is a *Manichean* mentality, it was argued, as it divides the world into democracies and autocracies, and by doing so, it “erodes the possibility of fruitful diplomacy”, ultimately “reproduc[ing] the cold war logic” of blocs (Sakwa, 2023a, pp. 33, 35, 36).

A fragmented, Sino-centric “political East”

Yet, the US-led West has discovered that it is a smaller geographical entity and political construct than it had believed in the post-Cold War years. Different recent events—Donald Trump’s election, Russia’s invasion of Ukraine, and China turning more authoritarian—including the positioning of many non-Western countries concerning the war in Ukraine, “made clear that an LIO of hyperglobalism, rooted in economic openness but also political uniformity, would not encompass the globe” (Paikin, 2023, pp. 18–19).

The new geopolitical bloc taking shape in Eurasia rests, above all, on the constellation of shared strategic interests between China and Russia. The US has been concerned about Beijing and Moscow forming an anti-Western alliance for some time, well before the war in Ukraine (Carlson, 2016). Their “no limits” proclamation in February 2022 and China’s diplomatic support for Russia mean that that prospect has become a reality. They have also opposed further enlargement of NATO and criticised “the formation of closed bloc structures and opposing camps in the Asia-Pacific region” (President of Russia, 2022).

Sakwa sees these developments as the making of a “political East”, which, amidst a “second cold war”, pursues the establishment of a multipolar system whereby alternative political and financial institutions seek to undermine Western sanctions and the weaponisation of the dollar (Sakwa, 2023a, p. 34).

The Shanghai Cooperation Organisation is the bloc’s main diplomatic forum, even if India’s presence might weaken its geopolitical cohesion. China is the bloc leader and has promoted initiatives that provide competing visions for America’s unilateral designs (Ministry of Foreign Affairs of the People’s Republic of China, 2023; State Council Information Office of the People’s Republic of China, 2023).

An autocratic Eurasian bloc is also visible in the China-led *16+1* initiative. Most members are east of the former Iron Curtain, and some are now also

members of the European Union. It appears that China wants to instrumentalise this framework to reinforce the oligarchic elements of Central and Eastern European states and make them more susceptible to its state-led capitalism model (Hala, 2018). The bloc could also extend to the BRICS, the intergovernmental organisation of leading emerging economies founded by Brazil, Russia, India, China, and South Africa. However, the BRICS also overlap with the third bloc, that of the middle and rising powers, and it remains unclear to what extent this group can become a political alliance. Nonetheless, while Beijing and Moscow are prominent in this forum, several important economies, such as South Africa, have moved closer to them in recent years (The Economist, 2023). With more than 40 states having expressed interest in joining the BRICS, it could become the key intergovernmental framework of the Eurasian bloc while also tapping into the Global South (Ashby et al., 2023). An expanded BRICS could represent around 30% of global GDP and 43% of global oil production, profoundly impacting the balance of power. Most important, however, is the growing collaboration seen between Russia, North Korea, and Iran in the last year, which US commentators have dubbed the “axis of upheaval”, a label that includes China as well (Kendall-Taylor & Fontaine, 2024).

CONCLUDING REMARKS AND LESSONS

The return of global strategic competition across two vectors, the one between the US and China and the one between the West and Russia, poses important questions for those who care about the stability and durability of the international order. The first question is: how is it possible that only three decades after the end of the Cold War, when the *end of history* and a strategic pause in great power competition were announced, strategic competition is very much back in fashion? There are two aspects to be considered. Firstly, as this paper has alluded to, these announcements were driven by ideology rather than evidence, and with historical hindsight, one can now see that the victory of the West against the East was a tactical rather than a strategic victory. Such announcements, it must be said, were made by the (seemingly) victorious camp to quickly take over the geostrategic space of the losers and expand its influence. Secondly, the subsequent peace was not built under durable conditions. Failure to integrate Russia into the European security order and efforts to contain its influence laid the basis for a resurgence of

Russia's revanchist foreign policy (Jung, 2023, pp. 29–30). The second issue is that the West sought victory against one foe in 1989, and three decades later, it finds itself against two main foes. Does that require introspective reflection on how the international order has been managed since 1989? This assessment suggests that the West's strategic mistake has been informed by hopes for promoting and often enforcing a universally liberal international order, neglecting profound institutional and cultural differences between different macro-regions (Kissinger, 2014, p. 2). Some aspects of plural democracies, as dysfunctional as they might be, go towards the objective of human development and freedom. Western powers are right in sharing and promoting these values in multilateral diplomatic summits and similar initiatives and environments. At the same time, the fast unravelling of the post-Cold War international order suggests that the strategy of *enlargement* (Lake, 1993) initiated by the Clinton administration and continued by subsequent presidencies, except Trump's, has failed to see that the non-Western international order remains diverse and internally resilient, with polities such as those of Russia, China, Iran, and North Korea, among many others, having moved not an inch closer to the West and attempting to build regional spheres of influence.

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THE GLOBAL NORTH'S FINAL STAND: INTERPRETING GEOPOLITICS IN THE FIFTH DIMENSION OF STRATEGY

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Abstract: Academics and policymakers from the Global North (Western-centric United States unipolar order) and the Global South (non-Western-centric multipolar order) are increasingly in agreement with each other as events, trends, and processes in the 21st century develop, indicating that the Global North is in a state of relative hegemonic decline. There is debate about whether this relative decline can be slowed or halted, thereby giving the US the binary choice of either accepting and managing its decline or challenging it. The operational choices of tools and mechanisms to achieve this are the use of vicarious warfare and geopolitics in the fifth dimension of strategy. The goal is to try and obstruct the rise of the Global South by creating cognitive impediments for public, military, and political leadership. The Global North has become a messianic and zealous ideological actor that wishes to spread and replicate versions of itself. This paper examines the Congressional Research Service (CSR) reports dedicated to interpreting and representing China and Russia to define the problem and create solutions for weakening and containing the key actors of the Global South. The analysis results reveal a weak attempt to define others as a means of making objects out of subjects in international relations. However, this is done in a clumsy manner, directed towards maintaining the global hegemony of the US-led Global North. Despite that, the last stand of the Global North is unlikely to be successful in its intent and will likely succeed in gaining political conformity and consensus as a means of creating a sense of urgency and legitimacy for what is a self-destructive foreign policy that may, in fact, hasten the decline.

Keywords: realism, constructivism, geopolitics, Global North, Global South, obstructive foreign policy, informational geopolitics.

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INTRODUCTION

The Western-centric world has dominated international relations for approximately 500 years, but this situation is undergoing significant change as the 21st century progresses. The Western-centric United States-led unipolar (also known as the Global North) global order is a hegemon in relative decline. The global order experiencing relative ascendancy is the non-Western-centric multipolar (also known as the Global South) block. The Global North has chosen to contest its relative decline, which has unleashed an ever-expanding level of competition and conflict as the hegemon seeks to obstruct the rise of the Global South and preserve what is left of its hegemony. This last stand of the Global North has seen a large increase in the use of indirect and covert means of kinetic and non-kinetic warfare against all those countries that are seen as challenging or defying the US, with politics, information, and communication being used to support an undeclared war against the Global South (Chifu & Simons, 2023). Realpolitik has made a spectacular and overtly concentrated return to international relations.

Rather than acting separately, realism and constructivism interact with each other, supporting and combining their effects (Simons, 2023a) for the geopolitical goals of the actor in a role as a subject of international relations. Geopolitics is not only an academic tool for interpretation but also a practical tool and a tool for representation (Flint, 2017). Of the five dimensions of strategy, information and knowledge are the only intangible elements but can influence the effectiveness of the other four preceding dimensions. As a declining hegemonic power, the US seeks to obstruct the rise of the Global South by attempting to define actors and the environment (Simons, 2021). Informational geopolitics, or politics in the fifth dimension of strategy, has become an increasingly popular tool of US obstructive foreign policy. This paper examines and analyses how the language of the Congressional Research Service reports on China and Russia is used to try and shape a sense of urgency and legitimacy for a progressively aggressive use of informational geopolitics against the leading members of the rising Global South. How does the language of these reports denote a sense of urgency and legitimacy for the increasingly hostile and aggressive US foreign policy stance?

This paper begins with a section on understanding the relationship and interaction of realism and constructivism in geopolitics, with reference to defining and understanding the role and effects of the fifth dimension of

strategy. In the second section, the transforming global geopolitical order is described and contextualised. The method of this paper is the next topic described and motivated for the reader. This is followed by an analysis and interpretation of the Congressional Research reports from the 21st century on China and Russia in terms of the projected power relations between the actors, a sense of just righteousness, and the moral/ethical judgement rendered along with any proposed remedy.

STRATEGY IN THE FIFTH DIMENSION: WHERE REALISM AND CONSTRUCTIVISM MEET?

Realism is rooted in the idea that the core motivator of state behaviour is understood through its definition and conceptualisation of self-interest, defined in terms of the acquisition and accumulation of power and influence. This environmental perception creates the view of the world of international relations as an unstable and hazardous place, where the primary state concern is self-interest achieved by using power in defence of its security (Smith, Hadfield & Dunne, 2008, p. 396). Therefore, the use (and abuse) of hard power (military and/or economic coercion) is what ultimately counts. Realpolitik is the realist foreign policy line that solely focuses on the singular pursuit of national interest (Dunne, Kurki & Smith, 2007, p. 339). Realism is about wielding hard power to pursue and attain self-interest in the name of national interest, which entails influence through power. Policy actions implemented in the physical domain are conceived and rooted in the cognitive domain; it is the process of realising a (geo)political worldview within the constraints of a state's power projection capability and capacity in relation to other states.

However, the open exercise of raw power in the name of national interest will not be favourably viewed by other powers or even a domestic audience, even if it is a logical act within the lens of realism. The proposed policy course of action needs to be framed in such a manner that the course of action is deemed to be both justified and legitimate by key stakeholders (the public, allies, and so forth), as politics is driven by the ability to engineer the façade and perception of necessity and legitimacy (Buzan, Waever & de Wilde, 1998). Even if the proposed policy is lacking in both, the role of constructivism is to interact with and politically support actions intended to have outcomes rooted in realist thinking. In this instance, the information realm is used to

persuade and influence the cognitive realm of target audiences to enable and permit concrete actions to take place in the physical realm.

There are five dimensions of strategy, each representing a specific space or environment that can facilitate the spread of an actor's influence and power. As mankind's political organisation and technological development grew in capability and capacity, new spaces became available for projecting power and influence. These dimensions, in the order that they became available for "colonisation", are: 1) land; 2) water; 3) air; 4) space; and 5) information and knowledge (Lonsdale, 1999). Historically and contemporaneously, some powers have specialised in one or more of the mentioned dimensions of strategy. For example, powers such as China, Germany, India, and Russia have been more adept and able as continental powers (land). Other powers, such as Spain, Portugal, the Netherlands, and the United Kingdom, have specialised as maritime powers (water). Some powers have specialised in two dimensions, such as the United States, which is primarily a maritime and air power (and a land power in the Western Hemisphere). This gives rise to how actors contest or defend power in international relations in terms of defending self-interest or projecting their hard power capability and capacity (Simons, 2022; 2023).

Realism and constructivism provide a framework to enable the interpretation or representation of ideas being received or transmitted. Geopolitics is a useful theoretical lens to further deepen the understanding of the international relations environment through interpretation (to derive meaning) and representation (to define meaning). Flint gives an academic definition of it as "the struggle over the control of geographical entities within an international and global dimension and the use of such geographical entities for political advantage" (Flint, 2017, p. 36). Thus, the relationship and interaction between geography and politics are constrained by the variables of time and space. However, it is essential to note that geopolitics is both a practice (tangible actions) and a representation (intangible communications), where language is used to explain and justify the decisions and actions of the state (Flint, 2017, pp. 36-39). In a practical (policy maker and lawmaker) foreign policy sense, geopolitics concerns the regulation and management of the balance of power, threats, and opportunities to maximise national interest through mitigating sources of risk and harm and taking advantage of opportunities (Short, 2022). These aforementioned aspects inform and influence actors' reasoning and actions, especially in a transitioning or

rebalancing world order, creating the geostrategic imperatives and geostrategy to realise the defence of the hegemonic power or the challenge of the hegemonic power by defining the best approach that aligns geoeconomics and geopolitics in pursuit of national interest. This can include hegemonic powers' attempts to contain and isolate challengers through wedging or challengers' attempts to circumvent through strategic ambiguity and hedging (Klieman, 2015; Baykov & Shakleina, 2023; Jiang, 2023). However, not all the activity occurs tangibly in the physical realm.

Intangible means can be used in the information realm to shape and influence the cognitive realm's worldview, interpretations, and evaluations, which can be a backdoor to influencing activity and effects in the physical realm. Geopolitics, in the fifth dimension of strategy (informational geopolitics), is about defining and shaping perceptions of the physical realm in which political contestation or conflict physically and/or psychologically takes place. This concerns the goal of attempting to manufacture perceptions and opinions to engineer consent and/or conformity to the intent of the initiator of the information operations and influence activity (Snow & Taylor, 2006; MacLeod, 2019; Zollmann, 2023). It includes an element of psychological warfare whose intent is to (preferably) covertly or indirectly affect the thinking and actions of the targeted audience(s), and this can occur as a kinetic or an ever more deceptive and manipulative form of non-kinetic warfare (Linebarger, 2009; Hanson, Grissom & Mouton, 2024; Hayward, 2024). The communications from the experience of the Zionist insurgency to the British mandate in Palestine, if they are to stand a chance of persuading the audience and gaining influence, require the message to be compelling and have an implied connection and consequence for the audience (Tavin & Alexander, 1982). There also needs to be a specific trend or process underway in international relations that requires assistance or resistance depending on the self-interest of the parties involved, where informational geopolitics provides a supportive role to the geostrategic imperative of the hegemon or the challenger in their contest for power and national interest.

TRANSFORMING GLOBAL GEOPOLITICAL ORDER: CAUSES AND CONSEQUENCES

As the 21st century progresses, the relatively declining hegemonic Global North, which is the Western-centric United States-led unipolar order (otherwise known as the “rules-based order”), has come under increasing pressure and strain. Kissinger noted the increasing divergent global perspectives and interpretations of people, places, events, trends, and processes in international relations that were rooted in the past as well as being in the present. Furthermore, it was noted that every international order, at some stage, will be confronted with the impact of two tendencies that challenge its existence. The first tendency is “a redefinition of legitimacy or a significant shift in the balance of power”. This occurs when there is a fundamental realigning of the underlying values of international arrangements (Kissinger, 2015, pp. 365-366). A second tendency occurs when the order is unable or unwilling to adapt to a major shift in power relations (Kissinger, 2015, p. 366). Navigating these tendencies requires arriving at a sage balance between the use of power and the accumulation of legitimacy.

The US is generally and increasingly understood as a hegemon in relative decline, owing to internal and external factors driving the decline (Brooks & Wohlforth, 2016; Cooley & Nexon, 2020; Rapanyane, 2021). There are some outlying and minority views that do not characterise the current global changes in the international system as being symptomatic of US decline but rather as competition between the Global West and the Global East that will unlikely change the structure of power and influence (Ikenberry, 2024). Divergence and differing opinions exist in terms of evaluating whether this decline is irreversible or ultimately terminal. Brooks and Wohlforth characterise the US as an indispensable power in decline. Yet, with the necessary hard reforms, the decline can be halted (Brooks & Wohlforth, 2016). However, this requires political will and a clear and rational overview of the situation. On the other hand, Cooley and Nexon argue that the hegemony cannot be salvaged. Instead, the US must plan and manage its decline to ensure some stability in the process by avoiding extreme shocks and effects (Cooley & Nexon, 2020).

The Global South, as the new rising multipolar order, seeks to mitigate against the probable and disruptive influence of the US-led Global North in obstructing this rise to ensure the preservation of their remaining hegemony

(no matter the cost to foe or friend, for example, see Mahnken, 2024) through such policies as strategic ambiguity and hedging. This includes remaking the US-controlled global structures and re-globalising with their own, such as the expansion of the BRICS and de-dollarsation (Özekin & Sune, 2023; Simons, 2024). The Global South is being assisted by the legitimacy crisis of the Global North, not to mention the other crises (political, economic, social, military, and so forth) (Karataşlı, 2023), where the Global South attempts to offer a more just and reciprocal form of interaction that is pragmatic and interest-based as opposed to the zealous and messianic ideological approach of the Global North that creates objects rather than subjects of international relations.

Method

This paper shall employ a qualitative method to interpret the data collected as a means of deriving an indicative result on the nature and intent of the US in using language in official documents to reveal how the fifth dimension of strategy (informational geopolitics) is operationalised politically for foreign policy purposes. There are several advantages to using a qualitative approach, as it seeks understanding by providing context to the described phenomena, being able to interpret meanings or processes, and making use of theoretically based concepts (Silverman, 2020, p. 6). It is achieved through the assumed characteristics of qualitative research, which include the use of words and the concentration of meanings that induce an interpreted conclusion from the data (Silverman, 2020, p. 7). As such, a method is required to derive meaning from texts.

Critical Discourse Analysis (CDA) is chosen for this purpose. CDA “is a form of discourse analysis that focuses on the ideological effects of texts and is particularly concerned with themes like power, gender, race, and class” (Silverman, 2020, p. 492). Fairclough states that discourse is the use of any type of language, whether it is text or speech, that communicates an idea to an audience (Fairclough, 1989). Discourse can reveal assumptions embedded in documents such as ideology, power, and hegemony that make use of a socio-cognitive approach to analysing selected texts (van Dijk, 1988; Ivana & Suprayogi, 2020). CDA is an interdisciplinary approach applied to the study of discourse, where language is perceived as a form of social practice that concentrates on the (re)produced meanings of social and (geo)political

dominance (Priatmoko & Cahyono, 2013). The official discourse was sought for the two leading (in terms of state capability and capacity) members of the Global South, which, in terms of US geopolitical thinking reflected in foreign policy advice and proposals, would be reflected in the texts.

A highly likely and credible source for officially advising and influencing US foreign policy priorities and imperatives in clear and publicly available discourse are the reports produced by the United States Congressional Research Service (CRS). Texts were selected based on the following key attributes: power, hegemony, ideology, and possible policy “solutions”. The time frame of the reports extends from the year 2014 (after the 2011 Asia Pivot against China and during the coup against Russia in Ukraine) until the present time. An increasingly open and hostile discourse on containing and weakening China and Russia emerged in that period. The search terms “China” and “Russia” were applied to the search engine of the CRS website and yielded 33 China results and 32 Russia results related to the topic of foreign affairs. In all, 65 texts were selected (please see Table One below) based on the aspects of relevance listed above in this section.

**Table One: Congressional Research Reports on China and Russia:
Publications By Year**

Year	Number of Reports: China + Russia
2014	1 + 2
2015	5 + 2
2016	2 + 2
2017	2 + 3
2018	1 + 0
2019	3 + 0
2020	5 + 3
2021	5 + 7
2022	2 + 5
2023	5 + 7
2024	2 + 1
Total	33 + 32 = 65

US Obstructive Foreign Policy and Vicarious Warfare Against the Global South

Geography and politics, especially when mixed with an elitist determinism of an “imminent” or “inevitable” fate for a national vision/idea, can prove to be a dangerous and volatile geopolitical cocktail that manufactures increased competition and conflict (Pickering, 2017, pp. 7-13). In their conceptualisation and operationalisation, wars are not equal and vary from kinetic (physical) warfare to non-kinetic warfare (informational-psychological), which can occur in separation or concert with each other. Non-kinetic warfare is intended to support the politics and goals of kinetic warfare (before, during, and after). The US engages increasingly in a vicarious form of warfare for tactical advantages, which is characterised by key operational tasks assigned to proxies, a limited form of self-exposure often limited to “special forces”, and other forms of covert instruments of kinetic and non-kinetic warfare, where key strategic decisions are made with minimal scrutiny or public scrutiny (Waldman, 2021). It should be mentioned at this stage that the use of informational geopolitics is not being wielded directly against either China or Russia. Rather, it is being employed against policymakers in Congress as a means of engineering conformity and the implied political consensus. This is done by using the information realm to shape their cognitive realm by stressing the urgency and legitimacy of the US defence of its global hegemony. This section uses chronological order and starts with the oldest materials from 2014, with sub-sections on texts concerning China and then, after that, on Russia.

China

The first CRS report to be examined in the China category was published on April 30, 2014. It concerns the comparison of green energy programmes and policies in China and the US (Campbell, 2014). There is an attempt to stress in the discourse of the text that China is leading the US in terms of having a more comprehensive and consistent national policy in place. This is put into the context of having the potential to give China a competitive advantage in geoeconomics, geopolitics, and global reputation (legitimacy) over the US. The advantages for both sides, in terms of the stakes of global power and influence, are laid out. “However, for both countries, the reasons for increasing the use of renewable energy are diverse and include energy

security, energy independence, cleaner air, and more recently, anthropogenic climate change, sustainability, and economic development” (Campbell, 2014, pp. 2-3). Other CRS reports discuss the issue of different means and avenues of waging a campaign of economic warfare on China, weighing the pros and cons of this form of defensive yet volatile and unpredictable geoeconomic programme in support of the geopolitical objective of hegemonic maintenance (Rennack, 2016; Morrison, 2019; Schwarzenberg, 2020; Sutter, 2021). This is about increasing state capability and capacity in projecting power and influence as an avenue to attaining self-interest aims and objectives at the expense of the opponent, which is, in this case, the US attempt to maintain global hegemony and obstruct China’s global rise, viewed as a direct challenge and a threat to the “indispensable nation”. Economic warfare, as an instrument of foreign policy, can be used directly against an opponent or against an independent subject of international relations to render them a dependent object.

Dolven, Manyin, and Kan take up the issue of maritime disputes in East Asia, primarily directed against China, and the question of how to obstruct and contain them in the second dimension of strategy using the fifth dimension of strategy (Dolven, Manyin & Kan, 2014). At the heart of it, they concern realism, where the US, as a relatively declining hegemonic power, based on self-interest, seeks to obstruct and contain China as a relatively rising power characterised as a challenger to US hegemony. Hence, the discourse revolves around the ideas of the urgent need to contain China using the US hard power strength of maritime power projection, but supporting this geopolitical objective in the physical realm is the discourse of representation in the information realm. Rinehart, Hildreth, and Lawrence discuss the issue of creating and expanding US missiles, including anti-ballistic missile defence systems across the Indo-Pacific region, projected as being necessary and urgent against the usual representational “bad guys” of China, North Korea, and Russia (Rinehart, Hilderth & Lawrence, 2015). Further reports that bring up suggestions on engineering new “values” (Martin, 2015; Lum & Weber, 2021) or “legal” (Yeh, 2016; Lawrence & Martin, 2020), “diplomatic” (Lawrence, 2015; Lum, 2016), or “military” (Nikitin, 2016; Campbell, 2021) rules (rather than laws) that favour US interests, power, and influence are apparent in the transactional relative power discourse of the texts. This, superficially, seems to be a defensive posture. However, the result is potentially changing the balance of power in the region, which stacks against

the interests and security of the Global South in favour of the US. China is represented as a nefarious and aggressive power that will harm the US self-interest and the US as part of the so-called Rules-Based Order, the peaceful and lawful upholder of the interests and well-being of the collective West.

There is also an evident track of expanding the number and level of control of vassal and client states that could be groomed into becoming “willing” objects of US geopolitical ambition (the retention of hegemony) and working for US interests while neglecting their own. This can be referred to as the process of “Ukrainianization”, where a subject becomes an object of another power just to be used as a pawn against an opponent/competitor of the manipulative power. The textual discourse of Lum and Dolven outlines an attempt to justify, persuade, and instrumentalise the Philippines by representing China as a threat to their interests and security under the guise of offering assistance and protection to the country as a means of reducing its level of independence as a subject of events (Lum & Dolven, 2014). In a similar vein, Manyin attempts to project common Vietnamese and US interests in an anti-Chinese coalition that could be supported by ensuring a greater level of dependency on the US for “assistance” and “aid”, as well as the process of self-indulgently lecturing Vietnam on various Western values and norms such as human rights and democracy that would likely lead to a greater level of obedience and adherence to the geostrategic imperatives of the US (Manyin, 2014). A report on the current state of relations with Pakistan stresses many years and dollars’ worth of US “aid”, for which Pakistan should be grateful and compliant. That hints at a vassal-state relationship. Yet the US also stresses the role of China and the China-Pakistan Economic Corridor, depicted as being directed at obstructing India’s regional ambitions. The US also stresses that it can “protect” this country in a client-state relationship by making it a “protected” state, but one fully obedient to Washington DC’s dictates and interests (Kronstadt, 2015). These scenarios play out in subsequent CRS reports on Thailand (Chanlett-Avery, Dolven & Mackey, 2015), Vietnam (Martin, 2016), Malaysia (Vaughn, 2017), India (Kronstadt & Akhtar, 2017; Kronstadt, 2019), Taiwan (Lawrence & Morrison, 2017), Japan (Chanlett-Avery & Campbell, 2019), China (Lawrence et al., 2019; O’Rourke, 2024), North Korea (Chanlett-Avery et al., 2018), Myanmar/Burma (Martin, 2019), Cambodia (Lum, 2020), Philippines (Lum, Dolven & Arabia, 2022), Pakistan (Kronstadt, 2023), and Central Asia (Blackwood, 2021). The US sees the relations of various Asian states with China as a potential threat that

requires coercive diplomacy and wedging to obstruct China's interests, power, and influence, and as a potential means of containment.

The weaponisation of norms and values is a means of coercing internal political conformity. From it, a consensus is proclaimed as a means of signalling political importance and legitimacy among lawmakers. It is also simultaneously a means of trying to obstruct the policies and operational choices of other countries by generating a cognitive fear as to what the "international community" (i.e., the US-led rules-based order) may think and do to the brand and reputational security of the targeted country. Numerous CRS reports engage in textual discourse on the highly subjective judgemental topic of the invocation and perception of norms and values, which are applied to subjects rather than objects of international relations. This is used to represent self (US) in relation to others within the framework of an artificial and subjective projection of US idealism and exceptionalism relative to the "imperfection" of other "inferior" forms of civilisation and governance, thereby attempting to project the impression of a civilisational role of the US for global good rather than the reality of a selfish and destructive role in the interests of continued US hegemony.

The US places a great deal of attention and effort on its obstructive foreign policy around geo-socialisation, which is the interaction and effects of politics and geography on culture and identity that result in the quality of relations between civilisations, cultures, and ideologies (Simons, 2023b). The US has also consistently instrumentalised and weaponised values and norms as a means of restraining and containing the political and operational choices made by countries in the international system. These are intended to place undue cognitive stress and dilemmas upon the targeted country's elite, the effectiveness of which is dependent on the target having any value in what the attacker thinks or says. Among the most popular choices are the vague and fuzzy concepts of "human rights" or "democracy" that are very broadly and openly interpreted and yet, at the same time, potentially signal political virtue. Furthermore, there is no coincidence in the nature and timing of such attacks intended to engineer perception and consent. Thereby, they create the façade of an extraordinary situation that requires a political solution, which is offered by the US at the potential expense of the interests and independence of the victim.

Russia

Russia, like China, has historically been primarily a continental power (land power), using it as the primary means of asserting its national interests by projecting power and influence to solve or mitigate weaknesses and threats encountered in international relations. After the political transition of power from Yeltsin to Putin, there was a much more concerted and effective effort to assert self-interest that transformed the foreign policy direction to a more independent status as a subject and not the object of the Global North. Russia is proving to be a significant US challenge in Europe, the Middle East, Central Asia, and, increasingly, in Africa. As such, US efforts have moved from efforts to assimilate an object into the unipolar order to increasingly (and desperately) attempting to contain and weaken it through vicarious warfare, coercive/deceptive diplomacy, and economic warfare. This subsection will cover specific aspects and topics in the CRS reports, beginning with economic warfare, then moving to the attempted manipulation of the underlying rules of the international order (diplomatic, legal, military, and values) as a means to obstruct Russia, and finally conducting an examination of attempts to wedge against Russia by projecting influence and power and turning Russia's neighbours and partners into their system of vassal and client states.

Part and parcel of the US's attempts to relativise its brand and reputation with "others" (enemy or competitor states) is to obstructively market countries such as China and Russia as unscrupulous and nefarious international actors, using faulty and deceptive deductive reasoning that the US is the global policeman and a force for good. This relies on the policy of using the golden rule of propaganda, the lie by omission. For example, "The Chinese and Russian governments have been particularly active and persistent perpetrators of economic espionage with respect to US trade secrets and proprietary information" (Yeh, 2016, p. 2). Hence, there is an absolute omission of such endemic global spying programmes as ECHELON and PRISM when the US attempts to represent itself as a victim and the leading challenger of their hegemony, denoting Russia and China as the perpetrators violating the "norms" of the rules-based order. This is a first step towards establishing an orthodoxy of knowledge of a simple and falsely constructed reality discourse of "good" and "bad" in order to institute a sense of political urgency and legitimacy for something that should be done to protect the "victim" who is, in fact, the perpetrator. One of the primary means

of obstructive foreign policy and coercive diplomacy is the use of economic warfare, which has the false perception of being a “safe” and “effective” means of non-kinetic warfare, a form of weapon with highly destructive effects on the target and safe for the user that fulfils the assumed political demand for urgent and “legitimate” action. This is seen in the discourse of the reports covering the issue of waging economic warfare through sanctions against Russia. However, there is some limited awareness of risk in terms of the fate and effects on US economic interests in Russia (Nelson, 2017; Welt et al., 2022). No matter how little the effect, the activity and the delusion of effect seem to be more important as a means of maintaining political conformity and consensus on the Russian sanctions issue.

Sanctions are a central element of US policy to deter, alter, and counter malign Russian activities. The United States maintains sanctions on Russia in part to reverse the Russian aggression in Ukraine and to deter the Russian aggression against other countries. Many Members of Congress support the robust use of sanctions amid concerns about Russia’s international intentions and actions (Welt, 2024, p. 2).

This demonstrates that the façade of political action from deceptive and manipulative discourse in official documentation, combined with the declining intellectual capability and capacity of Western lawmakers, leaves little room for an objective evaluation of effects and the lack of innovation or imagination in foreign policy choices. There are sustained and determined US efforts in the sphere of communication management to define Russia. Defining an object permits the definer to impose a reactive and defensive posture on the target and characterise the object of events as a country’s brand and reputation in opposition to the projected values and norms of the US. The usual assertions and accusations are made concerning a “deficit” of “democracy” and a lack of the rules-based order’s values and norms, where NGOs and diplomatic assets of the West (Welt, 2017) are employed in guerilla diplomacy as a path to regime change. The various means of operationalising legal, diplomatic, economic, value-based, and political means to destabilise Russia and achieve regime change are recurring themes and dilemmas for the US. Welt and Nelson (2020) and Bowen and Welt (2021) dwell on and ponder the various weaknesses and threats in domestic factors and Black Swan events, such as the COVID-19 pandemic. These could be exploited for

this purpose via Russian public perception and opinion. It is seemingly an exercise in significant frustration for them.

The US has proven to be a notoriously consistent international actor that displays an ever-increasing distance between what it says and what it does. This is grounded in the self-belief of its own superiority over other powers but also in the desire to create constraints and restraints on other powers' ability to accumulate power and influence and, therefore, better assert their national interests. It is a question of doing what they say rather than doing what they do, hence the violation of numerous international arms control agreements. For example, the issue of restricting nuclear weapons with Russia. This is seen in the dilemma of expediency as to how to reduce nuclear weapons, bilaterally or unilaterally, owing to the lack of Congressional desire to reduce its nuclear arsenal vis à vis Russia (Woolf, 2014). There was a clear lack of political consensus between the executive and legislative branches of the US government. There are also attempts to interfere with the Russian global arms trade, which is narrated as a means of limiting Russia's influence and as a form of economic warfare. "Some Members of Congress have expressed concern that Russian arms sales support aggressive and malign Russian activity, foster conflicts and regional insecurity, and compete with U.S. arms sales" (Bowen, 2021, p. 2). Thus, discursive justification features a false binary opposing subjective ethical judgement of reality involving good (US) versus evil (Russia) when it concerns national interests, power, and influence.

One of the main psychological weapons used by the US in political warfare is the operationalisation and use of fear. Fear is exploitable when an audience believes that there is an environmental threat, such as the Russian "invasion". However, they must also believe that this threat can happen to them personally before an emotional herd mentality is created. The herd seeks cognitive relief from the psychological pressure of that threat and is willing to do anything to achieve it, even if self-interest is ignored and greater risks and threats are incurred.

NATO has strongly condemned Russian actions in Ukraine and has taken steps aimed both at reassuring allies and partners in Central and Eastern Europe and at deterring further Russian aggression. These include demonstrations of support for Ukraine and its territorial integrity, actions demonstrating NATO's commitment to defend Central and Eastern European allies, and measures aimed at rebuking Russia (Belkin et al., 2014, p. 2).

This is an operational strategy that intends to make use of an emotional state of fear created by deceptive and manipulative US foreign policy through a mixture of kinetic and non-kinetic warfare, whereby countries “voluntarily” seek to become a vassal or client state of the US for “protection” and become objects of international relations as a result. The logic behind these moves is clear in another CRS report: “As the United States and Europe face a changing geopolitical environment, some observers assert that the global influence of the Euro-Atlantic partnership is in decline. In addition, the Obama Administration’s announced intention of “re-balancing” US foreign policy towards Asia has caused some anxiety among Europeans” (Mix, 2015, p. 3). Of course, the Europeans are unlikely to assert themselves, given that they are objects and not subjects of the geopolitical game, and they feel obliged to obey US dictates and imperatives. In an Orwellian fashion, specific budgets are discussed in terms of how to “fight” “Russian aggression and pressure” (Epstein, Lawson & Tierksy, 2016), while ignoring the basic fact that US aggression and pressure on subjects of international relations creates an opposite and equal reaction as a means of asserting self-interest and security against US subversion and interference. This tactic is frequently seen in how the US tries to project its relative relations with Central and East European countries and former parts of the Soviet Union that have a long and complicated historical relationship with Russia, such as Poland (Mix, 2016), Ukraine (Morelli, 2017), Central Asia (Blackwood, 2021), and Uzbekistan (Blackwood, 2023), among others.

There is also ample evidence of US attempts to wedge countries from their relations with Russia (and China) as a mechanism to obstruct the rise of blocks of powers that are resilient and can challenge US meddling. One such example is Mongolia, which seeks to implement a balanced and multipolar foreign policy. However, the US acknowledges the presence of valuable minerals there and the need to wage political warfare on the ability of the country to maintain its foreign policy stance via the usual subversive value/norm warfare (“democracy”, “transparency”, and “values”) (Lawrence, 2014). Serbia (Morelli & Garding, 2018) provides one more equivalent example of the attempted wedging of relations between countries favourably predisposed towards collaboration and cooperation with Russia. India is another key target of the US wedging strategy, given its place of prominence in the Global South and geostrategic potential for being “Ukrainianised” against China, especially, but also against Russia economically (Kronstadt,

2022). There are other attempts, albeit clumsy ones, at attempting to influence the Global South in an anti-Russian posture by creating a false or misleading causal link between the hardships of people in the Middle East and North Africa (MENA) and the ongoing war in Ukraine (Blanchard et al., 2023). This represents a deeply misguided and desperate attempt to try and claw back the rapidly declining power and influence of the US in the MENA (and other) region. Iran (Thomas, 2024) and Turkey (Zanotti & Thomas, 2024) are other countries that came under analysis in terms of how to wedge them from China and/or Russia (and the Global South) and to condemn Iran and Turkey for various value- and norm-based “violations” imposed by the rules-based order.

CONCLUSION

In the introduction, the following question was posed: How does the language of these reports denote a sense of urgency and legitimacy for the increasingly hostile and aggressive US foreign policy stance? The fifth dimension of strategy (information and knowledge) can be operationalised to facilitate or obstruct the effectiveness of the preceding four dimensions of strategy (land, water, air, and space). It is an intangible asset but can affect perceptions and reactions to tangible spaces by using representations from the information realm to shape the evaluations and reactions of audiences to people, places, and events in the physical realm. From the content and conclusions of this present paper, geopolitics in the fifth dimension of strategy/informational geopolitics concerns the engineering of perceptions, actions, and consent of an audience on (geo)political policy (namely foreign and security policy) through cognitive manipulation and deceit as a route to accumulating a sense of urgency and legitimacy in the target audience. It has the added goal of facilitating influence and power in the pursuit of self-interest while simultaneously trying to obstruct the same for others. All of this is revealed in the textual discourse of the examined CRS reports, demonstrating an attempt to represent oneself in a (geo)politically symbolic identity and culture that has the intention of being the glue that holds the “us” group together through projected common values, norms, and goals. It is also a signal to outside groups about what to expect from the US in terms of its foreign policy identity posture, which concerns the goal of maintaining global

hegemony that is to be (attempted) upheld through the application of Brzezinski's geostrategic imperatives.

In terms of the textual discourse of the analysed and interpreted CRS reports, there was a clearly understood attempt to represent the US intentions as those of a global good to actors within the contemporary system of international relations. In other words, the US, as a benevolent power, works as a force for good in an otherwise chaotic and dangerous system of interactions in global foreign policy. This is seemingly intended to serve as a means for cultivating political consensus and a façade of legitimacy for foreign policy actions. A contradiction is observed between the actual intent and foreign policy actions intended to serve the US's self-interest by ensuring that Brzezinski's geostrategic imperatives are adhered to. Those geostrategic imperatives concern the pursuit of US global hegemony, though moderated for a relative rather than an absolute configuration, given the relative decline in the capability and capacity of the US state to project power. Of course, US global hegemony comes at the expense of the interests and security of friends and foes alike. As Kissinger once noted, the US has no permanent allies or enemies, only permanent interests. Its interests are focused on the maintenance of its empire for rational (access to resources and wealth) and emotional (hubris and prestige, for example, an indispensable power, beacon of light on the hill, world's policeman, etc.) reasons. This is an exercise in influencing the executive and legislative branches of the US government to engineer conformity as the means for a projected political consensus by the representation of self, including the "ordained" global mission and how to confront risks and threats emanating from other international actors. However, this is done in an era of marked decline in state power, influence, capability, and capacity. The increasingly desperate, arrogant, and misguided attempts are likely to further accelerate the rise of the Global South and the decline of the Global North because actors seek to remain subjects and not geopolitical objects of the US.

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US vs. CHINA: A BATTLE FOR THE 21st CENTURY

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Abstract: The continuous deterioration of relations between the US and China is taking on increasingly dramatic forms. The introduction of various trade and financial restrictions led to a decline in mutual trust and caused a whole series of political disagreements. From a structural realism perspective, the current and future deterioration of these relations does not come as a surprise. The establishment of a new balance of power in international relations does not occur through cooperation but through confrontation. This paper examines the question of the further dynamics of that confrontation as well as its consequences for international security. The paper consists of three parts. The first part describes the ongoing deterioration of US-China relations. The second part is dedicated to the concept of the balance of power and the specific case study to which this concept refers, and the third part analyses the dynamics and consequences of the confrontation between the US and China. The assumption being proven is that the confrontation will continue with unabated intensity and that this is a consequence of the character of international relations that take place in an anarchic environment. The theoretical framework is based on structural realism, and the methodological framework is based on the methods of descriptive analysis and case study. The time frame is limited to the period from the second decade of the 21st century onwards.

Keywords: China, US, confrontation, balance of power, international security.

THE DETERIORATION OF RELATIONS AND THE US-CHINA TRADE WAR

Secretary General of NATO, Jens Stoltenberg, at a lecture at the “Heritage Foundation” in January 2024, stated: “China is clearly the biggest challenge

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we face. China is getting closer to us. We see them in Africa, we see them in the Arctic, and we see them trying to control our critical infrastructure. The idea that we apostrophise Russia while not paying attention to China or vice versa is senseless” (Stoltenberg, 2024). He also mentioned a parallel between today’s events in Ukraine and the similar development of the situation in Taiwan in the future. From NATO’s point of view, China is aggressive; it is expanding the geographical scope of its presence. China is in Africa, China is in the Arctic, and China is even in the Middle East. In all this, NATO is innocent. NATO is only a defence alliance that is increasingly concerned about global security. Of course, the Chinese view of current international relations and the historical events that created such international relations are quite different.

Over the decades, Chinese-African cooperation has expanded and intensified; it has acquired completely new elements. Today, China is, by far, the largest investor in Africa and the most important foreign trade partner for 38 of the 54 African countries (Zhao, 2015). China is becoming present in the Arctic thanks to the strategic agreement with Russia, which was concluded for the development of the Northern Sea Route (Wegge, 2014, pp. 84-91). A new route in maritime trade, shorter than usual, represents a huge potential for global development. The infrastructure is being built as part of the implementation of the Belt and Road Initiative, a project the world has not seen since the Marshall Plan.

At the same time, the American arming of Taiwan, which has been going on for decades, the wars on the Chinese borders with Korea and Vietnam, the military presence in Japan, the establishment of SEATO, right up to the creation of the latest QUAD format, are not evidence of the defensiveness of the collective West. On the contrary (Gallagher, 2022, pp. 3-8; Rorvik, 2020; Heydarian, 2019; Madan, 2022, pp. 50-54), the US has never left China’s neighbourhood. With its allies and vassals, it has persistently and patiently implemented the geopolitical idea of limiting China for more than half a century. Moreover, there were unsuccessful attempts to provoke internal crises in mainland China, from Hong Kong to Xinjiang and Tibet.

From China’s point of view, the US is everywhere, and for that, it uses numerous international platforms and military-political alliances, the most important of which is NATO (Schuman, Fulton & Gering, 2023). Different perceptions have contributed to the dramatic deterioration of relations between the US and China, just as the continuous deterioration has caused

the described perceptions to be entrenched and further developed. It is most often stated that in this context, Donald Trump's victory in the US presidential elections in 2016 was a turning point (Tao, 2017). Since then, without any dilemma, one can really follow and analyse the rapid deterioration of bilateral relations between the two great powers. However, as will be explained in the second part of this paper, bearing in mind the character of international relations, the deterioration of American-Chinese relations was inevitable. The only unpredictable thing was to what extent relations would deteriorate and how that would manifest.

Generally, the deterioration of relations is manifested in several different areas. First, on the political level, there are numerous tensions linked to the geopolitical interests of both sides. Political tensions are the reason for the permanent mutual mistrust that existed also while bilateral relations were being developed. Of course, in those historical stages (the last decade of the 20th century and the first decade of the 21st century), trust was "shallow" and not openly discussed by high officials. Nevertheless, the US has continuously warned about the lack of human rights and freedoms in China (Cooper & Yitan, 2006). On the other hand, the US attitude towards Taiwan, which over time became and remained one of the most militarised areas in the world, was not acceptable to China. With the deterioration of relations, mistrust was getting "deeper", so officials began to speak more and more openly about numerous political disagreements. The US reacted harshly during the protests in Hong Kong (which were qualified by Washington as repression against democratic activists), focusing on the issue of the rights and freedoms of the Uyghur minority in Xinjiang (Roberts, 2021, pp. 140-235). It created a narrative of how a "genocide" taking place in Xinjiang was an organised activity, and all leading Western media played a role in that (Maizland, 2022). China's performance is based on the thesis of the end of American hegemony, thus igniting anti-American sentiment in different parts of the world.

The dynamic growth of the Chinese economy has also caused an increasing volume of Chinese investments abroad (Tuman & Shirali, 2017, pp. 155-162). China's economic presence has expanded at lightning speed in various world macro-regions during the last two decades. Hungry for energy sources, critical raw materials, and markets where it can market its products, the Chinese economy concentrated first on the immediate environment

(Southeast and Central Asia), then on the Indo-Pacific region and Africa, and finally on Europe and Latin America (Scobell et al., 2020).

Moreover, unlike the American approach, Chinese initiatives to expand bilateral economic relations did not include an ideological component. Insisting on values, American institutions (and, after them, EU structures) often conditioned cooperation with others on the acceptance of the Western (neoliberal) ideological pattern. Thus, by acquiring the status of an undisputed arbiter who could judge what is democratic and what is undemocratic, the US expanded its political influence and created a framework for the installation of desirable political elites who would uncritically accept the ideological patterns of the collective West. Chinese influence is spreading at lightning speed because economic and even political bilateral cooperation is not conditioned in such a way. Investments and technologies flow from China to other parts of the world without ideological or political restrictions.

Therefore, on the one hand, due to technological development and the conquest of the market for sophisticated products, the Chinese economy is becoming increasingly competitive with the American one. On the other hand, due to a different political approach, Chinese investors and financial institutions are expanding the geographical range of their influence to unprecedented proportions. China is emerging as an alternative on a global scale, and the US backlash was inevitable (Economy, 2024, pp. 8-22). It was necessary both to slow down China's technological development and to narrow the geographical scope of the expansion of Chinese influence.

What is today referred to as the US-China trade war (actually, it would be more accurate to say US vs. China) in journalism and/or academic work began in 2018 with the introduction of tariffs on Chinese steel and aluminium. The Trump administration decided to take that step, referring to the principle of ensuring national security. However, it should be remembered that Donald Trump spoke of deindustrialisation (which also refers to the production of steel and aluminium) of the American economy two years earlier during the election campaign, promising major changes in this regard.

The expected Chinese reciprocal measures were perceived in Washington as retaliation, which was already a political challenge for the unstable Trump administration, facing numerous problems on the domestic front. Washington's further measures included the introduction of new tariffs on hundreds of billions of dollars worth of Chinese goods sold in the US market,

arguing that Chinese manufacturers were resorting to intellectual property theft and unfair trade practices. Also, restrictions on technology transfer and future cooperation in this area have been introduced (Kwan, 2020, pp. 55-69). In this context, the Trump administration openly pressured other countries (including European ones) to abandon their intentions to build 5G networks in partnership with Chinese distributors, which was directly aimed at Huawei and ZTE.

China responded again with its own tariffs on US goods, leading to an escalation (Liu, 2020). The negative effects of these measures and countermeasures produced global implications that were reflected in increasing prices of various products and services, increasing production costs, reducing purchasing power, and disrupting supply chains. Trying to control the crisis, the US and China signed an agreement in early 2020 that concerned the normalisation of trade relations, the resolution of intellectual property issues, and China's obligation to buy more American products. However, the planned subsequent phases of the implementation of the provisions of this agreement were not realised, and the attempt to control the crisis remained unsuccessful.

As a result, from the commercial level, the disruption of relations moved to the geopolitical level. The trade war arose as a result of a change in the balance of power in the global economy and world politics. However, it soon became an accelerator of frontal confrontation between the US and China in other fields.

ESTABLISHING THE BALANCE OF POWER AS A GENERATOR OF THE FUTURE CRISIS

The conclusion that the disruption of bilateral relations between the US and China was inevitable can be drawn by relying on the theoretical framework of structural realism. Among other things, Kenneth Waltz established through this concept that the actors in international relations tend to create a balance of forces in international relations. In this way, states, as key actors, try to ensure their own survival through greater autonomy in decision-making and by expanding their influence on other actors (Waltz, 1979, pp. 95–104).

International relations are anarchic; that is their key characteristic. The anarchy of the world political system causes constant disruptions of relations between actors since, due to the absence of central authorities, a clear hierarchy, and formally regulated relations of superiority and subordination, states must look for ways to ensure their own existence. They do this by applying the principle of self-help, that is, by relying on available resources, thanks to which they can defend their position and realise defined interests. The world political system “emerges from the coexistence of states, although no state intended to participate in the formation of a structure that would have a limiting effect on themselves. The system is formed and maintained by the principle of self-help applied to the actors” (Waltz, 1979, p. 92). Anarchy represents the principle of organising a system through which power is distributed between the great powers. Constant new distributions of power in the international system, which arise due to the application of the self-help system, lead to the appearance of functional similarity between the units of the system. That is why the principle of action of the actors remained the same despite different circumstances at different historical stages.

When it comes to the great powers, the most important actors in the world’s political system, they want to overcome the unwanted effects of anarchy by creating a desirable order for themselves (Proroković, 2018). By applying the principle of self-help, the US wanted to preserve the order created in the post-bipolar era, in which it became the undisputed global leader. In the past decade and a half, China has been creating a balance of power with the US to reduce dependence and gradually take a better position towards the US. The problem in the relationship between these two actors arose from the fact that the US did not want to accept China as an equal partner, and China no longer agreed to a second-class role in world politics. China saw itself as an equal partner (Proroković & Stekić, 2024). Simply put, by accepting China as an equal partner, the US would voluntarily agree to change the order, and if China agreed to the role of a weaker partner, it would mean that there could be no change in the unfavourable order. For this reason, bearing in mind the anarchy of international relations, there is the emergence of increasing mistrust and disruption of bilateral relations. The problematization of mutual trade relations is a consequence of mistrust since each of the parties sees them differently, and further acceleration of conflict in other fields comes as a logical epilogue. The US defends the old order, and China wants to create a new one.

GEOPOLITICAL CONFRONTATION AND ITS CONSEQUENCES

The inevitability of the disruption of bilateral relations between the two great powers means that further confrontation between the US and China is also inevitable. As a result, the confrontation acquires its own geopolitical dimension. This development was also influenced by two events not directly related to American-Chinese relations. The first is the COVID-19 pandemic that left indelible effects on both the global economy and international relations, and the second is the escalation of the conflict in Ukraine (Mavroudeas, 2020; Sebastian, 2022).

The first event contributed to a kind of “bloc division”, i.e., strengthening and intensifying cooperation to overcome the effects of the COVID-19 pandemic within the existing “blocs”. The US, together with the EU and Japan, sought solutions within the framework of the G7 and “transatlantic partnership”, and China, together with Russia and partners from the Global South, sought solutions within the framework of the BRICS platform. Contrary to the growth of mistrust between the US and China within these blocs, trust has been refreshed and strengthened, which is especially visible after February 2022. The second event showed that the measures of the transatlantic community or the collective West directed against Russia were not followed by anyone else. It may seem paradoxical at first glance, but with the escalation of the Ukrainian crisis, China’s partnership with Russia has even strengthened. “It can be seen that the Chinese-Russian partnership is of a strategic nature; it has been repeated and confirmed countless times; it cannot be threatened by any armed conflict nor by the pressure of the political West. Regardless of the fact that the various statements of Chinese officials from the first days and weeks of the crisis were ‘loaded’ with different meanings, it is obvious that Beijing is not ready to sacrifice that strategic partnership for the sake of appeasing the US and its partners. And, when we look at the successes of Chinese diplomacy in the new circumstances, then there is no reason to sacrifice that partnership. The Chinese did not vote against Russia in the UNGA even at times when the overwhelming majority of others did” (Proroković, 2023, pp. 76-77).

In the countries of the Global South, even after the escalation of the Ukrainian crisis, the growth of anti-American and/or anti-Western sentiment is noted, and the BRICS countries not only strengthened mutual relations but also gained five new members in 2023 with a tendency to further expansion.

In addition, this international configuration highlighted a clear intention to work more actively on de-dollarising the global economy and reducing the importance of Western international institutions in the world economy (Proroković, 2024).

The US leads the G7, and China leads the BRICS, with diametrically opposed and conflicting strategic goals. China did not side with the collective West after the escalation of the Ukrainian crisis because Russia is Beijing's strategic partner, indispensable in building a balance of power towards the US (which is key in maintaining NATO and the G7).

The fact that China was guided by its own strategic goals was also manifested in the Middle East after the new Israeli-Palestinian conflict that began in the fall of 2023. To a large extent, this was expected because Chinese President Xi Jinping, in December 2022, in Saudi Arabia, supported efforts to resolve the issue of Palestinian statehood. In the more than seventy-year history of the People's Republic of China, this visit was the most significant diplomatic event at the highest level with representatives of the Arab world. Three summits were organised in three days. The first was organised in a bilateral China-Saudi Arabia format; the second was between China and the regional economic integration Gulf Cooperation Council (six countries from the Persian Gulf region); and the third was between China and the Arab League (twenty-two Arab countries). On the third day of the visit, at the closing of the last summit, Xi Jinping pointed out that it was a "defining event in the history of Sino-Arab relations". The key topics of this visit were definitely the energy deals.

China has long been the largest single buyer of Middle Eastern oil. About a quarter of the "Saudi black gold" export ends in China and as much as 77 per cent in the Asian market. If there is no growth in the Chinese economy, the demand for Arab oil in the entire Asian market also declines, reducing consumption everywhere. Quite simply, China is the growth engine of the Asian economy, and much depends on the dynamics of its further development on the world's most populous continent, both directly and indirectly (Andrews-Speed & Lixia, 2022, pp. 227-240). Logically, the Chinese supported the initiative of "avoiding the shutdown of major energy sources", which is the response of the oil-producing countries to the American-European "green agenda". At the same time, the hosts "received the

message” of Xi Jinping’s insistence on greater use of the yuan in mutual trade, which is China’s strategy aimed at de-dollarising the global economy.

In short, China will support Saudi Arabia and other Arab countries in the project of slowing down the American-European energy transition. On the other hand, Saudi Arabia and other Arab countries will help China de-dollarise international financial flows. As much as it is a matter of economic interests, it is also a matter of politics. That is why Saudi Arabia joined the BRICS Plus in 2023, together with the United Arab Emirates, another Gulf and Arab country. It should be added that Iran also joined the BRICS Plus in 2022, when Chinese diplomacy mediated the restoration of bilateral relations between Saudi Arabia and Iran. China assumes one of the key roles in Middle Eastern geopolitics, and this is reflected in the Israeli-Palestinian conflict that has lasted for more than seven decades.

The Belt and Road concept plays a special role in the geographical expansion of Chinese influence. Over 150 countries and regional organisations are involved in this megaproject, and thanks to it, China has become a key trading partner, investor, or creditor in different parts of the world (which was already described in the introduction of the work by citing examples from Africa).

At the same time, the strategic goal of the US concerns China’s containment, and this strategy is implemented on three levels. The first is global and implies the instrumentalisation of the G7 and NATO. Joseph Biden had the ambition to create a counterpart to the BRI by establishing the Alliance for Democracy, but the two summits so far have not achieved any noteworthy results (Biden, 2020). Containing China on a global level will, therefore, first of all, mean the coordination of anti-Chinese activities between countries that are included in the countries of the collective West or are strategic allies of the US (in addition to the EU and Japan, Australia, New Zealand, and South Korea can also be included), to delegitimise Chinese initiatives and win over some of the big or regional powers to their side (hence US initiatives like QUAD aimed at India). The second level is regional and concerns the problematization of China’s position in the Indo-Pacific area. The most noticeable American initiatives are in Taiwan, but close cooperation with Japan, South Korea, Australia, New Zealand, and the Philippines should also be included. The US is developing relations in a bilateral format with other regional actors, which is, for example, visible in the case of Vietnam. By withdrawing from Afghanistan, the US most likely gave up continental

containment of China, but because of this, concentrated activity on maritime containment intensified. In this regard, the most important issue is the demarcation in the South China Sea, which is a point of disagreement between China and a number of neighbouring countries and, from the American point of view, is an excellent topic for stirring up anti-Chinese sentiment. At the same time, the problematization of this issue is a first-class geopolitical threat for China since it is hindered in this way from accessing the open sea. The third level concerns the creation of geopolitical hotspots within mainland China. Attempts to destabilise Hong Kong were supported by the collective West for this purpose, but the furthest in this regard was the construction of the “genocide against the Uighurs” narrative. The term “genocide” began to be used in political traffic and the media, especially during the Winter Olympic Games in Beijing in 2022. The idea behind the actualisation of the “genocide” subject is to inflame anti-Chinese sentiment in Muslim societies, but also on a global scale.

It is noticeable that China, aware of the threat of containment, is additionally investing in its armed forces. “Its advances in missile technology, nuclear weapons, and artificial intelligence have caused serious concern among many Western observers, who believe a fundamental shift in the global balance of military power is underway. President Xi Jinping has ordered China’s armed forces to modernise by 2035. They must, he says, become a ‘world-class’ military force capable of ‘fighting and winning wars’ by 2049. China has overtaken the US to become the country with the largest navy in the world, but experts point out that a simple comparison of the number of ships leaves out a number of factors that determine the capabilities of a navy. The US Navy predicts that, between 2020 and 2040, the total number of Chinese naval ships will increase by nearly 40 per cent” (Braun, 2021).

This framework determines not only the present but also the future relations between the US and China. While China persistently and patiently establishes the balance of power with the US in international relations, counting on the global majority and major and regional powers interested in creating a new order, the US projects its initiatives at the global, regional, and local levels to throw China out of the game and prevent creating a new project. For the US and its allies, the projects of de-dollarisation of the global economy, denial of access to critical raw materials in Africa (in this issue, especially in the interest of France), loss of populous markets in Latin America

and Asia, as well as displacement of Western influence from geopolitically neuralgic points such as the Middle East, are extremely dangerous. For China, the primary threat is attempts at creating crises in Xinjiang, Hong Kong, and Tibet, the maritime containment of the country, and its introduction into a regime of hostilities with certain neighbouring states.

Establishing the balance of power through reliance on the principle of self-help (which includes the creation of partnerships) leaves far-reaching consequences for changes in international relations. The disruption of bilateral relations between the US and China, observed and recorded so far, is only the beginning of this process that will continue in the coming period, possibly in the coming decades. Hence, Jens Stoltenberg's statement that China is the biggest threat to NATO is quoted at the beginning of this paper.

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BACK TO THE FUTURE: THE US-CHINA AI ARMS RACE?

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Abstract: This paper examines the escalating technological and geopolitical competition between the United States (US) and China, focusing on their respective advancements in artificial intelligence (AI) and its implications for national security and military applications. The study explores the strategic initiatives undertaken by both nations, analysing their investments, innovations, and policy measures. The paper uses the concept of an arms race to evaluate factors including military spending, strategic actions, public perception, and mutual antagonism to determine whether the current AI rivalry qualifies as an “AI arms race”. The analysis reveals a complex dynamic of mutual antagonism and strategic manoeuvring, highlighting the significant role of AI in shaping modern military capabilities and geopolitical relations. The findings suggest that while the US-China AI competition exhibits many characteristics of an arms race, such as strategic rivalry and technological investments, it lacks the consistent high annual increases in military spending typically associated with traditional arms races. Nonetheless, the paper concludes that the intense focus on AI for military purposes indicates a critical strategic competition that can evolve into a more pronounced arms race influenced by ongoing technological advancements and geopolitical shifts.

Keywords: US, China, artificial intelligence (AI), competition, arms race.

INTRODUCTION

In September 2017, during an address to students at the start of the new academic year, Russian President Vladimir Putin highlighted that “artificial intelligence is the future”. He proclaimed that “whoever becomes the leader in this sphere will become the ruler of the world” (Gigova, 2017). This statement positioned AI at the forefront of international politics, as noted by Horowitz (2018). Numerous authors have since underscored the critical role of AI in achieving economic power (Horowitz et al., 2022; Korinek & Stiglitz,

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2021) and its significant impact on national and international security (Allen, 2019; Allen & Chan, 2017; Gill, 2019; Haney, 2020; Hoadley & Lucas, 2018; Horowitz et al., 2022; Johanson, 2019).

The US and China have emerged as the primary contenders in the global AI innovation and investment race, with a potential AI arms race on the horizon. Through the New Generation Artificial Intelligence Development Plan adopted in 2017, China aims to become the world leader in AI by 2030 (Stanford University, 2017). This leadership in AI could potentially shift the global power balance, as AI is increasingly seen as a critical economic and military strength driver. In contrast, the US launched the American Artificial Intelligence Initiative in 2019 to ensure American leadership in AI (Federal Register, 2019a). According to the Stanford AI Index Report 2024, while the US is the leading source of top AI models, China leads in global AI patents and dominates industrial robotics. Economically, the US has invested \$67.2 billion in AI, significantly outpacing China's investments (Stanford University, 2024).

However, this paper focuses on the more critical aspects of AI investments, innovations, and applications for military purposes. US Department of Defence (DoD) investments in AI have grown from \$600 million in FY2016 to \$1.1 billion in FY2023 (Harris, 2023, p. 6), accompanied by the 2023 DOD Data Analytics and AI Adoption Strategy to enhance national security through advanced analytics and AI capabilities. The US has a long history of AI military applications, starting with the establishment of DARPA in 1958 and the first ever recorded use during the Gulf War in 1991 with the Dynamic Analysis and Replanning Tool (DART) programme (Cross & Estrada, 1994). Today, the US integrates advanced technologies such as AI and machine learning into military operations through projects like Project Maven. Although no official indicators of China's investments in AI for defence purposes have been found, European Parliament research estimates that defence sector investments vary between a few billion dollars in 2018 and \$70 billion in 2020 (European Parliament, 2021). China's strategic documents emphasise the modernisation of the People's Liberation Army (PLA) and the rapid integration of AI into national defence innovation (Stanford University, 2017). According to the 14th Five-Year Plan for National Economic and Social Development, an increase in AI field spending by up to 7% per year is planned (OECD, 2024a). In line with China's New Generation Artificial Intelligence Development Plan, China plans to cultivate an AI industry worth EUR 130

billion by 2030 (Stanford University, 2017). Research in China began in the 1980s and 1990s regarding the application of AI for military purposes. In 1986, the National High-Tech Research and Development (R&D) Programme (863 Programme) was adopted with the primary objective of enhancing innovation in strategic high-tech sectors, aiming for global competitiveness and achieving breakthroughs in critical technologies crucial for the national economy and security (Consulate General of the People's Republic of China in New York, 2016). According to Li (2022), China today prioritises unmanned combat systems and equipment and other advanced military innovations above all other AI technologies.

Despite mutual advancements, some authors view China's military AI applications as aggressive (Allen, 2019), and the US perceives China's technological and economic progress as "economic aggression" threatening US national interests (Office of the United States Trade Representative, 2018). This perception has led to a broader trade war between the two countries, with the US enacting measures like the CHIPS and Science Act, tariffs on Chinese imports, export controls on high-end chips, and blocking Chinese tech companies. China has countered with tariffs on US goods, placing US defence companies on the Unreliable Entity List, and imposing export restrictions on critical metals for chip production. This trade war is not just about economic interests but also about technological dominance and the control of AI, which is increasingly seen as a key strategic asset in the modern era.

These actions reflect a broader trend of techno-nationalism, where states leverage technological innovations for national security and economic dominance, taking measures to suppress rivals and gain an edge (Evans, 2020; Fang & Hwang, 2022; Luo, 2022; Yan, 2023). Based on the actions primarily of the US and, subsequently, of China, we are witnessing an era of Sino-American techno-nationalism marked by strategic competition and trade wars. Nevertheless, authors and journalists have increasingly drawn parallels to the Cold War to characterise the development of AI and the technological competition between the US and China as an "AI arms race" (Bega, 2023; Hull et al., 2022; Johnson, 2020; Klare, 2019).

The question posed in this paper is whether the Cold War-era nuclear and outer space arms race between the US and the USSR has been replaced by a "new cold war" AI arms race between the US and China. To answer this question, we start with the definition of AI. What must be emphasised from

the outset is that there is no single definition of AI. According to ISO standards (ISO/IEC 22989:2022), artificial intelligence is “a technical and scientific field devoted to the engineered system that generates outputs such as content, forecasts, recommendations, or decisions for a given set of human-defined objectives” (International Organisation for Standardisation, 2022). On the other hand, the World Trade Organisation defines AI as “an emerging new general-purpose technology that promises to increase productivity and improve well-being” (Goldfarb, Treffer, 2018). Since this paper deals with the US and China, we will also present their perspectives on AI. According to the US, AI is “a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments” (US Department of State, n.d.). On the other hand, China’s Artificial Intelligence Standardisation White Paper (2018 edition) defines AI as “the theories, technologies, methods, and application systems for using digital computers or digital computer-controlled machines to simulate, extend, and expand human intelligence, perceive environments, acquire knowledge, and use knowledge to obtain the best results” (Centre for Security and Emerging Technologies 2020, p. 5). As can be seen from the definitions, AI is not inherently a weapon. But, in recent years, it has been greatly “weaponised” and “militarised” (Burton & Soare, 2019; Garcia, 2018, 2019; Hynek & Solovyeva, 2022; Kozyulin, 2019) and has multiple applications in conducting military operations, which Lewis et al. (2016) call “the algorithm of war”. Moreover, King (2023, p. 100) believes that artificial intelligence is “on the brink of transforming warfare just as gunpowder, tanks, airplanes, and the atomic bomb did in previous eras”. Therefore, some authors believe we are in a new revolution in military affairs driven by AI (Brose, 2019; Daniels, 2022; Kopanja, 2023).

However, the question is whether we are in an era of an AI arms race. To prove that a race (does not) exists, we must start with the existing indicators for its assessment. In this paper, the indicators defined by Hammond (1993) have been used. These include assessing the parties involved in the race, bilateral relations, antagonism, actions and reactions, and corrective measures. Various data sources have been used to examine the indicators, including official US and Chinese documents, scientific papers, research, and media articles. The paper focuses on the period from the Trump administration to August 2024. However, documents and papers published before 2017 have also been included to provide a more comprehensive

understanding. One of the main limitations of the paper is that, due to a lack of knowledge of the Chinese language, only materials published in English were used. However, thanks to OECD.AI (2024b), a global AI policy hub, official Chinese AI documents are available in English. Some Chinese documents are also available in English on the official websites of Chinese state bodies. Other materials and data are primarily based on research by Western authors.

SINO-AMERICAN RELATIONS IN THE FORM OF TECHNO-NATIONALISM

Although many factors have influenced the creation of 21st-century security architecture and the geopolitical landscape, one of the dominant factors can be highlighted as the relationship between the US and China. Analysing these relations through the prism of US strategic documents, Rokvić (2024) notes that they have shifted from encouraging closer ties with China and cooperation, strengthening China to expand markets for American goods and services, to perceiving China as a challenge and threat, i.e., a strategic rival. When and why did the strategic discourse towards China change? Although US-China relations have historically been turbulent, in the context of the 21st century, the first signs of change began with the economic crisis in 2008 or 2010, when China became the world's second-largest economy. Then, in 2011, Obama announced a rebalance of US military forces—Pivot to Asia—to amplify the discourse change from 2013 after China's Belt and Road initiative and from 2015 when China adopted a new defence strategy announcing PLA modernisation. During the Obama administration, the Third Offset Strategy initiative was also adopted to achieve technological superiority over the primary opponents of the US, in this case, China (Hillner, 2019). Thus, in 2017, through a partnership with Google and the project Establishment of an Algorithmic Warfare Cross-Functional Team, better known as Project Maven, research began to “integrate artificial intelligence and machine learning more effectively across operations to maintain advantages over increasingly capable adversaries and competitors” (Deputy Secretary of Defence, 2017).

From China's standpoint, alongside the aforementioned military strategy, other significant documents were adopted in this period, such as the “Made in China 2025” document (The State Council of the People's Republic of China, 2015). This document, a ten-year plan for industrial development, outlines a

strategy for transforming China into a leading manufacturing power by 2049. The focus of this plan is on the development of new technologies and the reduction of China's dependence on imports.¹ When discussing the development of new technologies and technological progress from the standpoint of this paper, the focus is on AI. Thus, in The 13th Five-Year Plan for Economic and Social Development of the People's Republic of China (2016-2020), the importance of developing and applying artificial intelligence in all sectors is highlighted (Central Compilation & Translation Press, 2016). In addition to this document, Haynek and Solovyeva (2022) cite other significant documents regarding AI development and its application for military purposes, i.e., China's approach to "civil-military integration/fusion".²

One of China's most significant documents considered a national AI strategy is the New Generation Artificial Intelligence Development Plan adopted in 2017, which aims "to build China's first-mover advantage in the development of AI to accelerate the construction of an innovative nation and global power in science and technology" (Stanford University, 2017). The document states that artificial intelligence, as a technology of strategic importance, is a new engine of economic development and the core driving

¹ It is important to note that such China's policies date back to 2006 when the National Medium and Long-Term Programme for Science and Technology Development was adopted (2006-2020). This programme aims to enhance indigenous innovation capability and science and technology levels by promoting economic and social development and maintaining national security. It aims to make China a world science and technology power by the mid-21st century, reflecting China's long-term commitment to technological advancement and its role in national security and economic development (The State Council of the People's Republic of China, 2006).

² China's AI development is not limited to a single plan or initiative but is part of a comprehensive, multi-faceted strategy. The Robotic Industry Development Plan 2016–2020 outlined specific objectives and strategies for robotics R&D. The "Internet Plus" Artificial Intelligence Three-Year Action Plan 2016–2018 aimed to establish infrastructure and platforms for AI. The 13th Five-Year Plan for the Development of Strategic Emerging Industries 2016–2020 included AI as one of the primary goals of the central government. The 13th Five-Year Special Plan for Science and Technology Military-Civil Fusion Special Plan 2017 emphasised military-civil fusion and the dual use of AI. The Three-Year Action Plan for Promoting Development of a New Generation Artificial Intelligence Industry 2018–2020 focused on integrating AI with manufacturing. This comprehensive approach underscores the scale and ambition of China's AI strategy.

force for a new round of industrial transformation with a focus on international competition. China will become the global leader in unmanned aerial vehicles (UAVs), voice and image recognition, and others by 2025. By 2030, it intends to be the leading country in AI innovations, leading this competition. One of China's goals is also "civil-military integration in the AI domain" and "strengthening a new generation of AI technology as strong support for command and decision-making, military deduction, defence equipment, and other applications" (Stanford University, 2017).

In line with the development of new technologies, especially those based on AI, the PLA's modernisation, informatisation, and intelligentization are also planned. The strategy titled China's Defensive National Defence Policy in the New Era, adopted in 2019, states that strengthening national defence and the military will be achieved, among other things, through technology. One of the strategy's goals is the transformation of "the People's Armed Forces into world-class forces by the mid-21st century" (Ministry of National Defence of the People's Republic of China, 2019).³ Following these goals, the 14th Five-Year Plan for Economic and Social Development of the People's Republic of China (2021-2025) is planned to promote AI R&D and increase spending in this field by up to 7% per year (OECD, AI, 2024a).

The development and application of AI in all spheres, according to Schmidt (2022, p. 288), besides the relations between major powers, represents the second significant trend of the second decade of the 21st century, a trend that "promises tremendous economic and strategic advantages for those who capitalise on them". However, as Schmidt further states (2022, p. 288), "the confluence of these trends has set up an intense competition" among the world's leading powers. Due to China's economic strengthening and technological progress, as well as the modernisation of the military, the Trump administration completely changed the discourse towards China, which in the 2017 National Security Strategy is accused of challenging American power and influence to undermine American security and prosperity, stealing intellectual

³ As the strategy outlines, China has established several mechanisms to transform the PLA and achieve "intelligentization". These include the Military-Civil Integration Intelligent Equipment Research Institute, the Joint Laboratory for Intelligent Command and Control Technologies, and the Intelligent Command and Control Systems Engineering Specialist Committee. These mechanisms reflect China's commitment to modernising its military by integrating advanced technologies, particularly AI.

property, expanding economic and military presence in Africa, modernising the military, having revisionist and expansionist intentions in the South China Sea, and aiming to displace the US from the Indo-Pacific region.

According to data from Shifts in US Merchandise Trade (Trade Shifts Index), China was, along with Canada and Mexico, the largest market for American goods exports and the largest exporter of goods to the US market (the United States International Trade Commission, n.d.). Even so, China's economic strengthening was labelled "economic aggression" by the United States Trade Representative (USTS) in 2018 (Office of the United States Trade Representative, 2018). In response to this "aggression", especially China's plan for industrial and AI development, the Trump administration launched an investigation under Section 301 of the 1974 Trade Act⁴, establishing that China employed a series of technology transfer-related acts, policies, and practices that are unreasonable or discriminatory and burden or restrict US commerce (Office of the United States Trade Representative, 2018). Based on the investigation results, the Trump administration imposed tariffs on most imports from China and sanctions against leading Chinese telecommunications firms such as ZTE and Huawei. In 2018, Trump declared a national emergency due to threats against American technology, and issued multiple executive orders focused on technology covering areas such as cybersecurity, artificial intelligence (AI), and information and communications technology (ICT) security.⁵

Simultaneously with measures to limit China's AI development, the US adopted the first DoD Artificial Intelligence Strategy in 2018, recognising that

⁴ Section 301 offers a legal mechanism for the United States to enforce trade sanctions on foreign nations that either breach US trade agreements or partake in actions deemed "unjustifiable" or "unreasonable", thereby adversely affecting US commerce (Congressional Research Service, 2024).

⁵ In February 2019, Trump signed Executive Order 13859, initiating the American AI Initiative. This initiative aimed to uphold US leadership in AI by boosting investment in AI research, leveraging federal AI computing and data resources, establishing AI technical standards, developing America's AI workforce, and collaborating with international allies. In May 2019, Executive Order 13873 was issued to secure the ICT and services supply chain, targeting transactions involving ICT products and services from foreign adversaries to protect critical infrastructure and sensitive information. Then, in 2020, Trump signed an executive order addressing the national security threats posed by TikTok, owned by the Chinese company ByteDance Ltd., due to concerns over data privacy and disinformation campaigns by the Chinese government (Federal Register, 2019a, 2019b; The White House, 2020).

certain states, primarily Russia and China, are investing in AI development for military purposes, and the US aims to surpass them in this regard (US Department of Defence, 2018). The Joint Artificial Intelligence Centre (JAIC) was formed in the same year and integrated into the newly formed Chief Digital and Artificial Intelligence Office in 2022. The primary mission of this body is to accelerate the integration of artificial intelligence “from the boardroom to the battlefield to enable decision advantage” (Chief Digital and Artificial Intelligence Office, n.d.). With the assistance of the DoD, the independent National Security Commission on Artificial Intelligence was also formed in 2018 to formulate recommendations for future AI R&D strategies to strengthen US national security and defence. The Final Report of the National Security Commission on Artificial Intelligence concluded that “for the first time since WWII, America’s technological predominance—the backbone of its economic and military power—is under threat” and that the US “must win the AI competition with China” (National Security Commission on Artificial Intelligence, 2021).

The escalation of relations and the perception of China as a threat continued under the Biden administration. In 2021, the US Innovation and Competition Act was adopted, setting forth a comprehensive strategy to address challenges posed by China. It aims to bolster US scientific research on technological innovation focusing on semiconductors and cybersecurity, enhance American domestic manufacturing capabilities, stabilise supply chains, and promote alliances and democratic values through international diplomacy (Bernardini, 2022). The 2022 National Security Strategy identifies China as “the greatest geopolitical challenge to the US” (The White House, 2022a, p. 11) and “the only competitor seeking to reshape the international order through the advancement of economic, diplomatic, military, and technological power” (The White House, 2022a, p. 23). Strategic competition with China was confirmed in the 2022 Defence Strategy (US Department of Defence, 2022), while the 2024 Annual Threat Assessment of the US Intelligence Community identifies China’s ambition to become a technological superpower as a threat to US national security (Office of the Director of National Intelligence, 2024). Based on the first DoD AI strategy from 2018, the 2023 DoD Data Analytics and AI Adoption Strategy was adopted to consolidate previous strategic directives and enhance alignment and synchronisation to scale advanced capabilities throughout the DoD (US Department of Defence, 2023).

In August 2022, President Biden signed PL 117-167, known as the CHIPS and Science Act, to expand domestic semiconductor manufacturing capacity and invest in developing next-generation semiconductor technologies. The main aim of this Act is “to win the race for the 21st century” (The White House, 2022b). In October 2022, the Biden administration imposed a series of export control measures to restrict “the People’s Republic of China’s (PRC) ability to both purchase and manufacture certain high-end chips used in military applications” (Bureau of Industry and Security, US Department of Commerce, 2022). This regulation was updated in October 2023 to control the use of these technologies for military purposes and counter “the threats to national security posed by the PRC government’s military-civil fusion strategy and PRC modernisation” (Bureau of Industry and Security, US Department of Commerce, 2023). The restrictive measures were amended in March 2024 to make it harder for China to access US artificial intelligence (AI) chips and chipmaking tools (Reuters, 2024).

Additionally, on August 9, 2023, President Biden signed an Executive Order on Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern (The White House, 2023) to establish a system for limiting outbound investments in the semiconductor, quantum information, and AI industries in foreign “countries of concern”, i.e., China. In March 2023, the US Commerce Department added 28 Chinese companies to the Entity List (Federal Register, 2023). The Biden administration retained all tariffs established during Trump’s tenure. In May 2024, the US Trade Representative proposed to increase Section 301 Duties on China-origin products, including increasing the tariff rate on semiconductors from 25% to 50% by 2025 (The White House, 2024).

On the other hand, in response to US measures, China has imposed tariffs on certain US goods (United States Department of Agriculture, 2020). On June 10, 2021, China adopted the Anti-Foreign Sanctions Law, which introduces a legal framework to respond to foreign sanctions with counter-sanctions (UN Trade & Development, 2021). In February 2023, the Ministry of Commerce, for the first time, placed an American company on the Unreliable Entity List (The State Council Information Office of the People’s Republic of China, 2023).⁶ This list was expanded in 2024 to include three US defence companies (The State Council

⁶ The companies in question are Lockheed Martin Corporation and Raytheon Missiles & Defence.

Information Office of the People's Republic of China, 2024).⁷ Additionally, to protect national interests, in July 2023, China's Ministry of Commerce placed export restrictions on gallium and germanium, critical metals for chip production. In December 2023, by revising the Catalogue of Technologies Prohibited from Export and Restricted for Export in China, China restricted exports of high-end technologies (KPMG, 2024). In 2024, China Customs imposed export restrictions on dual-use aviation and aerospace technologies (Cash, 2024). China's Commerce Ministry launched an anti-dumping probe into chemical imports from the US, the EU, Japan, and Taiwan (Li & Wu, 2024).

Undoubtedly, AI is paramount for the US and China's national security and defence. For the US, it is about maintaining technological superiority and integrating advanced technologies into military operations. For China, it is about achieving strategic modernisation goals, reducing dependence on foreign technology, and securing leadership in global AI innovation. Both nations view AI as a critical component in their broader economic and military dominance strategies, leading to a competitive dynamic shaping national security policies. However, the question is whether these are more than competition for technological dominance. Is it an AI arms race? To address this question, defining an arms race and outlining the key indicators required for its evaluation are essential.

WHAT IS AN ARMS RACE, AND HOW IS IT MEASURED?

According to Gray (1971, p. 40), an arms race is a situation where two or more parties, perceived as hostile, are involved in an accelerated increase or upgrade of their armaments. This process shapes their attitudes and strategies based on the past, present, and expected behaviour of other parties in military and political terms. Hammond (1993, p. 4) cautions us about defining an arms race, as it can often be confused with military competition. He emphasises that every race is a competition, but not every competition is an arms race. According to Hammond (1993, p. 8), military competition arises from evaluating an adversary's or potential adversary's enhanced capabilities or intentions. It aims to preserve one's position as a challenger or a defender of the status quo.

⁷ General Atomics Aeronautical Systems, General Dynamics Land Systems, and Boeing Defence, Space & Security.

On the other hand, an arms race is a more intense form of military competition. It involves an intense competition between two or more rival states or coalitions, each seeking to improve the quality or quantity of their forces relative to the others to attain some political goal (Hammond, 1993, p. 29). However, as Hammond (1993, p. 29) noted and is crucial for this paper, an arms race can include the enhancement of military capabilities not directly related to armaments, which may not be perceived as hostile, such as transportation or communications, or in this case, new technologies. According to Hammond (1993, p. 66), technologies are “a popular source of causation for the arms race”.

However, to determine whether two or more parties in international relations are caught in the vortex of an arms race or competition, it is crucial to consider all the following indicators: 1. Involving two or more parties, though the core relationship remains bilateral; 2. Explicit identification of an adversary or potential adversary; 3. Each other’s capabilities and intentions directly shape military and diplomatic strategies; 4. A significant level of public antagonism and distrust between the parties; 5. State actions are influenced by the political-military dynamics of the rivals’ force structures and strategies; 6. Annual military spending growth exceeding 8%; 7. Particular emphasis on specific weaponry about the opponent; 8. Pursuing dominance through coercion in political-military matters against the rivals (Hammond, 1993, p. 31).

Hammond (1993, p. 41) states that military expenditures and political antagonism are the most influential factors distinguishing competition from an arms race. However, other factors, such as diplomatic and technological ones, that shape strategies for maintaining or achieving superiority without open conflict must also be considered. The indicators and factors mentioned will be considered in analysing the potential AI arms race between the US and China.

THE US-CHINA AI ARMS RACE?

Based on the previously stated data, definitions, and indicators of an arms race, it is evident that US-China AI relations are characterised by intense strategic rivalry. The AI development race confirms the essential prerequisites for an arms race, which can be understood as a competition for particular weaponry between two major powers that perceive each other as hostile.

From the Trump administration and the 2017 National Security Strategy to the strategic documents of the Biden administration, China is consistently portrayed as a challenge and a threat to US national security. China's economic and technological development actions, often labelled as "economic aggression", are seen as attempts to acquire critical technologies and intellectual property from other countries, including the US, and develop high-tech industries that will underpin economic growth and defence industry development. Unlike US strategic and other documents, Chinese documents do not specifically identify the US as a threat or enemy. However, the 2015 Military Strategy mentions new threats to national security stemming from "hegemonism, power politics, and neo-interventionism" and that China faces complex threats such as "increasing external impediments and challenges" (Ministry of National Defence of the People's Republic of China, 2015). The significant US military presence in the Indo-Pacific region and military alliances such as Quad or AUKUS are perceived by China as seriously undermining the regional strategic balance and strategic interests of regional countries and represent a threat to China's national security (Sun, 2024). According to Chase et al. (2018), China considers "the United States the country most able and likely to challenge China's ambitions" or, in other words, "China's greatest threat", and that the US is "the biggest disruptor of regional peace and stability in the world" (Wu, 2023). Such a view has been confirmed by other studies, indicating that the relations between the US and China, i.e., strategic rivalry, are China's most significant external security challenges (Centre for International Security and Strategy, Tsinghua University, 2023). The trade war and numerous measures imposed by the US threaten China's economic development and, consequently, national security.

According to the perceptions mentioned above and technological progress and military modernisation, the military planning and activities of both the US and China are primarily based on the capabilities and intentions of the other side (action and reaction). According to the Report on Military and Security Developments Involving the People's Republic of China, the increased presence of the PLA in the South China Sea, the construction of military bases, and the establishment of missile systems in 2023 are considered to be "the most transformative year for US force posture in the Indo-Pacific in a generation" (Garamone, 2023). According to official data, 375,000 American soldiers and 66 military bases are deployed in this region. New bilateral military cooperation agreements have been established, and activities with existing allies have been

expanded, while a budget of \$9.1 billion has been secured through the Pacific Deterrence Initiative (Congressional Research Service, 2023). At the same time, following China's strategies of "civil-military integration in the AI domain", a concept that refers to the integration of civilian and military resources in the development and application of AI, Americans are developing strategies recognising that China invests in AI development and application for military purposes and defining the goal of surpassing China in this regard.

On the other hand, according to Chase et al. (2018), China's military capabilities are based on US strategies. These authors state that in the last 20 years, China has focused on studying the technology, doctrine, organisation, and operations of the US military, as the technological and other capabilities of US forces are a benchmark for a technologically advanced, professional, and operationally capable military force that any aspiring world-class military must aim to achieve (Chase et al., 2018, p. 136). Additionally, the increased US presence and actions in the Indo-Pacific influence the strengthening of China's capabilities, which is most reflected in China's anti-access/area-denial (A2/AD) strategy (Mernaer, 2023). When discussing state actions and reactions, it is essential to note that both states perceive themselves as leaders in new technologies. Therefore, to curb China's technological progress, the US started a "trade war" under the Trump administration, which continued through the "chip war" of the Biden administration.⁸ Conversely, China responded with counter-sanctions, export restrictions on gallium and germanium, and high-end technologies. However, a chronological analysis of adopted documents and measures shows that only one side, the US, seeks to achieve technological dominance through coercion.

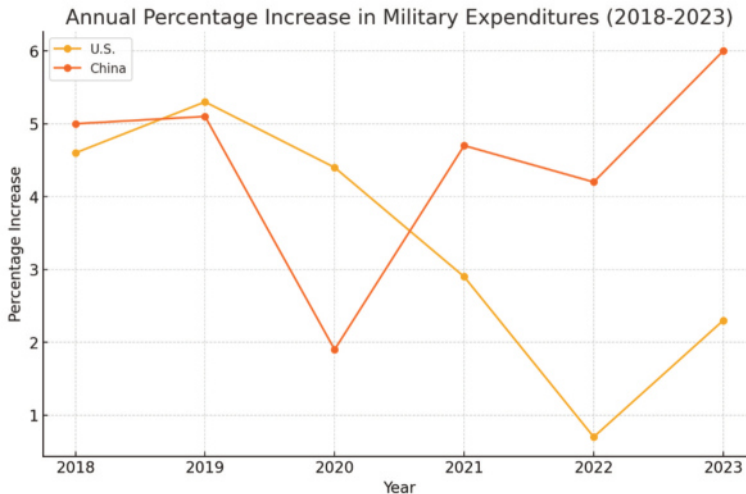
Existing competition and long-standing turbulent relations between the US and China have led to negative public perceptions and distrust. According to the latest Pew Research Centre survey conducted in April 2024, 81% of US adults see China unfavourably. According to the survey, many Americans view China as a significant economic and military threat (Huang et al., 2024). Specifically, 71% of Americans recognise China's increasing global influence, and there are widespread concerns about China's territorial disputes and their impact on the US economy (Huang et al., 2024). On the other hand, surveys

⁸ The "chip war" refers to the US government's efforts to restrict China's access to advanced semiconductor technology, a crucial component in AI development.

of more than 2000 individuals in China reveal that 75% of respondents hold a negative view of the US (Stanford University, 2023). Additionally, the 2023 survey “How Chinese People View the World” by the Global Times Research Centre indicates that 90% of respondents think the US is insincere in improving China-US relations. Over half of the respondents believe China should retaliate against US sanctions and targeted actions (Global Times, 2024). These negative public perceptions and distrust shape public opinion and influence policy decisions and international relations, contributing to the intensification of the US-China AI arms race.

Besides political antagonism, increased military spending is considered the most significant indicator of an arms race, with annual spending growth exceeding 8%. According to SIPRI Fact Sheets on Military Expenditure, the US and China are the biggest spenders in the world, with China’s military expenditures steadily increasing over the past 29 years (Tian et al., 2024). However, analysing the increase in spending for both countries in recent years shows that this growth does not exceed 8% annually (da Silva et al., 2021; da Silva et al., 2022; Tian et al., 2019; Tian et al., 2020; Tian et al., 2023; Tian et al., 2024) (Figure 1).

Figure 1. Annual Percentage Increase in Military Expenditure, 2018-2023



Source: Author, based on data provided by da Silva et al., 2021; da Silva et al., 2022; Tian et al., 2019; Tian et al., 2020; Tian et al., 2023; Tian et al., 2024.

Nevertheless, from the perspective of this paper's topic, AI R&D expenditures are essential. Although SIPRI does not track these expenditures separately, the latest report indicates that US R&D expenditures increased by 9.4% in 2022 due to the development of "new weapon systems that could be used in a potential conflict with adversaries with advanced military capabilities" (Tian et al., 2024, p. 3). Although there is no official data on China's R&D expenditures, SIPRI reports that China's current expenditures align with the 14th Five-Year Plan, focusing on "industrial base and promoting emerging military technologies, including military applications of artificial intelligence" (Tian et al., 2023, p. 4).

DISCUSSION AND CONCLUSION

Analysing relations between the US and China reveals a complex and multifaceted competition rooted in technological advancements and geopolitical strategies. The competition for AI supremacy is not merely a race for technological dominance but a critical component of each nation's broader strategy for economic and military superiority. The strategic importance of this competition cannot be overstated, as it has the potential to reshape the global balance of power. The primary question posed—whether the current AI competition between these two nations constitutes an AI arms race—requires careful consideration of several indicators. Using Hammond's indicators for assessing an arms race, it is evident that the US and China meet several criteria.

Firstly, the bilateral relationship between the US and China has significantly deteriorated, transitioning from cooperative engagement to strategic rivalry. Both nations perceive each other as primary adversaries, particularly in terms of technological and economic dominance. This perception is evident in the US strategic documents, which explicitly identify China as a threat to national security and economic interests. Although Chinese documents are more restrained, they imply a recognition of the US as a significant competitor and potential adversary. Secondly, the strategic actions of both nations are heavily influenced by the capabilities and intentions of the other. The US has enacted measures to curb China's technological advancements, including the CHIPS and Science Act and export controls. In response, China has implemented countermeasures such as tariffs

and export restrictions on critical materials. This dynamic of action and reaction underscores the competitive nature of their relationship.

Furthermore, the public perception in both countries reflects a high level of distrust and antagonism. Surveys indicate that most US and Chinese citizens view each other unfavourably, exacerbating the competitive atmosphere and reinforcing the notion of an ongoing rivalry. However, while military spending is a crucial indicator of an arms race, the data shows that neither the US nor China have consistently increased their military expenditures by more than 8% annually in recent years. Nevertheless, the specific focus on AI R&D investments, particularly by the US, suggests a targeted effort to maintain and enhance technological superiority in this critical domain.

In conclusion, while the AI competition between the US and China exhibits many characteristics of an arms race—such as strategic rivalry, technological investments, and mutual antagonism—it does not fully align with traditional definitions due to the lack of consistently high annual increases in military spending. However, the intense focus on AI and its potential military applications indicates a significant strategic competition that could evolve into a more pronounced arms race. This potential evolution underscores the uncertainty of the future, which technological advancements and geopolitical developments will shape.

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SINO-RUSSIAN PARTNERSHIP: BOOSTING SYNERGIES IN GLOBAL STRATEGY

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Abstract: China and Russia are the main driving forces of the transformation of the international order, new forms of globalisation, and anti-hegemonic policies at the global level. Cooperation between both countries has reached an unprecedented level and laid the foundation for a new type of great-power relations, manifesting itself in the conclusion and development of the comprehensive partnership and strategic coordination. Although avoiding the establishment of an alliance, both sides set no limits on mutual interactions, creating a huge potential for building mutual ties. The Sino-Russian strategic relationship is the crucial stabilising element of international relations amid growing volatility and protectionist, unilateral, and hegemonic practices largely advocated by liberal democracies. In the paper, a discourse analysis of the joint declarations adopted by Xi Jinping and Vladimir Putin in 2022-2024 is conducted to identify the fundamental elements of the Sino-Russian vision of mutual relations, international affairs, and a reform of global governance. Russia has been a long-term advocate for a multipolar order and the democratisation of international relations, which coincides with China's concept of an equal and orderly multipolar world and multiple initiatives that aim to make global governance more equitable. Both countries have introduced a civilisational perspective to the official discourse, thus affirming the relevance of the idea of multiple modernities and a plurality of modernisation and development paths. The article also addresses certain differences in the strategies of both countries. However, it concludes that the close relationship and strategic trust between China and Russia create conditions for both countries to go in the same direction, strengthening synergies and opening the door to inclusive economic globalisation, universal and indivisible security, democracy in international relations, a multipolar world order, and the community of a shared future for mankind.

Keywords: China, community of shared future for mankind, comprehensive partnership and strategic coordination, global governance, multipolarity, peaceful coexistence, Russia.

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INTRODUCTION

In 2024, China and Russia commemorate the 75th anniversary of their diplomatic relations. The anniversary is celebrated amid growing volatility and tension on a global scale, but also in the moment of tumultuous development of bilateral relations, whose level has reached a historic peak while demonstrating resilience and unprecedented character in terms of their scope and future potential. The Soviet Union, as the legal predecessor of the Russian Federation, became the first country to recognise the establishment of the People's Republic of China and made considerable contributions to the socialist construction in the country (Shen & Xia, 2015). Subsequent disagreements between Beijing and Moscow and the two Communist parties serve as a deterrent example for both the leadership and the people of China and Russia, from which both sides managed to draw positive lessons.

Normalisation of the relations between Beijing and Moscow started back in the 1980s. Despite the gradual improvement of bilateral relations, they were structurally limited by Russia's orientation to the West during the 1990s and in the first decade of the new century and China's increasing participation in neoliberal globalisation and the US-dominated liberal international order. The global economic crisis, the election of Xi Jinping as the general secretary of the Communist Party of China (CPC), the return of Vladimir Putin to the presidential office in 2012, and the outbreak of the Ukraine crisis a year later created objective conditions for both countries to elevate their relationship to higher levels. In 2008, China became Russia's largest trade partner, and the role of the socialist neighbour has only strengthened since then (Malle, 2017). However, close economic cooperation is not enough to establish a strategic alignment. The latter requires a broad political consensus and strategic trust, whose construction has been a matter of the last decade. It can be demonstrated in unprecedented defence cooperation (Lukin, 2021), as well as the number of agreements on the further development of bilateral partnership on the highest political level (Lukin, 2018), which made the two countries "not allies but better than allies" (Wang, 2021a). A new chapter of Sino-Russian relations was opened as a consequence of the security crisis in Eastern Europe, which erupted in 2022.

There is a growing convergence between China and Russia in their perspective on international affairs and the normative framework of the emerging multipolar world order. Naturally, both countries have their own

historical experience, interests, and development paths, as well as different socioeconomic systems, but the leaders have reached broad mutual understanding, respect, and trust. The confrontational actions carried out by the United States and their allies based on their obsolete geopolitical thinking and ideological prejudice have contributed to the unprecedented rapprochement between both major powers (de Acosta & McCarthy, 2024). Paradoxically, the strategy aimed at the concurrent containment, deterrence, and encirclement of China and Russia fails to meet the goals even from the Western zero-sum point of view since it helps the Sino-Russian comprehensive partnership to deepen while accelerating the emancipation of the world majority. China, Russia, and many other forward-looking countries keep pace with the times, adapt to the changing conditions of a new era, and work together to be active subjects in the construction of a new world order.

All these challenges and profound changes unseen in a century are reflected by the Chinese and Russian leaders and addressed in the Joint Statements adopted by both sides on the occasion of the annual meetings between President Xi Jinping and Vladimir Putin. The Sino-Russian consensus manifests itself at the level of discourse and political practice. The last three Joint Statements include concepts and strategies of both countries, creating a synthesis and space for synergies. The evolution of the official political discourse in China and Russia reveals the existence of mutual influence and acceptance of each other's concepts. This would be impossible without understanding and convergence between the two major powers. Importantly, the shared perspective withstands the test of the Ukraine crisis and the consequent strengthening pressure on both Moscow and Beijing by the Western powers. The continuity of discourse over the last three years reaffirms the existence of a fundamental consensus and shared interests despite the objectively different positions of both countries in the international order.

2022: SINO-RUSSIAN “NO-LIMITS FRIENDSHIP”

The Joint Statement adopted on February 4, 2022, in Beijing, ahead of the start of the XXIV Olympic Winter Games, is divided into six sections, proceeding from a general description of the status quo to dealing with the issues of global development, security, and governance, international

relations, and world order (Президент России, 2022). The importance of the 2022 document lies in the fact that it demonstrates the commitment of both countries to jointly promote a progressive reform of global governance while insisting on the basic principles of the current international system with the United Nations (UN) Charter at the core. In this regard, both China and Russia, on the one hand, and the United States (US) and its allies, on the other, seek to change structurally the mechanisms and operation of international relations and global governance. However, while Beijing, Moscow, and other countries of the world majority tend to develop further the fundamentals of the current international system, the world minority apparently endeavours to revise the basic norms of the UN-based system. Somewhat paradoxically, Western actors have recently been more revisionist than the rising powers or Russia.

From the point of view of China and Russia, the world is experiencing a profound transformation, marking the beginning of a new era. This concept became an essential element of the political discourse under Xi Jinping's leadership. This transformation includes phenomena such as multipolarisation, economic globalisation, development of the information society, cultural diversity, and transformation of global governance and the world order. The world is seen as increasingly interrelated and interdependent, contrasting some de-globalisation tendencies and unilateral and protectionist strategies largely adopted by Western countries, including decoupling, derisking, and friend-shoring (Pilkington, 2024).

It is worth noticing that the first section of the Joint Statement is dedicated to explaining the attitude of both countries toward democracy and human rights. Contrary to the universalist discourse of liberal democracies that reduce democracy to the Western political model and human rights based on liberal anthropology, resulting in individualism, the Eurasian major powers insist on the plurality of democratic models and conceptions of human rights. At the turn of 2021 and 2022, China and Russia accelerated their efforts to counter the universalist Western discourse and provide the international community with an alternative that would comply with the interests of the world majority. It can be demonstrated in an article by Anatolii Antonov and Qin Gang, ambassadors to the United States, published in *The National Interest* in November 2021. The two diplomats denounced Washington for stoking ideological confrontation and misusing "value-based diplomacy" to

provoke divisions on a global scale (Antonov & Qin, 2021). At the same time, the authors declared that both China and Russia were democratic states (Antonov & Qin, 2021).

The wording of the article corresponds to that of the Joint Statement adopted less than three months later. While accepting democracy as a universal value, the document denies the one-size-fits-all template of both the transition to democracy and of democracy itself. Similarly, human rights are universal, but their concrete forms must reflect the specific conditions of each country. China and Russia tend to have a holistic approach to human rights, including civil, cultural, economic, political, and social ones. In a sense, China made great contributions to the promotion of social rights due to its struggle for the eradication of poverty. Both countries embrace democracy, equality, freedom, justice, and peace as universal human values but perceive them as a whole and criticise Western countries for denying the fundamental significance of social rights for the cause of human rights as such. The pluralist perspective on universal human values corresponds with the civilisational paradigm, which has been recently integrated into the official political discourse in both countries and highlights the diversity of cultures and civilisations (Zemanek, 2024).

The culturalist framework is intertwined with the recognition of development and modernisation as key drivers in ensuring the prosperity of societies in the world. Modernisation paths and development trajectories as universal imperatives are defined in particularist terms in the sense that there is no universal pattern for all. It is in stark contrast to the Western outlook, entailing Western modernity based on capitalism and liberal democracy as the only possible models. However, both Chinese and Russians are aware of the inherently exclusive and unequal nature of the Western model and its projection on a global scale since it maintains the dominance of the world minority, producing poverty, wealth gaps, and relations based on one-sided dominance. Moreover, Western universalism has destructive effects on local social patterns and cultural peculiarities, resulting in alienation and negative repercussions in relation to globalisation. In this sense, the Belt and Road Initiative (BRI) provides a new form of cooperation, being an efficient instrument of inclusive economic globalisation and building the community of a shared future for mankind. Russia gradually recognised the importance and win-win character of the Belt and Road Initiative and supported the

China-proposed Global Development Initiative, and both sides agreed on linking the BRI and Russia-led Eurasian Economic Union (EEU) (Zemánek, 2020). These commitments are reiterated in the second section of the 2022 Joint Statement.

Of no lower significance are security-related issues, which are addressed in the third section. Unlike the bloc security asserted by Western powers, China and Russia advocate security that is universal, comprehensive, indivisible, and lasting. This concept of security goes against the logic of military alliances and exclusive groups of countries, which are largely influenced by Cold War mentality with its zero-sum philosophy and fuel geopolitical rivalry and confrontation. The idea of universal and indivisible security has a wide range of practical effects. It helps us to understand the negative attitude of both China and Russia towards NATO and emerging military groupings in the Asia-Pacific region such as AUKUS, which are explicitly targeted by the Joint Statement. The criticised geopolitical mentality behind NATO necessarily implies that the security of a group of countries is reached at the expense of the security of other states, which is unacceptable as it fails to protect the core interests of others. Sino-Russian criticism of NATO with its exclusive security is even more important in light of the war, which broke out as a result of NATO expansion and disregard for Russia's core interests only a couple of days after the adoption of the joint declaration.

An important part of the Sino-Russian security approach is the opposition to external interference in their internal affairs and subversive activities in adjacent regions. This position has been shaped by rich experience with colour revolutions provoked or directly orchestrated by Western actors to destabilise target countries (Global Times, 2021). From the point of view of liberal democracies, such a position can be evaluated in terms of spheres of influence, as each country has the right to take sides. To put it specifically, Ukraine can join NATO if it considers such a choice to be in its own interest. Although this argument may be plausible within the liberal framework, it is incorrect from the perspective of China or Russia. The reason is that the allegiance to the principle of universal, comprehensive, indivisible, and lasting security disqualifies unilateral security, for each country should build its security in harmony with the core interests of the others and respect a multilateral and holistic approach to security affairs. Through this prism, Ukraine's integration into NATO seems utterly problematic, if not

unacceptable, and the same applies to strengthening efforts to export NATO-like military alliances to Asia-Pacific, weaponisation of space, arms race in outer space, unrestricted development of global anti-ballistic missile defence system, proliferation of nuclear weapons and any weapons of mass destruction, or military interventions without a due decision of the UN Security Council.

The last section of the Sino-Russian declaration deals with the task of a new world order and global governance. Both countries highlight the central coordinating role of the United Nations and defend the UN-based international system, which emerged after World War II (Sakwa, 2023). Advocating the construction of a *new type* of international relations and the community of a shared future for mankind, they build on and follow the principles and norms of the current international system based on international law, in contrast to Western countries, which enforce a *rules-based order*. The comprehensive partnership between Beijing and Moscow represents a new type of major-power relations that serves as a model for others to follow to eliminate the outdated Cold War approach. The partnership is based on mutual respect, peaceful coexistence, and mutually beneficial cooperation.

Famously enough, the Joint Statement speaks of “no-limits friendship” with no forbidden areas of cooperation (Zhao, 2022). Even though the sides gradually toned down the *no-limits* wording, as it had been misinterpreted as the recognition of China’s support for the Russian military operation, the nature of the comprehensive partnership did not change. The major-power relationship is based on non-alliance, non-confrontation, and not targeting any third party. Both sides stress that the Sino-Russian relationship is a strategic choice corresponding to the fundamental interests of the two peoples, in line with the multipolarisation and democratisation of international relations and of great value in maintaining global strategic stability (Xinhua, 2024). In this regard, China has supported Russia’s bid to establish a just multipolar order and embraced the concept of multipolarity itself. At the same time, the Chinese argue that multipolarity must be linked to multilateralism and global governance to avoid fragmentation of the international system, de-globalisation, unilateral approaches, protectionism, and the emergence of mutually exclusive blocs (Wang, 2021b).

2023: CONTINUITY OF SHARED COMMITMENTS

President Xi Jinping officially visited Russia in March 2023 after Vladimir Putin's trip to Beijing a year earlier. On that occasion, both sides issued the Joint Statement on March 21 (Президент России, 2023b). The international situation changed considerably in the meantime, which impacted the content of the joint declaration. Unlike the previous document, the "no-limits friendship" was omitted, but both sides adhered to comprehensive partnership and strategic coordination while committing to deepen it further. The 2023 Joint Statement is composed of nine sections, being more practice- and task-orientated than the 2022 document. In general, it demonstrates a high degree of continuity by elaborating on previous concepts and policies rather than revising them.

Regardless of the crisis in Eastern Europe, both sides appreciated the level of bilateral relations and called each other a priority partner while continuing to describe the comprehensive partnership in terms of a new model of relations between major powers. According to the two sides, the dynamic of irreversible historical tendencies, such as the emergence of a multipolar world order and the rise of developing countries and regional powers, is accelerating. China and Russia denounced hegemonism, unilateralism, protectionism, the *rules-based order*, and the narrative of a clash between *democracies* and *autocracies* disseminated by liberal democracies. While supporting each other's core interests, including sovereignty, territorial integrity, security, and development, both countries have committed to advancing the multipolar world order, economic globalisation, and democratic international relations, developing a more just and rational global governance.

The first section of the Joint Statement is followed by the areas and priorities of bilateral cooperation, which largely correspond to those set by the Joint Statement on the Occasion of the 20th Anniversary of the China-Russia Treaty of Good-Neighbourliness and Friendly Cooperation, adopted on June 28, 2021 (Президент России, 2021). The tasks cover a wide range of areas, from politics and security to economy and culture, focusing on linking the development of the EEU, the BRI, and the Greater Eurasian Partnership. Nevertheless, the tasks of joint cooperation do not limit themselves to the Eurasian macroregion but go far beyond. Russia embraced China-proposed initiatives, i.e., the Global Development Initiative, the Global Security Initiative, and the Global Civilisation Initiative, which constitute three pillars of the community of a shared future for

mankind. The latter is based on the principles of peaceful coexistence, which are to be materialised in accordance with the needs of the current historical stage. This formulation is included in the 2023 Joint Statement, which indicates that Russia could be open to the updated perspective on peaceful coexistence (compared with Xi, 2024).

The emphasis on true multilateralism manifests itself not only in the joint support for organisations such as the UN, the Group of 20 (G20), the BRICS, the Shanghai Cooperation Organisation (SCO), Asia-Pacific Economic Cooperation (APEC), or the World Trade Organisation (WTO), but also on the approach towards global security, including non-proliferation of nuclear, biological, and chemical weapons, arms control, and aversion to militarisation of new domains and weaponisation of economic ties as well as new technologies, and also toward information and communication technology (ICT) and artificial intelligence (AI) issues. China and Russia are in favour of a multilateral and transparent global system of governance over the Internet while adhering to the principle of national sovereignty in the field. This approach embodies the spirit of the new world order and the community of a shared future for mankind, interconnecting inclusive, democratic, open, equal, transparent, and rational multilateralism with a global perspective and respect for the sovereignty of each country (Tian, 2020).

2024: HEGEMONISM AND NEOCOLONIALISM IN THE SPOTLIGHT

On May 16, 2024, on the 75th anniversary of the establishment of bilateral relations, the two sides issued a Joint Statement on deepening relations of comprehensive partnership and strategic coordination, entering a new era (Президент России, 2024). Compared to analogous declarations from previous years, the ten sections of the 2024 Joint Statement are more explicit about and more critical of the hostile policies enforced by the US and its allies, paying more attention to security-related issues.

Both China and Russia are obviously aware of the strategic risks produced by the malign activities of the declining hegemon, and the tough rhetoric signals that the confrontation, stirred up by some Western countries, could result in fatal clashes, including the nuclear war (Гребенников, 2022; Ministry of National Defence of The People's Republic of China, 2024; Soldatkin & Osborn, 2024). China and Russia appeal to nuclear powers to hold special

responsibility for maintaining strategic stability and adhere to the Joint Statement of the Leaders of the Five Nuclear-Weapon States on Preventing Nuclear War and Avoiding Arms Races from January 3, 2022, the first statement of the five nuclear-weapon states of its kind. The two major Eurasian powers call for a global commitment to preventing the militarisation of outer space and jointly denounce Washington's "destructive and hostile double containment policy" and US attempts to reach decisive military superiority (see also Zemánek, 2023). Instead of arms race, hegemony, Cold War mentality, exclusive security, and bloc confrontation, they continue to promote the principle of equal and indivisible security, allowing for the security interests and concerns of all parties as the only viable path toward just and lasting peace.

It also applies to the Ukraine conflict, whose main cause is seen in the expansion of NATO, the long-term disregard of Russia's concerns, and the exclusive and bloc approach to security. For the first time, the recent document addresses not only hegemonism but also neocolonialism, both of which are identified with some Western countries. In contrast to *rules-based order*, chronic interference in the internal affairs of other countries, including but not limited to legal actions and confiscation of sovereign assets, politicisation of economic relations, and protectionism leading to fragmentation of the world economic system, China and Russia reiterate their commitment to the protection of national sovereignty, the construction of a stable and sustainable economic system based on inclusive economic globalisation, the democratisation of international relations, the construction of a just and rational multipolar world, and last but not least the implementation of international justice.

The strong emphasis on sovereignty, on the one hand, and shared security, development, and stability, on the other, runs like a red thread through the Joint Statement embedded in the notion of justice. The Chinese side appreciates Russia's positive efforts in all these areas. Both countries agree on the significance of bilateral cooperation for the socio-economic development and modernisation of China and Russia and its positive effects on the stability and sustainability of the world economic system and inclusive globalisation. Furthermore, bilateral defence cooperation and a high level of mutual strategic trust are considered to contribute to regional and global security.

The document says that the promotion and linking of the Russia-proposed Greater Eurasian Partnership and the China-proposed BRI create conditions for sustainable sovereign socioeconomic development of Eurasian countries, which combines sovereignty with modernisation and presents a macroregional Eurasian perspective in the role of bilateral relationship, whose priorities for the period up to 2030 were agreed on by the presidents on March 21, 2023 (Президент России, 2023а). However, a stronger emphasis on Eurasia does not weaken the global perspective on a wide array of issues with the protection of the current international system at the core. In this regard, the two sides support the Group of Friends in Defence of the Charter of the United Nations as one of the important practical instruments at the UN level.

SINO-RUSSIAN CONSENSUS AND FUTURE CHALLENGES

Discourse analysis of official documents enables us to identify the fundamentals of the Sino-Russian shared vision of global governance and world order. The two sides claim allegiance to the post-war international system based on the UN Charter and international law (*law-based order*) and the principles of peaceful coexistence, which shall be updated according to the current conditions. At the same time, they promote a progressive reform of global governance based on democratisation of international relations, inclusive economic globalisation, multipolarity, and true multilateralism, as well as justice and rationality, in contrast to unilateralism and protectionism attributed to liberal democracies. Similarly, the US-proposed *rules-based order* is denied, as it undermines the law-based UN-centred international system and imposes ever-changing rules set by a few countries on others. Therefore, Western policies are seen as a continuation of hegemonism and neocolonialism aimed at maintaining the dominance of the US and anchored in the false universality and a sense of superiority of the Western socioeconomic model (see Yeros & Jha, 2020).

Contrary to this neocolonial approach, China and Russia adhere to a civilisational paradigm, which has recently become an integral part of the political discourses in both countries. The paradigm implies the recognition of multiple modernities, multiple democracies, and multiple conceptions of human rights, diversity of civilisations, and equality between them. However,

this cultural relativism is merged with the notion of universal human values such as democracy, equality, freedom, justice, and peace. In this line of reasoning, universality arises from the agreement between members of the international community in harmony with the principles of inclusivity, equality, multilateralism, and participation rather than from an essentialist perspective, which is typical of Western mentality (Blumczynski, 2019; Delanty, 1995). The civilisational paradigm enables each country to choose its own path of development and implementation of human rights in accordance with local conditions, needs, and traditions. Importantly, it is accompanied by a holistic approach to human rights that requires the inclusion of all categories of human rights. There is no doubt that the perspective promoted by China and Russia is responsive to the interests and aspirations of the Global South, developing countries, and the world majority (CGTN, 2024).

The overlaps with the countries of the world majority can be observed in many regards, starting from the reform of global governance and ending with the emphasis on equality of civilisations and countries, sovereign and common development and modernisation, and international justice. The aversion to hegemonism and neocolonialism is accompanied by a comprehensive criticism of unilateralism, protectionism, politicisation, and weaponisation of economic relations and legal instruments, and a divisive and confrontational narrative about a clash between democracies and autocracies, which constitutes an integral part of Western discourse and creates strategic dilemmas for many countries. In addition, references to the principles of peaceful coexistence produce an allusion to the Bandung Conference, linked to developing countries in Africa and Asia and the Non-Aligned Movement, whose participants wanted to pursue an independent foreign policy and development without taking sides while opposing colonialism and neocolonialism (Dinkel, 2019). This philosophy and aspirations are present in the current Sino-Russian joint efforts.

The proxy conflict between Moscow and Washington and its allies in Ukraine accelerated Russia's pivot to the East, including China, opening the door to deepening strategic trust between Beijing and Moscow and a better reception of China-proposed global initiatives by the Russian side. Concurrently, the open confrontation accelerated Russia's efforts to counter hegemonism on a global scale. This tendency manifested in the evolution of the political discourse, in which the criticism of neocolonialism became

prominent. The article by President Vladimir Putin in *Rodong Sinmun* denounces the “rules-based order” imposed by the US as a global neocolonial dictatorship, contrasting it with a multipolar world order based on justice, mutual respect for sovereignty, and consideration of each other’s interests (Putin, 2024). The ruling United Russia party, in turn, initiated an international movement against neocolonialism, which has been joined by almost twenty political parties, including the Communist Party of China (United World International, 2024). The recent evolution of Russian foreign policy shows some revival of the tradition of Soviet anti-imperialism and support for national liberation movements. This continuity was explicitly admitted by Minister of Foreign Affairs Sergei Lavrov, who drew parallels between the Soviet Union’s struggle against the global expansion of the West and Russia’s current role in international politics (Lavrov, 2024). This move can lead to stronger synergies between China and Russia but also to possible disagreements if realist geopolitical tendencies on the Russian part outweigh a cooperative and constructive approach toward the solution of international conflicts (see Wang, 2024).

Sino-Russian comprehensive partnership and strategic coordination is conceptualised in terms of a new type of major-power relations with the principles of non-alliance, non-confrontation, and not targeting any third party in the core. Both countries advocate universal, comprehensive, indivisible, and lasting security, which is in contradiction to the Western approach to security typical of bloc thinking and exclusive alliances. From this perspective, China and Russia oppose NATO, AUKUS, and US militarism, which sows discord, seeks decisive military superiority, preserves the Cold War mentality, and follows zero-sum logic. The two major powers share the same interpretation of the causes of the conflict in Eastern Europe, being concerned by the expansion of NATO and NATO-like military groupings around the world, which inevitably fail to comply with the principles of equal, indivisible, and universal security, as they deliver security to some countries at the expense of the others. Such geopolitical thinking is perceived as obsolete, even though some realist-leaning concepts can be found in the Sino-Russian documents as well, with the global strategic stability and international and regional balance of power in the first place.

The political interactions between China and Russia, including the political declarations adopted by the supreme leaders, show recognition of each

other's initiatives and strategies and the willingness to link them to create positive synergies. The agreement on the conjunction of the EEU and the Silk Road Economic Belt (BRI) in 2015 marked the beginning of this process, followed by an agreement on the complementarity of the BRI and the Greater Eurasian Partnership in 2019 (Novikov & Bocharova, 2024). Furthermore, both sides share an interest in promoting instruments such as the G20, the BRICS, the SCO, APEC, or the WTO to carry out reforms of the global governance system. Russia voices its support for the China-proposed Global Civilisation Initiative, the Global Development Initiative, and the Global Security Initiative, as well as the overarching normative vision of the community of a shared future for mankind. Beijing, in turn, has embraced Russia's concept of democratisation of international relations and, particularly, that of a multipolar world order, even though there are certain differences at the discourse level. Whereas Russia usually speaks of a *just multipolar order*, China has introduced the notion of an *equal and orderly multipolar world* (Ministry of Foreign Affairs of The People's Republic of China, 2024).

The question is whether the Russian side adapts its strategy and tactics to the new paradigm enshrined in the vision of the community of a shared future of mankind. The transition to the new world order requires that each country adopt innovative and forward-looking approaches while keeping pace with the times. A return to the traditions of Soviet foreign policy on the Russian part can yield positive results but also strengthen zero-sum attitudes and escalate the geopolitics-driven confrontation. China is moving from the Cold War-born negative coexistence to a positive and harmonious coexistence based on shared destiny, common development and prosperity, joint governance, and all-win solutions rather than a mere *modus vivendi* (王义桅, 2024). The close relationship and strategic trust between China and Russia create conditions for both countries to go in the same direction.

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PEACE FACILITATOR OR SHIRKER? CHINA'S UKRAINE POLICY AND ITS IMPACT ON CONTEMPORARY SINO-RUSSIAN RELATIONS

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Abstract: Framed as a “friendship without limits”, the relations between Russia and China have remained remarkably stable despite the Kremlin’s invasion of Ukraine on February 24, 2022. In contrast to the West, which has strongly denounced the Russian military campaign, China neither condemned nor endorsed it, calling on both Moscow and Kyiv to resolve their dispute diplomatically, respecting Ukraine’s national sovereignty and territorial integrity, thereby signalling Beijing’s neutrality and commitment to conflict resolution. However, given China’s purchases of Russian energy supplies, provisions of military and logistical support for the Kremlin, and its sharp criticism towards the US and the EU concerning their use of “unilateral sanctions”, its credibility as an impartial actor has been somewhat eroded, revealing inherent contradictions in China’s contemporary Ukraine policy. Accordingly, this paper grapples with the following questions: (1) How is China still able to maintain its amicable relationship with Russia, jointly challenging US unipolarity and offering multipolarity as an alternative governance model, and simultaneously step up to its ambitions to become a responsible stakeholder in international conflict mediation and an impartial peace facilitator? (2) How do these ambiguities impact its relations with Russia? Empirical findings suggest that given the shared rivalry with the US, China will most likely continue its political and diplomatic support for Russia while seeking to resolve the Russo-Ukrainian war on terms that benefit Moscow and Beijing’s security interests, i.e., the restraint of further US engagement in the post-Soviet space, in particular, any prospective NATO enlargement eastwards.

Keywords: China, Russia, Ukraine, United States, Sino-Russian relations, responsibility.

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INTRODUCTION

During Vladimir Putin's visit to China on February 4, 2022, before the Winter Olympic Games in Beijing, both China and Russia pledged a "friendship between the two States [that] has no limits", reaffirming the strong bilateral alignment against the preponderance of the United States (US) in the international system and their mutual efforts to establish a multipolar world order (President of Russia, 2022). While not principally guided by shared values (such as the US-led Transatlantic and Transpacific alliance systems) and based on pragmatism with prospects of deeper cooperation in designated areas, Russia and China nevertheless achieved rapprochement, thus constituting the principal challenge for the US through the establishment of alternative governance models beyond the criteria of the US-led rules-based international order. Therefore, even after Russia waged war against Ukraine on February 24, 2022, their bilateral relations remained remarkably consistent, with frequent visits between leading authorities and diplomatic support in international forums.

However, Russia's invasion of Ukraine has tremendously impacted China's foreign policy in many aspects as well. On the one hand, China has been providing infrastructural and technological assistance for Moscow's military campaign and even become one of the main destinations for Russian energy supplies, considering the appreciable need of the Chinese market for oil and gas. Beijing recognises that if Russia were to be weakened militarily and economically after its invasion or even lose the war altogether, it would less likely be able to provide the means necessary for restraining the US more effectively. Simultaneously, though, Beijing officially claims diplomatic neutrality, emphasising the significance of territorial integrity, national sovereignty, and non-intervention in resolving the dispute between Russia and Ukraine. China is pressurised to do so, considering that the New Eurasian Land Bridge, an economic corridor within the framework of the Silk Road Economic Belt (SREB) of the Belt and Road Initiative (BRI), passes through Russia and may be subject to Western sanctions, to which the Chinese government is strongly opposed. While China is recently strengthening its presence elsewhere, for example, in the Caucasus, to stimulate its geopolitical and geo-economic ambitions within the broader context of the BRI, it is restrained along a crucial trade route to direct Chinese goods to European markets (Lin, Hart & Lu, 2023). As such, the Chinese government seeks to present itself as a credible conflict

mediator. Yet, despite several attempts, it has failed so far to supply a long-term solution due to a lack of credibility, considering Ukrainian suspicions over Beijing's amicable relations with the Kremlin.

Accordingly, this paper grapples with the following questions: First, how is China still able to maintain its amicable relationship with Russia, jointly challenging US unipolarity and offering multipolarity as an alternative governance model, and simultaneously step up to its ambitions to become an impartial peace facilitator and responsible stakeholder in international conflict mediation? Second, how do these ambiguities impact its relations with Russia? The empirical findings suggest that China's foreign policy discourse is often conflictual rather than homogeneous. Following the intellectual roadmap elaborated by Weizhun Mao (2017) to illustrate the different and, at times, diverging perspectives of Chinese policy practitioners about how to deal with international crises and conflict management, this paper analyses the clashing trajectories of how to accommodate China's posture as a responsible great power and its amicable relations with Russia to challenge US unipolarity jointly. By way of conclusion, it contends that the consistent recalibrations of its foreign policies to its national interests and the fluctuant changes of the status quo in the international system erode China's ambitions, precluding it from becoming a credible peace facilitator, as its geopolitical and ideological objectives are ranked superior to genuine commitments to conflict resolution.

BEYOND THE DICHOTOMY OF NATIONAL INTERESTS AND INTERNATIONAL RESPONSIBILITY

Prima facie, pursuing national interests and bearing international responsibilities seem mutually exclusive. Pursuant to realist concepts, national interests, defined by states in terms of what they seek to ensure their survival, mostly revolve around power and security, thus downplaying or even disqualifying prospects of cooperation, of which the distribution of responsibilities is a prerequisite for shared benefits (Walt, 1987; Waltz, 1979). However, political practice demonstrates that national interests and international responsibilities are not contradictory but closely interlinked. Specifically, great powers such as the US, due to their domestic capacities, or recognised peace facilitators such as Norway, Finland, and Singapore,

recurrently commit themselves to international responsibilities to resolve international crises. Therefore, stepping up to international responsibilities ensures some degree of stability, depending on the commitment, credibility, and level of cooperation among the different actors committed to resolving a crisis. As such, international responsibility may be entrenched in national interests, as a stable status quo may serve the interests of those actors, especially great powers, who seek to preserve it. Rising powers, most prominently China, can also become responsible stakeholders of the international system. Yet, considering that they commonly seek to change the existing status quo in accordance with their own national interests, such ambitions can be manipulated by nationalism and realpolitik calculations (Deng, 2015).

According to Mao (2017, p. 189), Chinese foreign policy is subjected to a continuum rather than a dichotomy, with nationalism and internationalism as well as positive and negative approaches to international responsibility at the respective ends of the spectrums. He further subdivides Chinese views on international responsibility into three major groups, composed of scholars and policy practitioners, as (1) averting; (2) accommodating; and (3) advocating (Mao, 2017, p. 190). First, Chinese scholars and policy practitioners averting international responsibility hold conservative and even isolationist views, thus expressing negative opinions on international responsibilities. That is particularly evident when responding to the US understanding of “responsible stakeholder” or “China’s responsibility”, which has led to the assumption that “China is an irresponsible country and that China should act according to the will of Western countries” (Mao, 2017, p. 189). Put simply, these scholars and policy practitioners believe international responsibilities imposed on China would constitute additional challenges for Beijing. These responsibilities will prevent China’s “peaceful rise” (*heping jueqi*) and make it more susceptible to Western efforts to restrain it. By refraining from international responsibilities, China can act more flexibly to pursue its geostrategic objectives. For instance, the Chinese government strictly officially embraces non-intervention and a non-alliance policy, considering that it would not only evade security dilemmas and entrapment in case of great power conflicts but also reduce tensions beforehand (Liu & Liu, 2017, p. 156).

Second, several scholars and policy practitioners argue that China must step up to its role as a responsible actor whenever deemed congruent with

its national interests and domestic capacities to fulfil international responsibilities efficiently (Mao, 2017, p. 192). If China adopts the identity of a “responsible great power” within the context of its peaceful rise, it may consolidate its role in international society. Thus, it can better synergise its security interests with international responsibilities (Qin, 2003). Simultaneously, though, they warn that with increasing responsibilities and power capacities commonly associated with great powers, China must not appear “hegemonic”, a label strongly rejected by the Chinese government. When grappling with international responsibilities, China prefers to engage in multilateral cooperation, promoting dialogues and participating in peacekeeping operations, instead of insisting on unilateral solutions (Mao, 2017, pp. 193-195).

Third, particularly in contrast to the conservative perspective, the advocates of China’s international responsibility argue that if China were to bear more international responsibilities, these could further boost its national developments instead of holding it back and acting passively. Simply put, “if China wants to regain its historical status as a great world power, it must act like a great world power” (Yan, 2011). Such notions, deriving from traditional Chinese philosophy synergised with new conceptual developments of international IR scholarship, may stand in contrast to the official and conservative line of the Chinese government, yet broadening the academic discourse about how China should define its role in the “new era” (*xin shidai*). Therefore, fulfilling international responsibilities could strengthen China’s approaches to resolving crises and challenges, framed discursively as “Chinese solutions” (*Zhongguo fang’an*), thus further strengthening its ambitions to establish a multipolar world (Mao, 2017, pp. 196-197). This could, for instance, involve the provision of public goods and the establishment of relevant international organisations, inducing and deepening multilateral cooperation (Liu, 2004). By doing so, China may better canalise its national interests and strategic objectives, ensuring its leverage in world politics and, thus, emerging as an architect of a multipolar world order (Mao, 2017, p. 198).

However, while these three discursive trajectories may insinuate fixed positions with defined boundaries in terms of how China should take on international responsibilities, the political practice reveals a certain degree of fluidity between them. Scholars and, more pressingly, political practitioners consistently assess the trade-offs of whether China should step up to its role

as a responsible actor or expose some restraint, resulting in conflictual discourses. By setting out an intellectual roadmap to capture the diversity of the abovementioned trajectories, Mao (2017, p. 199) argues that “China possesses diverse and conflictual identities, which further diversify and complicate the viewpoints of Chinese scholars per international responsibility”. Accordingly, Chinese scholars and political practitioners consistently reassess the costs and benefits of whether China should step up to its commitments as a responsible great power, redefining and recalibrating its strategic objectives and national interests to the fluctuant changes of the status quo in the international system.

To illustrate the discursive struggles between different trajectories questioning whether China needs to adopt a more proactive role, which befits a responsible great power, this paper employs a content analysis coupled with a time series analysis. Particular emphasis is on its role since the Russian invasion of Ukraine on February 24, 2022. Through the content analysis, I assess specific signals, revealing Beijing’s ambitions to endorse conflict resolution in Ukraine, which, however, stand in sharp contrast to its political practices in calibration to its geostrategic interests, involving the military and logistical support of Russian President Putin’s campaign. China’s behaviour is, therefore, signalling inconsistencies, which impede its role as a responsible actor, as it does not wish to see Russia severely weakened upon the conclusion of the Russo-Ukrainian war, given the shared hostility with the US and joint ambitions to establish a multipolar world order.

CHINA’S STRATEGIC OSCILLATIONS DURING THE RUSSO-UKRAINIAN WAR

Ever since the Russian invasion of Ukraine, China has been exposing distinct oscillations between signalling to be a responsible and impartial conflict mediator and pursuing national interests to seek benefits from the Russo-Ukrainian war. On the one hand, leading Chinese diplomats and President Xi have consistently called on Ukraine and Russia to avoid escalation of the “conflict” and emphasised the significance of negotiations. At the same time, they were also appealing to the US, the EU, and NATO. On the other hand, China has been simultaneously providing drones and equipment to the Russian army, and its diplomatic proposals to resolve the dispute between Russia and Ukraine expose an overemphasis on Chinese and Russian interests

while disregarding Kyiv's position. That has eroded its credibility as an international stakeholder genuinely interested in resolving the Russo-Ukrainian war on terms that also suit Ukrainian security interests. As such, there is a consistent interplay between commitments to international responsibility and China's national interests, which Chinese policy practitioners and scholars have to synergise.

China's ambition to become a stakeholder in resolving the Russo-Ukrainian war is entrenched in a succession of other attempts to contribute to international conflict management. These, for instance, also involve the rapprochement between Saudi Arabia and Iran, the national unity agreement signed by Fatah and the terrorist organisation Hamas on 23 July 2024, and an approach to conflict mediation in Mali (Aboudouh, 2024; Benabdallah, 2024; Cafiero, 2024). However, these efforts are not driven by idealistic or altruistic motives. In all the mentioned conflicts, there is a distinct cleavage with Western, particularly US interests, with China seeking to accommodate and gain influence over certain factions, which too express an anti-US foreign policy agenda, to ensure long-term leverage. While Beijing's influence is still somewhat limited to challenging Washington openly, the Chinese government has instead attempted to disseminate diplomatic and political solutions beyond Western-centric paradigms, which are directed at the domestic audience as well as foreign audiences, expressing Sinophile attitudes. The case of Ukraine, therefore, exemplifies these contradictory ambitions to promote China's image as an international stakeholder in conflict mediation. While Beijing does signal an interest in a dispute settlement between Russia and Ukraine, it also seeks to endorse a solution befitting its national interests. That raises the question of whether it can genuinely function as a neutral conflict mediator, such as Switzerland or Malta, which previously were venues of negotiations but failed to supply a settlement.

China Signalling International Responsibility and Impartiality

Following the Russian invasion of Ukraine, China has expressed its interest in functioning as an impartial mediator in the dispute between Ukraine and Russia, proposing bilateral and multilateral initiatives, thus signalling to reciprocate Ukrainian demands for a more active posture to resolve the Russo-Ukrainian war. For instance, Andriy Yermak, aide to the President of

Ukraine, stated at a press conference held by Chatham House on March 22, 2022, that “[Ukraine believes] that China [...] should play a more noticeable role in bringing this war to an end and in building up a new global security system”, adding that “we also expect China to be one of the guarantors within the framework of this security system” (Reuters, 2022). Ukraine’s Minister of Foreign Affairs, Dmytro Kuleba, also noted in an interview with Xinhua that China could become “one of the security guarantors for Ukraine’s security”, calling on the Chinese government to utilise its influence on the Kremlin to stop the war and emphasising that the Russian invasion had a detrimental impact on China’s economic interests (Xinhua, 2022a). As the war has been dragging on, President Zelenskyy likewise reiterated the significance of China, stating that “[...] China is balancing and indeed has neutrality, and [...] this neutrality is better than China joining Russia” (AP News, 2022).

Accordingly, Chinese Minister of Foreign Affairs Wang Yi reiterated that China could play a constructive role in facilitating negotiations and suggesting the six-point initiative on March 7, 2022, presenting China’s first proposal to end the war in Ukraine. The six-point initiative is based on the following: (1) humanitarian operations abiding by the principles of neutrality and impartiality; (2) provision of shelter for displaced persons; (3) protection of civilians; (4) provision of humanitarian aid; (5) guarantees for foreign nationals in Ukraine, allowing a safe departure to their home countries; and (6) strengthening the UN as a coordinator (Tachikawa, 2022). To further coordinate the negotiation process, he subsequently consulted with Russian Minister of Foreign Affairs Sergei Lavrov during the latter’s visit to China on March 30, 2022, as well as with Kuleba during a phone call on April 4, 2022 (State Council of China, 2022; Wang & Xu, 2022).

In terms of multilateral engagement, China seeks to strengthen the roles of the Shanghai Cooperation Organisation (SCO) and BRICS, where Russia also holds membership. During his meeting with the Secretary-General of the SCO, Zhang Ming, Wang Yi stressed the significance of a vision of “common, comprehensive, cooperative, and sustainable security”, while “deepen[ing] solidarity and coordination among member states and strengthen[ing] mutual support” with regard to the impact of the Russo-Ukrainian war for the international system (MFA of China, 2022b). Likewise, as written in the joint statement of May 19, 2022, and enshrined in the Declaration of the Beijing Summit, BRICS supports talks between Ukraine and Russia, underscoring the

importance of UN institutions “to provide humanitarian assistance in accordance with the basic principles of humanity, neutrality, and impartiality established in UN General Assembly resolution 46/182” (MFA of India, 2022).

Simultaneously, China has been increasingly promoting its Global Security Initiative (GSI), a concept proposed by Chinese President Xi Jinping during the annual Boao Forum on April 21, 2022, and officially launched on February 21, 2023. The GSI is designed to induce security cooperation and ‘take the security concerns of all countries seriously’, which too involves the peaceful resolution of disputes while respecting national sovereignty and territorial integrity and abiding by the principles of the UN Charter (Government of China, 2023). Worth mentioning is that the GSI specifically refers to “indivisible security”. Referring to a constellation in which the security of one state is inseparable from the other states in the region, “indivisible security” was first coined in the Helsinki Accords (1975) during the Cold War, yet later reoccurred in the Russian foreign policy discourse to legitimise Russia’s military build-up along the borders with Ukraine and Belarus since 2021, presenting the pretext of the eventual invasion of Ukraine. According to President Xi Jinping, who stated that military alliances (primarily NATO) and hegemonism (insinuating US supremacy) led to the war in Ukraine, the GSI should function as a forum opposing the hegemony of one state and instead cooperating collectively to resolve common security issues (Xinhua, 2022b).

On February 24, 2023, briefly after the formal launch of the GSI and coincidingly with the first anniversary of the Russian invasion of Ukraine, the Chinese Ministry of Foreign Affairs released “China’s position on the political settlement of the Ukrainian Crisis” (MFA of China, 2023a). While the document was barely composed of reiterations of previous diplomatic statements and neither referred to the Russian military campaign as a “war” or “invasion” nor contained a specific roadmap for a peace settlement, China sought to strengthen its diplomatic position *vis-à-vis* the US, specifically among audiences in Europe (including Russia and Ukraine) as well as the Global South (Bekkevold, 2023). Accordingly, although lacking substance, China’s peace plan for Ukraine constitutes the first attempt to enhance Beijing’s future role in international conflict management after the launch of the GSI. In contrast to the West and Kyiv, which rejected China’s peace plan for Ukraine, the Global South has been signalling reciprocity to China becoming an international stakeholder in international peacekeeping

(Gabuev, 2023). Suffice it to say that China was still able to emit a strong signal, projecting the image of a credible peace broker among audiences seeking solutions and models of conflict governance beyond Western-centric paradigms. Therefore, China's peace plan for Ukraine did not necessarily aim to conclude the Russo-Ukrainian war altogether. Instead, it was designed to boost China's reputation and simultaneously erode the US's credibility, presenting Beijing as the only tangible alternative.

Such notions accentuate the significance of bearing international responsibilities for the status of a great power. Through signals of commitment and promotion of Chinese diplomacy, Beijing seeks not only to claim the role of an international stakeholder in conflict mediation between Russia and Ukraine but, more importantly, to underline its ability to do so in other regions where "Chinese solutions" are received amicably. Simultaneously, Chinese foreign policy practitioners conceal Beijing's great power ambitions as, officially, China does not seek hegemony. This posture may not, otherwise, induce the desired credibility and publicity, given the Global South's problematic relations with the great powers. As such, there is a strong interplay between the second and third groups of scholars and policy practitioners, following the categorisation of Mao Weizhun (2017). While not mutually exclusive, they may find some philosophical and political convergences to contextualise the applicability of China's international responsibilities.

China Protecting Its National Interests

However, China also emitted strong signals, ostensibly defending Russia's actions against Ukraine and simultaneously denouncing the West's actions towards Russia, primarily the unilateral imposition of sanctions and the consistent arms and technology supplies to Ukraine, and often invoking narratives that Moscow utilises to legitimise its invasion. For instance, while stressing that China has for long been supporting a diplomatic solution, China's Minister of Foreign Affairs Wang Yi underlined that "given NATO's five consecutive rounds of eastward expansion, Russia's legitimate security demands ought to be taken seriously and properly addressed" (MFA of China, 2022a). Put differently, he frames the Russian military campaign as a means to defend Russian interests against an "encroaching" NATO, disregarding Ukraine's security concerns *vis-à-vis* Russia, which derive from a long record

of the Kremlin's influence-seeking disinformation campaigns and endorsements of political separatism from Ukraine in Crimea and Donbas. Moreover, the then spokesperson of the Chinese Ministry of Foreign Affairs, Zhao Lijian, criticised the G7 Foreign Ministers' Communique on May 14, 2022, as "grossly interfer[ing] in China's internal affairs, maliciously slander[ing] and smear[ing] China, and once again exert[ing] pressure on China using such pretexts as the Russia-Ukraine conflict" (MFA of China, 2022c). This rhetoric indicates that, while downplaying or even disregarding its support for Russia entirely, China seeks to redirect the focus on frames, putting the blame on the West and accusing Washington and Brussels of "escalating the conflict". Although, due to the illegitimate Russian invasion of Ukraine, the "conflict" has already descended into a full-fledged war.

Simultaneously, with Wang Yi having characterised the bilateral relations as "rock-solid", China and Russia have increased the frequency of meetings between leading policy officials and further consolidated their bilateral engagement in various policy areas (Reuters, 2023). In terms of military cooperation, China and Russia jointly participated, *inter alia*, in the Vostok-2022 strategic exercises held on August 17, 2022, and naval exercises in the South China Sea on July 17, 2024 (Government of China, 2022; Reuters, 2024). Moreover, President Xi Jinping and Vladimir Putin issued a joint statement on March 21, 2023, in which both pledged to deepen military cooperation. China reiterated its impartial position on the Russo-Ukrainian war and its peace plan for Ukraine, supported by the Kremlin (President of Russia, 2023a). The military engagement between Russia and China was consolidated further after Li Shangfu, former Minister of Defence, visited Russia in April 2023 to engage in bilateral consultations and in August 2023 to attend the 11th Moscow Conference on International Security, during which he held talks with Russian authorities and military representatives from other states (South China Morning Post, 2023; Catterall, 2023). The military cooperation also involves Chinese provisions of drones and equipment to Russia, providing vital aid to replenish the Russian stocks (New York Times, 2023). While officially denying it, many Chinese policy practitioners are aware of the significance of these supplies, as they recognise that China needs Russia to contest US supremacy more efficiently. Moreover, if the Kremlin were to be defeated on the battlefield, their joint efforts would be severely constrained, too.

Likewise, since the Russian invasion of Ukraine and the subsequent sanctions imposed on Russia, China has been gradually increasing its economic cooperation, specifically in the Russian oil and gas supplies for the Chinese market. In September 2023, the monthly trade between them was estimated at USD 21.2 billion, more than 60% compared to 2021 (Lin, Hart & Lu, 2023). The annual value reached USD 240 billion in 2023, with Chinese exports to Russia exceeding USD 111 billion, constituting 38% of Russian overall imports (Prokopenko, 2024). Moreover, Russia and China signed a memorandum of understanding to deepen investment and trade cooperation on May 24, 2023 (Government of Russia, 2023). During his meetings with Vladimir Putin on September 20, 2023, in St. Petersburg and with Sergei Lavrov on October 16, 2023, in Beijing ahead of the 3rd Belt and Road International Cooperation Summit Forum (BRF), Wang Yi signalled deepening of trade and economic cooperation within the framework of the BRI and engaging in policy coordination to strengthen the role of the SCO and BRICS (President of Russia, 2023b; MFA of China, 2023b). At the BRF, President Xi and Putin held personal talks, signalling that China and Russia would engage in long-term commitments to cooperation in multilateral forums and various policy areas encompassing the BRI projects (Lin, Hart & Lu, 2023).

In multilateral forums, such as the UN, China has also expressed its support for Russia. For instance, Beijing abstained from a vote on a United Nations Security Council (UNSC) draft resolution on “Ending Ukraine Crisis” (which failed due to a Russian veto) and, a week later, on a UN Human Rights Council that condemned the Russian invasion and sought to establish an independent commission to investigate allegations of war crimes and other human rights abuses (UN, 2022a; UN GA, 2022). Likewise, China’s ambassador to the UN, Zhang Jun, voted against a resolution to suspend Russia from the UN Human Rights Council and, upon successful adoption, addressed the concern that such a move would constitute a “new dangerous precedent”, aggravating the conflict and thwarting peace efforts (UN, 2022b). Moreover, despite formally endorsing attempts at international conflict mediation, China declined to participate in the Ukraine Peace Summits hosted by Malta on October 28-29, 2023, and, later, by Switzerland on June 15-16, 2024 (Sulima, 2024). Such a signal indicates that while China claims to be an international stakeholder in mediating the dispute between Russia and Ukraine, it does refrain from participating in formats, the outcomes of which may not befit its

national interests, considering that the Ukraine Peace Summits are attended by representatives from the West.

These signals and actions accentuate China's alignment with Russia's geostrategic objectives and, thus, disqualify Beijing from taking the role of a neutral and impartial arbitrator, recognising the significance of the partnership with the Kremlin due to the shared rivalry with the US. International responsibility is here reinterpreted and reframed, which consequently corresponds to the contemporary narratives in Chinese diplomacy as opposed to genuine conflict resolution, as the US is commonly accused of being responsible for the escalation of the Russo-Ukrainian war while downplaying the Kremlin's pretext of the invasion and Russia's colonial legacy in Ukraine. Therefore, China does not necessarily refrain from bearing international responsibilities but averts responsibilities the Chinese government believes are imposed by the US to restrain it. As such, when taking on international responsibilities, Beijing only does so to defend its national interests, adopting a posture to challenge US unipolarity alongside Russian President Putin, who, under these conditions, is too useful for securing China's geostrategic objectives to be abandoned.

CONCLUSION

The empirical analysis has demonstrated the difficulties for Chinese policy practitioners to accommodate diametrically opposed foreign policy trajectories, casting doubts on whether Beijing can present itself as a credible international peace broker and simultaneously pursue its geopolitical objectives. While China has appreciably strengthened its position towards Russia, it simultaneously did incur a lack of trust among some Ukrainian diplomats. Most notably, although President Zelenskyy and Minister of Foreign Affairs Kuleba recurrently praise China's contributions to avoid direct confrontation with Beijing, Oleksandr Merezhko, a member of the Ukrainian Parliament, openly questions Ukraine's strategic partnership with China, concluded in 2011, due to Beijing's consistent infrastructural and diplomatic support for the Kremlin. He stated that it would be contradictory "to have a strategic partnership with a country that: 1) has a strategic partnership without limits with Russia [...]; 2) amplifies Russian propaganda; 3) helps Russia to circumvent Western sanctions; and 4) holds military drills with

Russia” (Liu, 2022). Likewise, China’s proposal to resolve the Russo-Ukrainian war disregards Ukrainian security concerns and overly emphasises Russian foreign policy concepts (e.g., “indivisible security”) and interests, which indicate that Beijing is not the impartial broker as it signals to be. As such, while benefiting disproportionately from engagement with Russia, as the latter is coerced to turn to Beijing to generate additional funds for its invasion of Ukraine, China can manifest its presence in international conflict mediation.

Accordingly, China has been, *inter alia*, utilising the war in Ukraine to legitimise its GSI as an alternative security architecture, challenging the rules-based international order (RIO) championed by the US. The main target audience here is primarily those states, mostly in the Global South, that have been considerably sceptical of US supremacy and the value-guided principles of the RIO. Although China’s proposals were insufficient to supply a peace settlement and conclude the Russo-Ukrainian war, they do reflect the principles on which the Chinese security architecture should be based: non-interventionism, abidance by the UN Charter, territorial integrity and national sovereignty, opposition to military blocs and hegemonism, negotiations as equal partners, as well as cooperation instead of confrontation. While China has been neglecting its role as a mediator and failed to reciprocate President Zelenskyy’s expectations, it has increased its international responsibilities in constructing an alternative security architecture within the framework of the GSI, reflecting Chinese national interests rather than genuine commitments to international conflict mediation.

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THE GENESIS OF THE SINO-RUSSIAN STRATEGIC PARTNERSHIP SINCE THE ESCALATION OF THE UKRAINIAN CRISIS

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Abstract: Since the escalation of the Ukrainian crisis, the Russian-Chinese strategic partnership has undergone a notable evolution, marked by a convergence of interests and cooperation across various domains. Stemming from a shared dissatisfaction with the perceived Western-centric international order, Russia and China have deepened their collaboration in response to geopolitical shifts. This partnership, rooted in strategic necessity, has been fortified through a series of diplomatic, economic, and military agreements, bolstering mutual trust and enhancing regional stability. The Ukrainian crisis served as a catalyst, prompting Russia and China to strengthen their ties as they sought to counterbalance Western influence and assert their own geopolitical agendas. Economic collaboration, particularly in energy and infrastructure projects, has flourished, providing both nations with avenues for economic growth and strategic leverage. Furthermore, military cooperation has expanded through joint exercises and arms sales, reflecting a growing alignment in security interests. Amidst evolving global dynamics, the Russian-Chinese strategic partnership continues to shape the geopolitical landscape, challenging traditional power structures and fostering a multipolar world order. As both nations navigate complex geopolitical challenges, their partnership remains a key determinant of regional stability and global power dynamics.

Keywords: Ukrainian crisis, Sino-Russian strategic partnership, geopolitical shifts, economic collaboration, military cooperation.

INTRODUCTION

The expansion of NATO after the Cold War, which ended in 1989, prompted Russia to once again partner with China. This relationship culminated in the bilateral Treaty of Friendship signed in 2001 as the core

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of a potential Eurasian security system. Over time, their bilateral relations grew stronger, particularly as both nations gained influence in international affairs and expressed a desire to overthrow the US-led world order. The 2014 Ukraine-Crimean crisis further cemented Sino-Russian cooperation, solidifying an image of a combined security challenge to the West-US-led order in the eyes of NATO and the US.

On February 24, 2022, the Russian Federation began an offensive on Ukrainian territory, escalating a war that *was not* a war that began eight years before with the annexation of Crimea. The so-called *Special Military Operation* (SMO) led to a resolute response by the United States and its partners, resulting in a proxy war between the US-led coalition on one side and the Russian Federation with its partners on the other, leaving Ukraine in the crosshairs. Apart from the US and its partners helping Ukraine with thus far unparalleled aid in financial and military means, it has also led to a series of economic sanctions and diplomatic isolation of the Russian Federation from the Western world—basically, the US, the European Union members, and some of the US Asian partners. However, despite rallying consensus on these key areas, which was, truth to be told, never in doubt, the US has fared poorly in galvanising support from the Global South.

One big concern has been Washington's inability to secure support from Beijing, which has instead opted to amplify Moscow's talking points rather than utilise its influence to affect Russia's behaviour, albeit carefully so as not to lead itself into a series of economic sanctions (Garcia & Modlin, 2022, p. 21). The Joint Statement signed in 2022 apparently signalled a long-term turning point. Beijing and Moscow pledged that their friendship in the form of "bilateral strategic cooperation" had "no limits" (Borsani, 2024). In this paper, we will get to the point that there indeed are limits to their friendship, but their friendship is growing stronger over time, although it is more out of a mutual necessity.

For example, on January 18, 2023, Russian Foreign Minister Sergey Lavrov reiterated the standard official refrain that Russian-Chinese relations were experiencing their "best" period ever. He argued that Sino-Russian ties were stronger than during the Cold War, when Moscow and Beijing had a formal military alliance with a mutual defence pledge, describing their current relationship as more pragmatic, trusting, and "mutually respectful" while still based on national interests. (Weitz, 2024). Here, we

see an important point that Lavrov makes: the Sino-Russian relations are stronger than during the Cold War when they had a formal alliance, which is something that they do not employ nowadays and rather opt for a more informal strategic partnership that helps partners shape their relations on a vaguer note.

The aim of the paper is to analyse the evolution and significance of the Russian-Chinese strategic partnership, particularly in the context of the Ukrainian crisis. The paper explores how this partnership has been shaped by a shared dissatisfaction with the Western-centric international order and how it has evolved across various domains—diplomatic, economic, and military. Additionally, the paper aims to examine the impact of this partnership on regional stability, global power dynamics, and the broader geopolitical landscape, focusing on the ways in which Russia and China have deepened their cooperation to counterbalance Western influence and assert their geopolitical agendas.

This paper is structured as follows: First, the author presents the nature of strategic partnership and delves deeper into the nature of the Sino-Russian strategic partnership. Then, the author considers the implications of the Ukrainian crisis for the Sino-Russian strategic partnership, after which the author provides a wider picture of the larger geopolitical competition. After painting a picture of implications for the larger geopolitical landscape the deepening Sino-Russian partnership creates, the author moves to the paper's conclusion.

STRATEGIC PARTNERSHIPS AND THE SINO-RUSSIAN STRATEGIC PARTNERSHIP

In order to discuss the Sino-Russian strategic partnership, we have to explain what a strategic partnership entails. According to Chang-Liao (2023, p. 227), “strategic partnerships can be defined as long-term collaborations between states on economic, political, and socio-cultural issues. They are characterised by informality, equality, and inclusivity”. When it comes to the Sino-Russian alliance, informality is the most significant. This characteristic helps both sides avoid the traps of formal alliances based on certain rules and obligations that each side has to adhere to. It helps China walk on a tightrope between having close ties with Russia and striving for

economic engagement with the West, while also avoiding being sanctioned for its closeness with Russia.

The main drive of their strategic partnership includes a shared interest in military technology and energy, a shared image of themselves as great powers, and increased tension with the US-led liberal international order. Their strategic partnership, as mentioned, is informal in nature and less institutionalised than an alliance, which serves as an enabler for both sides to reap the benefits of cooperation without the risk of entrapment that a formal alliance carries with itself, as their commitments are nonbinding.

They are usually embedded in joint declarations, executive agreements, and official exchanges of diplomatic notes that would not be considered legally enforceable. They are a foreign policy instrument designed to bypass the formal structures of alliance associations. Despite their deepening cooperation in the political and military spheres, Beijing and Moscow have declined to form an alliance involving mutual security guarantees. Instead, they concluded a series of partnership agreements. (Chang-Liao, 2023, p. 230).

Therefore, informality is essential to the nature of the China-Russia strategic partnership, and it has implications for China's attitude toward Russia's *Special Military Operation* in Ukraine. Due to informality, China has been able to avoid intervening in the Ukraine conflict. If China intervened in the form of economic or military aid, it would have several consequences. First, it would have significantly influenced the outcome of the conflict. Second, it would ensure Russian support for any future Chinese action vis-à-vis Taiwan, and last, it would impose a high economic cost on China for acting in such a way (Beckley & Brands, 2022).

In their relationship, China has positioned itself more assertive as the main rival to the US. It has pretensions to have a stronger influence, especially in Asia. Russia remains focused on enhancing its global influence and playing a disruptive role (Borsani, 2024). Regarding its trade with Moscow, China defends itself by saying it is not selling lethal weapons, although exports of dual-use items have increased year by year. Beijing exports more than \$300 million worth of dual-use items with both commercial and military applications to Russia every month. According to the Carnegie Endowment think tank, the list includes what the US has designated as "high priority" items necessary for making weapons from

drones to tanks, and there are reports about the potential use of Chinese satellite technology for intelligence on Ukraine's front line (Ng & Ma, 2024). It is difficult to deny that Russia's economy has been increasingly dependent on China, especially if we broaden the scope of this paper from the start of the Ukrainian war to the Crimean crisis, i.e., from the numerous Western sanctions enforced on Russia since 2014 (Shakhanova, 2014, p. 4).

On the other hand, according to Weitz (2024), Russian leaders and commentators routinely depict China as Russia's prime and preferred partner. They highlight Chinese leader Xi Jinping's friendly personal ties with Russian President Vladimir Putin, along with the harmony of ideology and national interests between Russia and China.

Their partnership is also enhanced by the 4200 km shared border and non-confrontational history, particularly during the latter part of the Cold War, which serves as a motivator for maintaining friendly and cooperative relations. Security is the external and unchanging basic interest of Sino-Russian relations; when relations are friendly, both countries receive large security benefits, but when relations are tense, both countries become a serious strategic threat to the other's security (Sagild & Hsiung, 2024, p. 6).

UKRAINE CRISIS AND ITS IMPLICATIONS FOR THE SINO-RUSSIAN STRATEGIC PARTNERSHIP

Before the *Special Military Operation*, analysts of military and technological cooperation observed that China's increasingly challenging technological relationship with the US and Europe led it to focus more on exporting products to Russia and enhancing technological collaboration, particularly in the aerospace, aviation, and military sectors. Military cooperation holds significant symbolic importance for Russia as it seeks to counter the perception of international isolation. Despite the ongoing conflict, joint military exercises have persisted; in July 2023, the two nations conducted their largest joint naval and air exercise in the waters between Japan and Russia. Military experts suggest that in areas like AI, there are opportunities and expectations for deeper scientific and technological collaboration between China and Russia. Although military-technology cooperation continues on a substantial scale, the two countries have chosen not to publicise it. These interactions, along with joint efforts on

advanced military technologies like AI and robotics, have strengthened China's deterrence capabilities (Sagild & Hsiung, 2024, p. 9).

Following Russia's invasion of Ukraine, China has adopted a stance of "pro-Russian neutrality". While China claims to be impartial and seeks to play a diplomatic role, during Xi Jinping's long-awaited phone call with Ukrainian President Volodymyr Zelensky on April 26, 2023, Xi avoided mentioning Russia and did not refer to the conflict as a war. Unsurprisingly, Xi did not discuss the need for Russian troops to withdraw, although he did express support for Ukraine's sovereignty. The timing of the call, on the anniversary of the 1986 Chernobyl nuclear disaster, underscores China's concerns about the potential threats to Ukraine's Zaporizhzhia nuclear power plant and Russia's broader use of nuclear threats during the conflict—an issue Xi has been particularly vocal about.

On December 5, 2013, China and Ukraine formalised a strategic partnership through an agreement emphasising the importance of "mutual support on matters of national sovereignty, unity, and territorial integrity" as a core component of their relationship. The joint declaration also acknowledged Ukraine's decision to relinquish its nuclear weapons, with China pledging to offer "security guarantees to Ukraine" in the event of any nuclear aggression against the country (Wishnick, 2023).

China, certainly, has not condemned Russia's aggression and has abstained during United Nations votes on it. However, soon after the invasion started, Moscow's campaign stalled, its prospects became uncertain, and President Xi began to worry about China's dependence on technology, markets, and capital. He took steps to shore up the relationship with the West, especially Europe. Beijing launched its "smart diplomacy" offensive in 2023, trying to avoid being cast as Russia's accomplice in the war and present itself as a neutral mediator (Zhang, 2024).

However, although the partnership between China and Russia was initially described as having "no limits", there are clear boundaries to this relationship. During Xi Jinping's visit to Moscow in March 2023, he praised the strategic partnership between the two nations. However, he did not fulfil Russia's key objectives of finalising an agreement to construct the Power of Siberia II gas pipeline or providing lethal weapons. Beijing has been cautious not to breach Western sanctions against Russia, concerned that doing so could lead to secondary sanctions on China (Stent, 2023).

The Ukrainian crisis has significantly accelerated the deepening of Sino-Russian strategic cooperation, making Russia increasingly reliant on China. Following Western sanctions on Russia, China has become Moscow's primary supplier of cars, clothing, raw materials, and various other goods. Trade between the two countries reached a record \$240 billion in 2023, which is more than 64% increase since 2021 before Russia's invasion of Ukraine, according to China's official data.

During their meeting in Beijing in May, Xi Jinping and Vladimir Putin emphasised that 90% of their trade is now conducted in their own currencies rather than US dollars. Putin also welcomed Chinese carmakers to Russia, especially after the US announced a fourfold increase in tariffs on China's electric vehicles, raising them to 100%. The export of Chinese cars and parts to Russia soared to \$23 billion in 2023, up from \$6 billion the previous year.

However, their relationship can be seen as "lopsided", with Russia being more dependent on China than the reverse. As of 2023, China has become Russia's largest trading partner, while Russia ranks as China's sixth-largest trading partner (Ng & Ma, 2024).

IMPLICATIONS FOR THE LARGER GEOPOLITICAL COMPETITION

Ideological commitments prevent Americans from sharing regional leadership with China or other countries, compelling Beijing to oppose the United States and get closer with Russia (Weitz, 2024). So, in the aftermath of the invasion of Ukraine, the principle of cooperation as the primary alternative to confrontation remains a key rationale for sustaining Sino-Russian relations. Internal factors that are driving the relationship, i.e., being neighbouring countries with a shared border of approximately 4,200 km, remain unaffected by the war. China is not obligated to disrupt its normal relations with Russia, meaning that it will not jeopardise the hard-earned Sino-Russian relationship over the Ukraine crisis. While China is not "one hundred percent" aligned with Russia, the relationship is seen as a stable partnership with long-term prospects (Sagild & Hsiung, 2024, p. 6).

Both countries have similar visions for their immediate neighbours inside Central Asia, including political stability, economic growth, and

increased economic connectivity. Russia can pass off many costs to realising that vision for China. (Skylar Mastro, 2024, p. 34).

Additionally, China relies on Russia's military and political strength to secure Central Asia, an area where it has invested heavily and considers vital to the stability of its interior. Another concern for Beijing is that a weakened Russia, further isolated by China, may choose to play a destabilising role along its frontiers—much like the USSR did at the height of the Sino-Soviet split. Therefore, Beijing operates in a fundamentally different strategic environment than Washington (Garcia & Modlin, 2022, p. 29).

But while China certainly has difficulties that arose from the *Special Military Operation*, it cannot afford to have Russia lose, given the deepening tensions in the great powers competition. Russia remains a key partner for China in its determination to create a multipolar world order in which the United States and Europe no longer set the agenda or the rules. (Stent, 2023).

Since the SMO began, China and Russia have intensified their efforts to promote multilateral organisations they lead that exclude the West—namely, the BRICS and the Shanghai Cooperation Organisation (SCO). They view these groups as key components in their vision of a post-Western, multilateral global order. At this year's BRICS summit in Johannesburg (which Putin did not attend), it was announced that six countries—Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates—will join the BRICS in 2024, with 19 others having applied for membership. While Argentina has changed its mind, the expansion of the BRICS summons the influence the Sino-Russian strategic cooperation has on a larger geopolitical scale. Some of these future members and applicants have (had?) close ties to the United States, raising questions about how joining the BRICS might affect those relationships.

Additionally, China and Russia have positioned themselves as leading voices for the Global South. Russia continues to assert its role as an “anti-imperial” power, casting the United States and Europe as the true imperialists. These developments have further complicated the West's ability to maintain sanctions on Russia.

Perhaps more importantly, Beijing has tried to avoid any parallels being drawn between Ukraine and Taiwan. From China's perspective, Ukraine is a sovereign country, and its territorial integrity deserves respect. Taiwan, in contrast, is in Chinese eyes a “breakaway province” of China, and,

consequently, the international community should comply with Beijing's "one China principle" (Chang-Liao, 2023, p. 235). This explains why China withheld support for the independence of Abkhazia and South Ossetia during Russia's war with Georgia in 2008 and why it refused to recognise Russia's annexation of Crimea in 2014.

In the past two years, the US put over 50 Chinese enterprises on various blacklists for supporting Russia's industrial production and procurement of defence equipment. This is in addition to other restrictive measures the US has undertaken to restrict Chinese global trade and technological presence, amidst an ongoing rivalry between the two countries (Saxena, 2024).

Interdependence is a more accurate description of the Sino-Russian partnership, as China needs Russian energy, assistance with its civilian nuclear program, support in the UN, military cooperation, and the appearance (if not yet the reality) of joint action in the Asia-Pacific. Despite uncertainties and foreign policy costs to China of a deepening partnership with Russia due to its ongoing war in Ukraine, this association brings substantial geostrategic and economic benefits to Beijing. ☐For China, Russia is needed not as a weak, unstable state, like so many on our continent, but as a strong, predictable foreign policy partner and a reliable supplier of strategic resources (Wishnick, 2023).

CONCLUSION

Since the outbreak of the *Special Military Operation*, the US has put numerous Chinese companies on various blacklists due to the support they provide to the Russian Federation in terms of evading sanctions as well as helping Russia's industrial and defence production. This, combined with other restrictive measures taken against China in the years preceding the SMO, led China to become closer to Russia. These two countries have found a common enemy in the US and its partners and created a bilateral, non-formal—in the sense of alliance—relationship designed to destroy the US-led liberal system. Strong anti-US and anti-Western sentiment has emerged as a key pillar around which the Sino-Russian strategic partnership is based and which has led to their relationship being highly interdependent, as each side has become a key partner for the other in terms of economic, military, and political support, in and out of the United Nations.

Their strategic partnership works in both directions. China is sort of an enabler for Russia to bypass the Western sanctions and continue its *Special Military Operation* against Ukraine. It also provides support solidifying much of the Global South to condemn sanctions against Russia, thereby complicating the plans the US had for isolating Russia and excluding it from the global economy. It is important to note that even though Beijing helps Moscow, it treads lightly. It does not want to be drawn completely into Moscow's orbit (it is a matter of debate who would be drawn into whose orbit, although that is not the scope of this paper), as it fears a response from Washington. China also cannot afford not to have Russia on its side, as it wants to establish a multipolar-based world instead of the US-led liberal one in which the US acts as a hegemon. Therefore, China does not provide direct military support to Russia and stays true to its policy of non-alignment. At the same time, it has increased its leverage over Moscow without compromising cooperation with the West because sanctions will not be withdrawn soon. The West also needs cooperation with China because of its cheap labour force, investment, and technology.

Conversely, Russia helps China by providing cheap energy and support in the United Nations and the international arena, as well as by mobilising the Global South for the Sino-Russian axis versus the US-led axis. Russia also provides high-end military technology to China at a discount price and increases imports from China. By doing so, Russia becomes even more dependent on China. There is a visible asymmetry in trading, but it is something for which Russia has no valid alternative other than increasing trade with the BRICS and the SCO countries. Nonetheless, those countries cannot replicate what China can provide to Russia.

At this point, the Sino-Russian strategic partnership may have indeed reached a point of “no limit” cooperation. This relationship will likely keep expanding as both leaders, one out of necessity and one out of awareness, realise that there is not much space for them in the US-led Western order—at least not under the terms they would prefer.

Finally, the basic principles of the strategic partnership between China and Russia remain the same. Russia continues to be a vital strategic ally for China, particularly in countering US global dominance and regional influence. This is especially true in security, military, and economic cooperation. The collaboration in defence and military technology between

China and Russia is considered valuable, especially as tensions between China and Western nations grow. From the Chinese perspective, NATO's expansion is viewed as the primary cause of the conflict in Ukraine, and the war is seen as part of a larger confrontation between Russia and the West. Consequently, the strategic partnership between China and Russia is strengthening daily. They also share a common interest in maintaining a stable and friendly 4200 km long border, as well as keeping the Central Asian region stable, prosperous and clear of US influence. Their close and deepening strategic partnership is a necessity out of the rising strategic rivalry that China has with the US.

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SINO-RUSSIAN ECONOMIC RELATIONS AMIDST GLOBAL UNCERTAINTIES

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Abstract: The study aims to examine the current development of economic cooperation between China and Russia in the context of the impact of the Russia-Ukraine conflict. The particular focus is on the analysis of investment and the dynamics of bilateral trade, including the identification of the main challenges and prospects for the coming period. Based on secondary data analysis, it can be concluded that Chinese investment in Russia has sharply declined over the past three years, while total Sino-Russian trade has significantly increased. Although bilateral trade has exhibited a positive trend, it is characterised by a significant structural imbalance stemming from the fact that Russia mainly supplies raw materials and China exports high-tech products to Russia. Regarding investment, despite the declared “no limits partnership” between China and Russia and the opening up of the space for deeper cooperation after Western companies withdrew investment from the Russian market, China has been acting rather cautiously, taking into account sanctions and geopolitical risks. In the coming period, trade cooperation is expected to expand further while China will most likely pursue a cautious investment policy, engaging exclusively in particularly profitable projects. In the long term, however, if the relationship deterioration between Russia and Western countries persists, a new economic system may emerge, with China taking the lead in investment activities.

Keywords: China, Russia, economic cooperation, investment, trade

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INTRODUCTION

In the contemporary landscape of international relations, the economic partnership between China and Russia stands out as a significant axis of cooperation. Over the past few decades, the Sino-Russian relationship has evolved from a pragmatic alliance to a comprehensive strategic partnership underpinned by shared geopolitical interests and mutual economic benefits. This partnership has gained increasing importance amidst the backdrop of global uncertainties, characterised by trade wars, economic sanctions, and geopolitical realignments.

The intricate dynamics of Sino-Russian economic relations is shaped by various factors, including their complementary economies, mutual energy dependencies, and strategic endeavours to counterbalance Western influence. In the wake of Western sanctions imposed on Russia and the Russia-Ukraine conflict altering the landscape of Sino-Russian cooperation, China has emerged as a crucial economic partner, providing an alternative market for Russian exports and a source of investment. This conflict has intensified Russia's pivot towards China as Moscow seeks to mitigate the economic isolation imposed by the West. China, maintaining a position of strategic ambiguity regarding the conflict, has capitalised on the situation to deepen its economic ties with Russia. This includes increased purchases of Russian energy resources at discounted rates and expanding investments in Russian infrastructure and technology sectors. The conflict has thus reinforced the economic interdependence between the two countries, albeit amidst a complex geopolitical backdrop.

Considering the above-mentioned, this paper aims to delve into the multifaceted nature of their economic cooperation, examining the drivers, challenges, and implications of their alliance in an era of heightened global instability. Precisely, the main goal of this study is to examine the current development of economic cooperation between China and Russia, particularly in the context of the impact of the Russia-Ukraine conflict. To achieve this goal, this study will focus on analysing investment trends and the dynamics of bilateral trade between the two nations. Additionally, it will identify the main challenges and prospects for their economic relationship in the coming period.

LITERATURE REVIEW

Moscow's announcement of the special military operation's start in Ukraine's Donbas region on February 24, 2022, brought the Russian political priorities to light and heralded a new global order – Multipolar World Order 2.0, signalling the end of the United States-centric global order's era (Cioculescu, 2022; Gnerre, 2023; Sahakyan, 2022, 2023, 2024; von Essen, 2023). Russia-Ukraine conflict escalation has generated momentum in Russia's relationship with both the West and China. To systematically erode the financial underpinnings and vital supply chains of the Russian military apparatus, the West imposed unprecedented sanctions on Russia (Andrieu, 2024; Gromek-Broc et al., 2024; Modebadze, 2022; Vokhidova & Uroкова, 2024; Wong, 2023; Xuetao & Han, 2024), with the European Union alone enacting 14 sanctions packages¹ to date (Directorate-General for Neighbourhood and Enlargement Negotiations, 2024); whilst China sided with Russia,² providing diplomatic and economic support³ (Düben, 2024; Muttaqien, Alimuddin & Al-Fadhat, 2024; Sahakyan, 2022).

According to Simpson, the conflict in Ukraine has rendered Russia “politically isolated, economically handicapped, internally divided, and militarily weakened” (Simpson, 2023, p. 11). In addition, Kluge contends that “harsh Western sanctions caused economic havoc in Russia, as supply chains with Western partners that were built over several decades collapsed” (Kluge, 2024, p. 8).

¹ With respect to imports, the imposed sanctions encompass a multitude of remunerative sectors (including coal, crude oil, refined oil products, timber, steel, processed metals, and diamonds). Conversely, concerning exports, the imposed restrictions encompass a variety of essential technologies and goods that bolster Russia's military-industrial complex (spanning areas such as aviation, space, energy, and maritime industries, along with other commodities that augment Russia's industrial capabilities). However, the European Union's sanctions exclude Russia's export of food supplies and fertilisers, allowing unrestricted global trade of such products (European Commission, 2024).

² Some authors (Ivanov, 2023) note China's compulsion to side with Russia.

³ Numerous academics (Cioculescu, 2022; Ivanov, 2023; Sahakyan, 2022) discuss China's tricky position and portray it as an insurmountable diplomatic endeavor. China is expected to deftly balance its role as a steadfast ally to Russia while also embodying the image of a responsible peacemaker and formidable powerhouse in the eyes of the West.

Although a mounting body of literature (Clichici, Drăgoi & Timus, 2024; Kluge, 2024; Schott, 2023; Staun & Sørensen, 2023; Vokhidova & Uroкова, 2024; Wong, 2023) suggests that Russia, facing international sanctions and isolation from the West, increasingly sought to strengthen its economic ties with Asian countries (primarily, China,⁴ which as highlighted by Schott “heads the list of these *black knights*” (Schott, 2023, p. 5)), several researchers (Liu, 2023; Sahakyan, 2024; Wong, 2023) argue that Russia’s pivoting towards China is not driven by countering mounting Western coalition sanctions following the recent Russia-Ukraine conflict escalation nor the earlier crisis in Crimea, but rather by the “Turning to the East” (rus. “Поворот России на Восток”) policy that has been in place for over a decade. Regardless, the majority of the authors (Chen, 2024; Clichici, Drăgoi & Timus, 2024; Gnerre, 2023; Ivanov, 2023; Stallard & Rozman, 2023) converge in the stance that the Russia-Ukraine war represents the most profound challenge to the Sino-Russian alliance since the 1990s, paradoxically acting as both the main catalyst and the substantial disruptor of their partnership’s growth.

Ivanov labels Russia and China as “perfect trade partners”. Russia supplies China with critical energy, resources, food, and fertilisers, allowing Beijing’s reduced reliance on the Middle East’s energy suppliers. China supplies Russia with manufacturing equipment, goods, and technologies, allowing Moscow’s independence from Western buyers (Ivanov, 2023, p. 1). Additionally, Yu and Feng, by employing ESI and RCA indices to assess the complementarity and competitiveness of Sino-Russian trade relations,

⁴ As plethora of academic sources suggests, amplification of modern-day Sino-Russian alliance is primarily owed to “mutual acceptance of each other’s positions on national sovereignty, security, territorial integrity and economic development” (Simpson, 2023, p. 2), but also to “combination of mutual natural complementarities and the opportunistic convergence of interests” (Ivanov, 2023, p. 1); China’s alignment with Russia’s stance that the United States-led North Atlantic Treaty Organisation (NATO) must refrain from further eastern expansion (Sahakyan, 2023); shared political ideologies and strategic goals (Clichici, Drăgoi & Timus, 2024); mutual hostility to the “West values” coupled with aspiration to sustain their respective “strong regimes” (Andrieu, 2024); joint international collaborative initiatives, including among the others the Eurasian Economic Union (EAEU), the Belt and Road Initiative (BRI), and the Shanghai Cooperation Organisation (SCO) (Sahakyan, 2022, Simpson, 2023); and to the fact that the gains of their alliance far outweigh the associated risks (Ivanov, 2023).

derive the conclusion that these nations possess distinct comparative advantages and exhibit complementary economic and trade frameworks (Yu & Feng, 2023).

Sino-Russian bilateral trade has been on an upward trajectory since the 1990s, experiencing significant increases in both 2014 and 2022 due to the Western sanctions imposed over Russia's annexation of Crimea and invasion of Ukraine, respectively (Ivanov, 2023). As noted by a number of scholars (Andrieu, 2024; Peters, 2023; Simpson, 2023), and according to the General Administration of Customs People's Republic of China data (General Administration of Customs People's Republic of China, 2024), Sino-Russian trade increased precipitously in recent years, hitting its record high values – from USD 146 billion in 2021 and USD 190 billion in 2022, to USD 240 billion in 2023 (so far, i.e., in the 2024 January-June interval, Sino-Russian trade reached a value of USD 116 billion). According to Bolaev's estimation, as well as Yu and Feng's forecast, the Sino-Russian trade volume will sustain its growth (Bolaev, 2024; Yu & Feng, 2023). Nevertheless, Lukonin identifies certain limitations regarding this growth: the sluggish growth rates of the Russian economy and its relatively modest size compared to China's other economic partners (Lukonin, 2023).

Setting aside remarkable trade volume data, a multitude of authors (Andrieu, 2024; Fong & Maizland, 2024; Rozman, 2023; Stallard & Rozman, 2023; Wong, 2023) contend that the Sino-Russian economic relationship is asymmetrical and disadvantageous for Moscow; the balance of dependence heavily favours China over Russia. For instance, Fong and Maizland, as well as Zhao, posit that in 2023, China emerged as Russia's top trading partner, whereas Russia ranked as only the sixth-largest trading partner of China (Fong & Maizland, 2024; Zhao, 2023). In addition, as several authors (Aksenov et al., 2023; Düben & Wang-Kaeding, 2023; Shakhnova, 2024) observe, Russian economic isolation from its erstwhile Western trade partners is gradually evolving into a "relationship of direct dependence from China". In this context, numerous analysts (Andrieu, 2024; Jochheim, 2023; Kuhrt, 2024; Simpson, 2023) readily describe that situation as a "vassalization" of weakened and dependent Russia by China.

Additionally, in the realm of Sino-Russian investments, as Clichici and co-authors argue, "Moscow's dependence on China's investments has the potential to generate several challenges and risks for Russia" (Clichici, Drăgoi

& Timus, 2024, p. 13); for instance, Moscow's loss of sovereignty and control over critical sectors of the economy, along with the insufficiency of Chinese investments volume to compensate for the low level of public investments in the Far East region. However, as Lukonin suggests, China's direct and accumulated investments in Russia keep rising, with joint endeavours in the fields of "space exploration; aircraft manufacturing; defence; extraction, processing, and transportation of energy carriers and other minerals; telecommunications; transport; etc." (Lukonin, 2023, p. 1).⁵ Moreover, Russia's dependence on China's corporate/financial institutions for essential investments in its energy and telecommunications sectors increases simultaneously (Fong & Maizland, 2024; Jiang, 2024; Kireeva, 2023).⁶

Furthermore, Andrieu states that Beijing has a certain interest in seeing Russia's special military operation's continuation" (Andrieu, 2024, p. 2). Simpson discerns that, until now, "China has profited from Russia's error-prone strategy at every opportunity" (Simpson, 2023, p. 11). Stallard and Rozman note that "Beijing seeks to exploit the economic opportunities that come with Moscow's isolation" (Stallard & Rozman, 2023, p. 9), whilst Rothschein goes even further and infers that Beijing appears to be "the true winner of the Russia-Ukraine war" (Rothschein, 2024, p. 63). The research conducted by Sun and co-authors somewhat validates this stance, illustrating that the Russia-Ukraine conflict escalation "has facilitated the advancement of China's textile industry, chemical, rubber, and plastic products, as well as computers, electronic, and optical products towards the higher-end segments of the global value chain" (Sun et al., 2024, p. 21).

Andrieu sums this issue up, emphasising that "China's stance on the Russia-Ukraine conflict is far from unequivocal" (Andrieu, 2024, p. 2). Chestnut-Greitens contributes to the literature with his conviction that although rhetorically supportive of Moscow, Beijing has put economic self-

⁵ It is noteworthy that international Chinese corporations involved in investment/trade with Russia encounter considerable risks of reputational damage and falling under Western secondary sanctions (Lukonin, 2023). Kluge's research results validate this with examples of several China's digital giants that cancelled Russia-related projects due to almost certain Western secondary sanctions (Kluge, 2024).

⁶ A limited number of scholarly works (see Bolaev, 2024) have explored the dynamics of Sino-Russian trade and investment collaboration in recent years, particularly in the context of the Russia-Ukraine conflict.

interest first, neglecting political solidarity with Russia and ignoring its foreign policy ambitions (Chestnut-Greitens, 2022, p. 760). Finally, Kluge shares an impression that China is acting rather cautiously, with an ambivalent policy toward Russia post-2022; since the conflict escalation, there have been no announcements regarding new major Sino-Russian cooperation projects (Kluge, 2024).

Today, Russia's regional dominance is significantly challenged by China (Goldstein, 2022; Rishi, 2022), which solidified as a "formidable powerhouse and industrial/technological behemoth" (Vokhidova & Uroкова, 2024, p. 70) within the global economics arena. Predictions considering the Sino-Russian tandem are that Beijing will stand stronger in the coming years (Sahakyan, 2023), possessing limited capacity to save Russia from emerging economic calamity (Modebadze, 2022).

RESEARCH METHODOLOGY

The paper examines the key developments in merchandise trade and investment between China and Russia. The analysis is descriptive and relies on secondary data. The years 2019 to 2023 were considered, and the year 2024 when data were available. The data on merchandise were derived from the International Trade Centre's (ITC) Trade Map database and the Chinese General Administration of Customs. The data on investment were gathered from the China Global Investments Tracker (an American Enterprise Institute data set). The merchandise trade structure was identified at the Harmonised Commodity Description and Coding Systems (HS) 2-digit level.

Descriptive statistical techniques were employed to analyse trends and patterns in the data. The study also considers potential limitations, such as the reliance on secondary data sources and the impact of global economic fluctuations during the study period. By focusing on these aspects, the research aims to provide a comprehensive understanding of the recent developments in Sino-Russian economic relations.

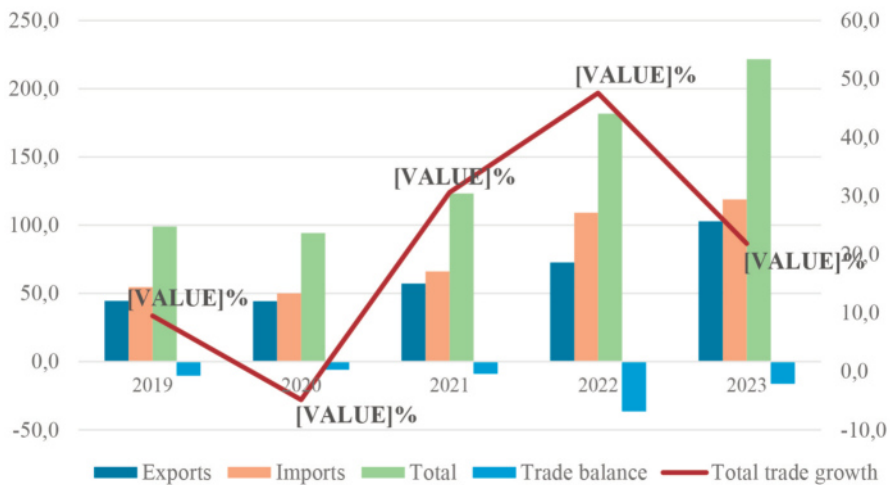
MERCHANDISE TRADE DYNAMICS

Based on the TradeMap statistics, between 2019 and 2023, total trade between China and Russia exhibited a steady growth trajectory, except in

2020, when the COVID-19 pandemic led to declines in total trade, exports, and especially imports (Picture 1). Since 2021, the trade growth rates have significantly intensified, spurred by the global economic recovery and the escalation of the Russia-Ukraine conflict in 2022. By 2023, bilateral trade reached a record volume of EUR 221 billion, more than double the 2019 volume. Exports and imports both doubled in volume, with exports reaching EUR 102.7 billion and imports EUR 118.8 billion. Compared to 2022, bilateral trade in 2023 increased by 21.8%, while exports and imports rose by 41.2% and 8.9%, respectively.

Regarding the trade balance, it is noteworthy that China has a trade deficit with Russia, which is quite untypical given that China mainly maintains a positive trade balance with most countries globally. The China-Russia trade deficit peaked in 2022 at EUR 36.3 billion but sharply declined by 56% to EUR 16.1 billion in 2023. This decline was primarily driven by faster growth in Chinese exports compared to imports.

Picture 1. Bilateral trade dynamics in the period 2019-2023 (in EUR billion and annual growth rates in %)



Source: Authors' compilation based on the TradeMap database (International Trade Centre, 2024).

Although bilateral trade has shown a growing trend in the previous period, the trade relationship remains structurally imbalanced, with Russia primarily exporting raw resources (especially fossil fuels, accounting for over 70% of imports) and China exporting high-technology products. More precisely, in 2023, the top five product groups China imported from Russia were: *mineral fuels, mineral oils, and products of their distillation; bituminous substances; mineral waxes* (73.2% of total imports from Russia); *ores, slag, and ash* (3.4%); *copper and articles thereof* (2.5%); *wood and articles of wood, wood charcoal* (2.5%); and *fish and crustaceans, molluscs, and other aquatic invertebrates* (2.2%). On the other side, China exported to Russia *nuclear reactors, boilers, machinery, and mechanical appliances, parts thereof* (22.7% of total exports to Russia); *vehicles other than railway or tramway rolling stock, and parts and accessories thereof* (20.3%); *electrical machinery and equipment and parts thereof; sound recorders and reproducers, televisions, etc.* (15.4%); *plastics and articles thereof* (4.0%); and *footwear, gaiters, and the like; parts of such articles* (3.1%).

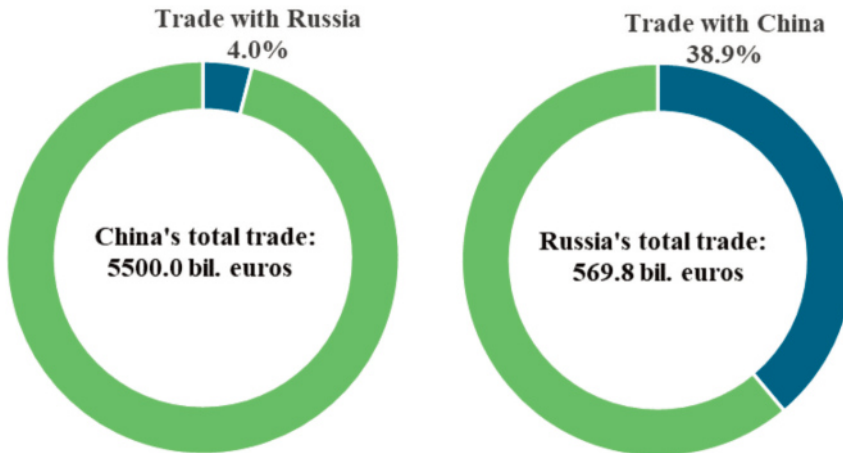
By observing the bilateral trade dynamics, it is evident that China became a far more important trade partner for Russia than vice versa, taking into account not only the unbalanced structure of bilateral trade but also the fact that while China took the lead in Russia's total trade with an almost 39% share in 2023, Russia was only sixth among China's largest trade partners with a modest 4% share (Picture 2). Moreover, Russia's dependence has been rising in the last couple of years. China, for example, had a much lower share of 16.6% in the total trade of Russia in 2019.

One key area where China benefits significantly is the broader use of the yuan in bilateral trade. As Russia increasingly turns to China as a key trade partner, particularly in the face of Western sanctions and the exclusion of Russian banks from the SWIFT system, the yuan has become a more prominent currency in their transactions. This shift not only facilitates trade between the two nations but also serves China's broader goal of internationalising its currency.

The increased use of the yuan in Sino-Russian trade strengthens China's economic influence, enabling it to reduce dependency on the US dollar and enhance its financial autonomy on the global stage. This development aligns with China's long-term strategic objective of promoting the yuan as a global reserve currency, thereby increasing its geopolitical clout. For Russia, while this arrangement offers a practical solution to circumventing

Western financial systems, it may also deepen its economic reliance on China, further tilting the balance of power in favour of Beijing.

Picture 2. The significance of bilateral trade for China and Russia



Source: Authors' compilation based on the TradeMap database (International Trade Centre, 2024).

Speaking about the current development, according to the Chinese General Administration of Customs, during the first seven months of 2024, China-Russia bilateral trade increased by 1.6% compared to the same period of 2023. China's exports to Russia totalled USD 61.6 billion (a 1.1% decrease), while imports increased by 3.9% to USD 75 billion. The decline in growth rates of trade turnover reflects China's structural slowdown combined with the obstacles to cross-border payments between China and Russia brought about by the prospect of United States sanctions against Chinese banks (Prokopenko, 2024). However, despite the challenges, it is expected that bilateral trade will continue to expand in the forthcoming period.

INVESTMENT DYNAMICS

In terms of investment, despite declaring a "no limits partnership" between China and Russia and opening up the space for deeper

cooperation after Western companies withdrew investment from the Russian market, China has been acting rather cautiously, reflecting concerns over sanctions and geopolitical risks. According to the data from the China Global Investment Tracker, after a surge in Chinese outbound investments and construction to Russia in 2019-2021, the volume dropped significantly in 2022-2023 (Table 1). The situation is even more dramatic when investments are considered separately from construction. The total volume of investment and construction in Russia amounted to over USD 12 billion in 2019-2021, but it slumped to USD 1 billion in 2022-2023. Moreover, the amount of USD 1 billion represents the construction only, given that there were no investments in the period after 2022, at least following the AEI data. The China Global Investment Tracker also recorded one “troubled” transaction of above USD 4 billion in 2024 related to investment in the energy sector of Russia by the China National Petroleum Corporation (CNPC), specifically the Power of Siberia 2 (PS-2) gas pipeline project. This project has been a focal point in Sino-Russian energy cooperation, intended to strengthen their energy ties and reduce Russia’s dependence on European markets. However, it was postponed. China has kept the PS-2 gas pipeline project on hold, using the time to assess its post-2030 energy import needs. While Russia’s push for PS-2 is driven by geopolitical factors, China’s concerns have focused on gas pricing and overreliance on a single supplier (Downs, Losz & Mitrova, 2024).

Table 1. Chinese investments and contracts in Russia (2019-2023)

Year	Month	Investor	Quantity in USD million	Transaction party	Sector	Type
2019	February	China National Chemical Engineering	1,480		Chemicals	Construction
2019	March	China Investment Corporation (CIC)	100	Onexim	Metals	Investment
2019	April	China National Petroleum Corporation (CNPC), China National Offshore Oil Corporation (CNOOC)	4,040	Novatek	Energy	Investment

Year	Month	Investor	Quantity in USD million	Transaction party	Sector	Type
2019	April	China Railway Construction	420		Transport	Construction
2019	July	China Railway Construction	110	Afi Development	Real estate	Construction
2019	July	Bomesc Offshore Engineering	610	Technip	Energy	Construction
2019	August	Haier	340		Consumer goods	Investment
2020	September	Great Wall	540		Transport	Investment
2020	October	China National Chemical Engineering	890	RusGasDobyc ha	Chemicals	Construction
2020	October	China National Chemical Engineering	450	Shchekinoazot	Agriculture	Construction
2021	January	China Petroleum and Chemical (Sinopec)	360	SIBUR	Chemicals	Investment
2021	January	China National Chemical Engineering	450		Chemicals	Construction
2021	March	China Petroleum and Chemical (Sinopec)	900		Energy	Construction
2021	December	China National Chemical Engineering	1,330	RusGasDobyc ha	Chemicals	Construction
2023	June	China National Chemical Engineering	610	AEON	Chemicals	Construction

Source: China Global Investment Tracker (American Enterprise Institute, 2024).

In contrast to the China Global Investment Tracker data, some sources suggest that Chinese investments have continued to expand after February 2022, with several projects initiated in the transport and mining sectors amounting to USD 3.5 billion (Gupta, 2023). Additionally, recent intergovernmental meetings have hinted at future increases in Chinese investment, with over USD 138 billion in potential joint projects identified (BIANG, 2024). However, it is important to note that there is often a gap between these official declarations and actual project implementation. Even if these official estimates are somewhat inflated, there remains considerable room for improvement and enhancement of investment dynamics in the future. In the near term, China is likely to adopt a cautious investment strategy, focusing on particularly profitable projects. In the long term, if the relations breakdown between Russia and Western countries persists, a new economic system may emerge in which China leads investment activities. Beyond the traditional sectors such as energy resource extraction and transportation, promising areas for future Chinese investment include gas chemistry, oil refining, agroindustry, mechanical engineering, transportation infrastructure, high technology, and information technology.

DISCUSSION AND CONCLUSION

The Sino-Russian economic relationship, although robust, is marked by a number of complexities and inherent imbalances. Central to their cooperation is the complementarity between China's manufacturing prowess and Russia's vast natural resources, particularly in the energy sector. Energy trade, encompassing oil and gas, remains the cornerstone of their economic ties, with China increasingly relying on Russian energy supplies to meet its growing demand. In return, Russia benefits from China's vast consumer market, providing an essential outlet for its energy exports, especially in the face of Western sanctions.

However, the relationship is not without its challenges. The trade imbalance, where Russia increasingly relies on China as a key economic partner, underscores a growing asymmetry in their economic relationship. While China has secured advantageous terms, particularly in energy imports, Russia's dependency on China for trade and investment has deepened, making it more vulnerable to shifts in Chinese policy or global market

dynamics. Investment patterns further illustrate the cautious nature of their partnership. Despite the rhetoric of a “no limits partnership”, Chinese investments in Russia have been measured, especially in the wake of the Russia-Ukraine conflict. Concerns over sanctions and geopolitical risks have led China to adopt a more conservative approach to its investments in Russia, focusing on sectors with less exposure to Western penalties. This caution reflects broader uncertainties about the long-term sustainability of their economic partnership, particularly as global economic conditions fluctuate.

The disparities in economic size and power, followed by the nature of recent bilateral trade and investment dynamics, have also sparked criticism that Beijing is turning Moscow into a vassal. However, despite the significant economic disparities between China and Russia, the relationship is not one-sided. While Russia’s dependence on China has grown, particularly due to Western sanctions, this does not imply a straightforward vassal-like relationship. Russia still retains significant leverage, such as its control over critical energy resources and its role in global geopolitics, which prevents China from completely dominating the relationship.

Looking ahead, the Sino-Russian economic relationship will likely continue on its trajectory of deepening cooperation, driven by their mutual need to mitigate Western influence and navigate an increasingly multipolar world. Strategic interests will likely push both countries to explore new areas of collaboration, potentially expanding their economic engagement beyond traditional sectors like energy and infrastructure to include technology, finance, and digital economies. The future of Sino-Russian economic relations will hinge on several factors. Global economic conditions, the evolving geopolitical landscape, and domestic dynamics within both countries will play critical roles in shaping the contours of their partnership. As they navigate these challenges, the resilience of their economic ties will be tested, and the degree to which they can maintain a balanced and mutually beneficial relationship will determine the long-term viability of their alliance.

In conclusion, while the Sino-Russian economic relationship has shown significant growth and strategic alignment, it is fraught with complexities and challenges that could impact its future trajectory. The partnership’s success will depend on both countries’ ability to adapt to changing global circumstances, manage their interdependencies, and leverage their complementary strengths in a way that benefits both nations.

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EVOLVING PARADIGMS OF INTERNATIONAL ORDER: CHINESE CATEGORISATION OF FOREIGN RELATIONS

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Abstract: This paper analyses how the People’s Republic of China has approached categorising relations with other countries and supranational and international organisations over the past decades. The study aims to consider the implications of this approach for conceptions of order. China’s foreign policy framework has gradually shifted from a low-profile approach to a more assertive stance in response to international and domestic dynamics. As a consequence, there has been a more proactive engagement with the global order. Against the backdrop of China’s evolving role in world politics, a new multifaceted approach to categorising foreign relations is emerging. While terms such as “all-weather” and “no limits” partnership and “iron-clad” friendship and brotherhood have been increasingly used in English language media to describe China’s bilateral relations with different countries, there is a lack of understanding of the significance of these notions and little academic scholarship on their overall context. Through a critical lens of geopolitical competition for relational legitimation and normative power, this study aims to take stock of the linguistic, cultural, and political aspects of the Chinese categorisation of foreign relations, primarily partnerships, using the case of ties with Europe as an example. A comprehensive overview of the terms used is given based on official documents and statements, media texts, and previous research, including indications of differences in use and mutual connections. The study argues that Chinese partnerships are one element of a relational foreign policy approach conducive to sustainable bilateral ties. The given analysis is also discussed in the context of its theoretical implications in an attempt to provide a conceptual tool for comprehending the complexities of China’s foreign policy and diplomatic strategies. A better understanding of the Chinese categorisation of foreign relations provides a nuanced perspective on the evolving paradigms of international. It also facilitates better navigating the challenges and opportunities of an increasingly multipolar world.

Keywords: China, foreign policy, partnership, order, bilateral relations.

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THE EVOLVING FOREIGN POLICY OF THE PEOPLE'S REPUBLIC OF CHINA

Since the start of this century, and especially in the past decade, there has been a shift in the People's Republic of China's (PRC) approach to foreign policy. Likely responding to international and domestic dynamics, the PRC has replaced its low-profile approach with an assertive stance that engages more proactively with global order. Against the backdrop of China's evolving role in world politics, a new multifaceted approach to the way the PRC categorises its relations with other countries and supranational and international organisations is emerging. The notions of "all-weather" and "no limits" partnership and "iron-clad" friendship and brotherhood have been increasingly used in English language media, but there is a lack of understanding of the significance of these terms and little academic scholarship on their overall context. This research aims to take stock of the Chinese¹ categorisation of foreign relations, analysing in depth the linguistic, cultural, and political aspects of ties with Europe as an example. In this section, the key aspects of the PRC's foreign policy relevant to this study are presented, followed by the methodological approach. The next section delineates, first, the Chinese approach to partnerships, including an overview of previous research, then an empirical analysis of the case of Europe, and, lastly, the difference between formal and informal categorisation, i.e., terms. Finally, the findings are discussed in the context of evolving paradigms of international order and the related challenges and opportunities in an increasingly multipolar world.

There have been several studies outlining the development of the PRC's foreign policy approach since 1949, aiming to provide insights into its history but also the key guiding factors and influences, especially foreign, that shaped it (see, e.g., Garver, 2015; Shambaugh, 2020; Zhang, 1998). These studies state that in the first decades after it was established, the PRC focused on ideology and (re)gaining international recognition. In the late 1970s and 1980s, the PRC adopted a more pragmatic. The main focus was on modernising the domestic economy with a policy of non-

¹ Considering the complexity and polysemic nature of this term, it should be noted that it is used here to refer to a categorisation promoted by the PRC government but at the same time embedded in what is considered Chinese traditional thought on politics and society, rooted in ancient China.

interference on the foreign front. As China became more stable and developed, it gradually started exploring a new multifaceted approach to international relations, which became more pronounced as its economic and military power grew. The various aspects of foreign policy, which combine theories based on ancient Chinese approaches to politics and society with those rooted in the European academic tradition, began to take shape as a strategy, especially as the Scientific Outlook on Development approach developed under Hu Jintao from 2002 to 2012. Under the leadership of Xi Jinping, this was further codified as a new school of thought and added in the preamble of the PRC's constitution in 2018 as the Xi Jinping "Thought on Socialism with Chinese Characteristics for a New Era" (NPC, 2018).

In the past decade, China has demonstrated this new, more assertive stance in international affairs through its global initiatives, primarily the Belt and Road Initiative (BRI), launched in 2013. However, there are also more recent initiatives: the Global Development Initiative (GDI), announced in 2021, which aims to support the achievement of all Sustainable Development Goals of the United Nations' 2030 Agenda; the Global Security Initiative (GSI), proposed in 2022 and aimed at building a sustainable global security infrastructure that promotes peace; and the Global Civilisation Initiative (GCI), put forward in 2023 and focused on mutual learning and cultural exchange to foster the diversity of civilisations but also common values of humanity. The GDI, GSI, and GCI are yet to be implemented on a wider scale and researched, but there is a large body of scholarship on the BRI. It ranges from analyses that look into the logic of the BRI in the context of Xi Jinping's "Thought" (e.g., Liu, 2017; Wang, 2016), analyses researching it from the angle of political science (e.g., Leandro & Duarte, 2020) or international political economy (e.g., Li, 2018), to studies interpreting the BRI as part of China's ambition to expand its influence and promote its vision of regional order (e.g., Amineh, 2022; Rolland, 2017). The BRI is primarily an economic initiative, but it has been clear from its start that it is also closely connected with foreign policy. Through it, the PRC's proactive and multifaceted approach to international relations was crystallised—to maintain the national economy and safeguard national interests, China has become a global power, i.e., a major country in a multipolar world. A key element of this approach is partnerships, which are synergistically intertwined with Chinese initiatives such as the BRI (Li &

Vicente, 2020) and will be discussed in detail in the next section. Here, it should be noted that previous research has already stated that the term “partnership” is used in a general, non-specific sense in international relations overall—for alliances, economic cooperation, and even rivalries—but that some countries have defined specific meanings for the term in their foreign policies. These meanings differ around the globe (Li & Ye, 2019). However, while Chinese partnerships are specific and a key part of the so-called major-country diplomacy with Chinese characteristics that has evolved over the past decade, they can also be interpreted through a more general theoretical lens as outlined below.

To place the Chinese approach to foreign policy in a common framework that can be used to draw broader inferences, this study builds on previous work (Gledić, 2021) that advances Christian Reus-Smit’s theory on cultural diversity (2018). Reus-Smit’s theory deals with the role of culture in international relations and demonstrates how proactively managing cultural differences can contribute to order-building and the sustainability of established orders. A core concept of this theory is a diversity regime, which is the system of norms and practices defining and sustaining authorised forms of cultural difference, for example, recognised ethnic groups in a society. If this is applied to international relations, diversity regimes would be the systems that govern and reify the mutual relations between different entities (states, international organisations, etc.). A country can adopt a current, globally accepted mainstream approach to international relations or define its own diversity regime in its foreign policy approach. This paper argues that Chinese partnerships are a diversity regime governing foreign affairs. As such, if proactively managed as part of the PRC’s pragmatic engagement in multipolar geopolitics, they could be an enduring and sustainable new model of international relations.

This study examines previous research on Chinese partnerships, official documents and statements, and media texts. For the empirical analysis of the case of Europe, the main source is the Chinese-language website of the PRC’s Ministry of Foreign Affairs, which provides information on bilateral relations with countries and international organisations. All 46 entities listed under the region labelled Europe are included (45 states and one organisation, the European Union (EU)). The terms applied to partnerships are extracted primarily from the Chinese language (Mandarin, simplified

characters) versions of official documents. They are presented in the analysis and translated into English by the author in line with official or commonly used English translations where they exist, with adjustments in cases where these translations do not reflect nuances of the terms in Chinese. All terms are presented alongside the original Chinese language form. Within the context of overall bilateral relations, the main focus of the analysis is ties that can be considered part of the Chinese partnership diplomacy, as outlined in the next section.

CHINESE PARTNERSHIPS

The first partnership the PRC established was with Brazil in 1993. Their number continued to grow, with several major leaps in the 21st century (Li & Ye, 2019). Today, half of the countries with which the PRC has diplomatic relations are labelled partners, as well as several regions and regional and international organisations, such as ASEAN and the EU, totalling more than 100 partnerships (Xiang, 2023). Their importance was recognised in the English language scholarship with the increased coordination between China and Russia (Wilkins, 2008) and China, India, and Russia (Nadkarni, 2010) in the first decade of the 21st century. After they became a central part of the PRC's diplomacy under Xi Jinping, there has been increasing scholarly (e.g., Feng & Huang, 2014; Li & Ye, 2019; Men & Liu, 2015; Strüver, 2017; Yue, 2018) and journalistic (BBC CN, 2023; Chen, 2024) interest. While previous studies provide valuable insights into the nature of the PRC's approach to partnerships, this study addresses several shortcomings. Firstly, instead of looking only at the PRC's partnership network or focusing only on strategic partnerships, this research takes an in-depth view of bilateral relations within one region, analysing partnerships in the context of overall cooperation and contacts. Secondly, the importance of language is stressed in the analysis, including considering the verbs used in agreements related to partnership and related labels given to bilateral relations. Most importantly, this study takes an ontologically different perspective and argues that there is currently no general hierarchical framework of the Chinese partnership network but that it is part of a relational approach to bilateral relations, i.e., a diversity regime. This section first presents the main characteristics of the PRC's approach to partnerships in the past decade and then gives the empirical analysis of the case of Europe.

Regulating the approach

After following a policy of non-alignment since the 1950s, i.e., not being formally aligned with or against any major power bloc, in the last decade of the 20th century, the PRC started the diplomatic practice of building partnerships, as mentioned above. Chinese partnerships have become part of the PRC's more assertive foreign policy approach, a characteristic of diplomacy under Xi Jinping. They are built on the five principles outlined in the PRC's constitution: "mutual respect for sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in internal affairs, equality and mutual benefit, and peaceful coexistence" (NPC, 2018), and were mentioned as a diplomatic strategy as early as the 18th National Congress of the Communist Party of China held in 2012. Promoting friendly and partner relations with its neighbours had been a familiar element of the PRC's foreign policy, but in his report, when talking about international relations in general, Hu Jintao notes that "countries should establish a new type of global development partnership that is more equitable and balanced, stick together in times of difficulty, both share rights and shoulder obligations, and boost the common interests of mankind" (Hu, 2012). This was further echoed by Xi Jinping at the Central Conference on Work Relating to Foreign Affairs in 2014, when he "urged China to make more friends under the principle of non-alignment, so as to build a global network of partnerships" (SCIO, 2020). At the next National Congress in 2017, he continued building on this, elaborating the notion of a community with a shared future for mankind, which should be built with "a new approach to developing state-to-state relations with communication, not confrontation, and with partnership, not alliance" (Xi, 2017: 53). He further noted that "China has actively developed global partnerships and expanded the convergence of interests with other countries" and will "promote coordination and cooperation with other major countries and work to build a framework for major country relations featuring overall stability and balanced development" (Ibid.). Finally, at the latest National Congress in 2022, Xi reported that the PRC has "worked actively to build a global network of partnerships" and "is committed to promoting a new type of international relations, deepening and expanding global partnerships based on equality, openness, and cooperation, and broadening the convergence of interests with other countries" (Xi, 2022). He also mentioned the

principles for building relationships, slightly amended from the report at the previous National Congress (emphasised by the author in italics): with major countries (“*peaceful coexistence*, overall stability, and balanced development”), China’s neighbours (“amity, sincerity, mutual benefit, and inclusiveness”), and developing countries (“sincerity, real results, affinity, and good faith”) (Ibid.).

The outlined approach to partnership has been mentioned in many other speeches and statements in the past decade beyond the given key documents, tying it with the PRC’s global initiatives. For example, Xi Jinping talked about how the “North and the South need to work in the same direction to forge a united, equal, balanced, and inclusive global development partnership” in the context of China’s GDI when chairing the High-level Dialogue on Global Development in 2022 (SC, 2022). While partner relations existed before Xi Jinping became the leader of the PRC, under his direction, the approach became regulated.

Based on the above, Chinese partnerships can be defined as a form of relations that are 1) primarily pragmatic, i.e., focused on shared interests; 2) relative to the parties involved, i.e., different governing principles; and 3) conducive to global peace and stability. They are based on trust and can entail cooperation in the domains of economy, science and technology, culture, politics, etc. Chinese partnerships are also defined as markedly different from alliances, seen as dividing relationships with either friends or enemies. That is in line with a relational approach to foreign policy (see Qin, 2018) and embedded in Confucian thought on relationships (cf. Ferguson, 2021). An illustrative way to understand the specificity of Chinese partnerships is to examine briefly the term partner in different languages. Most European languages use words that can be connected to either Latin (*partitio*) or Ancient Greek (*koinonos* or *hetairos*) roots, both indicating being part of one whole and sharing. On the other hand, in the Chinese language, the term is said to originate in a Wei dynasty (4-6 century a.d.) practice of ten soldiers forming two lines around a fire to cook—they were called fire companions (火伴), which later became the word for a partner, pronounced in the same way but written with an added element, i.e., radical, in one of the characters denoting that it relates to a person (伙伴). Previous research notes the term’s origins (see, e.g., Xiang, 2023), but its significance is made clearer in comparison. The Latin and Ancient Greek

terms arguably centre on a state of being or belonging, i.e., identity. The Chinese term is focused on an action fulfilling a need, i.e., interest. This highlights the pragmatism and situational, i.e., the relational nature of Chinese partnerships.

Finally, as previously stated, this paper aims to show that there is no consistent hierarchy of different types of partnership relations in the PRC's foreign policy approach. The PRC uses the common internationally accepted terms for levels of diplomatic relations (MoFA PRC, 2024a), but it has developed an elaborate number of terms for partnerships—currently more than 20. Previous studies aimed to categorise them in line with the words used in the terms and sometimes seem to establish a hierarchy, i.e., levels of partnerships. This is in line with early writing on their place in the PRC's major-country diplomacy with Chinese characteristics (see, e.g., Pan & An, 2014; cf. Xiang, 2023) and explanations of the meanings of individual elements of the terms when specific partnerships were established (cf. Li & Ye, 2019). However, while this approach can seemingly help to understand Chinese partnerships, its explanatory potential is limited as it can lead to ontological misunderstandings. Firstly, it can lead to an essentialist understanding of partnerships. The PRC is willing to establish partnerships with all countries (Li & Ye, 2019), but that might not be mutual, so their foreign policy envisions other forms of relations that can be considered equally close. As Xiang notes, “those who are not called “partners” are also friends” (‘不叫“伙伴”，也是朋友’) (2023). Secondly, looking at the terms only provides a static view of Chinese partnerships, whereas a key characteristic of the PRC's approach is dynamic relationality. Thirdly, claiming that there are fixed levels that countries can climb in their bilateral relations with the PRC supports an image of a China with ambitions to be a global hegemon, contrary to their official view on major countries' roles and responsibilities on the world stage. The study of the case of Chinese partnerships within Europe, outlined in the next section, also supports this claim empirically.

The case of Europe

This section presents an in-depth analysis designed in line with the outlined methodological framework. The main focus was the ties that can be considered part of the Chinese partnership diplomacy. Those are, of

course, once-named partnership relationships (伙伴关系). However, due to the complexities discussed above, a more comprehensive approach was taken. In addition to ties named partnerships, all those changes that give a new term to the overall relationship (not area-specific) and are expressed in joint statements or communiqués on the bilateral relations were examined. Most previous studies examine the terms only and distinguish the establishment and upgrading of partnerships. However, as the ontological starting point of this research is that there is no set hierarchy, the analysis is centred around both the terms and the actions, i.e., verbs preceding them. Finally, the overall bilateral relations were also included in the analysis.

The PRC's Ministry of Foreign Affairs lists 45 countries and the EU under the section Europe (MoFA PRC, 2024b). All the listed countries have established diplomatic relations with the PRC except Vatican City. Around one-third did so immediately or a few years after 1949. Another third established diplomatic relations in the 1970s, after the PRC was recognised as the only lawful representative of China to the United Nations and established the rapprochement with the United States of America. Finally, the last third were mostly newly independent countries that used to be part of the Soviet Union or Yugoslavia, which established relations with the PRC in the late 20th and early 21st centuries. Of the 45, 27 have joined the BRI (Nedopil, 2023). A total of 29 of these countries have some type of formally established relationship with the PRC, in addition to diplomatic relations, as does the EU. Most have had just one term applied to the relationship (12 countries), followed by two terms (8), three (3), four (4), and five (2). The EU has had four different terms applied to its relationship with the PRC. Comparing these figures, whether a country is part of the BRI and Europe's general political and socio-economic map does not indicate any clear pattern (Figure 1). The same goes for the period when diplomatic ties were established. Participation in the BRI seems to align with the PRC's efforts through the mechanism of cooperation with Central and Eastern European countries launched in 2012 as the so-called 16+1. However, not all countries that are part of the BRI have specific terms for their relationship with the PRC, i.e., they would erroneously not be considered part of the Chinese partnership network if only the terms were observed. There is also no apparent consistency between the number of terms with participation in the BRI, position in Western or Eastern Europe,

former socialist countries, nor other factors that one would expect to correlate if the different terms were indeed levels of a relationship. While Russia and Belarus have the highest number of terms applied, it is only one more than, for example, the European Union.

Figure 1. Number of terms formally applied to bilateral relationships with the PRC, in addition to diplomatic relations and participation in the BRI



(data extracted from: MoFA PRC, 2023b; Nedopil, 2023)

When one looks deeper into bilateral relations, there are many other markers regarding the nature of the ties with the PRC. For example, Sweden has no formal term indicating a partnership. However, it has signed numerous memoranda of understanding and issue-based strategic documents with the PRC, the same as, for example, Denmark or Iceland, which have only one term formally defining the relationships. Some countries have several-year strategies for developing their partnership with the PRC in addition to the official term for the relationship, like Finland (for 2019-2023) or Italy (for 2024-

2027). Finally, some have special mechanisms, such as special intergovernmental consultations with Germany every few years since 2011, followed by joint statements. Even an initial overview indicates the complexity of the Chinese partnership network, i.e., it confirms that terms used for partnerships are only one part and do not comprise a hierarchical structure applied systematically to bilateral relations. This is further confirmed and clarified when the specific terms are examined.

This study found 66 terms denoting a relationship with the PRC in addition to diplomatic relations for the 29 European countries, and 43 of those are different if we include the action, i.e., verb. As previously noted, Chinese partnerships are usually discussed in terms of their establishment and upgrading. However, analysing the verbs used in the documents elucidates a more multifaceted approach. There are 18 different actions, including verbs modified by adverbs or used in combination. All terms are presented in Tables 1-5, divided by actions. The most common action is *establishing* a relation (Table 1), noted in almost half of the terms (19/43). However, when it comes to what is usually considered upgrading, there are several different actions, the most frequent being *deepening* (Table 2), which can also be *further deepening* and *comprehensively deepening*. However, there is also *strengthening* (Table 3) and *developing* (Table 4), which also appear with adverbial modifiers, as well as some actions that appear in single cases, such as, for example, *building* and *opening up* (Table 5). Most importantly, while a majority of the countries start with the establishment of a particular type of relationship (24/29), in five cases, they start with *deepening* (*mutually beneficial cooperation*, Croatia; *traditional friendly relations*, Albania; *comprehensively...bilateral cooperation*, Iceland); *continuing to strengthen* (*comprehensive cooperation in the 21st century*, Moldova); and *consolidating and promoting* (*friendly cooperation*, North Macedonia). These terms do not contain the word partner but share the same characteristics as Chinese partnerships, as outlined above. However, of the five countries, only one (Croatia) has also established a (*comprehensive cooperative*) partnership with the PRC several years after the first document, i.e., term. The key point is that these types of relationships do not have a document/term outlining their establishment. There are such cases—for example, *establishing comprehensive friendly cooperation* between the PRC and Ukraine a decade before the establishment of their *strategic partnership*.

Table 1. Terms denoting *establishing*
a type of relationship with the PRC

Term (no. of times used if more than 1) <i>In chronological order of first use</i>	Partner (year) <i>Year bold if first term for partner</i>
Action: Establishing / 建立	
Strategic partnership of coordination / 战略协作伙伴关系	Russia (1996)
Comprehensive partnership ^{2/3*} / 全面伙伴关系	France (1997); United Kingdom (1998) (*China-UK comprehensive partnership); EU (2001)
Long-term and stable constructive partnership for the 21st century / 面向21世纪的长期稳定的建设性伙伴关系	EU (1998)
Comprehensive friendly cooperation / 全面友好合作关系	Ukraine (2001)
Comprehensive strategic partnership ¹¹ / 全面战略伙伴关系	EU (2003); Italy (2004); United Kingdom (2004); Portugal (2005); Spain (2005); Greece (2006); Denmark (2008); Belarus (2013); Poland (2016); Serbia (2016); Hungary (2017)
Partnership with global responsibility (within the framework of the China-EU comprehensive strategic partnership) / (在中欧全面战略伙伴关系框架内) 具有全球责任的伙伴关系	Germany (2004)
Friendly cooperative partnership / 友好合作伙伴关系	Hungary (2004)
Comprehensive friendly cooperative partnership ² / 全面友好合作伙伴关系	Romania (2004); Bulgaria (2014)
Comprehensive cooperative partnership / 全面合作伙伴关系	Croatia (2005)
Strategic partnership ⁶ / 战略伙伴关系	Serbia (2009); Poland (2011); Ukraine (2011); Czechia (2016); Bulgaria (2019); Cyprus (2021)
Comprehensive strategic partnership of coordination based on equality, trust, mutual support, common prosperity, and generational friendship / 平等信任、相互支持、共同繁荣、世代友好的全面战略协作伙伴关系	Russia (2011)

Strategic Partnership for Mutually Beneficial Cooperation / 互惠战略伙伴关系	Ireland (2012)
All-round strategic partnership (between China and Germany) / (中德)全方位战略伙伴关系	Germany (2014)
Open and pragmatic comprehensive cooperative partnership / 开放务实的全面合作伙伴关系	Netherlands (2014)
Comprehensive strategic partnership of mutual trust and win-win cooperation / 相互信任、合作共赢的全面战略伙伴关系	Belarus (2016)
Innovative strategic partnership / 创新战略伙伴关系	Switzerland (2016)
Friendly strategic partnership / 友好战略伙伴关系	Austria (2018)
All-weather comprehensive strategic partnership / 全天候全面战略伙伴关系	Belarus (2022)
All-weather comprehensive strategic partnership for the new era / 新时代全天候全面战略伙伴关系	Hungary (2024)
Action: Establishing and promoting / 建立和推进	
Future-oriented new-type cooperative partnership / 面向未来的新型合作伙伴关系	Finland (2017)

(data extracted from: MoFA PRC, 2023b)

Table 2. Terms denoting *deepening* a type of relationship with the PRC

Term (no. of times used if more than 1) <i>In chronological order of first use</i>	Partner (year) <i>Year bold if first term for partner</i>
Action: Deepening / 深化	
Mutually beneficial cooperation ² / 互利合作关系	Croatia (2002); North Macedonia (2007)
Traditional friendly relations / 传统友好关系	Albania (2009)
Bilateral cooperation (in the new circumstances) ² / (在新形势下) 双边合作	Romania (2013); Hungary (2014)
Strategic partnership / 战略伙伴关系	Serbia (2013)
All-round friendly cooperative partnership / 全方位友好合作伙伴关系	Belgium (2014)
Comprehensive strategic partnership / 全面战略伙伴关系	Greece (2014)
Comprehensive strategic partnership of coordination in the new era / 新时代全面战略协作伙伴关系	Russia (2023)

Action: Further deepening / 进一步深化	
Strategic partnership / 战略伙伴关系	Ukraine (2013)
Action: Comprehensively deepening / 全面深化	
Bilateral cooperation / 双边合作	Iceland (2013)
Action: Deepening and upgrading / 深化和提升	
Comprehensive strategic partnership and building of the China-Serbia community with a shared future in the new era / 全面战略伙伴关系、构建新时代中塞命运共同体	Serbia (2024)

(data extracted from: MoFA PRC, 2023b)

Table 3. Terms denoting *strengthening*
a type of relationship with the PRC

Term (no. of times used if more than 1) <i>In chronological order of first use</i>	Partner (year) <i>Year bold if first term for partner</i>
Action: Strengthening / 加强	
Comprehensive strategic partnership ³ / 全面战略伙伴关系	France (2010); Greece (2016, 2019); Italy (2019)
Comprehensive strategic partnership in the new period / 新时期全面战略伙伴关系	Spain (2018)
Action: Continuing to strengthen / 继续加强	
Comprehensive cooperation (in the 21st century) / (在21世纪)全面合作	Moldova (2000)
Action: Further strengthening / 进一步加强	
Comprehensive strategic partnership / 全面战略伙伴关系	Portugal (2018)

(data extracted from: MoFA PRC, 2023b)

Table 4. Terms denoting *developing* a type of relationship with the PRC

Term <small>(no. of times used if more than 1)</small> <i>In chronological order of first use</i>	Partner (year) <i>Year bold if first term for partner</i>
Action: Developing / 发展	
Comprehensive strategic partnership of coordination in the new era / 新时代全面战略协作伙伴关系	Russia (2019)
Action: Further developing and deepening / 进一步发展和深化	
Comprehensive strategic partnership / 全面战略伙伴关系	Belarus (2015)
Action: Further developing / 进一步发展	
Bilateral all-weather comprehensive strategic partnership (in the new era) / (新时代) 两国全天候全面战略伙伴关系	Belarus (2023)

(data extracted from: MoFA PRC, 2023b)

Table 5. Actions related to a type of relationship with the PRC that occur only once in the examined case

Term <small>(no. of times used if more than 1)</small> <i>In chronological order of first use</i>	Partner (year) <i>Year bold if first term for partner</i>
Action: [Signing of] Treaty of / 条约	
Good neighbourliness and friendly cooperation / 睦邻友好合作	Russia (2001)
Action: Consolidating and promoting / 巩固和促进	
Friendly cooperation / 友好合作关系	North Macedonia (2002)
Action: Comprehensively advancing / 全面推进	
Strategic partnership / 战略伙伴关系	Germany (2010)
Action: Comprehensively improving / 全面提升	
(The level of) China-Ukraine friendly cooperation / 中乌友好合作关系 (水平)	Ukraine (2010)

Action: Opening up / 开创	
(A new era of) close and lasting China-France comprehensive strategic partnership / 紧密持久的中法全面战略伙伴关系 (新时代)	France (2014)
Action: Building / 构建	
Comprehensive global strategic partnership for the 21st century / 面向21世纪全球全面战略伙伴关系	United Kingdom (2015)

(data extracted from: MoFA PRC, 2023b)

Tables 1-5 also clearly show that there is no linear matrix for establishing and then upgrading a type of partnership consistently across countries. For example, the most frequent phrase is a *comprehensive strategic partnership*, which appears in 15 of the 43 terms, and the most frequent term is *establishing a comprehensive strategic partnership*, used in 11 of the 66 cases—for ten countries and the EU. Two of the ten countries had previously had a *strategic partnership* (Serbia and Poland), one had a *comprehensive partnership* (United Kingdom), and one had a *friendly cooperative partnership* (Hungary). For six of them, this was the first term (Italy, Portugal, Spain, Greece, Denmark, and Belarus, in order of establishment). Then, the *comprehensive strategic partnership* was *strengthened* for three of the 11 countries (Greece, Italy, and Spain, with the addition *in the new period*). It was also strengthened with France, which had previously had a *comprehensive partnership* established. Also, with Greece, it was first *deepened* and then *strengthened*. In one case, it was *further strengthened* (Portugal) without previous strengthening, and in several cases, new phrases were added as new types of *comprehensive strategic partnerships* were established (e.g.,...*of mutual trust and win-win cooperation*, Belarus; *all-weather...for the new era*, Hungary). This clearly shows that the same term used for different countries does not mean the same thing. Rather, they are relative to the specific bilateral relation and should be analysed in that specific context and never mutually compared. This also shows that stating that a partnership was established or upgraded is not so straightforward, which is not surprising considering the complexity of international relations. Since bilateral ties are developed in a geopolitical context, many factors can influence them, so the development is unlikely

to be linear. Rather than being a hierarchy of levels imposed by the PRC that one can climb, Chinese partnerships are part of a diversity regime regulating bilateral ties in a context-specific way. The commonality is in the proactively governed approach rather than the terms used—general overall principles and specific areas of common interest. The terms appear to be formed from a somewhat limited vocabulary, as discussed below in more detail, but they should not be seen as comparable. Interestingly, the only specific reference to upgrading has been used in a term this year (*upgrading the comprehensive strategic partnership and building of the China-Serbia community with a shared future in the new era*, Serbia). While this study shows that there is currently no apparent hierarchical structure of partnerships, the PRC's approach in the future should continue to be observed as this recent term might signal a new direction.

While more than half of the analysed terms are unique, i.e., used only once (36/66), the used core words are mostly similar. In addition to the analysed verbs, they include the nouns indicating the objects of the actions—most often *partner relationship* and, in a few cases, *cooperation* or *friendly relationship*. The most frequent adjective describing the relationship that appears in just over half the terms is *strategic* (25/43), followed by *comprehensive* (22/43), and the same Chinese word also appears several times as an adverb (*comprehensively*) describing the action, i.e., verb. Accordingly, around one-fifth of the terms are related to a strategic partnership (8/43) and around one-third to a *comprehensive strategic partnership* (13/43). This likely led to the conclusion that the two represent levels in a relationship, which has been challenged above. The remaining words used in the terms are not repeated as often, once or only several times, but they mostly have general meanings—*cooperative*, *mutual*, *friendly*, etc. Some words can be connected to the PRC's specific foreign policy discourse, for example, *win-win cooperation*. Others are obvious translations of phrases that sound more natural in Chinese, for example, *all-weather* and *all-round*, which are sometimes inconsistently translated as *comprehensive*. The terms very rarely include the names of the involved parties. Several include phrases with a specific or vague temporal focus, for example, *for the 21st century*, that is, *for the new era*. Almost all of the terms are declared through the titles of the joint statements or communiqués (e.g., statement on [term]). Overall, the terms follow what can be proposed as a general formula: action (common verb)

+ specific nature and scope (unique combination of adjectives) + relationship (common noun). That is, they define the start of a new era in the ties with a specific nature and scope unique to the historical development of that bilateral relationship. Hence, the terms should be analysed as unique units of a common system rather than common terms.

Formal versus informal terminology

The final part of this section briefly deals with the informal terminology related to the Chinese partnership network. Some countries are mentioned in statements of officials and media as the PRC's *friends* (朋友) and the bilateral ties as *friendships* (友谊).² However, the presented terms found in official documents only mention various types of *friendly* (友好) relations. Friendships are usually mentioned in the context of countries that are politically close to the PRC, and they also happen to have close partnerships (see, e.g., BBC CN, 2023). However, the above-quoted sentence from previous research puts friendship beyond politics and economy, stating that even those who are not partners are (or, more likely, can be) friends (cf. Xiang, 2023). Rather than being a term with a fixed meaning that can be mutually compared, *friendships* with the PRC are likely also part of the diversity regime governing the Chinese partnership network. Furthermore, previous research has already explained the PRC's so-called "iron friendship" with Serbia through Reus-Smit's theory applied in this study (Gledić, 2019).

Looking at the countries examined in the case of Europe, it is illustrative to explore the example of Russia and compare it to the said "iron friendship" with Serbia. Media reports mention a "no limits" partnership or friendship between the PRC and Russia. There was even research on their bilateral relations published with titles centred around that term (e.g., "The Limits of the No-Limits Partnership", Kim, 2023; "Russia and China Beyond "No Limits" Friendship", Ivanov, 2023). However, when one examines the claim that the "no limits" relationship was established in

² There is even the notion of a *brotherhood*, but as this concerns primarily Asian countries in the PRC's neighbourhood (for example, Pakistan), it is beyond the scope of the case examined in this study.

February 2022, it finds a joint statement not on the bilateral ties but on “International Relations and Global Sustainable Development in the New Era” (MoFA PRC, 2023c). The document deals primarily with global issues and seems to be aimed at promoting peaceful international relations. More than midway through the document, which is more than seven thousand characters long, there is the only mention of a word that can be translated as limit or end (止境), and it reads, “There is no end/limit to the friendliness between the two countries, and no restricted areas for cooperation; the strengthening of strategic coordination is not directed against any third country, nor will it be affected by any third country or changes in the international situation” (‘两国友好没有止境，合作没有禁区，加强战略协作不针对第三国，也不受第三国和国际形势变幻影响’, *Ibid.*). This in no way fits into the approach of the PRC’s partnership diplomacy detailed above, i.e., it does not represent a declaration of the establishment of a “no limits” relationship of any kind. However, based on this, numerous media outlets and even scholars started discussing the “no limits” relationship, especially following the launch of Russia’s military operations in Ukraine, shortly after the above joint statement was published. Even after the PRC’s ambassador to the EU tried to clarify the misunderstanding in an interview for the *New York Times* (Stevis-Gridneff & Erlanger, 2023), titles such as, for example, “Putin to visit China to deepen “no limits” partnership with Xi” continued to appear in mainstream global media outlets such as Reuters (Faulconbridge & Chen, 2023). Journalists and scholars continue to use the term as an informal term for the PRC’s relationship with Russia. On the one hand, the informal term for the relationship with Serbia is tied to actual cooperation projects—iron is used both in the sense of iron-clad, i.e., close, and indicating the cooperation in metal manufacturing (Gledić, 2019), and it is widely used in official statements but not in official documents. On the other hand, the supposed informal term for the relationship in Russia results from the misreading of a document and, in essence, misunderstanding of the Chinese partnership diplomacy. Viewed as a diversity regime, the PRC’s approach is likely to take steps aimed at enhancing bilateral ties that are simultaneously conducive to sustainable and peaceful global order. Accordingly, the PRC has been trying to remain neutral in relation to Ukraine and has not declared its unlimited support to Russia. This example underscores the significance of enhancing the understanding of Chinese partnerships.

DIVERSE PARTNERSHIPS FOR A DIVERSE WORLD

This study provides a nuanced perspective on the complexities of the PRC's foreign policy approach to bilateral relations. It also provides a theoretical-conceptual tool to understand better the Chinese partnership network—viewing the various terms used as part of a diversity regime proactively governing bilateral relations, i.e., part of a common system rather than common terms that can be mutually compared. The analysis stresses the significance of acknowledging the linguistic subtleties of the terms used with overall indicators of cooperation, not just whether there is an officially declared type of partnership. The examined case of Europe shows that there is no consistent hierarchical matrix of terms applied across countries for their bilateral relationships with the PRC. Rather, the terms applied seem to be devised in a manner specific to each relationship's historical development and current situation. The recent first use of the word *upgrading* might indicate a potential new direction, which should be followed in future research.

It has long been discussed whether and how China's rise as a global power will transform international relations and the current visions of world order (see, e.g., Breslin, 2010; Wang & Zheng, 2008). The PRC's approach to bilateral ties is a key part of that discussion (cf. Liu & He, 2023). While it might be unlikely that a so-called "Chinese model" will be fully adopted globally (see, e.g., Dreyer, 2018), it is worthwhile considering whether some aspects are more conducive to peaceful and sustainable order than what is currently considered the mainstream global norm. The Chinese partnership network is insufficiently understood, and there are some similarities between this case and the research on the PRC's development (cf. Rolf, 2021). The results of this study and its novel ontological approach support efforts to better comprehend the PRC's governance of bilateral relations and potentially identify a paradigm of proactive, systematic governance—i.e., a diversity regime—that can be generally applied. An approach to bilateral relations that provides a common framework and vocabulary that is simultaneously inherently tailored to specific situations might be the relational, dynamic solution suited for an increasingly diverse and multipolar world, which is at the same time more connected than ever before in history.

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DEVELOPMENTAL DYNAMICS OF THE BELT AND ROAD INITIATIVE: CONCEPTUAL ANALYSIS AND CASE STUDIES

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Abstract: Since the proposal of the Belt and Road Initiative (BRI), also known internationally as the New Silk Road, this grand initiative has received extensive global attention and interpretation. Two prevalent approaches to understanding the BRI so far are the historical geographical and the traditional geopolitical approaches, which nevertheless fall short of explaining the ongoing prosperity of international cooperation under the BRI. This paper first situates the discussion in the context of the plural developmental visions of the “New Silk Road” in today’s world. The analysis and comparison of concepts highlight that the development of the “Belt and Road” possesses a uniquely continuous and extensive driving force, while prevalent speculative interpretations of this issue are inadequate. Building on this discussion, the paper presents empirical research on the China-Europe Railway Express (中欧班列). By examining the origin and development of the Yuxinou trains (渝新欧班列) from Chongqing and the YXE trains (义新欧班列) from Yiwu, this paper concludes that the inherent economic power of contemporary Chinese society initially promoted the start of the “Belt and Road” international cooperation. The international development of China’s supply chain has substantially enhanced the interconnection between Europe and Asia, playing a fundamental role in actualising the BRI. In the follow-up process, the constructive interaction between China’s central and local authorities and the effective coordination among international parties have further effectively unleashed the socio-economic dynamics connecting China and the world. This dynamic underpins the continuous and widespread interconnection of the “Belt and Road”.

Keywords: Belt and Road, New Silk Road, developmental dynamics, China–Europe Railway Express, Yuxinou trains, YXE trains.

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INTRODUCTION

The Belt and Road Initiative (BRI) already celebrated its 10th anniversary last year. Over a decade since its inception, the BRI has garnered significant regional and global attention, and economic cooperation and communication between China and countries along the Belt and Road have grown rapidly. However, some fundamental issues regarding the BRI remain subjects of debate within the international intellectual community. How should the BRI be interpreted? Where are the sources of its driving force and vitality? What is the future of international cooperation under this initiative?

This article seeks to address these questions. It begins by situating the discussions of the BRI within the historical context of the broader “New Silk Road” concept. Before China’s proposal of the BRI, some countries and international organisations had already envisioned and planned for the development of a “New Silk Road”. However, none have achieved sustained progress comparable to the BRI, which further highlights the unique dynamism of the BRI.

Moreover, the paper briefly reviews the two popular approaches to interpreting the BRI within international intellectual circles: the historical geographical and the traditional geopolitical approaches. Nevertheless, these approaches fall short of effectively explaining the actual development and supporting dynamics of the BRI in the context of plural visions for the “New Silk Road”.

Given the limitations of the existing interpretative approaches, the third part of this article conducts an empirical study on the China-Europe Railway Express (中欧班列), which is regarded as a flagship project and signature brand of the BRI. This part examines the infrastructure and historical background of the China-Europe Railway Express, followed by case studies of the Yuxinou trains (渝新欧班列) and the YXE trains (义新欧班列). By exploring the origins and development of these two major railway lines, together with the conceptual analysis in the first two parts, this paper aims to answer the aforementioned questions.

A PLURALITY OF IDEAS FOR A NEW SILK ROAD

Although the “New Silk Road” is often equated with the Belt and Road, the BRI from China is not the only contemporary vision for a New Silk Road within a broader context. Related discussions date back to the 1960s with the proposed Trans-Asian Railway, known as the Iron Silk Road. “The initial plan was to build 14,000 kilometres of railway line linking Singapore and Turkey” (China International Publishing Group et al., 2019, p. 129). This idea was hindered by the Cold War but resurfaced in the 1990s and 2000s (Wang, 2018, pp. 90-91). In 1988, UNESCO launched a ten-year project, “Integral Study of the Silk Roads: Roads of Dialogue”, promoting educational, scientific, and cultural activities along the historic Silk Road. The UN Development Programme followed with an initiative in February 2008 to revitalise Eurasian land arteries (China International Publishing Group et al., 2019, p. 129).

Among state actors, Japan expressly proposed “Silk Road Diplomacy” in the 1990s and gained substantive influence. After the independence of the five Central Asian countries in 1992, Japan quickly established diplomatic relations with them. In 1997, then-Japanese Prime Minister Hashimoto Ryutaro introduced the “Silk Road Diplomacy” and described the eight Central Asian and Caucasus countries as the “Silk Road Area”, conceptualising Japan’s diplomatic contacts with this region. To secure the energy supply to Japan and the Japanese regional influence, Japan started to establish its strong presence in post-Soviet Central Asia and the Caucasus in the 1990s. In 2004, the “Central Asia Plus Japan” dialogue was launched in Kazakhstan under the Junichiro Koizumi administration to strengthen ties with Central Asian countries (China International Publishing Group et al., 2019, p. 151). Through this mechanism, Japan and the Central Asian countries regularly hold foreign minister-level meetings, which were taken for the ninth time in December 2022. Following this diplomacy, the Japanese government was one of the first in post-Soviet Central Asia to pledge development aid and infrastructure investment to Central Asia.

In 2011, US Secretary of State Hilary Clinton formulated the New Silk Road Plan, probably the most well-known Silk Road-related proposal before the BRI. This plan aimed to connect Central and South Asia through Afghanistan, positioning it as a regional hub of transportation and trade with “energy going southward and goods going northward” (Wei, 2019, p. 508). It was obviously connected to the planned retreat of the US and NATO military forces from

Afghanistan. Yet even before the Afghanistan War, the concept of the plan already appeared in the US. Prof. Frederick Starr first proposed it at the Central Asia-Caucasus Institute, Johns Hopkins University. At the government level, there were forerunners of the New Silk Road Plan: the Silk Road Strategy Act (1999) and the one bearing the same name in 2006 (Wei, 2019, pp. 508-509). The past two decades have witnessed the failure of the US military presence in Afghanistan, and these US versions of the Silk Road are less known today than the BRI. Despite overlapping fields of the New Silk Road Plan and the BRI, such as infrastructure connectivity in Central and South Asia, cooperation between the two developmental programmes seems unlikely.

In South Korea in 2009, President Lee Myung-bak proposed the construction of “Three New Silk Roads” during his visit to Russia. It comprised the “Iron Silk Road” to establish the Eurasian railway artery, the “Energy Silk Road” to promote energy cooperation between Russia and South Korea, and the “Green Silk Road” to combine agricultural and forestry land in coastal states of Russia and South Korea’s management technology. However, this proposal has never been mentioned again. In October 2013, Lee Myung-bak’s successor, President Park Geun-hye, proposed the “Eurasia Initiative”, including the concept of the “Silk Road Express”, to integrate the transportation network in the Eurasian continent, which was nonetheless hindered by the tension on the Korean Peninsula and other difficulties (China International Publishing Group et al., 2019, p. 149). Some other countries and organisations, including Iran, the EU, and Kazakhstan, also proposed the “New Silk Road” development concept before China’s BRI in 2013.

After the disintegration of the Soviet Union and the independence of the five Central Asian countries, Central Asia and its surrounding areas have received extensive international attention. This is arguably related to factors such as its special geographical location and abundant energy resource reserves. Therefore, it is understandable that contemporary international development ideas involving Central Asia have emerged continuously. Similar proposals often borrowed this concept, as this area is also the core area of the ancient Silk Road. But before China’s BRI, no “New Silk Road” concept has achieved comparable development results, thus making the BRI almost synonymous with the New Silk Road. For instance, China-Europe Railway Express, known as a flagship project and signature brand of “Belt and Road”, has experienced tremendous development since the advent of the BRI. From

2013 to 2023, the number of freight trains between China and other countries in Eurasia increased from the initial 80 to 17,523, a growth of 21903.75% during the recent decade (China Railway Express, 2024). The booming China-Europe rail service has really revitalised and sustained the New Silk Road. This raises the questions: Why has the Chinese proposal of the “Belt and Road” thrived compared with other international Silk Road initiatives? What is the unique vitality supporting its development?

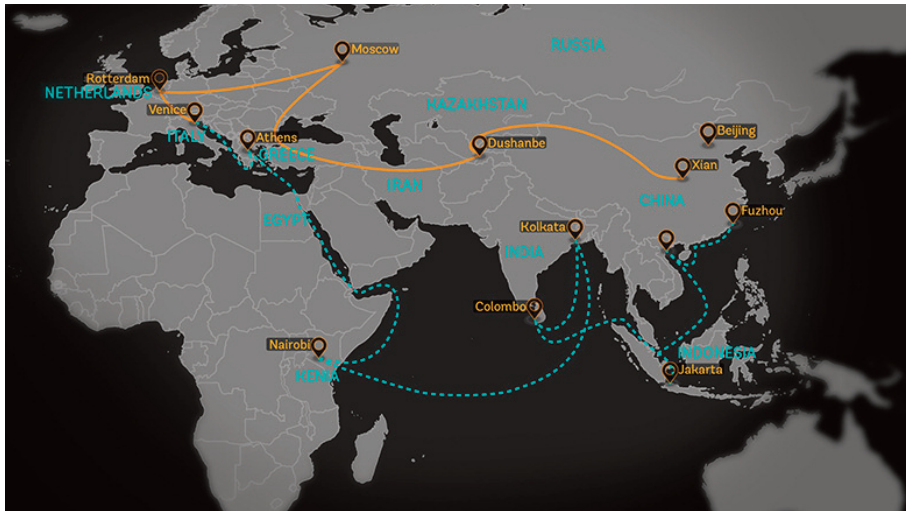
TWO INTERPRETATIVE APPROACHES TO THE BELT AND ROAD INITIATIVE

Before answering the above questions, this paper will examine first the two prevalent international interpretative approaches to the BRI: the historical geographical approach and the traditional geopolitical approach.

The historical geographical approach

The temporal and spatial imagination of geographic space significantly influences how the BRI is perceived. The New Silk Road borrows the concept from the ancient Silk Road, based on the fact that the two are geographically connected. For example, the transportation routes through Central and West Asia evoke the legends of the ancient Silk Road, and the freight trains crossing Eurasia are often called “steel camel caravans”, echoing the camel caravans that served on the ancient Silk Road. The following examples will illustrate how this historical and geographical approach deeply shapes the interpretation of the BRI.

Figure 1. Illustration of a World Bank briefing on the BRI



Source: World Bank Group, 2018.

This map from a World Bank briefing illustrates the BRI by highlighting key countries and cities across the Eurasian and African continents, connected by smooth curves representing the Belt and Road. Within China, the three cities of Xi'an, Fuzhou, and Beijing are marked, with Xi'an and Fuzhou identified as starting points of the land and sea routes on the east side of the Belt and Road. That arrangement aligns with a popular understanding of the ancient Silk Road but diverges from more realistic depictions of the BRI as the New Silk Road. First, while Xi'an had historical importance as a Silk Road starting point, its role in the BRI differs. Cities like Chongqing, Lianyungang, and Yiwu are also crucial but omitted. Besides, the land route from Xi'an via Central and West Asia to Europe did not possess such an important status in the context of the ancient Silk Road that all other land routes were omitted. In the contemporary context of the Belt and Road, this is not even the only important route starting from Xi'an. Moreover, the connecting routes between cities are not realistic. For example, the big arc from Dushanbe to Moscow is more like a caricature line.

Figure 2. A BRI diagram from the Center for Strategic and International Studies (CSIS)



Source: Yamada & Palma, 2018.

This diagram of the BRI's progress is excerpted from an analysis by the Center for Strategic and International Studies (CSIS), the well-known American think tank. The visual expression of the BRI in this map follows a similar framework to the previous map, depicting the BRI with a single route originating in Xi'an and extending westward. The sea route also retains a similar appearance to the previous map. However, this diagram includes more nodes, especially in China's border areas, like Urumqi and Khorgos on the land route and Beihai and Haikou on the sea route. Nodes connected to China's neighbouring countries, such as Almaty in Kazakhstan and Hanoi in Vietnam, are also added.

Despite differences in context—economic versus strategic—the maps reflect how the ancient Silk Road continues to shape perceptions of the BRI, often at the expense of presenting its contemporary reality. In this approach, the characteristics of cross-cultural historical memory and regional connectivity play a dominant role. While some of the contemporary features of the BRI are still presented, such as the presence of Beijing on this map, much information on its actual development is simply ignored.

The traditional geopolitical approach

In interpreting the BRI, analysts often consider not only geographical regions but also the international power dynamics in the regions involved. The traditional geopolitical approach traced back to Halford Mackinder's Heartland theory views the Silk Road's core as key to controlling Eurasia and, by extension, the whole world (Megoran & Sharapova, 2013). This theory, shaped by the so-called "Great Game" between the British and Russian empires in Central Asia in the 19th and early 20th centuries, still influences how the BRI is perceived. After the disintegration of the Soviet Union, the concept of the "New Great Game" emerged and redefined the situation in Eurasia, which heralded a new round of geopolitical competition in the post-Cold War era (Cuthbertson, 1994).

The two dominant analytical focuses in the traditional geopolitical approach are regional geographic and international political concerns. The latter mainly pays attention to factors such as interests, power structure, and security strategy. Some typical examples are also presented below to illustrate how this approach has profoundly influenced the understanding of the BRI.

Figure 3. Another CSIS schema of China's BRI

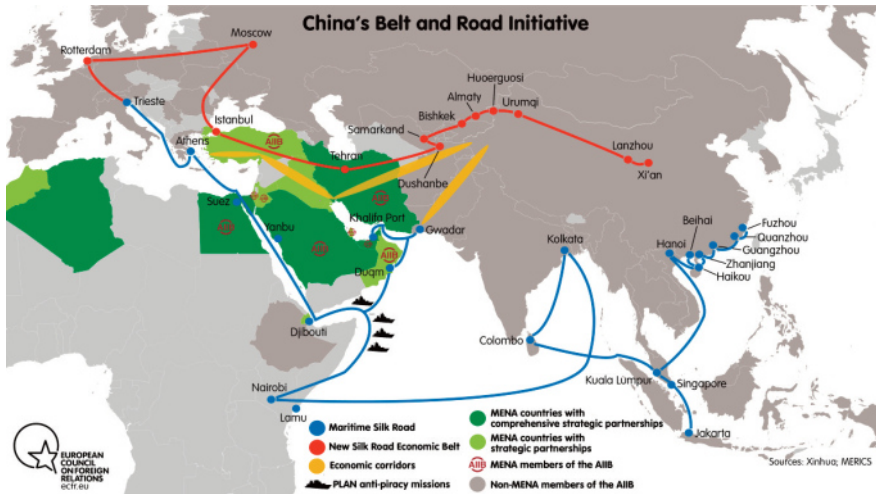


Source: Hillman, 2018.

This is another CSIS diagram of the BRI, highlighting only three nodes within China: Beijing, Urumqi, and Kunming. As the political centre, Beijing is connected by thick lines to the capital of China's Xinjiang Uygur Autonomous Region, which borders Central Asia and South Asia, and that of Yunnan Province, which borders Southeast Asia. The thick lines radiating from Beijing outward through the two border regions show a strong political attribute, which signals that the Belt and Road is simply the projection of the will of Beijing. The map also marks the oil and gas pipelines leading to Urumqi, plus some important ports located on the main sea routes, suggesting a strong focus on resource security. Based on the vision shown on this map, readers cannot help but have the following impression: Is the future vision of the Belt and Road the same as Beijing's vision of international military strategy?

At the same time, this approach downplays the historical geographical approach to a certain extent, negating the importance of cross-cultural historical memories. Specifically, in the diagram, the absence of important starting points of the ancient Silk Road, such as Xi'an and Quanzhou, seems to tell readers that these are meaningless characters. It can even be considered this way: Under the interpretation of some traditional geopolitical analysts, cross-cultural historical memories are just an ornament for the BRI.

Figure 4. Nodes and routes of the BRI from an international policy analysis



Source: Lons et al., 2019.

The historical geographical approach and the traditional geopolitical one can be combined to a certain extent. The above figure is one example. This diagram comes from a policy report, “China’s Great Game in the Middle East”, published online by the European Council on Foreign Relations. In terms of node and route selection of the BRI inside and outside China, this diagram follows the fundamental logic of Figure 2 analysed above. However, in the Middle East and North Africa region, the map adds China’s strategic partners and comprehensive strategic partners in the region, member states of the Asian Infrastructure Investment Bank, and China’s ship deployment in anti-piracy operations, corresponding to the elements of international relations such as diplomacy, finance, and security.

The first part of this paper reviewed multiple international versions of the New Silk Road. In the second part, analysis of the BRI through the historical geographical and traditional geopolitical approaches assumes a high degree of homogeneity in these developmental visions. This homogeneity can be attributed to shared geographical spaces on which various New Silk Road visions are based or the assumption that state actors pursue similar goals in regional affairs. However, the BRI’s conspicuous achievements among the multiple versions of the New Silk Road vision challenge this assumption. The two approaches may explain differing outcomes by pointing to variations in historical influence, the actual geographical location, and the resources that can be mobilized. Yet such an interpretation is speculative, or, in other words, lacks strong empirical support. Therefore, more in-depth empirical research is needed to understand the continued international cooperation under the BRI and to uncover the driving force behind its development.

THE CHINA-EUROPE RAIL SERVICE AND ACTUALISATION OF THE BELT AND ROAD INITIATIVE

So far, this paper has demonstrated the need for empirical exploration of the inner dynamics of international cooperation surrounding the BRI. Based on this, a focus is on the China-Europe Railway Express (CR Express) in this section, which is called “the flagship project and signature brand of the “Belt and Road”, through case studies of the Yuxinou trains and the YXE trains. These cases reveal how various participants support and influence the BRI’s implementation.

The CR Express relies heavily upon its infrastructure basis, the First and Second Eurasian Land Bridges, which existed long before the BRI. These transcontinental railways were reconnected after being disconnected in the Cold War in the 1990s (Pomfret, 2019, pp. 45-46). Before the regular operation of the CR Express, pioneers already initiated China-Europe rail transport. In 1995, the US company DuPont succeeded in utilising Lianyungang Port and the Trans-China Railway to transport its products to Kazakhstan and Uzbekistan (Wang, 2018, p. 140). In April 2004, a test freight train from Lianyungang Port to Almaty in Kazakhstan was organised by the CRIMT (China Railway International Multimodal Transport Co. Ltd.) (Wang, 2018, p. 141). In 2008, Deutsche Bahn sent the first test train from China to Germany, from Xiangtang in Nanchang, Jiangxi, to Hamburg (DB Cargo Eurasia, 2021). Nonetheless, communications through the Eurasian Land Bridges were still limited until the early 2010s. Only since the birth of the CR Express has the regular China-Europe rail service gained momentum.

The case of the Yuxinou trains

Nowadays, there are already tens of Chinese cities operating the CR Express. Among them, Chongqing was the first to organise a container train to transport freight directly to Europe. With China's strategy to develop its Western region and the reconfiguration of the global supply chain in the financial crisis, global notebook computer giants such as HP and Foxconn established their production bases in Chongqing in the late 2000s. It was estimated that in 2011, "one out of three notebook computers sold in the world" were from Chongqing, and "around half of the computers produced there" were for the European market (Gao, 2017, p. 31; Esteban & Li, 2020, p. 44). However, logistics posed challenges to Chongqing's export to the European market due to Chongqing's inland location, with shipping by sea too slow and air transport too costly.

Attempts by Foxconn and HP to use the Eurasian Land Bridges faced international coordination issues. It was difficult to make it by multinational corporations alone (Shan & Zhang, 2019, p. 22; Wang, 2018, pp. 159-160). Significant changes occurred after the Chongqing Municipal Government took an active part in it in 2010. Mayor Huang Qifan was ready to solve the problem and accepted HP's proposal to use the Second Eurasian Land Bridge. Huang

led a team to visit Beijing and secure support from the General Administration of Customs and the Ministry of Railways for Chongqing-Europe freight trains. Tony Prophet, senior vice president of HP, was also on this team (Gao, 2017, pp. 32-33; Wang, 2018, pp. 160-161). Mutual coordination at the national level provides an important guarantee for the implementation of this plan. During the then-Chinese Premier Wen Jiabao's visit to Russia, China, Russia, and Kazakhstan signed agreements on November 23, 2010, to facilitate the customs clearance procedure of freight trains from Chongqing to Europe via Alashankou Port. During this period, HP and Chongqing contacted major European railway giants, such as DB Schenker and TEL (a joint venture between Deutsche Bahn and Russian Railways).

Thanks to these relevant parties' support, the prepared freight train's domestic and international trials were conducted respectively in October 2010 and January-February 2011 (Gao, 2017, pp. 29-30). On March 19, 2011, the first formal operation of the Chongqing-Duisburg freight train was launched at the Chongqing West Station. The Yuxinou service (Chongqing-Xinjiang-Europe rail service) was established. After that, Chongqing continued to optimise the operation of the Yuxinou trains. International workshops and conferences in this regard were convened. In September 2011, Chongqing hosted the Conference on Coalition of Trans-Eurasia Rail among Five Countries and Six Parties, which paved the way for the establishment of the joint venture YUXINO (Chongqing) Logistics Co. Ltd. in 2012. It became the operator of the Yuxinou trains, and its shareholders are five state-owned logistical enterprises from China (one on the Chongqing municipal level and the other on the central level), Germany, Russia, and Kazakhstan (Gao, 2017, pp. 34-36). This means that the community of interest for the Yuxinou operation platform has been formed.

In 2013, Chinese President Xi Jinping proposed the BRI. On March 29, 2014, during his visit to Germany, President Xi went to Duisburg Station to greet the arrival of the Yuxinou train in person, which showed the CR Express, the transnational project that implements the BRI, was highly valued and supported. Boosted by this top-level acceleration, provincial and local governments have launched multiple CR Express trains. However, due to the government performance evaluation mechanism, various lines of China-Europe freight trains have been heavily subsidised and saw uncoordinated explosive development to the degree of chaotic competition. In this context,

China National Railway Group launched the unified brand of “CR Express” in 2016 to strengthen national coordination. The National Development and Reform Commission allocated special funds in 2020 to support the construction of the CR Express assembly centres in five hub cities across the country, including Chongqing, which was the first to operate the CR Express (Department of Regional Opening-up of the NDRC, 2020).

Figure 5. The first Youxinou (Chongqing-Xinjiang-Europe) rail route



Source: Youxinou, 2021.

The case of the YXE trains

The YXE rail service, transporting goods between the Chinese commercial town of Yiwu and other Asian and European cities, began in April 2013 (Wang, 2019, p. 28). It happened later than the Yuxinou logistics but still belongs to the early explorers of the CR Express that started before the proposal of the BRI. Unlike the case of Chongqing, the YXE project was initiated not by a global industrial giant or local authorities but by a young Yiwu entrepreneur, Feng Xubin. It was possible because it was in Yiwu. In the past four decades, Yiwu has grown from a poor county into a metropolis of small commodities.

Feng was born in the commercial town and started doing business as a teenager. At the age of 30, he had already served as the general manager of a market outside Yiwu and had rich business experience. When he entered the sphere of logistics in 2010, there was a large number of goods transported

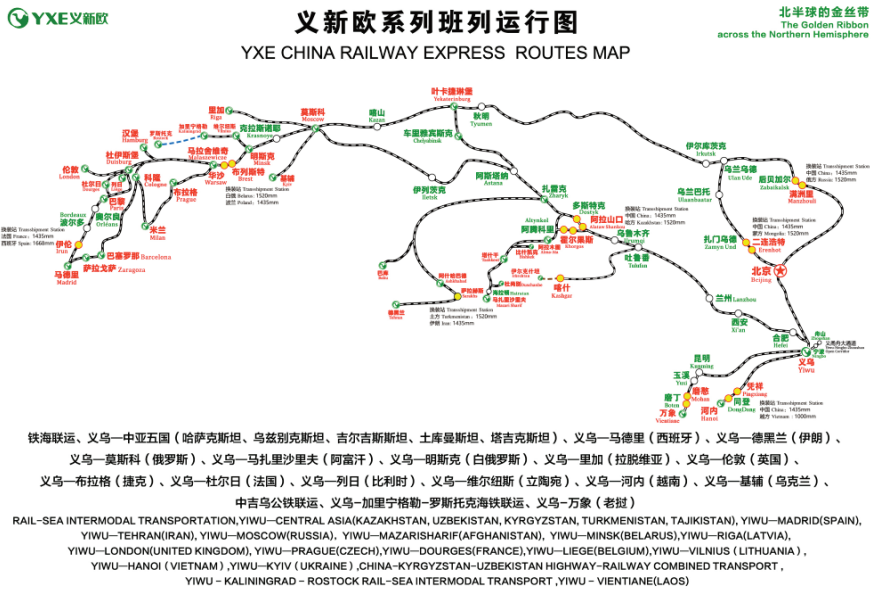
from Yiwu to Central Asia and Russia but without direct freight rail service, prompting Feng to initiate the Yiwu-Central Asia-Europe rail service despite significant challenges (Wang, 2019, p. 20). For instance, Yiwu Customs was not entitled to inspect exports through railway, and the freight charge of railway transportation was often not very competitive. In the fall of 2012, the establishment of the customs inspection point at the Yiwu West Railway Station was approved (Wang, 2019, p. 191). In 2013, relevant facilities were ready, and the Yiwu-Central Asia freight train began to operate. In the first few months of operation, there were no regular YXE trains, and the service was based on the unstable supply of goods to export (Wang, 2019, p. 28). In September 2013, the BRI was announced, and Feng saw the business opportunity behind it. In October, he submitted a report regarding the opening of the Yiwu railway port and the launch of the YXE freight trains to the Yiwu government. On January 20, 2014, the first Yiwu-Central Asia block train was formally launched (Wang, 2019, p. 32). According to Feng's plan, the next stage was to extend the rail service further to Europe.

A dramatic event occurred on September 26, 2014. During Chinese President Xi Jinping's meeting with the Spanish Prime Minister in Beijing, he mentioned the YXE railway started from Yiwu, Zhejiang province, with a planned destination of Madrid, Spain's capital and largest city. He stressed, "China welcomes Spain's participation in the construction and operation of a transcontinental railway, and will provide a good way for China and Spain to upgrade trade and economic cooperation" (Wang, 2019, p. 35; YXE, 2024a). It was followed by strong support for the YXE trains from the provincial and local governments. On November 18, 2014, the Yiwu-Madrid freight train, the first YXE train to Europe, departed from Yiwu. It arrived in Madrid on December 9 and accomplished the longest rail freight service in the world. Since then, the YXE train (Yiwu-Madrid) has received six times Xi Jinping's endorsement in the diplomatic arena (YXE, 2024a). The routes of the YXE operation reached 15 by 2023, which is the most among all the CR Express operators. Conspicuously, it is the rare CR Express service so far managed by a private firm in a county-level city.

The CR Express, known as a flagship project and signature brand of the BRI, actually predates the BRI. In the above two cases, the continuous driving force for the China-Europe rail service initially came from the continuous flow of goods, whether electronic products produced by multinational companies

in Chongqing, or the innumerable small commodities gathered in Yiwu. The growth of commodity supply chains expanded commercial networks and created the demand for increased rail connections to relevant regions. However, in the process of forming an international freight corridor, the power of international coordination is indispensable. The rapid development of the CR Express highlights the importance of collaboration between local and central governments in China, along with the involvement of domestic and international stakeholders, in promoting China-Europe connectivity and strengthening international cooperation under the BRI.

Figure 6. YXE China Railway Express Routes Map



Source: YXE, 2024b.

CONCLUSION

This paper first reviewed various international versions of the “New Silk Road” that existed prior to the announcement of the BRI. Unlike the earlier versions, the BRI has achieved sustained and extensive development, driven by unparalleled dynamics that the existing historical geographical and traditional geopolitical approaches yet struggle to fully explain. These prevailing approaches, widely used in international intellectual circles to interpret the BRI, assume a high level of homogeneity among most “New Silk Road” visions. Yet, they fall short of explaining divergent outcomes of seemingly similar development initiatives.

The critical examination of dominant approaches to the BRI, as demonstrated through the analysis of four typical BRI diagrams, does not aim to produce a comprehensive diagram encompassing all aspects of the BRI. Instead, it reveals the limitations of speculative approaches to understanding the BRI’s development dynamics. Further empirical investigation is necessary to deepen this understanding.

Based on case studies at the empirical level, this paper argues that the BRI’s development is largely endogenous, stemming from the spontaneous growth of regional supply chains. In the follow-up development, China’s local and central governments used the situation well and played a catalytic role. From the perspective of central-local relations, the vigorous development of the BRI initially exhibits bottom-up characteristics and then evolves into a bottom-up and top-down interaction. Moreover, since the beginning of its formation, the participation of international actors in the joint construction and even preliminary exploration of the BRI projects has been conspicuous and continuously influenced operational plans and mechanisms to the degree that the communities of interest are formed. Therefore, it can be seen that international cooperation under the BRI is marked by distinct characteristics of openness, coordination, and mutual benefit.

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THE GENESIS AND IMPACT OF “PAN-GEOPOLITICS”

Ruojie XU*

Abstract: Today’s world is entering a new period of unprecedented change, bringing “pan-geopolitics” to the pedestal as an important factor affecting the stability of the international order. As a new phenomenon closely related to global security under new technological conditions, “pan-geopolitics” was born in an international environment where the strategic competition among major powers is becoming increasingly fierce. The international colourism of the “pan-security” is becoming even more blurred. It is a strategic narrative used by the United States and Western countries. “Pan-geopolitics” is a direct product of attacking competitors and seeking absolute security. The core feature is the “generalisation” of the use of geopolitical concepts, manifested as the abuse and misuse of this academic concept as a strategic narrative tool, artificially constructing a set of negative narratives unfavourable to competitors. This concept is researched in detail by scholars of critical geopolitics. The aim of this paper is to conduct a systematic study of “pan-geopolitics” based on relevant empirical materials. In doing so, the author defines the concept of “pan-geopolitics” as a new theoretical concept, practice, and idea.

Keywords: “pan-geopolitics”, geopolitics, strategic competitions among powers, strategic narrative.

INTRODUCTION

The imperative to effectively manage the unlimited escalation of strategic competition among major powers and forestall the outbreak of international conflicts represents a profound and enduring international security challenge. Historical evidence repeatedly underscores that inadequate control often precipitates disastrous international political ramifications. Against the backdrop of increasingly intense strategic competition among major powers, with simultaneous cooperation, characterised by an increase in risks and uncertainties in international relations, the United States and Western

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countries have deliberately obfuscated and broadened the boundaries of the concept of geopolitics. They have amplified the perceived geopolitical risks posed by other countries' political and economic policies and justified the adoption of protectionist policies and the imposition of competitive costs on their rivals (Mazzar, 2015) as the main advocates of the Liberal International Order. This strategy has given rise to the phenomenon known as "pan-geopolitics". Because of the highly sensitive and relatively exclusive security obtained through geopolitical means, the advent and exacerbation of "pan-geopolitics" will seriously weaken the foundation of trust in international cooperation. Consequently, this leads to the intensification of security dilemmas between countries and makes it harder to control strategic competition among the major powers.

DEFINING THE CONCEPT OF "PAN-GEOPOLITICS"

In recent years, propelled by the United States and Western countries (The White House, 2017, 2022a, 2022b), the strategic competition among the major powers has intensified globally. The phenomenon of "pan-geopolitics" is a direct product of this shifting balance of power in the international environment. Emerging technologies related to strategic competition among major powers, such as artificial intelligence and big data, may have geopolitical impacts, prompting countries to pay attention and discuss them, thereby expanding the scope of geopolitics. On the other hand, the increasingly fierce strategic competition among major powers has prompted some countries to seek new weapons to balance competitors. Labelling their competitor's foreign policy aims as "seeking geopolitical interests" is conducive to shaping the strategic narrative of checking and balancing the opponent, thereby increasing the opponent's response costs. Thus, demonstrating the capacities of "pan-geopolitics" is closely related to the theoretical concept of structural power offered by Susan Strange.

As a new international political phenomenon, "pan-geopolitics" essentially means modifying the idea of geopolitics to be more in line with the contemporary international political environment and a deviation from its original meaning. Therefore, clarifying the concept of geopolitics is a prerequisite and key task for scientifically understanding what "pan-geopolitics" is and where this "modification" is reflected. According to the

definition commonly used in academia, geopolitics is an interdisciplinary field between international politics and geography, born in the late nineteenth and early twentieth centuries. It is a theoretical tool for examining how geographic environments and international power competitions influence one another (Parker, 1979; Zhengyu, 2018). Relations between politics and space are the core concept of geopolitics as a social science discipline, encompassing a series of discourses and practices where geographic factors and national foreign policy choices are interlinked, forming the crucial connection between geopolitics and real politics. Geopolitics is concerned with “the way space is politically organised and how this is conceived, reproduced, and utilised in political affairs” (Dalby, 2009), which presupposes the world as a composite of various geographic plates and spaces aiming to maximise power by transforming geographical propositions into statal advantages in the puzzling process of distribution of spheres of influence among.

Today, the world is in the midst of the so-called “Fourth Industrial Revolution”. Unlike the relatively slow technological innovation of the previous three industrial revolutions, the new step towards technologisation of the world is characterised by a very high rate of technological iteration, which has overwhelmed geopolitics and brought fresh understandings of the same idea. A large amount of new content and numerous terms have been labelled as “geopolitics” without being filtered, gradually blurring the original connotation of the concept of geopolitics and breaking through the extension of geopolitics as an academic concept. This change is reflected in the fact that content is, intentionally or unintentionally, increasingly included in geopolitical narratives. The object of reference for geopolitics gradually becomes “out of focus”, as if it has become a term that can be equated with international political power. Geopolitical boundaries are no longer determined solely by geographical factors. For example, some scholars believe that the core of today’s international geopolitical competition is the formulation of new technological standards (Zúñiga, 2024). In this context, since the 1980s, critical geopolitics has emerged as an analytical paradigm application and gradually became an important branch of geopolitics. According to academic definition, rooted in post-structuralism and various versions of postcolonial scholarship, critical geopolitical inquiry is, at its core, concerned with the operation, interaction, culture, and contestation of geopolitical discourses (Ó Tuathail & Dalby, 1998). Regardless of the impact of new environments and conditions on the concept of geopolitics, the boundary of the concept of geopolitics is

clear—only topics that involve the interaction of geographical factors and political/statal affairs can be defined as geopolitical affairs (Parker, 1985).

Although the research results of some scholars sometimes may involve content related to “pan-geopolitics”, such as some literature focusing on the competition between major powers’ strategic narratives (Barrinha & Turner, 2023) and some related to “pan-securitisation” (Drezner, 2024), it is obvious that these research results are a small contribution to unfolding the perplexed and innovative phenomenon of “pan-geopolitics”. Thus, this research represents the pilot project for grounding the systematic study regarding this new phenomenon about trends in international politics. The so-called “pan-geopolitics” refers to the broad and indiscriminate application of the term “generalised”, originally a precise academic term in international political practice, academic and strategic research, and even daily life.

Geopolitics, once an academic concept with clear connotations and extensions, is now broadly and unsystematically applied across various international relations situations, often straying from the original connotations. “Pan-geopolitics” is characterised by the fact that the scope of geopolitical references is constantly changing forms and content, thus breaking a narrow academic framework. But, in these changes, some deviations are visible, such as the challenge of the overextension of the meaning of the term geopolitics to include any foreign policy.

In nature, “pan-geopolitics” is both a new international political phenomenon that reflects the characteristics of the current international order during a period of change closely related to the strategic competition between major powers and a strategic narrative subjectively chosen and used by the United States and Western countries. It is manifested in the imposition of the label “geopolitics” on the foreign policy behaviour of competitors, deliberately distorting the facts or maliciously speculating on the motives of the behaviour, guiding international public opinion to shape a negative image of competitors as “attempting to achieve certain geopolitical ambitions through revisionist means”, and thereby achieving the goal of cost-imposing checks and balances. It is worth mentioning that the two characteristics of “pan-geopolitics” are interrelated and influence each other. As the phenomenon of “pan-geopolitics” becomes increasingly prominent, some countries, driven by the logic of “pan-geopolitical security”, deliberately generalise and expand the scope of geopolitical issues, using “pan-geopolitics”

as a strategic narrative strategy to attack competitors, thereby exacerbating the degree of “pan-geopolitics” in the international system. Thus, besides demonstrating power projection capabilities measured by the terms of hard power, “pan-geopolitics” includes power projection capabilities measured by the power to formulate reality to give the shape and beliefs of the reality in which we live.

Currently, “pan-geopolitics” manifests primarily in two types of international political interaction:

The first is a political mobilisation tool. Geopolitics is used as a tool for political mobilisation, labelling international political and economic issues in general terms as “geopolitical”. This approach seeks to create and mobilise consensus within coalitions by exaggerating the external geopolitical security threats posed by “others”, thereby rallying the strategic resources of coalition members. The aim of mobilising the strategic resources of coalition members is to achieve specific political mobilisation objectives (Barrinha & Turner, 2023). For example, after Ursula von der Leyen took the position of the President of the European Commission in 2019, in order to enable the EU to better respond to the increasingly complex international situation under the banner of “strategic autonomy”, member states were urged to adopt more “coordinated” common foreign policies in some important fields, such as strengthening independent defence construction and building new China-EU relations. “Coping with severe geopolitical risks” and “enhancing the EU’s geopolitical capabilities” have become the new direction of the EU’s foreign strategy (European Commission, 2019, 2022, 2023). As von der Leyen said, she wants to build the European Commission into a “Geopolitical Commission” (Haroche, 2023). However, the specific content of geopolitics is always unclear in the expressions of EU officials and von der Leyen. Her speech at the “2023 Europe China Conference”, co-organised by the European Council on Foreign Relations and the Mercator Centre for China Studies, repeatedly mentioned that China’s political and economic development and the increase in global influence have brought geopolitical tensions to the EU, calling on EU member states to quickly reach agreement on the issue of “de-risking” relations with China (European Commission, 2023). However, many examples she cited, such as China’s industrial policies and “military-civilian integration”, do not fall within the geopolitical category.

The second type of political interaction is using “geopolitics” as a political mobilisation tool to guide public opinion by exaggerating geopolitical threats from other countries, as it is done by following the course of “pan-securitisation”. That serves to degrade the moral image of the competitor in the court of international public opinion, thereby imposing huge reputational costs on the competitor. Since the Trump administration, the US government has often accused China of harbouring “geopolitical ambitions” that purportedly disrupt the order of the Asia-Pacific region in all kinds of policy documents without substantiation. It has “stigmatised” China’s actions concerning sovereignty in its surroundings, like the South and East China Sea, and even Xinjiang and Taiwan, as attempts to change the international order through coercion and deviating from international norms and universal values (The White House, 2017, 2022a, 2022b, 2024). The intention of the United States government in this kind of narrative is to distort and magnify the perceived “geopolitical threat” from China, shaping a negative international perception of China and burdening it with the diplomatic costs of international condemnation and reputational damage.

CAUSES OF “PAN-GEOPOLITICS”

The emergence of “pan-geopolitics” is far from unfounded. As previously discussed, it is closely linked to the inherent characteristics of geopolitics and exhibits a distinctive feature of the times. In today’s world, where traditional and non-traditional security issues are intertwined and strategic competition among powers becomes increasingly fierce, the United States and some other Western countries face huge changes in the international landscape, exhibiting a highly complex and conflicted mentality. Both the United States and Western countries have instigated and promoted “pan-geopolitics” in global politics, driven by profound subjective motives represented as the objective reality.

Firstly, the era of “Pan-Securitisation” is characterised by increasingly complex and diverse security risks, escalating the demand for tangible security (Drezner, 2024). “Pan-securitisation” is a new policy orientation that emphasises the impact of non-traditional security issues on national security and is increasingly valued and adopted by governments around the world (Lingyu & Lei, 2024). That is manifested in the uncontrolled expansion of the scope of security issues by state actors, driven by the decision-making mentality of

pursuing “absolute security”. Under this policy tendency, some countries use national security issues as a competitive tool to pursue protectionist domestic policies and unilaterally contain the development of other countries (Ruojie, 2022). For example, some countries restrict investment from other countries’ high-tech enterprises on the grounds that they may threaten national security. That has created significant tension with the Western pursuit of “absolute security”, reflecting their entrenched mindset. “Pan-geopolitics” reflects the extreme anxiety of the US and some other Western countries in pursuit of “all-round, no-death-angle” security, an aspiration that remains unfulfilled. Since the turn of the 21st century, booming globalisation and ever-changing technological revolutions have strengthened global interconnectivity, making “pan-securitisation” a new norm. It is not only the content of national security issues but also of the global issues. For example, the refugee issue, which was originally a non-traditional security issue, has spillover effects and threatens the national security of the receiving country. Germany and some other European countries are currently experiencing this. The shift has led to the rapid expansion of the boundaries of international security issues, intertwining traditional and non-traditional security issues and gradually blurring their distinctions. In this new reality, security has become an ambiguous concept (Buzan, 1991), perhaps without any definitive meaning. However, the core has to be maintained. In the era of “pan-securitisation”, a pervasive sense of insecurity prevails, with security being a relative state; no country can eliminate security risks and achieve a state of “absolute security”. The prevalent belief in “absolute security” among the US and Western nations equates national security with a risk-free state. The United States as a hegemonic power and its geographic positioning between two oceans, the absence of powerful neighbour states, its leadership role in the global economic system, the world’s leading military technologies and capabilities, and the post-World War II establishment of military bases and alliances have shaped its strategy towards pursuing “absolute security” and comprehensive defence. This persistent cognitive inertia, harbouring unrealistic illusions of zero security risk, is juxtaposed against the pervasive “fragmented” security threats of the “pan-security” era, creating significant tensions and anxieties in the US and Western security discourse. On the one hand, all possible security risks are subsumed under the umbrella of “geopolitics” to consolidate fragmented risks and lay the foundation for the formulation of an integrated security policy; on the other hand, “pan-geopolitics” reveals the US and some other Western countries pursuit of highly double-standard and self-interested

security goals, essentially externalising their security pressure. In practice, they label other countries with the term “geopolitical” to preempt security risks without considering whether their own policies and behaviour make other countries feel insecure. Hence, it is understandable that security is becoming common, relational, comprehensive, cooperative, and shared.

Secondly, the highly sensitive nature of geopolitics allows it to be used as a narrative weapon against rivals, which was in detail described by representatives of critical geopolitics. The close link between geopolitics and international power struggles establishes that it cannot be an entirely value-neutral discipline from its birth; it inherently reflects a certain ideology and national interests and can easily be reduced to a propaganda tool for achieving political goals. Nazi Germany was influenced by the “theory of living space” and perverted geopolitics into a pseudo-science where “geographic space determines the size of national interests”. This misinterpretation served as a strategy to govern the country and launched inhumane foreign wars and ethnic cleansing, making geopolitics a major factor in the development of Germany. The geopolitics of the world, along with its related German geopoliticians like Ratzel and Haushofer (Parker, 1979), has been disliked by the world for a long time after the Second World War and is still perceived as a negative term of “injustice” by many people today.

The rapid advancement of mass communication technologies has significantly expanded the field of strategic competition, particularly in the material and ideological domains. Against this background, the struggle for the dominance of public opinion and the seizure of the “moral high ground” in the realms of values and ideologies have become an important means of combating competitors in the United States and Western countries. “Geopolitics” is often directly related to national security (even at the survival level) and has a high sensitivity coupled with the “historical baggage” previously mentioned. It serves as a narrative weapon to attack competitors. Moreover, it is cost-efficient and difficult for opponents to counter. Due to the overwhelming power of the US and Western countries over global public opinion, if competitors attempt to respond that they do not have so-called “geopolitical attempts”, they will fall into the simulated “narrative trap”. In this process, states labelled as competitors will be obliged to prove their innocence by accepting the US dictum. The more explanation there is, the greater the cost to the audience and the greater the damage to the image. If

this issue is not addressed, competitors will enter the global public opinion arena in a completely passive manner, solidifying their label of “revisionist countries” with “geopolitical ambitions”.

Thirdly, in the context of the prevalence of populism, “pan-geopolitical” propaganda can effectively mobilise political support from the public. Since the global financial crisis of 2008, populism, which has been on the rise and in full swing, has significantly shaped the domestic and foreign policies of the United States and consequently some other Western countries. As a rebellion against traditional political elites, populism is distinctly anti-establishment, populist, emotional, identity-political, anti-globalisation, and economic liberalisation (Müller, 2016). The combination of increasingly difficult real-life situations, the growing gap between the rich and the poor, and a sense of “relative deprivation” in the face of globalisation has prompted the lower and middle classes to stop believing in the “empty promises” of traditional political elites and to look instead to those who advocate “radical protectionism”, “exclusion”, and “liberalisation”. The pressure of competitive electoral cycles compels politicians in the US and Western countries and politicians of different political persuasions to try to win over populists through pandering. The logic of “pan-geopolitical” propaganda has been used for broad political mobilisation, inciting people to become more aware of “others” with “geopolitical ambitions” and “threats to national security”. This fanatical and irrational hostility is used to divert the people’s dissatisfaction caused by economic and social issues, promising stringent foreign policy to mitigate “geopolitical risk” and safeguard the national security interests. Thus, they have positioned themselves as defenders of the national interests who resolutely resist the external security threats. Then, with promises such as adopting tough foreign policies to curb “geopolitical risks” and defending national security interests, they portrayed themselves as the guardians of national interests who resolutely resist external security threats to seek more political support and stability or enhancement of their political positions.

IMPLICATIONS OF “PAN-GEOPOLITICS”

“Pan-geopolitics” phenomenon has intensified inter-state conflicts and significantly affected international interactions and the world order. As far as international security is concerned, this looming “sword of Damocles” hanging

high in the sky has aggravated the already arduous task of strategic competition among the major powers.

First, “pan-geopolitics” erodes the foundation of mutual trust between countries, deepening the security dilemmas in the international system and escalating international competition. In the name of “preventing and controlling geopolitical challenges”, the United States and Western countries have significantly expanded the themes and scope of geopolitics, arbitrarily adopting exclusive protectionist policies under the pretext of “security” based on narrow self-interests and restricting the development of normal international engagements and cooperation. It is essential to recognise that, now, “mankind is an indivisible security community” (Ministry of Foreign Affairs of the People’s Republic of China, 2023) and that arbitrarily “smearing” the foreign policies of other countries based on self-interested and narrow security interests will inevitably intensify international tensions and undermine the foundation of mutual trust and inter-civilisational dialogue on which the stability of the international order rests. It will also exacerbate the security dilemma in the international system. In this context of a heightened sensitive environment, where all countries are concerned about security and the slightest movement of other countries can trigger a security panic, efforts to mitigate the pressures of strategic competition among the major powers through diplomatic negotiation and cooperation and to effectively control the intensity of competition are fraught with difficulties and may ultimately lead to international conflicts.

Secondly, the United States and Western countries often exhibit “beggarthy-neighbour” rather than a “win-win” approach to global affairs, using geopolitics as a weaponised narrative label that aggravates the progress of global security governance. In many areas that have a bearing on the well-being of humankind and require international cooperation, there are numerous and various challenges in establishing a stable, resilient, sustainable, and trustworthy collaborative mechanism. Under the narrative logic of the “pan-geopolitical”, the use of geopolitical concepts has been unprecedentedly “generalised” and biased. Virtually any issue in the international system can be connected to delicate geopolitical concerns. Many issues previously characterised by limited competing interests and the potential for non-zero-sum cooperation are “low-politics”. Many “low-political” areas that originally had limited competing interests and the

potential for non-zero-sum cooperation, such as combating climate change, cross-border data governance, energy cooperation, and development assistance, are forcibly tagged with geopolitical labels. This constructs an artificially strong correlation with national security, transforming these areas into a “politically sensitive area” that needs to be examined and adjudicated. On the other hand, the United States and Western countries often perceive the world from the perspective of strategic competition among great powers rather than from the perspective of global governance (a method of political consultation among multiple international actors to solve transnational and global problems) (Barnett, Pevehouse & Raustiala, 2022) and frequently misinterpret the active participation of other countries in global affairs as “expansion of geopolitical influence”.

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CHINA AND THE SHANGHAI COOPERATION ORGANISATION IN THE NEW GEOPOLITICAL REALITY

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Abstract: The Shanghai Cooperation Organisation (SCO), established more than two decades ago, is one of the most important international organisations in the non-Western world. While attracting the interest of many actors in the region, the SCO is still searching for direction, creating new formats, and concluding new agreements. This process is especially relevant in the current, rapidly changing geopolitical environment, which increasingly demands well-considered responses to key security, economic, scientific, social, and other issues. This paper examines the role of China and identifies the key vectors of the SCO's development: security, economic development, energy, culture, education, and public (especially academic) programming. The SCO's role in the establishment of Greater Eurasia is also analysed. Based on documents adopted by the SCO and expert and official discourse, the author concludes that the SCO has significant potential in the areas under consideration and has even achieved success in certain areas, especially security. However, documents and decisions have sometimes been incompletely implemented by the organisation and incoherently by its members. Nevertheless, the SCO has become an important instrument not only for members' cooperation but also for preserving security throughout Eurasia.

Keywords: SCO, regional security, economic integration, energy security, Greater Eurasia.

INTRODUCTION: THE NEW GEOPOLITICAL SITUATION AND THE SCO'S DEVELOPMENT

The declaration of the SCO's founding was signed more than two decades ago, on June 15, 2001, in Shanghai, by the leaders of six states: China, Russia,

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Kazakhstan, Tajikistan, Kyrgyzstan, and Uzbekistan. The day before, in the small assembly hall of Shanghai's Jinjiang Hotel, China's then-leader Jiang Zemin met with Russian President Vladimir Putin to discuss the development of bilateral relations and the purpose of the SCO. Interestingly, almost thirty years before, in the same hall, US President Richard Nixon and Chinese Premier Zhou Enlai signed the Shanghai Communiqué in February 1972. The Jiang-Putin meeting was thus doubly symbolic, demonstrating that the SCO was founded based on Sino-Russian strategic cooperation and that the Cold War was long past for Moscow and Beijing, which now sought to lead the world's movement from unipolarity and US dominance towards real multipolarity.

The SCO has come a long way over twenty years, "widening" (via the admission of new members) and "deepening" (via the creation of new institutions, such as the Regional Anti-Terrorist Structure). However, despite certain successes, there remain many problems with its development, which has been slow, and the SCO's potential has still not been fully realised (Lukin, 2011). Additionally, the SCO's expansion poses serious challenges to its future ability to function and set objectives (Denisov & Safranchuk, 2016). So far, the SCO has maintained its tradition of unhurriedly formulating answers to these new challenges, seeking to adapt them to its extant institutional mechanisms and culture rather than reshaping itself.

The world geopolitical shakeup of 2022 has led to significant structural changes in the international system, further raising the SCO's significance while stimulating its continued development and deep transformation that, the authors hold, could enhance its effectiveness. The authors present possible trajectories of this transformation in the three main spheres of the SCO's activity: security cooperation, economic cooperation, and cultural cooperation and academic-expert dialogue.

THE SCO'S SECURITY AGENDA: ADAPTATION TO NEW CONDITIONS

From the three abovementioned spheres, the SCO has achieved the most in the security domain. An array of significant international agreements has been concluded, and joint military exercises are regularly conducted.

Anti-terrorism cooperation is especially important: all members of the SCO suffer or have suffered, from international terrorist attacks, and this threat has significantly increased since the withdrawal of the International

Security Assistance Force (ISAF) from Afghanistan in 2020-2021. The security sphere also includes SCO activities dealing with narcotrafficking, information security, and illegal immigration.

Military cooperation has been developing. The SCO's members almost annually conduct the "Peace Mission" exercises, as well as intelligence and law enforcement exercises. In accordance with the anti-narcotics strategy adopted in Bishkek in 2019 by the SCO, its members have conducted the international antinarcotic operation *Spider Web* on their territory. The Regional Anti-Terrorist Structure (RATS) in Tashkent has reached a high level of coordination in its operations. As Putin noted in his address to the Council of Heads of State (Summit) in Dushanbe in September 2021, the SCO "is by right one of the most influential centres of the multi-polar architecture of international cooperation, making a significant contribution to security in the Eurasian region, its sustainable socioeconomic growth, and international peace and stability as a whole" (President of Russia, 2021).

Nevertheless, despite its many successes, the SCO's role as an international security institution remains limited and quite far from that of, e.g., the OSCE (of which Russia and Kazakhstan are members). Now, new geopolitical challenges demand the SCO's decisive, if perhaps gradual, restructuring into such an all-encompassing security organisation and the primary institutional foundation of Greater Eurasia's comprehensive security system. Furthermore, such a central role demands the organisation's further expansion despite the risk of its already rather low effectiveness being further reduced in the short-to-medium term.

Indian and Pakistani accession to the SCO substantially enlarged its potential as a key institution of Eurasian security: expansion enhances its capabilities in areas such as cooperation on Afghanistan and measures against terrorism, organised crime, narcotrafficking, and cyber-threats. A wider membership may also facilitate the appearance of a "hard security" agenda for the organisation, or at least the substantive discussion of one, taking into account the presence of multiple conflicts between members. In the medium run, this will potentially increase the SCO's effectiveness as an international security institution despite all its internal problems.

Cooperation between the SCO and other regional organisations is also important. One of the most promising vectors is the development of institutional cooperation between the SCO and CSTO, especially given the

Central Asian states' continuing central role in the SCO's security agenda. It seems advisable to gradually draw ASEAN's members towards the SCO by deepening security dialogue with them. Possibly, at first, either by making them observers or by merging SCO exercises with the joint Russo-ASEAN antiterrorist exercises (Korolev & Shumkova, 2018). A key subject of such a dialogue might be the fight against terrorism and other non-traditional threats. It would be sensible to set up formats for cooperation between antiterrorist agencies, including joint exercises and information-sharing platforms.

However, the SCO's security-related development should, at least, be defined by a narrow and rigid agenda so that the organisation does not get dragged into difficult problems outside of its purview, like territorial disputes in the South China Sea. Such an outcome would be obviously undesirable, as it would have a deconsolidation effect given China's involvement in those disputes. It would force Russia to more clearly and unambiguously formulate its position on the issue, something that will be inexpedient for at least the near future. The very subject of the South China Sea conflicts may be used by the US to insert itself into various dialogue formats or to sow discord between the SCO and ASEAN.

The SCO's expansion will likely continue. Iran's 2023 accession was an important step. It is already clear that Iran's establishment as a fully-fledged SCO member has not weakened the organisation (due to its membership widening even further) and may even increase its effectiveness (Ebrahimitorkaman, 2020).

THE SCO'S ECONOMIC AGENDA

Economic cooperation is the area in which the SCO has had the most difficulty and so far lacks significant success. The member states' experts and officials have long spoken about the need to create an SCO Development Bank that could finance multilateral multistate economic projects. However, thus far, there is only a general contractual framework within which a few multilateral (mostly logistical) projects are realised. These shortcomings are recognised within the organisation itself. At the 23rd meeting of the Council of Heads of State in July 2023, Kazakhstani President Tokayev bluntly stated: "It must be recognised that, over more than twenty years, not one major economic project has been realised under the auspices of the SCO. One

obvious reason for this is the absence of project-financing mechanisms". He recommended that the Council of Heads of Government consider the creation of a joint investment fund (Pavlenko, 2023).

In the new geopolitical situation, when it is extremely important to preserve everything positive developed by the SCO over its twenty years of existence, the task of intensifying multilateral economic cooperation comes to the fore. Under current conditions, when the SCO's members observe events with some concern, attempts to advance an expansive common security agenda, going beyond the maintenance of regional stability and the fight against international terrorism, are unlikely to meet with the same enthusiasm they once did. Most SCO members have their own views regarding cooperation with the US and EU. While fearing interference in their internal affairs and the imposition of unacceptable Western political and economic models, they are still interested in developing trade and economic cooperation with all parts of the world, in foreign investment and foreign aid, and they do not seek a full-scale geopolitical confrontation. However, some SCO members suffer from Western sanctions, while others fear secondary sanctions or, due to general problems with the global economy, a slowdown of their own economies. Accordingly, all would benefit from deepened economic cooperation to counteract these threats.

SCO experts from Russia and other members have advocated for accelerating the development of the SCO's economic component.

Officially, China and the Central Asian states have always supported economic cooperation but in different forms. China has insisted upon creating conditions for the "gradual implementation of the free movement of goods, capital, services, and technologies"—objectives set by the SCO Charter (Shanghai Cooperation Organisation, 2003)—i.e., the creation of a *de facto* free trade area. That is natural since China's powerful industry demands expanded markets. The Central Asian states have adopted a more cautious position.

In practice, however, these ideas of seriously expanding multilateral economic cooperation have often collided with the inertia of thinking in several countries, including Russia. It is now perfectly clear that if the SCO had produced more major multilateral economic projects, it would have been much easier for Russia to face the sanctions that challenge it today.

The accession to the SCO of various major economic powers, some of which are also under Western sanctions, is likely to stimulate the realisation

of international projects under the SCO, which will further enhance its strength and significance to large sections of its members' population.

THE SCO'S ACADEMIC-EXPERT AGENDA: DEEPENING DIALOGUE

An extensive ecosystem of social structures has formed around the SCO throughout its existence. These include several international public and business structures that assist its work, such as the SCO Youth Council, the SCO Business Council, and the SCO Interbank Consortium.

However, the academic-expert community is probably the most needed ecosystem. There is likely not a single serious international organisation in the world today that does not employ "track two" diplomacy: the association of research centres and experts that study the issues relevant to an organisation and provide their expertise to it. The UN, ASEAN, APEC, CSTO, and all others have such ecosystems.

In the case of the SCO, this role is filled by the SCO Forum. Its founding documents define it as a multilateral and public consultative-expert mechanism for providing research support to the SCO, developing the cooperation of SCO members' research centres, providing the public with information on the principles and objectives of the SCO's activity, broadening the SCO's contacts with academic and lay public circles, and encouraging the exchange of opinions between academics and experts in politics, security, economics, ecology, new technologies, the humanities, and other disciplines. Proceeding from the principles of the SCO Charter, the Forum bases its activity on SCO regulations and the laws of the SCO's members. The Forum works in close cooperation with the SCO Secretariat, a Council of National Coordinators, and the SCO members' foreign ministries.

The Forum was founded in Moscow in 2006, after which Putin wrote in the article *The SCO: A New Model of Successful International Cooperation* that "the SCO Forum that was created not long ago and unites representatives from various professional and academic circles" is "destined to become a unique nongovernmental mechanism that unites experts from the Organisation's member states" (President of Russia, 2006).

Two years later in Beijing, at the third meeting of the Forum, Chinese FM Yang Jiechi noted that: "Over the course of two years, organising various types of exchanges, discussions, and bilateral events, the Forum has conducted a

comprehensive exchange of information and opinions and brought forward various proposals. By providing state agencies with useful information and bases for decision-making, the Forum has significantly aided the SCO's development. China values this highly" (Yang, 2008).

The Forum includes one research centre—the most authoritative in studies of the SCO—from each of its nine members. The centre receives the status of the SCO National Research Centre and, in this capacity, joins the Forum. The Forum's first members were the Nursultan Nazarbayev Foundation's Institute of World Economics and Politics, the Chinese MFA's China Institute of International Studies, Kyrgyzstan's National Institute for Strategic Studies, the Centre for Strategic Studies under the President of the Republic of Tajikistan, the Institute for Strategic and Regional Studies under the President of the Republic of Uzbekistan, and Russia's MGIMO University's Centre for China, East Asia, and SCO Studies. After the accession of India and Pakistan in 2018, the Forum also admitted the Indian Council of World Affairs and the Institute of Strategic Studies (Islamabad).

At present, the Forum's annual meetings are almost its only form of activity. There, the most important matters of the SCO's development are discussed, and final protocols and recommendations are adopted and submitted to the organs of the SCO and the MFAs of SCO members. This is obviously insufficient, but attempts to establish stable daily analytic cooperation have struck various obstacles, principally a lack of financing.

THE SCO AS AN INSTITUTIONAL PILLAR OF GREATER EURASIA

The latest round of the Ukrainian crisis, which started in February 2022, has seriously changed the overall global geopolitical situation, as new challenges have been generated by the drastic polarisation and consolidation of the pro-multipolarity and pro-US-hegemony camps. States and international organisations that previously adopted an intermediate position and tried to maintain constructive relations with both tendencies had to make a clearer choice and join one of the two, adopting a more hostile position regarding the other.

This raises questions about the future of Asian and Eurasian international organisations and formats for security and economic cooperation: APEC, the East Asia Summit, and, of course, the SCO. Recall, for instance, the recent quarrels about Russian participation in the summits of several such

organisations and fora. The new conditions may significantly weaken these organisations and fora, threatening to deprive the region of effective multilateral formats entirely and make it even more important that the SCO's work be effective and yield results.

However, development along the above-described directions would unlock only part of the SCO's potential as a key regional and global platform. A key strategic objective of the SCO should also be its organic inclusion within the main processes of regional and global development, which substantially accelerated in 2022. These processes include the formation of a megaregional international order in Eurasia, which would pursue the security of the continent's non-Western states and the development of their enormous potential.

In this context, Russia has developed a mega-initiative for the Eurasian continent directed at realising that potential: the formation of a Greater Eurasian community of co-development and security, stretching from ASEAN, South Korea, and (perhaps) Japan in the east to India in the south, and to Iran and Turkey in the west, with its main pillars constituted by Russia, the EAEU, China, and, of course, the SCO.

The SCO is the optimal political axis of such a space and the optimal platform for discussing common security issues, especially after the inclusion of India, Pakistan, and Iran. However, as shown above, it could also play an important role in the development of the international economic order, e.g., in the energy sector. Moreover, it could serve as an important platform for the discussion of the rules of the game in other areas of economic cooperation, which will likely continue to grow. The new system of international trade—shaped partly by Western sanctions against Russia, China, and Iran—is (with a few exceptions) isolating those states from the West and inevitably driving them towards one another. The region's less developed states—Pakistan and some Central Asian states—have good prospects for fast economic growth as a result of the low base effect. The same goes for Iran, which, after many years, finally exits the sanctions regime and is almost predestined for rapid growth. The massive economies of China and India guarantee the new co-development space an economic “safety cushion”.

Many Russian initiatives have pursued the creation of such a Greater Eurasian community: integration of the EAEU and China's One Belt, One Road project, the Agreement on Economic and Trade Cooperation between the EAEU

and China, and intensified cooperation with ASEAN. The central initiative in this respect is Putin's 2016 proposal to form a Greater Eurasian Partnership (President of Russia, 2016), which has been reflected in joint declarations with the other members of the SCO. However, it still lacks substantiation.

The institutional environment formed in Eurasia, consisting of many duplicative and even contradictory initiatives, does not fully satisfy the current needs of the region's states: sustainable growth, political stability, and security. This patchwork demands greater unification.

The creation and development of the Greater Eurasian community is not just a Russian plan or desire but also an objective process based on fundamental global geopolitical tendencies. Its foundation is the Russo-Chinese rapprochement, which has been facilitated by the growth of China, the collapse of the USSR, and the strengthening of a new Russia. It has been stimulated by the efforts of the US and its allies to contain the development of both states and thereby establish Western global dominance. Other states of the region have their interests, which also drive them to more active participation in the creation of a new Eurasian system, free from external interference (Lukin & Novikov, 2021).

In the new conditions, the SCO must define its role in the processes of Eurasia's consolidation. Most conceptions of Greater Eurasia assume that this new community will be built on the basis of extant, well-established organisations and groups: the EAEU, SCO, CSTO, ASEAN, and perhaps APEC. This implies a significant role for the SCO as one of the most authoritative Eurasian structures. However, exactly what kind of role that should be—mainly political, economic, or cultural-civilisational—remains a matter of serious discussion.

It is already clear that close cooperation between the EAEU and China will form the core of the Eurasian system. However, the system will also depend on the active involvement of other major players, such as India, ASEAN, and perhaps, in the future, the EU or some of its members. However, the various states of Eurasia are not equally ready to join Eurasian cooperation: some seek integration and even a political union, while others merely want to broaden trade, economic, and cultural ties. Therefore, at least initially, it is necessary to avoid strict membership criteria (the imposition of which has created serious internal problems for the EU and NATO). The SCO could serve as the second most intensive in a series of concentric circles of Eurasian cooperation, allowing states outside of the EAEU to join the Eurasian system

to the degree they are ready for. The third circle would then consist of states outside both the EAEU and SCO. This concept might be developed in greater detail by the SCO experts.

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China and the Global South: Emergent Poles, Divergent Paths?

THE GLOBAL SOUTH, A COMMUNITY WITH DEVELOPING CHARACTERISTICS

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Abstract: The article focuses on the contemporary importance of the Global South as a community with developing characteristics linked to China as the biggest developing country in the world and the most influential part of the Global South. First, it explains that understanding the current and future possibilities of cooperation among countries in Africa, Latin America, and Asia depends on understanding the global reconfiguration to date. Second, within this context, it illuminates the meaning and role of South-South cooperation in summits of important institutions such as the G77 + China and the G20. Third, it addresses criteria of cooperation among countries of the Global South with similar characteristics or with a similar foreign orientation, particularly by analysing types of countries according to various models, which helps identify common interests and differences. Fourth, it considers two other criteria in the historical trajectories to understand the dynamics and complex interactions among states, particularly emancipatory criteria of independence and development. Therefore, the article explains how South-South relations between China and other countries in Africa, Asia, and Latin America seek to cooperate as a community based on both synchronic and diachronic criteria.

Keywords: Global South, China, cooperation, community, development, world.

INTRODUCTION

The Global South plays an increasingly important role in the contemporary world because its current development brings about economic and political influences and cooperation among the majority of the world's population. China, the largest developing nation, is the most influential part of the Global South. However, while analyses usually focus on relations between China and other major powers, particularly the US, the EU, and Russia, China's relevance within the Global South and the South itself continues to be underestimated.

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The Global South finds itself in a global environment in which, on the one hand, it is cooperating, uniting, and developing, but, on the other hand, there are differences between countries that may deepen if geo-economic and geopolitical conflicts intensify. In this article, (1) I explain that understanding the current and future possibilities for cooperation in the Global South depends on the understanding of global reconfiguration to date. Then, (2) it makes it possible to understand the meaning and role of South-South cooperation in raising multilateral tendencies, for example, in summits of important institutions such as the G77+China and the G20, where the Global South countries have recently gained influence. I chose these two institutions as examples to add other perspectives to the obvious focus on the BRICS.

Additionally, I address a complex issue of criteria of cooperation among countries of the Global South with similar characteristics or a similar foreign orientation. China and other countries of the Global South have engaged in mutual learning from their socialist experiments and experiences (both positive and problematic) in history and the present. (3) I offer a typology of countries according to various socialist models, which helps identify common interests and differences. Further, (4) I consider two other criteria in the historical trajectories to understand the dynamics and complex interactions among states, particularly emancipatory criteria of independence and development. By combining four analysed points, one can gain a deeper understanding of the current state of affairs, future prospects, and China's place in the Global South.

The methodological approach of this text is founded on my concept of critique of injustice concerning local and global disputes (Hrubec 2012, 2016). It is based on a trichotomic methodology that interlinks internal criticism, explanation, and normativity, analysing authors from the Global South and the Global North. Its interdisciplinary contemporary and historical research in global studies follows analyses of the political and economic arrangements and their alternatives in individual countries and larger multilateral units.

GLOBAL CONFLICT RECONFIGURATIONS

The new global situation has deeper causes, which are not transient but started to strengthen after the last major crisis. The 2008 financial and economic crisis in the US and other countries showed the limits of neoliberal

global capitalism even to those who had not seen them before. A more significant and problematic structural transformation in response to this crisis came with Donald Trump, who became president in 2017 (U.S. Department of Defence, 2018a, 2018b; Wright, 2020). The US has begun its partial decoupling of China-US economic relations, including technological, trade, diplomatic, and other tensions. It triggered a strategic sovereignty approach pursued by the US and China (China and the World in the New Era, 2019; Esteban Merino et al., 2022) and the adaptation of the European Union (EU) to develop its strategic autonomy. Subsequently, the conflict in Ukraine (Mearsheimer, 2022) has had mainly two consequences for great power relations: first, the partial replacement of the EU's strategic autonomy by its interdependence on the US and NATO, and second, Russia's increased dependence on cooperation with Asia, especially China, and partly with other parts of the world due to US and EU sanctions. From the US perspective, China has become its major rival (Biden 2021), and Russia is considered a temporary problem.

The US attempt to prolong its unipolar policies has tried to reduce the growing multilateral and multipolar world to a new bipolar world by subjecting various countries to real and potential conflicts, sanctions, and higher tariffs. These years, we have seen the emergence of more complex global interactions than in the past. That does not mark linear globalisation or de-globalisation but a complex of major and minor interactions depending on the areas of activity. We can expect cooperation, competition, and conflict with new strategic boundaries (Blinken, 2021; USICA, 2021, 745).

The new reconfiguration has implications for the Global South, which is demonstrated by the current US approach to China and Latin America. The United States knows that China is an important trading partner for Latin America and the Caribbean, both in terms of exports and imports. Most Latin American countries export more to China than to the US. At the same time, China is a major importer of many products to Latin America. In addition, Chinese companies have already signed or planned to invest in lithium cooperation in Bolivia, Chile, and Brazil.

In this complex trilateral relationship, the US is trying to contain China and control and use Latin America. Probably the most illustrative explanation of this issue can be found in the US bill proposal called S.3878, "Americas Act"

on foreign trade and international finance, introduced this year on 6 March.¹ The Financial Times interpreted it as: “Biden adviser backs bill to counter China in Latin America” (Stott, 2024). The bill tries to kill two birds with one stone because it aims to contain China in Latin America by transferring production and services from China to Latin America and by fragmenting trade and politics and subjecting Latin America to the US through this transfer. The issue can be interpreted as an updating and simultaneous application of the Monroe Doctrine on China and Latin America.

Now, the US plans to fragment Latin America economically and politically, trying to break the second left tide (*la marea rosa*) by incorporating selected countries into the US sphere of influence. In the current and potential future escalation of global disputes among the US, China, and other adversaries, most Latin American countries know that it will be important that individual countries in Latin America and the Caribbean do not become divided. A fragmented Latin America could be easily dominated, as it has been many times in the past.

While both Democrats and Republicans are tentatively in favour of the bill proposal presented (bipartisan support), the specific scenarios for the future depend largely on the outcome of the US presidential elections in November 2024.

THE GLOBAL SOUTH IN THE WORLD SUMMITS

The ongoing strengthening of Global South cooperation can be seen as the usual cooperation expansion but also as a preparation to avoid fragmentation of the Global South in case of regional military conflicts or even a major conflict. Realistically, while Global South integration will never be perfect and complete, and some countries may drop out, the Global South can strive to minimise the number of defectors and maximise the cooperation of other members.

One of the relevant indicators of the Global South’s cooperation is the G20 summits recently hosted by Global South countries. Similarly, the format

¹ S. 3878 – Americas Act. (2024). The 118th Congress (2023-2024), *Congress.gov*, retrieved from <https://www.congress.gov/bill/118th-congress/senate-bill/3878/text/is>. Accessed 10 July 2024.

G77+China is also important, particularly after the gradual expansion of this community, which includes the majority of the world's countries now (Lampter, 2024). It is, therefore, pertinent to situate the last summits of these two formats within the broader context of global interactions, specifically concerning other summits and initiatives of the Global South. The Global South is revitalising and emancipating itself, and its efforts to pursue poverty eradication, social and economic development, and multilateralism express the needs and interests of the majority of the world. Of course, the peoples and countries of the Global South have various and different interests but are united by their common interest in addressing the mentioned issues.

It is illuminating to recall that the G20 Summit was held in Hangzhou, China, in 2016. For China, the role of summit host was a premiere one. In terms of Asia, this was only the second summit after the first one was held in South Korea in 2010. Now, the current G20 leadership has been a clear representation of the Global South. In February and July 2024, respectively, the G20 foreign ministers' meeting and finance ministers' meeting were held in Rio de Janeiro, Brazil. Since Brazil has driven the agenda as the largest economy in Latin America and a member of the newly enlarged BRICS+ group, the G20 was led by one of the leaders of the Global South. Moreover, this was the case when President Lula had two successful presidential terms with large social programmes and was re-elected for a third time in the autumn of 2022. The major regular G20 Summit, the first in Brazil, will be held in Rio de Janeiro in October 2024 (G20 Brazil 2024, 2024).

Also, the previous and next G20 presidencies are led by strong countries of the Global South, the BRICS+ members. After India in 2023, the next presidency will keep South Africa next year, in 2025. Both of these countries are very visible in international relations these years. The big developing countries in the G20 are increasingly promoting the interests of the Global South, although the group is still usually dominated by Western countries. And, of course, the Global South is not entirely united, as the example of Milei's renegade Argentina from the BRICS+ enlargement shows.

As for the format of G77+China (The Group of 77, 2024), the group was originally organised with 77 founding countries at the Conference on Trade and Development at the United Nations in 1964. China has contributed to the group since 1994. Now, at this year's 60th anniversary of its foundation, the format includes 134 member countries, i.e., a majority of the world.

Last year, the group was led by Latin America and the Caribbean, particularly by Cuba. This year, it is Africa, in particular Uganda. The Summit in Kampala in February 2024 was the third summit of the group. It dealt with the contemporary multidimensional crisis in the world, focusing on the eradication of poverty. It was communicated also within the UN 2030 agenda and the SDGs, which have not been met. The group also addresses the problem of unilateralism and measures against it within a required reform of the World Trade Organisation.

The next Fourth Summit of the South will be convened in Latin America and the Caribbean in five years, i.e., in 2029. The exact place will be specified and announced later. Of course, the Global South is active in more summits and activities, not only the G20 and the G77+China. Various bilateral and multilateral types of cooperation include, for example, already mentioned BRICS+. In other texts, it will be important to analyse in detail other territorial (regional, macroregional, and continental) units as well as transnational networks (Nedjar, Salhi, 2022; Rodrigues, 2022).

Since China plays a significant role in these activities, it is important to recall shortly the role of its initiatives, particularly the Belt and Road Initiative (BRI) (Liu, Đorđević, 2022; Cvetković, 2016; Hrubec, 2021). The BRI, launched in 2013, has multifaceted consequences for Global South cooperation. At the global level, it pursues and enhances infrastructure development, mainly building large transportation networks that include roads, railways, ports, and related facilities such as energy production and transportation. The infrastructure improves connectivity and attracts investment. It also develops trade, research, education, and cultural cooperation among countries and regions in the world, including extensive financial backing (China Development Bank, Export-Import Bank of China, etc.).

This bilateral and multilateral cooperation is an alternative to the Western neoliberal type of development model, which has been related to political conditions of local governance and economic reforms that have pursued Western private interests, harmed the poor, and blocked social local development for decades. China's model deals with economic and social development and does not impose political conditions. The BRI helps to reduce Western dominance on the global scale and strengthen South-South cooperation. Therefore, the Global South is stronger in participating in the development of the multilateral world order.

COOPERATION OF SIMILAR MODELS

The potential of the current and future role of China in South-South cooperation, particularly in Africa, Latin America, and Asia, should also be analysed in relation to its past experiences. This involves both historical cases and their theoretical formulation, as well as analyses of time trajectories that persist to the present (Pereira, 2023). Since this is an important topic, I will outline the topic and, later, develop a separate article on it. It requires a demanding task of knowledge of the specific macro-regional conditions (Hrubec, 2021; Kasanda, Hrubec, 2022; Hrubec, Dinusova, 2023) and their global comparison.

The socialist focus in the Global South was relevant in the post-colonial period, mainly in Africa (Chachage, Cassam, 2010), and now continues to play its role in a socialist market economy in China, various countries in Latin America, including Cuba, Venezuela, Bolivia, and some other countries of the second left tide, as well as in some other countries of the Global South. It is important to identify the typological proximities of socialist countries to understand their cooperation. Countries linked to socialist experiments implemented mainly state-led development, including land reforms and nationalisation of colonial companies. We may distinguish the five main kinds of experiments in Latin America, Africa, and Asia. Because I cannot analyse all the continents here due to space restrictions, I will focus on Latin America as an example.

In Latin America, we can identify five main kinds of socialist experiments. First, Latin American socialism, i.e., efforts to create an original version of socialism stemming from local Latin American conditions, with Hugo Chávez's Venezuela since 1999 as a paradigmatic example. Second, indigenous socialism in Bolivia since Morales took power as a paradigm. Third, Marxism-Leninism in Cuba from the 1960s until the end of the 1980s, following the Soviet Union. Fourth, in the last decades, a transformation of the Soviet type of socialism, following loosely the Chinese version of a socialist market economy and local Latin American conditions, as is the case of Cuba. Fifth, local participatory social experiments with stronger social democratic politics, for example, Lula's Brazil (Ellner, 2019). These five versions of socialism in Latin America, Africa, and Asia have been the main socialist paths at various times there.

Because individual countries cooperated based on their typological proximity, the Soviet Union cooperated intensively with Cuba and Angola during the Cold War, for example. In the last decades, it was mainly China that cooperated closely with Cuba and Angola because all three countries had updated their models, particularly the latter two, which partly followed the former.

Typological proximity is a very important criterion for cooperation between countries, but, of course, it is not the only (and in some cases not even the main) criterion, as cooperation is a complex phenomenon. Within one typological kind, there can be contradictions between countries and limited cooperation. Conversely, in some cases, better cooperation can develop between countries that are not only classified in different typological kinds of the same system but even in different political systems because of the epochs of a struggle for independence or development. Therefore, it is necessary to add an analysis of historical contexts, particularly to include struggles for independence and struggles for development.

EMANCIPATORY STRUGGLES

First, countries of the Global South had to ally and defend themselves against colonial powers to get at least partial independence and sovereignty and their more appropriate state arrangements (Galeano, 1997). The inter-country relations can be empirically illuminated by looking at the historical relations of China and the Soviet Union with other countries in Africa and other developing countries (Friedman, 2015; Henderson, Kerr, 1984), which has topical implications as there is now again not only Western influence in Africa but also, significantly, the influence of China and Russia in the context of other emerging countries (socialist and others). While China and the USSR had essentially the same economic and political model during the two Cold War periods until 1978, later and today each of these countries has applied a different model, yet both are in some ways currently building on their past influence in the Global South. The African countries are aware of their past cooperation and are consciously building on it to some extent.

The Soviet Union and China, as two countries principally with the same system, had cooperated in the past. However, in different eras, their interactions were different, sometimes even conflicting, as is well known.

Their relations with each other and with Asian, African, and Latin American countries can be explained by the fact that these relations were determined by the different eras of independence and development of these two major powers at one time (Mazov, 2010). This perspective also allows us to understand current approaches in different settings as well as potential approaches in different future scenarios.

From World War II onwards, the USSR was the main ideological opponent of the West. With its socialist revolution, development, and support for colonised countries, it inspired many of them (Yordanov, 2016). Many colonised countries wanted to defy the Western colonial powers and establish a version of socialism as well (Babu, 1981). Although there were strong relations between the USSR and the anti-colonial groups seeking to overthrow colonialism in the colonised countries, there were also differences. The main difference consisted of the fact that the USSR already had its independence and, after horrible losses in World War II, had agreed with the West to pursue peaceful coexistence, which included disarmament efforts. The USSR was extremely exhausted after successfully deploying many of its forces during World War II and preferred peaceful economic development at that time. In contrast, governments-in-waiting in the colonised countries sought the armed overthrow of Western colonialism. In Algeria, for example, they succeeded in expelling the French colonisers in 1962, and Algeria became an example of successful armed regime change and the establishment of the country's socialist orientation.

In this situation, the colonised countries were more impressed by the People's Republic of China, which, after its experience of Japanese occupation in World War II, followed its struggle for independence and preferred an armed approach to Western countries. Therefore, in the era of anti-colonialism during the struggle for independence from the 1950s to the 1970s, many African countries sought cooperation with China. However, after the colonised countries broke free from the colonial yoke, the USSR had already worked out its development model and was implementing it. Therefore, after independence, African and other developing countries began to gravitate towards the USSR and economic, political, and security cooperation with it.

Several historical eras and their approaches can be identified. First, the 29 developing countries from Asia and Africa ground-breaking at the Asian-

African Conference in Bandung, Indonesia, in 1955, mainly promoted the pursuit of nonalignment and neutrality in a strategic way (Khudori, Arimbi, Bazié, 2022). After that, other conferences were held where attitudes gradually changed: in Egypt, Guinea, Tanganyika, and Belgrade. Meanwhile, conference participants formed the Afro-Asian People's Solidarity Organisation (AAPSO) against colonialism and imperialism. In the conference in Ghana in 1965, there was support for the inclusion of Latin American countries as well. Since the anti-colonial struggles of African countries for independence had radicalised the situation step by step, support for armed anti-colonial struggles prevailed at the Tricontinental Conference in Havana in 1966 (Parrott, Lawrence, 2022).

Subsequently, however, after independence, developing countries' aspirations for peaceful development prevailed. Governments-in-waiting fought for the end of colonialism and finally got independence and power. Overthrowing the regime was no longer an issue for them, and development became a priority. Of course, some countries did not develop in these time eras and gained independence earlier or, conversely, later. However, the mainstream anti-colonialist struggle for independence and the creation of post-colonial countries shaped a time trajectory in these eras.

In this interpretation, the main reason for adopting an armed or peaceful approach was the specific time epoch of the country. Thus, cooperation depends on both synchronic and diachronic criteria, i.e., the state typology and the stage of independence and development at the time. To understand these issues, it is important to observe them not only from the perspective of the great powers, as is most common in Cold War analyses, but also from the perspectives of the smaller countries in these interactions (Gerőcs, Pinkasz, 2018). This involved, as I have already argued, not only governments that led countries after independence but also anti-colonial movements and governments-in-waiting that were in countries before or in the process of decolonisation.

From today's perspective, it is remarkable that China and Russia have switched roles in their approach. Whereas after World War II, during the period of de-colonisation, the USSR pursued peaceful coexistence with economic development and China advocated armed struggle, today China advocates peaceful coexistence with economic development and Russia is an example of an armed approach. Nevertheless, during the last decades, China

has significantly developed its armed capabilities while creating the biggest peacekeeping personnel in the United Nations missions, for example.

All these analysed issues have their consequences when the countries of the Global South learn from the past and seek to overcome the current global hegemony and improve the social conditions and living standards of their inhabitants (Aparacio et al., 2023).

CONCLUSION

In this article, after the explanation of the global reconfigurations with potential scenarios and the current participation of the countries of the Global South in the world summits of the G20 and G77+China, I outlined the analysis of how South-South relations among various countries in Africa, Asia, and Latin America seek to cooperate as a community based on both synchronic and diachronic criteria, with the special focus on China.

South-South interactions and cooperation are structured in complex trajectories. We can understand it better by explaining a typology of state models, which I analysed in the case of socialism in this article. The typology helps identify common interests and differences. However, two other criteria in historical trajectories have to be considered to understand the dynamics and complex interactions among states, regions, and macro-regions, particularly struggles for independence and struggles for development. It explained the specific role that China has played in the Global South.

In the context of bloc politics, it may be anticipated that certain Global South countries would become more cohesive and cooperative while others would grow more reliant on Western nations. The people and countries of the Global South have to overcome not only external but also their internal contradictions. However, now, with other subjects of social change, they play a bigger role in the contemporary dynamics of a multilateral world than in the past (The International Manifesto Group, 2023).

Although China is currently the most important and biggest developing country in the world, there are, of course, other important and influential countries of the Global South today, especially countries within the BRICS, the BRICS+ with newly joined countries, and others seeking admission into this group. The countries of the Global South are also present in China's Belt and Road Initiative and its relevant global initiatives: the Global Security

Initiative, the Global Development Initiative, and the Global Civilisations Initiative. On a regional level, the Shanghai Organisation of Cooperation and the Eurasian Economic Union, among others, are organisations that also have global relevance. There are also major macro-regional groupings such as the ASEAN, the Arab League, the African Union, the East African Community, ECOWAS, ALBA, and MERCOSUR. Certainly, the United Nations is a necessary general global framework for the Global South, which nevertheless needs to be updated. Mutual recognition of cultures and civilisations also plays its role. Thus, the interactions and cooperation of the countries of the Global South as a community with developing characteristics is a plural contribution to the current and future multipolar and multilateral world, which struggles against the unilateral remnants.

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CHINA'S ROLE IN THE BRICS+

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Abstract: The paper focuses on the intergovernmental organisation BRICS, comprising Brazil, Russia, India, China, and South Africa, and BRICS+ since Iran, Egypt, Ethiopia, and the United Arab Emirates joined the organisation at the beginning of 2024. During the process of the BRICS enlargement, China was an evident catalyst for BRICS+ and an initiator of the transformation of global governance. In the Bretton Woods institutions, the countries of the Global South still do not have the representativeness justified by their weight in the international trade, investment, and financial flows worldwide. That is one of the main motivations for them to search for stronger relations with BRICS and join this organisation, seen as a defender of their rights and interests. China was a strong supporter of the enlargement, and it was also the one that invited South Africa to join BRIC in 2010. Among the BRICS countries, it has the tightest economic relations with those interested in deepening cooperation with this group of five. In antithesis to the North, the Global South is in search of strategic interdependencies, not strategic independence. These are just several arguments supporting the idea that developing countries' expectations in relationship with BRICS+ are high and China has the capacity to accomplish them, either in this framework or as part of other international organisations and the Belt and Road Initiative.

Keywords: Global South, BRICS enlargement, BRICS+, New International Economic Order, global governance, China's foreign policy, Chinese multilateralism.

BRICS NEW RELEVANCE IN INTERNATIONAL RELATIONS

Since the first meeting of foreign ministers of Brazil, Russia, India, and China (BRIC) on the sidelines of the United Nations (UN) General Assembly in New York in 2006 (on Russia's initiative: European Parliament, 2024) to the present-day BRICS+, this international organisation has gone through

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remarkable changes. The main driver for creating the group was “to strengthen each member country’s international status” and to offer credibility to the “call for reform of the international system” (Stuenkel, 2014, pp. 89-90).

The transformation of BRIC from an investment term into a “political outfit” is one of the defining developments in international politics of the first two decades of the twenty-first century (Stuenkel, 2020, p. 1). It might be interpreted as a transition of power from Europe and the United States towards emerging powers alongside the goal of “reducing global dependence on the dollar”, especially in the context of a “leadership vacuum”, given the consequences of the height of the international financial and economic crisis in 2008 (Stuenkel, 2014, pp. 93-94). This transition is also supported by the evident decline of *Pax Americana*, defined as the “long era in which US economic and military dominance limited the potential for wars of conquest” (Krugman, 2023).

According to the literature, BRICS is considered “a China-centric grouping” and “China is the leading proponent of expanding BRICS to BRICS+”. The main reason for the expansion was “to make BRICS more representative of the developing world and give it a stronger voice on the global stage’ (Garcia-Herrero, 2024). India also aims to become an exponent of the Emerging Markets and Developing Countries (EMDCs) and shape the future of global governance. However, it considers that BRICS enlargement “with overtly China-centric partners” would be in China’s favour (Markey, 2023). At the same time, India is against adding new members facing US sanctions, as it “reinforces the group’s anti-Western reputation” (Markey, 2023). It must be emphasised that India, South Africa, and Brazil, together with the majority of the aspiring members, do not intend BRICS+ to become an anti-Occidental organisation. Cooperation with the North is considered valuable from multiple perspectives and in various fields of activity, as demonstrated, for instance, by the participation of South Africa, India, Indonesia, Vietnam, and Senegal in the Just Energy Transition Partnership (JETP) (launched at the 26th UN Climate Change Conference of the Parties COP 26 in Glasgow in 2021).

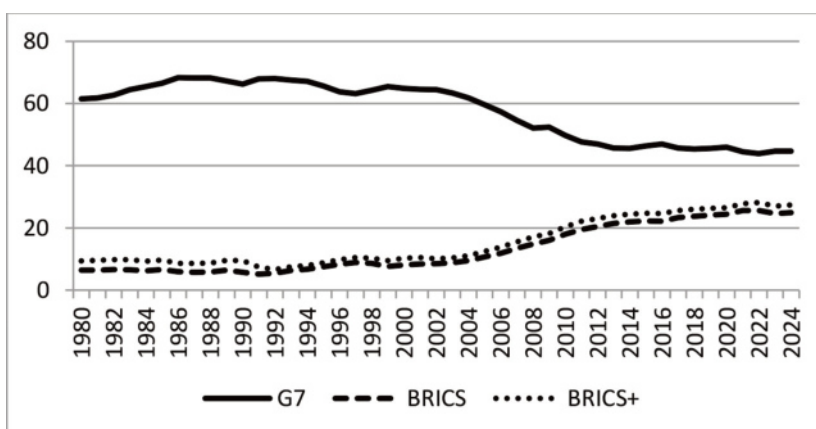
“The inclusion of more countries, especially with Russia’s involvement in the grouping, could send a problematic signal to the US and its allies, as membership can be viewed as adversarial to Western interests and values” (Nikkei Asia, 2024).

China is seen as a competitive rival by most of the developed countries at present, even if trade and investment relations between them remain strong. At the same time, “the border disputes and strategic competition in South Asia have changed the China-India relationship from the previous cooperative partnership to competitive rivalry” (Liu & He, 2023). Brazil and India do not participate in the Chinese Belt and Road Initiative. Among the EMDCs, synonyms with the Global South, many see cooperation with Western partners and the goal of joining the Organisation for Economic Co-operation and Development (OECD) as priorities (Indonesia and Thailand are two noteworthy case studies), but this does not prevent them from cooperating either with China or BRICS.

As a group, BRICS concentrates 41% of the world population and 25% of global GDP in current prices (BRICS+ around 45% and 27%, respectively), with increasing shares in the world economy, trade, and investment flows (Charts 1, 2, and 3).

Chart 1 reflects that BRICS share in the gross world product has an evident increasing trend, in contrast to the G7, especially after 2000.

Chart 1: BRICS, BRICS+ and G7 shares in gross world product, current prices, 1980-2024 (%)

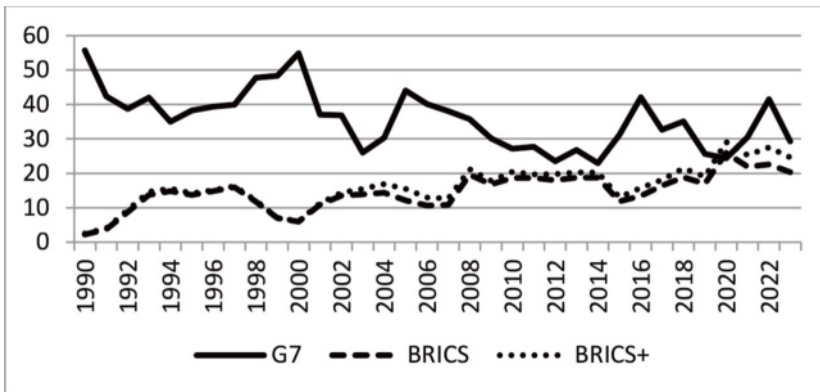


Note: BRICS+ represents BRICS plus the four newcomers.

Source: Chart elaborated by author, based on IMF (2024).

Regarding global FDI inward and outward flows, one can notice ups and downs. From 2015 to 2019, BRICS shares in FDI inflows were inferior to those between 2010 and 2014. In 2020, for the first time, they surpassed the value recorded by the G7. For BRICS, we can notice a renewed declining trend against the backdrop of protectionist measures accompanying the divide between the North and the South, especially against China and Russia. In 2023, the G7 share was around 29% (a decrease of 12 percentage points compared to 2022), while the BRICS share was approximately 20%. It is worth mentioning that in 2023, compared to 1990, the G7 share decreased by 26 percentage points, while BRICS gained 18 percentage points in global FDI inflows (Chart 2).

Chart 2: BRICS, BRICS+ and G7 shares in inward FDI flows, 1990-2023 (%)

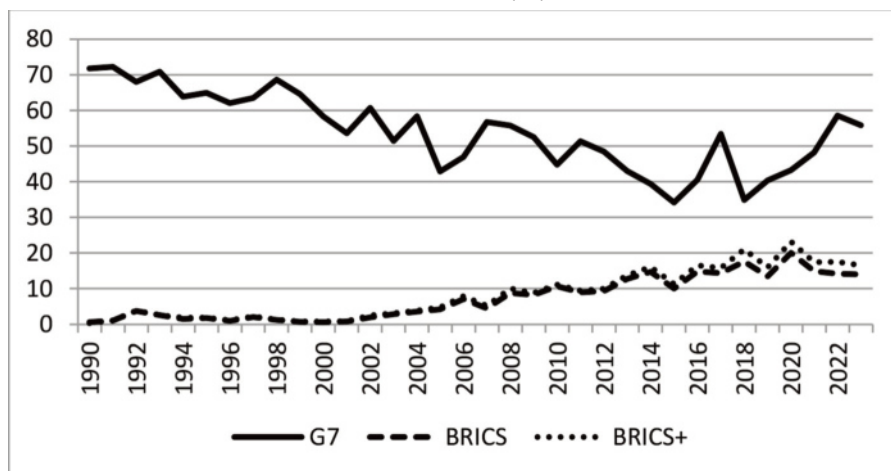


Note: BRICS+ represents BRICS plus the four newcomers.

Source: Chart elaborated by author, based on UNCTAD (2024).

The outward FDI flows have recorded wide variations for the G7 and more moderate fluctuations for BRICS. In 2023, compared to 1990, the G7 share was 16 percentage points lower, while the BRICS share was 13 percentage points higher in global FDI outflows (Chart 2).

Chart 3: BRICS, BRICS+ and G7 shares in outward FDI flows, 1990-2023 (%)



Note: BRICS+ represents BRICS plus the four newcomers.

Source: Chart elaborated by author, based on UNCTAD (2024).

As long as the group remains flexible, takes the initiatives by consensus, and serves the general interests of the Global South in terms of increasing EMDCs' geopolitical influence (for instance, through strong political leverage over critical and strategic raw materials as a negotiation tool and a higher representation in international organisations), it continues to be attractive for these countries.

This investigation starts with the following research questions: Why is BRICS+ a symbol of rising multilateralism? Why does China support the BRICS enlargement? What are the key motivations of other countries to join this international organisation, and which are the main categories of partners from the perspective of their perception and position towards BRICS? The research is based on a qualitative analysis, including Chinese and non-Chinese sources, both in favour of and critical of China. The research is structured around three main sections and concludes with the main findings.

BRICS+, A SYMBOL OF INCLUSIVE MULTILATERALISM

Under the spectre of environmental crises, financial crises, health crises, and wars, the most viable theory of international relations appears to be the *Multilateralist Theory*, with the “belief that global public goods can be provided cooperatively by the UN member states rather than by a single hegemon” (Sachs, 2023, p. 19). Consequently, the other theories are doomed to failure, even the realist approach, which is much better than the hegemonic theories (either the Hegemonic Stability Theory, the Hegemonic Competition Theory, or the Hegemonic Decline Theory) (Sachs, 2023).

Ian Bremmer and other scholars (Kerim, 2023) seem to disagree. The UN, the G7, and even the G20 are not able to solve the current crises in a “G-Zero World”, characterised by “every nation for itself” (i.e., in the absence of global leadership) (Bremmer, 2012). In their opinion, the United States is less willing to support the world economy. However, it is worth noting that it still has geopolitical ambitions and intends to lead the international, regional, and bilateral trends of liberalisation/protectionism/alliances but rejects economic responsibilities. “Americans are becoming increasingly sceptical about globalisation working in their favour. Instead, it seems that they have started to believe that China is the greatest beneficiary of globalisation” (Kerim, 2023, p. 126).

Since the first summit in Yekaterinburg in 2009, there have been many changes in the BRIC, and the exacerbated conflicts worldwide, either military or in the form of trade wars, have accelerated the pace of changes. The first joint statement of the BRIC countries’ leaders emphasised the commitment “to advance the reform of international financial institutions, so as to reflect changes in the global economy. The emerging and developing economies must have greater voice and representation in international financial institutions, whose heads and executives should be appointed through an open, transparent, and merit-based selection process”. It has also underlined the “strong need for a stable, predictable, and more diversified international monetary system”. These quotes reflect two of the most stringent objectives of this group of countries, namely the reform of international institutions and putting an end to the unipolar monetary system based on the US dollar.

Following China's invitation in 2010, the largest African economy, South Africa, rich in raw materials, joined the four participants in 2011 at the summit of Sanya. According to the Sanya Declaration, BRICS aimed from the very beginning "at contributing significantly to the development of humanity and establishing a more equitable and fairer world". Step by step, areas of cooperation increased from year to year, according to successive action plans (Oehler-Şincai et al., 2015). During the seventh summit in the Russian city of Ufa, the inaugural meeting of the New Development Bank was held. Russia had the initiative to hold a joint BRICS summit with the Shanghai Cooperation Organisation and the Eurasian Economic Union.

The Xiamen Declaration of 2017 underscored the goal of pursuing "equal-footed and flexible practices and initiatives for dialogue and cooperation with non-BRICS countries, including through BRICS Plus cooperation" and fostering "a global economic governance architecture that is more effective and reflective of the current global economic landscape, increasing the voice and representation of emerging markets and developing economies". China launched in 2017 the platform of *BRICS Plus Cooperation with EMDCs*.

The Beijing Declaration of 2022 emphasised the importance of the "increased role of EMDCs in global governance" and also the support for "promoting discussions among BRICS members on the BRICS expansion process".

At the 15th summit, the *guiding principles, standards, criteria, and procedures for the membership extension* were outlined. Among the 15 standards and criteria are the following: a new BRICS member state should be "an emerging or developing country with regional and strategic global influence"; "to have diplomatic and friendly relations with all existing BRICS member states and should not impose non-United Nations Security Council authorised sanctions on existing BRICS member states"; and to "be a member state of the United Nations supporting multilateralism, committed to global governance reform and upholding international law".

In January 2024, four other countries joined BRICS: Egypt, Ethiopia, Iran, and the United Arab Emirates (UAE). Argentina and Saudi Arabia were also admitted, but the first declined the invitation in 2023 due to the decision taken by the newly elected president, Javier Milei. Saudi Arabia has yet to confirm the decision.

“Multilateralism” is the preferred concept of the BRICS, while “multipolarity” has not been often mentioned in joint statements. In the Johannesburg II Declaration of the 15th BRICS Summit, “multilateralism” is mentioned 20 times, while “multipolarity” does not appear at all. Definitions of multipolarity and multilateralism explain this apparent paradox. The first term is “a measurement of the distribution of power as concentrated in several poles of power, those poles being Great Powers”, and the second is “a way of acting that involves several states (big, medium, or small) working together as a matter of practice” (Scott, 2013). BRICS is not about the distribution of power in the Global South. Instead, it is about cooperation in order to reach joint objectives. It acts in the interest of the Global South, but it is not prone to confrontation with the North. BRICS is in favour of cooperation and search of strategic interdependencies, but where these are not possible, it defends its interests.

CHINA, A STRONG SUPPORTER OF BRICS ENLARGEMENT

Even if the Belt and Road Initiative “forms a cornerstone of China’s new foreign policy under President Xi Jinping” (Yu, p. 18), it remains “a China-centric solo or bilateral initiative”, and it has not become “a credible multilateral endeavour” (Yu, p. 150). Instead, BRICS is a veritable multilateral framework. Similarly, a genuine multilateral framework is also the Asian Infrastructure Investment Bank. However, all three initiatives strengthen each other.

According to Duarte, Gupta, & Delvaje (2024), “While bilateralism remains active in China’s foreign policy, multilateralism provides China with a complementary tool to achieve three important goals”. First, to create an alternative order to the Bretton Woods institutions in order to acquire a greater role in world affairs (including South-South cooperation and global governance). Second, to accelerate international cooperation and facilitate international trade. Third, to increase China’s soft power and “dissipate Sinophobia worldwide” (Duarte et al., 2024).

In BRICS+, economic relations with all its partners, old and new, are strong. For instance, China is the main importer of crude oil from Saudi Arabia and Iran and the third largest importer from the United Arab Emirates. In 2021, Iran and China signed a broad economic and security

agreement. Besides, there are well-known China's efforts to reconcile Saudi Arabia-Iran relations. Although it still ponders joining BRICS+, Saudi Arabia supports cooperation with China in various fields, including science and technology, which are considered facilitators of the Saudi Vision 2030.

China has become one of Egypt's largest trading partners and investors and has emerged as Egypt's fourth largest creditor. Military ties between the two countries have been further strengthened. However, economic analysts recommend a balanced approach in Egypt's relations with both China and the United States (a major ally of the country for decades), as "maintaining a good balance in its relationship with the US and China is crucial for Egypt's interests and its future" (Al-Anani, 2023). In our opinion, such a "good balance" in the relationship with both the US and China is kept in view by most countries of the Global South, from East Asia to Africa and South America.

With Ethiopia, the second most populous country on the African continent, but at the same time one of the poorest in the world, troubled by ethnic conflicts, China established an "all-weather" strategic partnership in November 2023. The two years of war in the Tigray region and the suspension of US aid (preferential trade and food aid) brought Ethiopia closer to China, especially as the latter was ready to suspend debt payments (after it cancelled substantial loans in 2019) (Fassihi et al., 2023).

The presence of such countries (with which China has strong bilateral relations) in BRICS+ is seen with suspicion by India, even if it has close ties with some of them. Among others, it is the fear that China might enjoy more influence in BRICS+. However, besides China, Russia is also in favour of more members in this international organisation. China and the Russian Federation are vocal critics of the West, while India, with South Africa and Brazil, wants to prevent the BRICS+ framework from becoming anti-Occidental. India pointed out on various occasions the importance of clear rules and criteria for future enlargements. Therefore, a first step was taken with the publication of *Guiding Principles, Standards, Criteria, and Procedures* regarding expansion on August 23, 2023 (during the 15th summit in South Africa). It is worth noting that Indian Prime Minister Modi pushed for requiring members not to be the target of international sanctions (however, Iran was admitted) and also a minimum per capita GDP (du Plessis & Kaushik, 2023). Such criteria have not been included among

the current preconditions but might become future prerequisites for the next candidates.

MOTIVATIONS TO JOIN BRICS

Among the newcomers, the objective of putting an end to the dominance of the West over the world economy is evident. Besides, countries with strong economies, such as the UAE, intend to strengthen their negotiating power with the West. At the same time, the goal of using local currencies instead of the US dollar is also relevant. De-dollarisation is seen as a way to reduce currency risks and bypass US sanctions, even if “it is unlikely that another currency will replace the dollar any time soon” (Liu & Papa, 2022).

Iran, Egypt, Ethiopia, and the United Arab Emirates fall into three categories of countries according to their position on the international stage and their economic situation and perspectives. Iran is among the isolated countries and subject to international sanctions. However, it is worth mentioning that Iran is one of the world’s technology powers, ranking in the top countries for 8 of 64 critical technologies (Leung, Robin & Cave, 2024). Egypt and Ethiopia, faced with an economic crisis, see cooperation with BRICS as a way of putting an end to this situation. On the contrary, the UAE, a rich country, intends to strengthen its negotiating power with the West.

On June 11, 2024, the BRICS Foreign Ministers’ Dialogue with Developing Countries (BRICS+) was held in Nizhny Novgorod under the Russian presidency of BRICS. The 10 BRICS countries and 12 developing countries participated in the meeting: Thailand, Laos, Vietnam, Bangladesh, Sri Lanka, Kazakhstan, Belarus, Turkey, Mauritania, Cuba, Venezuela, and Bahrain. These represent around 30% of the more than 40 countries that have expressed their interest in joining BRICS.

Bahrain, Bangladesh, Belarus, Kazakhstan, Thailand, Turkey, and Venezuela submitted applications to join BRICS.

Currently, there is a political vacuum in Bangladesh. Prime Minister Sheikh Hasina won a fourth consecutive term in office in January 2024. However, due to a large-scale protest movement, she resigned from office on August 5 and fled to India.

Belarus is subject to various sanctions from developed countries as a response to its involvement in the war in Ukraine. In Venezuela, the anti-government protests intensified after President Nicolás Maduro won the third term. Venezuela and Cuba belong to the group of countries largely isolated in the international arena.

Such countries, isolated on the international stage or with few international cooperation alternatives, represent one category of the states that have expressed their interest in joining BRICS. These would not meet the criteria established on the sidelines of the 15th BRICS summit (see, for instance, the criterion on “strong economic standing and influence regionally as well as globally”).

There are also robust economies with “regional and strategic global influence”. Kazakhstan is one of them. China encourages Kazakhstan to “play the role of a middle power on the international stage and make its due contribution to global governance” while endorsing Astana’s accession to BRICS+ (Cash, 2024).

Bahrain, a member of the Gulf Cooperation Council, highlights the potential economic benefits of joining BRICS. The intense military and trade relations with the United States shall remain unaffected. Turkey seeks to diversify its economic ties following the national interest and also to demonstrate that it is not constrained in its foreign policy by the US, the EU and NATO. The President had expressed interest in joining BRICS already in 2018.

In Southeast Asia, Vietnam is “closely monitoring the process of BRICS membership expansion” (Hanoi Times, 2024). Thailand pursues greater global influence by seeking membership in the BRICS group and the OECD. In May 2024, the Thai Cabinet approved the draft application letter to join BRICS. The BRICS membership would help protect its interests as a developing economy “without positioning it against other groups” (The Government Public Relations Department, 2024).

Malaysia’s absence does not imply that it is not pursuing its stated goal of joining BRICS. In July 2024, it sent the application to Russia, the BRICS chair, to join the group. According to the Malaysian Prime Minister, Anwar Ibrahim, “the government has studied all the implications and possibilities before recently expressing its intention to join the group”. It found that “countries within the Asia-Pacific Economic Cooperation (APEC) and the

OECD are also in BRICS". Joining BRICS is beneficial as the current priority is "strengthening trade and the economy while expanding the country's economic network to benefit the nation and the people, particularly traders, the business sector, and investors" (Asia News Network, 2024).

By contrast, the absence of Indonesia, for instance, can be explained by its "long tradition of non-alignment". Besides, it wants to avoid any reason for jeopardising relations with the North. For Indonesia, China is its largest trading partner and major investor. Even if it tilts more towards China on economic issues, it tilts more towards the United States in security affairs. In order to attain its objective of becoming the third Asian member of the OECD and to keep the credibility of its *bebas aktif* principle of its foreign policy (being independent and active in international relations), Indonesia prefers not to join BRICS (Rüland, 2023).

These case studies reveal two other distinct categories of the states of the Global South according to their stance towards BRICS. First, there are the middle powers with a healthy economic situation and aware of the advantages of cooperation with major powers. They do not pick sides (hedging) but support the BRICS membership (similar to the UAE). Second, some countries are attracted to BRICS but show an extremely cautious attitude and consider cooperation with Western partners and the goal of joining the Organisation for Economic Co-operation and Development as priorities to the detriment of BRICS.

In the Global South, there are also countries rejecting cooperation with BRICS. The case study of Argentina is relevant in this regard. It changed its position towards BRICS after the elections due to an abrupt ideological change.

CONCLUSION

BRICS is a heterogeneous group of countries and has become even more heterogeneous after the recent expansion. Its relevance is given by its ambitious objectives underlined in joint official declarations, including support for multilateralism, commitment to the central role of the United Nations in international relations, and greater strategic global influence for EMDCs. That explains why so many EMDCs are keen on joining this organisation. The largest part of the Global South seeks intensive cooperation with BRICS due to economic motivations, including those

related to diminishing dependency on the US dollar, associated with the goal to increase their geopolitical influence and negotiation power. Countries that are isolated on the international stage or do not have many international cooperation alternatives also intend to join BRICS (Iran is already a member, and Cuba and Venezuela are aspiring members but with limited chances of accession). Others cooperate with both the South and North, and some prefer cooperation with the Club of developed countries. There are also countries in the Global South rejecting cooperation with BRICS, one relevant example being Argentina under the libertarian President Javier Milei.

De-dollarisation is one of the key objectives of the new members or aspirants. It is associated with the goal to reduce currency risks and bypass US sanctions (Liu & Papa, 2022). Even if “the dollar continued to dominate foreign reserve holdings, trade invoicing, and currency transactions globally and its role as the primary global reserve currency was secure in the near and medium term” (Atlantic Council, 2024), BRICS+ and their support for the use of their own currencies in transactions have the potential to change the situation in the long run.

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THE PLACE OF LATIN AMERICA IN CHINA'S GLOBAL STRATEGY

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Abstract: The international system is in a period of transformation, with shifting power dynamics and profound instability. One of the main trends in international relations is the rivalry between the United States, a *status quo* power, and China, a rising power with growing ambitions to project influence in different parts of the world. It is also about a clash of two competing visions of the key characteristics of the future world order. Against the background of the escalation of geopolitical confrontation and tensions between the major actors in the international system, the *Global South* narrative is on a new rise, and a new race for the Global South unfolds. While most scholars focus on the Indo-Pacific as a new centre of geopolitics and geoeconomics and the major focal point of the US-China rivalry, the point of this article is to evaluate the place of Latin American states—an integral part of the Global South—in China's global strategy. The study is based on a comparative analysis of the approach applied by the People's Republic of China (PRC) in its relations with the Latin American states in the 1970s and the current China's growing engagement with Latin America as a significant aspect of global geopolitics. The aim is to examine the specific underlying philosophy, priorities, and objectives of the pro-active policy of China towards Latin America as well as to explore how this policy fits into China's global strategy. Furthermore, China's involvement in the region will be assessed as an important element of Beijing's strategy to challenge the existing international order.

Keywords: Mao Zedong, Three World Theory, Global South, China, Latin America, geopolitics.

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INTRODUCTION

The international system undergoes significant transformation, marked by shifting power dynamics, profound instability, and disorder. Generally speaking, states in the system could be provisionally divided into three groups. The first group is headed by the United States (US), which still has the ambition to dominate the world despite the changing balance of power in the world system. The second group is that of the *revisionist states* (led by China and Russia), as defined in the Western academic literature. They are not ready to replace the United States as the most powerful global actor but now openly reject the *rules-based international order*, where the rules are dictated by the West. They seek to establish a world system that better accommodates their own interests. There is also a third group of states that seek to make the most of the current turbulent times. These states are recently referred to with the term *Global South*. There have been many debates in the academic community about the meaning, content, and adequacy of the term *Global South*. For the purposes of the study, this paper adheres to the loose consensus around the connection between the widely used term *Global South* and the well-known Cold War notion of the *Third World*, without delving into the specifics of the issue. Generally, these are countries that have had no voice in international affairs until recently, while their development is directly linked to global processes and dynamics. They are subjected to increased pressure on behalf of the countries from the first and second groups that try to establish control over them. In the context of the escalation of geopolitical confrontation and tensions between the major actors in the international system, a new race for the Global South unfolds, and the *Global South* narrative is on a new rise.

Latin America has a specific role as an integral part of the Global South, and the point of this article is to evaluate the place of the region in China's global strategy. Latin America is understood as the countries in South America and Central America in addition to Mexico and the Caribbean islands. The main hypothesis is that Latin America's significance for China lies not so much in its position as the US backyard or soft underbelly (using the terminology of the West-centric geopolitics), but rather in its standing as part of the Global South seen by Beijing as a key ally in its quest to change the world order.

The methodological framework integrates both Western and non-Western knowledge and experience in international relations, which sometimes produce different narratives and alternative understandings of the empirical reality. The study is based on a comparative analysis of the approach applied by the People's Republic of China (PRC) in its relations with the Latin American states in the 1970s and the current China's growing engagement with Latin America as a significant aspect of global geopolitics. The aim is to examine some specific underlying philosophy, priorities, and objectives of the pro-active policy of China towards Latin America, as well as to explore how this policy fits into China's global strategy. Furthermore, China's involvement in the region will be assessed as an important element of Beijing's strategy to challenge the existing international order.

CHINA'S GLOBAL STRATEGY

China's new rise as a global power has been followed by Beijing's growing ambition for greater influence and a preeminent role in the international system. Putting largely an end to the 24-character strategy bequeathed by Deng Xiaoping and strictly followed for years by Chinese leaders to *maintain a low profile and never claim leadership* on the international scene, China, under the leadership of Xi Jinping, demonstrates a more active foreign policy approach and an ambition for a greater say in international affairs. China refrained from directly contesting US global power and challenging US interests in different parts of the world until recently. Over the last few years, however, Beijing has been increasingly open about its ambitions to reshape the US-led world order.

Xi's 24-character slogan, announced in March 2023, clearly illustrates the significant change in the country's foreign policy strategy. The slogan reads, "Be calm; keep determined; seek progress and stability; be proactive and go for achievements; unite under the Communist Party; dare to fight" (Zhong, 2023). It is the essence of China's *New Era* foreign policy, while the concept of a *community with a shared future for mankind* constitutes the conceptual foundation of the new global project that China offers to the world. It emphasises sovereignty, diversity (of cultures, models of development, and political systems), mutually beneficial cooperation, security, and prosperity for all in contrast to the current international

relations dominated by power politics, the idea of a *zero-sum game* and Cold War thinking, as seen by the Chinese side. The concept seems rather abstract to the Western audience, and discussions in the Western and non-Western scientific community regarding the concept's theoretical justification and practical implementation continue. It could be concluded, however, that the idea of a community with a shared future for mankind is essentially a strategy for a changing international order. More concretely, it is "a concept of multilateral cooperation in the economic, political, and humanitarian spheres, as well as in the field of security, which is implemented by Beijing on a bilateral basis at the regional, interregional, and global level" (Семенов & Цвык, 2019, p. 79).

China challenges the global hegemony of the United States and seeks to expand its own global influence and power. "China has to become a global leader in terms of composite national strength and international influence" until the middle of the 21st century, President Xi Jinping pointed out in 2017 (Xi, 2017). In the last decade, China launched a number of global initiatives (the Belt and Road Initiative (BRI), the Asia Infrastructure Investment Bank, the Global Development Initiative, the Global Security Initiative, and the Global Civilisation Initiative) that provide alternative platforms for international cooperation and are key elements of China's global strategy in the 21st century. It is believed that further development of these initiatives will make possible the achievement of a community of a shared future for mankind. Moreover, it helps China expand its role both at regional and global levels, which significantly impacts the shifting world order.

China's creeping (primarily economic) expansion, however, differs from the Western one. Beijing's model of behaviour on the international stage is shaped by traditional core values and principles of Chinese society. Unlike the United States, China's policy approach is much more dominated by moderation and self-restraint. This could be explained by the Chinese understanding of their own history as something eternal, without beginning and without end, as well as by the specific Chinese concepts of time and temporality. As H. Kissinger (2010, p. 23) notes, "whereas the Western tradition prized the decisive clash of forces, emphasising feats of heroism, the Chinese ideal stressed subtlety, indirection, and the patient accumulation of relative advantage".

The strong fixation on the need to control external spaces is also missing in China's strategy. While the West prefers to define its rivals, China rather chooses to define first its partners, which is well illustrated with the development of the Belt and Road Initiative. Chinese leaders prefer to talk about harmonious relations and mutually beneficial cooperation that corresponds to the Chinese political and economic interests and needs. Beijing concentrates on economic growth, foreign trade, and investments, and this approach is gaining more support among developing countries. Kaplan argues that in order to understand contemporary China's grand strategy, we have to look at the Yuan dynasty founded by the Mongol ruler Kublai Khan. "Mongol grand strategy was built on commerce much more than on war", Kaplan points out (2017, p. 9).

Growing economic influence makes it possible for Beijing to improve its image and positions and to further extend its influence in different regions, often at the expense of US control. However, China seeks to avoid further straining its relations with the United States for the time being. One of the Thirty-Six Stratagems states, "Conserve energy while exhausting enemies'. The short comment to it provides a quite clear explanation: 'Put the enemy in difficult situations; avoid a direct attack in the initial stage. Reduce the advantages of your enemy; turn him from strong to weak" (Connors, 2013, p. 793).

THE NEW RACE FOR THE GLOBAL SOUTH

Drowning in clichés and self-caresses after the end of the Cold War, the West appeared oblivious to the way the non-Western world gradually began to resist Western pressure and control and more openly assert their own interests. Ero (2024) writes in *Foreign Affairs*, "Not so long ago, policymakers in Washington and other Western capitals gave little apparent thought to the possibility that the rest of the world might hold opinions distinct from their own". This change largely became possible because of the relative decline of the United States, on the one side, and China's rise and China's pro-active foreign policy, on the other side. The gradual *emancipation* of the Global South has the potential to change the principles of the geopolitical game and play a significant role in the global power shift

that is occurring. Hence, a competition between the major powers for influence in developing countries unfolds.

Paradoxically, the unprecedented level of confrontation between the United States and its allies, on the one side, and China and Russia, on the other side, has opened a broader policy room to manoeuvre for the countries from the Global South. Though the so-called Global South includes countries with diverse cultural traditions, priorities, and frequently competing interests, they are almost all driven by a shared resentment towards the West's colonial past and by a growing determination to assert their independence. These countries, however, want to avoid a zero-sum choice and take a side in the Sino-American confrontation. In the context of the war in Ukraine, Prof. Spector refers to this as “the strategy of hedging” (Spektor, 2023)—a strategy of withstanding external pressure, retaining maximum flexibility, and getting promotion in the emerging world order. He gives the example of Brazil, which not only tries to balance between superpowers but also demonstrates a growing foreign policy activity.

The struggle for the *hearts and minds* in the Global South has become quite evident on the occasion of the summit on peace in Ukraine, held in Switzerland in July 2024 and supported by the West. Perhaps one of the key questions surrounding the peace summit was which Global South countries would attend the summit and which would choose to opt out. Official information from the Swiss government indicates that 16 Global South countries were represented at the Swiss Summit at the head of state/government level, 19 at the ministerial level, and four Global South countries (Brazil, Indonesia, South Africa, and the United Arab Emirates) dispatched envoys to the summit. If we adhere to the list of Global South countries maintained by the United Nations (UN) Finance Centre for South-South Cooperation, this means that half of the countries in the Global South have opted out of attending the summit. And three of the participating countries (Iraq, Jordan, and Rwanda) did not support the Joint Communiqué on a peace framework approved by the participating countries.

This information, as well as some UN General Assembly votes on Ukraine, when Global South countries refused to support resolutions condemning Russia for its actions, do not mean that these countries follow a policy dominated by anti-Western and pro-Russian and/or pro-China sentiments. Instead, it rather means that these countries would like to maintain a neutral

stance on key geopolitical issues and to balance between major powers. It also proves that the competition between the West and China/Russia is perceived by the majority of the developing countries as a diversion from more urgent Global South issues like debt, development, climate change, and the aftermath of the COVID-19 outbreak (Miliband, 2023).

CHINA AND LATIN AMERICA: TRADITION AND NEW REALITIES

Formerly part of the *Third World*, Latin America is presently an essential component of the Global South. It is, however, the only region defined as the United States' own backyard and one of the pillars of the US dominance in the Western Hemisphere. Now, this dominance is under threat, and this threat comes from China's growing presence in the Western Hemisphere and in Latin America, in particular.

China has published two policy papers on Latin America and the Caribbean—in 2008 and in 2016. Both papers identify Latin American and Caribbean countries as important members of the developing world, with an increasingly important role in regional and international affairs. The first policy document reads, "The Chinese government views its relations with Latin America and the Caribbean from a strategic plane and seeks to build and develop a comprehensive and cooperative partnership featuring equality, mutual benefit, and common development" (China Daily, 2008). While the 2008 policy paper just notes China's support for a greater role of Latin American states in international affairs, the 2016 White Paper highlights China's ambition to "promote the construction of a new type of international relations with win-win cooperation at the core" and emphasises Chinese commitment to close cooperation with Latin American countries in international affairs (The State Council, 2016).

The paper argues that Latin America's significance for China lies not so much in its position as the US backyard or *soft underbelly* (using the terminology of the West-centric geopolitics), but rather in its standing as part of the Global South seen by Beijing as a key ally in its quest to change the world order. Proving such a claim implies a review of the origins of contemporary Chinese foreign policy. China is a unified, cohesive civilisation in time and space with specific historical experience and cultural tradition that sets a number of specific characteristics of Chinese strategic thinking.

According to H. Kissinger (2010, p. 2), no other country can claim “such an intimate link to its ancient past and classical principles of strategy and statesmanship”.

Mao Zedong’s Three Worlds Theory is a good starting point for analysis of China’s contemporary policy towards Latin America. Mao’s political legacy provides benchmarks and a framework for explaining China’s current foreign policy practices, especially when it comes to the PRC’s relations with developing states. It is the *Three Worlds* geopolitical concept that constitutes a core of Mao Zedong’s political doctrine. Put forth in the 1970s as a response to China’s deteriorating relations with the Soviet Union, this concept divides the planet into *the First World* (the two superpowers, the USSR and US), *the Second World* (developed but not independent actors), and *the Third World* (Asia, Africa, and Latin America). The mission of China, which was at the head of the Third World, according to Mao’s theory, was to strengthen its relations with the other countries from *the Third World*, to support their efforts to become independent and confront the hegemony of the two superpowers, mainly the Soviet Union.

The idea of this binary opposition between the developed, exploiting North and the developing, exploited South, which underlies Mao’s concept, is largely present in China’s current foreign policy strategy. Unlike the West, Beijing continues to portray the world as consisting of developing and developed countries rather than Western and anti-Western blocs competing for influence in the Global South (Wang et al., 2024). In the 21st century, though China is already the second largest economy in the world by nominal GDP, it continues to place a strong emphasis on its relations with the developing countries from the Global South (the Third World), including Latin American ones.

Mao Zedong had the ambition to guide national liberation movements in the Third World. China—under the leadership of Xi Jinping—insists that it is still a developing country and pretends to be a leading force of the Global South. Beijing demonstrates readiness to help former colonies and developing countries achieve the progress China itself achieved in the last 40 years of reforms (Bermingham, 2021).

Pragmatism is a cornerstone of both Mao Zedong’s and current China’s policy towards Latin American countries. Latin America, as an economic and political bastion of *the Third World*, had an important place in Mao’s

strategy to maintain a certain balance between the two superpowers in the Cold War, the US and the USSR. In achieving that pragmatic goal, China's (economic and/or diplomatic) engagement was equally strong in both democratic and dictatorship countries.

Political pragmatism dominates current Sino-Latin American relations as well. China, under the leadership of Xi Jinping, continues to follow a pragmatic foreign policy approach, developing relations even with Latin American countries that are quite ideologically alienated from it. For example, speaking about relations with Argentina after far-right Javier Milei won presidential elections, Chinese Foreign Ministry spokesman Wang Wenbin commented that China is ready "to work with Argentina to cement political mutual trust, enhance high-quality Belt and Road cooperation, tap on our complementary advantages, deepen equal-footed and mutually beneficial cooperation in various fields, and advance the sustained and steady growth of the China-Argentina comprehensive strategic partnership" (Embassy of the People's Republic of China, 2024). In 2023, China was the second largest import trading partner of Argentina (19.7%) and Argentina's fourth largest export destination with a share of 7.9% (Centro de economía internacional, 2024).

As in the 1970s, China today applies a variety of approaches to further engage with Latin American states—political dialogue, trade, investments, loans, financial cooperation, scientific and technological cooperation, etc. As a result, China is a leading trading partner for Latin American countries and a key foreign investor in the region. Gonzalo Ghiggino argues that China is not an option for Argentina but a necessity (Lewkowicz, 2024), and this conclusion is largely valid for the other countries in the region as well.

Latin America is also an important source of many of the resources that China needs for its further development—copper in Chile and Peru, lithium in Bolivia, Chile, Argentina, and Brazil, oil in Venezuela, and soybeans and iron ore in Brazil. For example, in 2023, China, as the world's largest copper consumer, imported copper ores and concentrates primarily from Chile, Peru, Kazakhstan, and Mexico (World Bank, 2024a). Chile, Argentina, Brazil, and Bolivia were among China's top eight sources of lithium carbonate in 2022, while imports from Chile and Argentina accounted for more than 97% of the country's total imports (World Bank, 2024b). So, China's need for raw materials coincides with the interests of the Latin American states

to establish stronger economic linkages with China as an alternative mechanism for addressing the economic problems.

China's political pragmatism is closely related to the tradition of *stratagem thinking*, where the nature of actions depends on constantly changing circumstances and where concrete effects of the development of the situation itself are expected. Stratagems ensure the accomplishment of strategic goals through tactical concessions and the ability to hide their true intentions. In this sense, stratagem thinking is in conceptual contradiction with Western political realism. As Zhdanov (Жданов, 2005) notes, the very creation of *the Three Worlds Theory* pursued to justify theoretically the need for China to take the lead in the world communist movement. On the other hand, Xi Jinping's concept of building a community with a shared future for mankind, which is central to current China's foreign policy, provides a good explanation framework for the expanding influence and the greater role of China in world affairs. Moreover, the concept is also in utilitarian relation with the attainment of specific goals, i.e., changing the world order, restructuring global governance, and establishing a new model of international relations. As it has already been mentioned, the Global South has an important role in the achievement of these goals.

Building a community of shared future involves not only further strengthening relations with developed countries but also fostering good relations and providing China's traditional support for developing countries. The latter is even more important in the context of a growing confrontation between Beijing and Washington. Speaking at a conference marking the 70th anniversary of the Five Principles of Peaceful Coexistence, President Xi Jinping notes, "Standing at a new historical starting point, the Global South should be more open and more inclusive and join hands together to take the lead in building a community with a shared future for mankind" (Xinhua, 2024). Laurel (2023) writes in China's government-controlled *Global Times* that the "efforts towards the creation of a global community of shared future are liberating the Global South from centuries of enforced underdevelopment by colonialism, neocolonialism, and the latest of the evils, the Cold War modality and mentality, which is coming to an end".

Gaining further support across Latin America, as an important part of the Global South, is of strategic importance for China. It is not only about

expanding Chinese presence in the region, but it is also about the growing political legitimacy of China both at regional and global level and its improved geopolitical position in the 21st century great power competition.

A key success in China's policy towards Latin America refers to one of its core interests, i.e., Taiwan. China again adheres to the stratagem-driven policy. It observes a (dynamically) changing balance of power, waits for the most favourable opportunity to act, and, taking into consideration the ongoing balance of power, gradually evolves its tactics to isolate Taiwan in Latin America—the region with the biggest diplomatic support for Taiwan till recently (a number of Latin American countries were among the few in the world to maintain relations with Taiwan).

In the span of 16 years, six Latin American countries broke relations with Taipei and established diplomatic relations with China (Costa Rica, 2007; Panama, 2017; the Dominican Republic and El Salvador, 2018; Nicaragua, 2021; and Honduras, 2023). Costa Rica President Oscar Arias described that decision as “an act of elemental realism” (Blanchard & Jennings, 2007). China's growing economic power and role in the formation of a new global economic order could not be ignored. That is why 22 countries¹ from the region have chosen to join the Belt and Road Initiative, which is an integral element of the development of the concept of building a community with a shared future for mankind. This is a diplomatic victory for China as far as Chinese officials have already defined Latin America as the “natural extension of the 21st Century Maritime Silk Road” (Xinhua, 2019). The region is also important in the context of China's ambitions to become a polar power, to integrate its polar strategy into its maritime strategy, and to develop the Polar Silk Road as a component of the Belt and Road Initiative (Malena, 2023, p. 40). The 14th five-year plan for economic and social development of China reveals Beijing's ambitions to more actively participate in “the formulation and implementation of international ocean governance mechanisms and related rules” and to improve its ability “to participate in the protection and utilisation of Antarctica” (CSET, 2021, p. 82). China's increasing Antarctic presence already challenges the geopolitical

¹ Antigua and Barbuda, Argentina, Barbados, Bolivia, Chile, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guyana, Honduras, Jamaica, Nicaragua, Panama, Peru, Surinam, Trinidad y Tobago, Uruguay, Venezuela.

order in the polar region, but it also affects a number of Latin American countries that are also present and have their interests in Antarctica.

China's approach, however, differs again from that of Western powers, especially the United States. It seems that Beijing tries to avoid Latin America's "zero-sum choice between the two competitors" (O'Neil, 2021). This policy is in line with the idea of "an active non-alignment" that is gaining support throughout the region (Fortín, Heine & Ominami, 2021). Latin American countries do not want to openly jeopardise their ties with their powerful northern neighbour. At the same time, they seek more economic benefits, growth, and development, and it is the Belt and Road Initiative that offers them the opportunity to achieve these goals. Of course, projects under the BRI bring economic benefits both for China and Latin American states. For example, Chinese loans and investments in the Latin American infrastructure sector offer a viable option for addressing the existing infrastructure gap in the region that affects negatively the economic growth of the countries. China provides new markets for Latin American products, and it is already the second largest export market for Latin American states (World Bank, 2024c). At the same time, by developing the BRI, China significantly expands its economic presence in the region and diversifies its sources of critical raw materials.

It is also worth considering Latin America's place in China's global strategy through the lens of *China's maritime strategy*. Some scholars argue that for centuries China's geopolitics has had a dual character. On the one hand, China (the Middle Kingdom) belonged to the Rimland, and, on the other hand, "China has never been a thalassocratic state, as it has always been orientated towards continental archetypes" (Нартов, 2017, p. 372). Others insist that China has a "hybrid identity"—a blend of continental and maritime identity (Nohara, 2017). A third group of authors claim that China's transformation from a continental to a continental-maritime power happened in Mao's time (Жданов, 2005). It is, however, in the last years that the country has been pursuing an effective maritime policy, including through the development of a powerful naval force. This change is closely linked to both China's perceptions of national security threats and its increased international economic engagement.

The USSR was seen as the most likely source of external threat to China within the Three Worlds concept. In the beginning of the 21st century,

however, Beijing is concerned mainly with threats coming from the world ocean. In the 1970s, China was a poor and isolated country. Today, China is the largest trading nation in the world and the world's largest exporter. More than half of the Chinese trade (including raw materials) is shipped by sea, which implies taking steps to ensure the safety of maritime routes.

China's Military Strategy, adopted in 2015, acknowledges the strategic importance of the sea. It is pointed out that "in line with the strategic requirement of offshore waters defence and open seas protection, the PLA Navy (PLAN) will gradually shift its focus from "offshore waters defence" to the combination of "offshore waters defence" with "open seas protection" (The State Council Information Office of the People's Republic of China, 2015, p. 4). The document also notes that "the traditional mentality that land outweighs sea must be abandoned, and great importance has to be attached to managing the seas and oceans and protecting maritime rights and interests" (2015, p. 18). The strategic document China's National Defence in the New Era, adopted in 2019, introduces the concept of Far Seas Protection, significantly expanding the geographic scope of China's security policy. The document specifies that "in line with the strategic requirements of near seas defence and far seas protection, the PLAN is speeding up the transition of its tasks from defence on the near seas to protection missions on the far seas and improving its capabilities for strategic deterrence and counterattack, maritime manoeuvre operations, maritime joint operations, comprehensive defence, and integrated support, so as to build a strong and modernised naval force" (The State Council Information Office of the People's Republic of China, 2019, p. 23). Though there is no definition of the far seas, the concept is obviously global because of China's global economic interests (Rice & Robb, 2021).

Beijing's growing determination to play a central role in international relations includes expanding strategic horizons. Latin America is one of the distant maritime territories that are areas of China's special interests. First, Beijing's ability to project power towards such distant territories is an indicator of its potential to reshape the US-led world order. Second, China has to protect its economic interests and the projects developed in the region within the Belt and Road Initiative, for example.

China has already invested in seven ports in six Latin American countries (Brazil, Chile, Ecuador, Mexico, Panama, and Peru). It has ownership in two

of them: Chancay Terminal in Peru (60%) and Paranagua Port Terminal in Brazil (90%). The US Council on Foreign Relations warns that China's investments in ports could improve the Chinese leadership's ability to influence global trade and logistics (Zongyuan, 2023). Moreover, all these Latin American ports have physical potential for naval use. Mendes (2019, p. 3) also alerts that "the construction of overseas military infrastructures and the strategic control over important points and resources reveal geopolitical ambitions". There is also information that China has secret bases and operates spy facilities in Cuba that could have "long-term strategic implications for the US" and may "challenge long-standing US dominance over Latin America" (Honrada, 2024).

For China, however, maritime presence in Latin America is rather an issue of legitimacy as a global power and of growing influence in international politics. China's growing involvement in Latin America has also a symbolic importance—it shows to the world that China is able to advance its strategic goals and challenge core US interests not in a distant region but in the very American backyard.

At the same time, Chinese international relations scholars assert that China's growing influence in international politics means increased respect for China's national interests. Chinese scholars emphasise that China's quest for maritime power differs from that of previous maritime empires, as its primary goal is to uphold a stable and peaceful maritime order rather than create a maritime hegemony (Chan, 2024). In this sense, growing China's maritime presence in Latin America would not be aimed at further maritime confrontation with the United States but rather at averting an unfavourable balance of power for the PRC. Beijing would rather follow Mao's concept of active defence and the traditional idea of achieving strategic objectives without entering into direct conflict with the enemy.

CONCLUSION

Traditionally, China's own periphery was a paramount geopolitical priority in the country's strategy. In this sense, Latin America should be the least significant region in China's foreign policy. From a geopolitical point of view, however, Latin America is potentially important for China because of its location as the US backyard. In the context of the rising confrontation

and rivalry between Beijing and Washington, the region could be seen as the US *soft underbelly*.

Still, Chinese geopolitics, or the Chinese understanding of geopolitics, differs significantly from the familiar models of West-centric geopolitics. It is largely due to the East's specific thinking and perception of the world. In this context, Latin America's role could not be limited only to the status of a United States' backyard or US *soft underbelly*. The very concept of *sphere of influence* is alien to the Chinese perspective on geopolitics.

Mao Zedong's Three Worlds Theory is a helpful instrument for comprehending China's current policy towards Latin America. Analysis shows that despite some differences, both the approach applied by the People's Republic of China in its relations with the Latin American states in the 1970s and the current China's growing engagement with Latin America are based on traditional political and philosophical values and perceptions. Analysing some of the specific phenomena in China's strategic culture allows the preliminary conclusion that Latin America's significance for China lies primarily in its standing as an important part of the Global South, which is seen by Beijing as a key ally in its quest to change the world order.

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CHINA AND THE UNITED STATES: A BALANCING ACT FOR LATIN AMERICA

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Abstract: This paper addresses China’s engagement with Latin America over the last few decades. As Sino-Latin American relations flourished and China emerged as a significant economic and geopolitical player, so did tensions with the United States. For Latin America, a region historically regarded as the “backyard” of the United States, this emergence of China and the current tensions between the two major world powers creates many policy dilemmas and the need to focus on a balanced relationship with both actors.

Keywords: Latin America, United States, China, Belt and Road Initiative, geopolitics, trade, investment.

INTRODUCTION

This paper addresses China’s engagement with the Global South, especially Latin America. China’s relationship with Latin America has significantly improved in the last few decades. At the same time, geopolitical tensions between China and the United States have also increased. Thus, navigating a healthy balance between China and the United States has become a common currency and of foremost concern in Latin America, a region formerly regarded as the “backyard” of the United States. The emergence of China in this region coincided with a relative retreat of the United States at the end of the 1990s and early 2000s, which was a combination of several factors. First, some Latin American countries began leaning towards more leftist governments opposing the “Washington Consensus” and towards the concept of the Global South, an “intellectually elusive but emotionally rich” concept (Raja Mohan, 2023), and, eventually, towards an ascending China as the champion of the Global South. Second, there was a relative retreat of the United States from the Latin American

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region during the same period to focus on a China containment strategy, such as the “pivot to Asia” policy. Third, the emergence of a more assertive China, whose economic growth has reshaped the world’s trade, led to a new type of globalisation “with Chinese characteristics”. In this type of globalisation, China has adopted a dual approach in which it has not broken with traditional Western institutions but has actively participated and joined these. At the same time, with its “developing country” credentials, China proposed an alternative and complementary new world order, with new institutions and strategies that characterised this new globalisation led from the South with Chinese characteristics. China’s flagship project, the Belt and Road Initiative (BRI), together with the Asian Infrastructure Investment Bank (AIIB), is the framework under which this new globalisation takes place.

This paper will analyse China’s increasing relations with the region and the resulting current balancing options between China and the United States that the Latin American region faces.

THE GEOPOLITICAL TRIANGLE: LATIN AMERICA, CHINA, AND THE UNITED STATES

The geopolitical landscape of Latin America has evolved significantly in recent decades, heavily influenced by the interactions with major global powers such as China and the United States. This relationship of the three has been shaped by economic interests, political strategies, and regional stability concerns. Understanding this dynamic requires an in-depth analysis of how these interactions impact Latin American countries and the broader global geopolitical context (Serbin, Pedroso, and Serbin Pont, 2019).

As mentioned above, there was a combination of three factors, namely the growth of a more assertive China, which led to a containment strategy from the United States, and the change of political views in Latin America away from the Washington Consensus and towards a Global South, particularly China. However, this is not a homogeneous and concerted trend, and Latin America’s attitudes towards both major powers remain diverse, with differences even among countries and sectors belonging to regional blocs. On the one hand, China offers new opportunities for development, but the fear of reprimarization and dependence on global markets is always present. Clear, consistent, and long-term strategies for

domestic development are needed, and these, in turn, depend on long-term consensus both politically and among the economic elites (Creutzfeldt, 2016; Ramon, 2024).

LATIN AMERICA'S SHIFT: REDEFINING ECONOMIC AND SOCIAL POLICIES IN RESPONSE TO NEOLIBERALISM

At the end of the nineties, Latin America began shifting its economic focus away from the Washington Consensus and towards China, reflecting a broader realignment in regional economic strategies. The Washington Consensus, with its emphasis on neoliberal reforms such as deregulation, privatisation, and fiscal austerity, faced increasing criticism as it was perceived as exacerbating inequality and undermining social stability. In response to these challenges, many Latin American countries sought new opportunities beyond the traditional economic frameworks imposed by the IMF and the US. This shift led to a burgeoning relationship with China, which offered an alternative model of economic engagement based on trade, investment, and infrastructure development rather than stringent policy prescriptions and conditionality. China's growing demand for Latin American commodities, coupled with its significant investments in the region, provided a compelling counterbalance to the Washington Consensus, fostering a diversification of economic partnerships and signalling a move towards a more multipolar global economic landscape (Long, 2021).

The historical relationship between the United States and Latin America was traditionally marked by a blend of cooperation, intervention, and complex power dynamics. From the early 19th century, the Monroe Doctrine (1823) established the US policy of opposing European colonialism in the Western Hemisphere, setting the stage for American influence in Latin America. This doctrine, while ostensibly aimed at protecting newly independent Latin American states, also served to strategically position the US as the dominant external power in the region. Throughout the 19th and early 20th centuries, this influence manifested in various forms, including economic investment, political support for certain governments, and military interventions in other cases. An emblematic example was the US

influence and control over the Panama Canal, which began in 1903 and significantly impacted regional geopolitics. In addition, China's current influence on the Canal and its relations with Panama, established in 2017, also signalled a change of era.

In the latter half of the 20th century, the US approach to Latin America was heavily influenced by the Cold War. American policy often involved supporting anti-communist regimes or intervening in regional conflicts to curb Soviet influence. Overall, the relationship was characterised by a complex web of strategic interests, economic ties, and varying degrees of intervention, reflecting the broader geopolitical concerns of the United States.

In addition, the United States played a pivotal role in shaping Latin America's economic landscape through its influence over the IMF and the promotion of the Washington Consensus, articulated in the 1980s. Structural adjustment programmes were often imposed on Latin American countries facing debt crises, mandating austerity measures, privatisation, and market liberalisation as conditions for financial assistance. These neoliberal economic reforms prioritised fiscal discipline, deregulation, and trade liberalisation. While these policies aimed to stabilise and integrate Latin American economies into the global market, they frequently led, for varying reasons, to significant social and economic challenges, including increased inequality and political unrest, fostering resentment towards perceived external control over Latin American economic policies (Long, 2021).

With a widespread disillusionment with these policies in many countries, leaders such as Hugo Chávez in Venezuela, Evo Morales in Bolivia, and Luiz Inácio Lula da Silva in Brazil capitalised on popular dissatisfaction, advocating for alternatives to the market-orientated reforms that had previously spread throughout the region. These leftist governments promoted policies centred on social justice, economic redistribution, and increased state involvement in the economy, aiming to address the deep-rooted social and economic inequalities exacerbated by neoliberal policies. Their rise also reflected a broader trend of regional sovereignty, as these leaders sought to reduce dependence on US economic prescriptions and forge new alliances, including China, which offered investment and trade opportunities without the conditionalities of Western institutions. This wave of leftist governance redefined economic and social policies within Latin American countries and reshaped the region's international relations.

US RETREAT FROM LATIN AMERICA: THE STRATEGIC SHIFT TO THE “PIVOT TO ASIA” IN THE EARLY 2000S

Parallel to Latin American countries’ distancing from the Washington Consensus, the United States also experienced a notable retreat from its traditionally dominant role in Latin America, shifting its focus towards a strategic reorientation known as the “pivot to Asia”. The “pivot to Asia” focused on enhancing engagement and influence in the Asia-Pacific region because of its growing economic importance and role as a key arena in the competition with China (Logan, 2013). The US government, under President George W. Bush and later President Barack Obama, began to prioritise relations with Asian nations, recognising the region’s burgeoning economic potential and its strategic importance in countering China’s rising influence. This shift was marked by a reduction in the intensity of US involvement in Latin American affairs as the US redirected its resources and diplomatic efforts towards Asia (Cruz de Castro, 2013).

During this period, Latin America experienced a relative decrease in US political and economic engagement, evident in the diminishing frequency of high-level visits, reduced emphasis on regional trade agreements, and a scaled-back focus on addressing regional issues such as drug trafficking and political instability. The retreat was also partially a response to the evolving political landscape in Latin America, where, as mentioned, a wave of new leftist governments emerged, challenging traditional US policies and promoting alternative economic and political models. These developments further diminished the urgency of US involvement in the region, and the focus shifted towards more pressing concerns in Asia (Merino & Morgenfeld, 2022).

The pivot encompassed a range of diplomatic, economic, and military initiatives aimed at strengthening US ties with Asian countries, reinforcing security alliances, and fostering economic partnerships. The ultimate intention was to strengthen America’s presence in a region crucial for global trade and security, particularly as China’s economic and military capabilities expanded.

In response to the US pivot and the shifting dynamics in Asia, regional trade agreements like the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership (TPP) emerged as key elements in

shaping the economic landscape with “competing” agreements. The Trans-Pacific Partnership (TPP), for example, was a trade agreement negotiated by the United States and eleven other Pacific Rim countries, including Japan, Australia, and Canada. Announced in 2016, the TPP sought to promote trade liberalisation, enhance economic cooperation, and set high standards for trade and investment across the Asia-Pacific. China, as a significant actor in the region, was left out of this mega-trade agreement. However, President Donald Trump withdrew the United States from the agreement in 2017, leading to the formation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) by the remaining signatories. Despite the US withdrawal, the CPTPP continued to advance economic integration in the region, further underscoring strategic competition and the economic significance of Asia-Pacific in global geopolitics (Fuenzalida Santos, 2022).

The RCEP, launched in 2020, is a trade agreement encompassing 15 countries, including China, Japan, South Korea, and several Southeast Asian nations but not the United States. It represents the largest trading bloc in the world, covering a significant portion of the global trade and population. The RCEP aims to reduce trade barriers, streamline regulations, and enhance economic integration among member countries, with China playing a central role in driving the agreement forward.

Therefore, this shift in focus underscored a broader reorientation of US global strategy, reflecting the changing dynamics of international power and the increasing importance of the Asia-Pacific region in global geopolitics (Nawaz, Rasool & Kazmi, 2023).

China’s Emergency as a Global Actor

China’s rise as a global power is a recent phenomenon, gaining momentum since the late 20th century. The economic reforms initiated by Deng Xiaoping in the late 1970s transformed China into a global economic powerhouse. At the beginning of the period known as Reform and Opening-up, China was a largely agrarian country, with almost 80% of its population living in rural areas. Its economy was closed and underdeveloped. Over the past 40 years, and after decades of reforms and unprecedented, accelerated growth, China is today, along with the United

States, one of the two most important economies in the world. China is not only the first or second trading partner of most of the world's countries, but its role as a global player has significantly grown from being a passive actor to an active global actor in fora and on the multilateral cooperation agenda. By the early 21st century, China's economic expansion and increasing global influence began to reshape international relationships, including those with Latin America.

The turn of the millennium marked a significant shift, particularly after China had entered the World Trade Organisation (WTO). Chinese manufacturers reached every corner of the world, and China's exponentially growing demand determined the export patterns of many countries, particularly developing ones. Since Latin American countries were seeking new opportunities beyond traditional Western markets and the US retreated from Latin America, this proved a virtuous relationship focusing on trade, investment, and infrastructure development.

As China's growth increased, its importance grew beyond merely economic statistics, and a change in China's role in the international arena can be observed. Until less than a decade ago, China's strategies could be considered "defensive", such as launching the RCEP as a China-led regional initiative in response to the US-led TPP. However, more recently, China has become more assertive and proactive in terms of foreign policy and led globalisation with, I like to describe, "Chinese characteristics", i.e., a Global South globalisation whose framework is the Belt and Road Initiative (BRI) launched by President Xi Jinping in 2013 (Ramon, 2021).

GLOBALISATION WITH "CHINESE CHARACTERISTICS": CHINA'S GROWING ROLE IN LATIN AMERICA AND THE CARIBBEAN AND ITS MAIN CHALLENGES

China's interaction with the Global South, particularly Latin America, has been a central component of its strategy of globalisation with Chinese characteristics. This approach, distinct from traditional Western models of globalisation, is characterised by a blend of state-driven economic policies and strategic investments aimed at fostering bilateral and multilateral partnerships. Since the early 2000s, China has intensified its engagement with Latin America, leveraging its economic growth to forge a new pattern

of global influence. China's relationship with Latin America has evolved significantly from a primarily trade-based one to a more comprehensive strategic partnership, reflecting China's broader geopolitical ambition in the region. This strategy involves not only trade and investment but also diplomatic and cultural exchanges, positioning China as a significant player in shaping the development trajectories of Latin American countries (Ramon, 2018a).

In 2000, Latin American exports to China were less than 2% of the region's total exports, but the boom in commodities exports that followed triggered exports. Within that decade, fuelled by China's primary product appetite, trade grew at an average annual rate of 31%, reaching a total of USD 180 billion in 2010 (Roy, 2023). Currently, China has become Latin America and the Caribbean's second-largest trading partner (top trading partner in the case of South America). Most Latin American exports to China comprise a relatively small array of primary products such as soybeans, copper, petroleum, oil, and other raw materials that helped fuel Chinese industrial development and feed its population. Conversely, Latin America imports a wide array of higher-value-added manufactured products from China.

Chinese overseas foreign direct investment and loans also play a major role in strengthening ties with the region, with about 10% of the region's investment being from China (Roy, 2023). In addition, both the China Development Bank and the Export-Import Bank of China are among the region's leading lenders. These investments amounted to about USD 137 billion between 2005 and 2020, directed mostly to fund energy and infrastructure projects. In 2022 alone, loans totalled USD 813 million. The main borrowers are Venezuela and Brazil, with the former accounting for double the amount of the latter (Roy, 2023).

Early stages – economic complementarity in trade and investments

The economic relationship between China and Latin America has expanded significantly over the last couple of decades, marked by increased trade and investment flows. In the early stages, China's engagement with Latin America was mainly focused on trade. China was undergoing rapid industrialisation, with increased demand for raw materials to fuel production

and foodstuffs for the growing middle-class consumption, as well as the quick expansion of the domestic economy (Velloso, Malena & Balze, 2012).

Since 2000, trade between China and the region has increased 35-fold, with China being the top export destination for Brazil, Chile, Panama, Peru, and Uruguay and the leading source of imports for Argentina, Brazil, Bolivia, Chile, Colombia, Ecuador, Paraguay, and Peru. By 2021, trade totalled a record USD 450 billion. Some analysts predict this figure could exceed USD 700 billion by 2035 (Roy, 2023).

This combination of resource needs, market expansion, and strategic interests found its perfect match in Latin American economies, rich in natural resources such as minerals, oil, and soybeans, and these economies became key suppliers for China, fuelling its industrial growth and sustaining its large population.

China, thus, became Latin America's most important trading partner with a trade pattern characterised primarily by imports of raw materials and agricultural products. In return, China exported manufactured goods, machinery, and technology to Latin American countries. For instance, Brazil, Chile, and Argentina became major exporters of soybeans, copper, and oil to China. Conversely, China exports electronics, vehicles, and machinery to the region. This trade balance reflects China's strategy to secure essential resources while expanding its market for its higher-value products (Velloso, Malena & Balze, 2012).

As the economic relationship deepened, China also began to invest heavily in Latin America. That was marked by large-scale infrastructure projects, such as the construction of roads, railways, and ports, and, at a later stage, significant investments in the energy and mining sectors. These investments were often accompanied by favourable financing terms and technical expertise, strengthening China's economic footprint in the region.

In addition, several Latin American countries signed free trade agreements with China, such as Chile (2006), Peru (2010), Costa Rica (2011), and Ecuador (2024).

STRATEGIC STAGE

With economic ties well-established, China's strategy in Latin America began to include a more pronounced diplomatic and strategic dimension.

China's engagement expanded beyond mere economic transactions to include political and cultural aspects. Diplomatic visits, high-level meetings, and the establishment of strategic partnerships became more common (Ramon-Berjano, 2019).

Since President Jiang Zemin visited the region in 2001, there have been many high-level political exchanges. After President Xi Jinping took office in 2013, he visited the region about a dozen times. Besides several bilateral agreements with the countries in the region, China has also signed comprehensive strategic partnerships and strategic comprehensive partnerships with countries such as Argentina, Brazil, Chile, Ecuador, Mexico, Peru, and Venezuela (Roy, 2023).

In addition, Latin America's support for Taiwan has diminished over the years, with only seven countries still holding diplomatic relations with Taiwan. Some of the last countries to switch to Beijing's influence were Honduras, the Dominican Republic, and Nicaragua (Roy, 2023).

China's strategic approach also includes active participation in multilateral platforms and regional organisations. By engaging with organisations such as the Community of Latin American and Caribbean States (CELAC) and the Pacific Alliance, China positioned itself as a key player in regional economic and political discussions. The China-CELAC Forum, established in 2015, serves as a platform for political dialogue and economic cooperation between China and Latin American countries and facilitates dialogue on various issues, including trade, investment, and development.

China is also a member of the Asia-Pacific Economic Cooperation (APEC). Additionally, China has engaged with the Pacific Alliance, a regional trading bloc that includes Chile, Colombia, Mexico, and Peru, seeking to enhance trade and investment relations. China has also interacted with Brazil at BRICS on a different platform, together with Russia, India, and South Africa. This platform will probably become more strategically relevant as new member countries have been approved for membership, including Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates (Argentina has declined the invitation). Although the existing BRICS group accounts for 24% of the world's GDP and 40% of the population, it should be noted that it is not an international organisation but a forum for dialogue and cooperation. In this sense, the enlargement increases the geopolitical and economic interests of its countries. However, the enlargement makes the

member countries more diverse and possibly limits the scope of action. Argentina's declining to join, in light of President Milei's consideration of an excessive global alignment with China and Russia, will probably have more implications on the relationship with Brazil than with China, given Brazil's, and particularly former President Rousseff and current President Lula's, intermediation in favour of Argentina's incorporation (Rizo, 2023).

Besides economic and diplomatic strategies, China has also employed soft power to strengthen its position in Latin America. Cultural exchanges, educational programs, and media initiatives have been used to build goodwill and enhance China's image in the region. Confucius Institutes, which promote Chinese language and culture and various cultural exchange programs, have helped to foster deeper mutual understanding and cooperation.

Another interesting aspect was the so-called "COVID diplomacy" and the cooperation China provided to the region during the COVID-19 epidemic. It is estimated that China delivered over four hundred million vaccine doses to Latin America, with several countries signing vaccine contracts with China for the development and manufacturing of vaccines, particularly with Sinovac (Roy, 2023).

The transition from trade to strategy in China's relationship with Latin America illustrates a broader shift from economic engagement to a multifaceted strategic partnership. This evolution reflects China's ambitions to expand its global influence and Latin America's growing importance in global trade and geopolitical considerations (Ramon-Berjano, 2019).

Another interesting aspect has been the Belt and Road Initiative (BRI), a flagship element of China's globalisation strategy, launched by Xi Jinping in 2013 (Quian & Vaca Narvaja, 2021). So far, over 20 countries in Latin America have signed. Through the BRI, China has financed major infrastructure projects across Latin America, including roads, railways, and ports, thereby enhancing regional connectivity and integrating Latin American economies into China's global trade network. This approach provides Latin American countries with much-needed capital and strengthens China's strategic influence in the region. In 2017, at the Belt and Road Forum held in Beijing, two countries from Latin America were present, Argentina and Chile. At that Forum, President Xi mentioned that Latin America was "the natural extension of the Belt and Road" (Ramon-Berjano, 2018c, p.49).

The Chinese investments in the region have shifted from sectors mostly linked to raw materials to sectors related to energy, particularly renewables, with the automobile sector being the most dynamic (Lewkowicz, 2024).

In fact, between 2019 and 2023, the region received a significant amount of funds from the two leading state banks in China, the China Development Bank (CDB) and the Export-Import Bank of China, averaging a total of USD 1.3 billion annually (compared to the USD 25 billion lent by CDB in 2010). This deepening is related to infrastructure projects, often designed and implemented in conjunction with local companies. Significant infrastructure projects, like the construction of the Chancay port in Peru, have paved the way for other projects more related to China's own development and strategic sectors. For example, innovations in the high-tech sector will help China boost its global competitiveness. Therefore, projects in areas such as electric vehicles, solar panels, batteries, telecommunications, financial technology, electrification, and artificial intelligence are the most sought-after sectors for China to invest in. With China accounting for more than 80% of total solar panel exports, 50% of lithium batteries, and more than 20% of electric vehicles, these sectors accounted for almost 60% of Chinese foreign direct investment in Latin America and the Caribbean in 2022 (Lewkowicz, 2024). Automakers BYD, Foton, and Chery are among the leading Chinese companies. BYD projects to manufacture over 150,000 electric and hybrid vehicles annually at their plant in Brazil, including electric buses (Lewkowicz, 2024). In Bogota, Colombia, BYD currently holds 92% of the electrical bus market and is planning further investments (Bernal Durán, 2024).

Eight of the ten largest solar panel providers in the region are Chinese, with the largest investment in the region located in the northern province of Argentina, Jujuy, with the Cauchari Solar Park. Another important area for Chinese investments is lithium. Chinese companies, such as Gangfeng and Zijin Mining Group, invest heavily in various projects in Argentina. Currently, China imports 55% of lithium worldwide, and Argentina has become a main exporter, with 99.4% of its lithium exports destined to China (Gonzalez Jauregui, 2024).

Albeit the United States and other Western countries' concerns, another Chinese company that has expanded in the region is Huawei, particularly in Argentina, Brazil, Chile, Colombia, Mexico, and Peru. Between

2020 and 2023, Chinese investments were primarily directed to Brazil (34%), Argentina (22.5%), Mexico (15%), Peru (11%), and Chile (8.7%) (Lewkowicz, 2024).

HOW CAN THE REGION ACHIEVE A BALANCE?

China's growing influence in Latin America amidst the strategic competition with the United States led to increased geopolitical manoeuvring in the region. Latin American countries find themselves in a position where they must navigate the interests of both powers, balancing economic opportunities with longer-term strategic considerations.

China's interaction with Latin America highlights the broader implications of its globalisation strategy, offering an alternative model of economic engagement that emphasises state-led development and mutual benefit while reshaping the geopolitical landscape of the Global South. While this engagement presents opportunities for economic growth and infrastructure development in Latin America, it also raises questions about the long-term impacts on regional autonomy and economic stability. As China continues to expand its influence, the dynamics of this interaction will likely play a crucial role in the evolving global order (Ramon, 2023).

In contrast, US economic engagement with Latin America has historically been marked by a combination of trade agreements and direct investments. NAFTA (now USMCA) with Mexico (and Canada) and various free trade agreements with other Latin American countries (Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua) reflect the US approach to integrating Latin American economies into its economic sphere (Dussel Peters, 2022). Although the US is a significant investor and trade partner in the region, it has faced challenges when competing with China's aggressive investment strategies. Its focus has traditionally been on technology and financial services, while China's investments are more concentrated in sectors critical to Latin American economies (Evan Ellis, 2012).

The intensification of US-China rivalry over the last couple of years has had direct implications for Latin America. As both powers vie for influence, Latin American countries find themselves in a complex balancing act. Although the US has mainly shifted its attention to the "pivot to Asia"

strategy and trade disputes with China in recent years, there has also been a response to China's growing presence by increasing diplomatic and economic efforts in the region, including strengthening regional partnerships, and publicly addressing concerns related to Chinese investments (Ramon, 2024).

An example of this was the Growth in the Americas strategy, launched by the US in 2019, specifically designed to counteract the Belt and Road Initiative in Latin America. Within this initiative, investments were encouraged between Latin America and US firms, predominantly in the energy sector, such as the expansion of the Mexican gas connections to Central America to increase US presence in the electrical sectors in Colombia, Ecuador, Peru, and Chile, and interest in the gas reserves in Bolivia, Argentina, and Brazil. However, this initiative presented many uncertainties regarding the specifics of the investment projects, and eventually, the government support fizzled out. In fact, the main difference between China's Belt and Road Initiative and Growth in the Americas was the support of the state. While the latter was subject to the approval of US companies, the Belt and Road is funded by Beijing through several channels, such as the Asian Infrastructure Investment Bank, the Silk Road Fund, the China Investment Corporation, the Chinese Development Bank, the Exim Bank of China, the Bank of China, and the ICBC. In 2022, President Biden changed the Growth in the Americas Initiative into the Alliance for Economic Prosperity of the Americas (APEP), which included 11 Latin American countries. However, the progress of this initiative has also proven to be quite slow-moving.

In addition, Biden launched the initiative called Build Back Better World (B3W) to strengthen partnerships in the Western world and, at the same time, act upon China's "strategic competitor" influence. This initiative's objective was to develop infrastructure in low and middle-income countries, including Latin America, as a way of counteracting China's BRI influence. This initiative was later renamed the Partnership for Global Infrastructure and Investment. However, the funds allocated have not been significant (Oppenheimer, 2023; Roy, 2023).

The geopolitical relationship between Latin America, China, and the United States is therefore multifaceted and evolving. While historical US dominance in the region has been challenged by China's growing economic

presence, Latin American countries are leveraging their relationships with both powers to advance their own interests. As global dynamics continue to shift, the region's strategies and responses will be crucial in shaping its future in the global arena. The interplay between economic opportunities, political alignments, and regional stability will define the trajectory of Latin America's role in the broader geopolitical landscape (Ramón, 2020).

Finding a balance between China and the United States presents a complex challenge for Latin American countries due to the differing economic, political, and strategic interests among the countries. Latin American nations must navigate this delicate balance by employing a multifaceted approach that leverages opportunities from both major powers while mitigating potential risks. To better navigate this balance, the region should not only focus on these two countries but also on diversifying its economic alliances and partnerships, for instance, with the EU, ASEAN, and India. In addition, the strategic competition between the US and China can be leveraged for negotiating better terms with both powers. Using their resource wealth, such as minerals, agricultural products, and energy, Latin American nations can secure favourable trade agreements and investment deals that align with their national interests. In this sense, strengthening regional integration schemes such as MERCOSUR, the Pacific Alliance, and CELAC can also be useful for better coordination and more cohesive strategy among the Latin American countries when dealing with both powers, enhancing the region's bargaining power and at the same time promoting regional stability. Having stronger domestic institutions and improving governance can also help countries better manage their external relations by having the necessary pragmatic and flexible approach needed to navigate and adapt to global dynamics. The emphasis and priority should lie within the region's development to ensure that economic and geopolitical engagement with the main powers leads to their countries' long-term sustainable development.

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CHINA IN LATIN AMERICA: ECONOMIC RESULTS AND PROSPECTS OF THE BELT AND ROAD INITIATIVE

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Abstract: The paper explores the relations between the People’s Republic of China and the countries of Latin America and the Caribbean (LAC) within the framework of China’s Belt and Road Initiative (BRI), focusing on the economic results achieved in this region from 2017 to 2023. The countries within the LAC region officially became involved in the BRI in 2017, with Panama leading the way by signing a Memorandum of Understanding the same year. By the end of 2023, 21 Latin American and Caribbean countries had become part of this global initiative. Brazil, the largest economy of the LAC region, is not among them despite its strong political and economic ties with China. The author conducts an analysis of the outcomes of the BRI in the region between 2017 and 2023. There is a consensus among scholars that the relationship between China and the LAC countries in the 21st century emphasises economic cooperation rooted in the strong political and diplomatic collaboration developed in the latter half of the 20th century. However, researchers hold differing viewpoints on the benefits the LAC countries receive from deepening cooperation with China. Therefore, another goal of this paper is to contribute to a wider debate in the academic literature concerning the nature and effects of the Chinese presence in the LAC region by delving into the mentioned relations within the BRI. The findings of the paper indicate that the inclusion of LAC countries into the BRI represents a further step in the deepening of economic relations between China and the LAC region in the 21st century. The significance of the BRI in the LAC region is evident through the increasing influx of Chinese investments and the execution of projects in energy, transportation, and metals sectors, with a

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notable trend towards investment in ‘new infrastructure’, particularly in telecommunications and renewable energy. However, this development also raises concerns and challenges, including the potential risk of over-indebtedness for local economies, environmental protection issues during the execution of various projects, and the absence of a cohesive regional strategy for engagement with China.

Keywords: China, Latin America, Belt and Road Initiative, trade, investments.

INTRODUCTION

The region of Latin America and the Caribbean (LAC), which, according to the UN regional grouping, consists of 33 countries, was the last to begin formal inclusion in China’s Belt and Road Initiative (BRI). Panama was the first country to sign the Memorandum of Understanding (MoU) in 2017. By the end of 2023, the MoU on inclusion in the BRI was signed by 22 countries of the LAC region.¹ Brazil, the largest economy among these countries, has not yet taken this step. Nevertheless, the economic and political cooperation in the China-LAC relationship occupies much of the attention of the academic community. Studies on the relationship between China and LAC over the past two decades have primarily concentrated on the economic aspect of this relationship and its implications. Nevertheless, similar to China’s relations with other regions and countries, the current economic ties are founded on decades of political and diplomatic cooperation. Throughout the 20th century, this cooperation included people-to-people exchanges, reciprocal delegation visits, and the establishment of agreements in various domains, including science, tourism, and technical cooperation (Wise, 2021, pp. 45-47). Regarding the contemporary relationship, Chinese officials and policymakers have taken an identical position on the economic nature of China-Latin America ties since the 2000s (Wise, 2020, ix). Today, China is the largest trading partner of South America and the second largest, after the US, when looking at Latin America as a whole (Roy, 2023). Although it is a heterogeneous region, China has managed, in addition to bilateral ties, to establish close

¹ Antigua and Barbuda, Argentina, Barbados, Bolivia, Chile, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guyana, Honduras, Jamaica, Nicaragua, Panama, Peru, Suriname, Trinidad and Tobago, Uruguay, and Venezuela.

cooperation with the region through the China-CELAC Forum, an intergovernmental platform that brings together ministers and other high-level representatives at summits held once every three years.

Given that they share the status of developing countries, China and the LAC countries are cooperating closely in various formats of multilateral organisations, especially in terms of improving their economic positions. Within the framework of the main forum for multilateral trade negotiations, the WTO, the mentioned countries share their membership in several negotiating groups, among which the following stand out: the G-20, the G-33, and Friends of A-D Negotiations. The status of developing countries serves as the foundation for the People's Republic of China's engagement with the Latin American and Caribbean region. This topic will be explored in greater detail in the first section of this paper. Relations between China and the LAC countries can further be understood by examining the technical cooperation among nations that share comparable challenges, achieved through the framework of South-South cooperation. China's official positions towards the LAC region, framed by key documents from 2008 and 2016, emphasise the importance of mutual coordination and consultation in the field of multilateral trade to achieve the goals of creating a fair multilateral trade system and a stronger voice of developing countries in world economic affairs (State Council of the People's Republic of China, 2008; State Council of the People's Republic of China, 2016). Previously mentioned activities of China and the LAC countries within the WTO demonstrate that these goals are not merely theoretical but rather actionable commitments.

Scientific literature abounds in research on the subject of economic and political relations between the People's Republic of China and the countries of Latin America, as well as the effects of Chinese involvement in this area since the beginning of the 21st century. Although there is a noticeable consensus on the primarily economic nature of the relationship between these two sides, the key issue on which researchers disagree is the effects of an increased Chinese presence in this region and the benefits for the LAC states. Wise believes that the benefits are significant and that the obstacles are surmountable, namely, that with appropriate procedures to minimise risks, it is possible to take advantage of the numerous opportunities that cooperation with China brings to Latin America (Wise,

2020). Her point of view is shared by Blázquez-Lidoy and collaborators, highlighting Latin America as a trade winner since the integration of China into the global economy, with certain exceptions (such as Mexico) (Blázquez-Lidoy, Rodríguez & Santiso, 2007). Nevertheless, some authors point out that the relationship between China and Latin America threatens to mirror the “centre-periphery” dynamic this region had with other external actors in the past (Wintgens 2022, p. 2). Bernal-Meza underlines that behind the win-win rhetoric about the bilateral relationship between China and Latin America lies a North-South structure that serves China’s own interests and that its relationship with Latin American countries is of a utilitarian character (Bernal-Meza, 2016, p. 27).

The last decade of China’s engagement on the global economic scene is characterised by the BRI implementation, which has also found its place in Latin American countries, thus adding a new dimension to the cooperation between China and the LAC. This paper aims to investigate the results achieved within the framework of the BRI in the LAC region, from the formal inclusion of the first country (Panama) in 2017, ending in 2023, and to place the findings in the broader context of the previously mentioned debates on the development of economic relations between China and the LAC countries. Following the introduction, the first part of this paper will briefly present the development of political and economic relations between China and the LAC region in the 21st century through a review of existing literature and analysis of primary data, including relevant databases on economic relations and official documents. The objective is to provide a comprehensive understanding of the context of the relationship between China and the LAC before the implementation of the BRI in this region. Considering that the relations between the two sides are primarily economic, this section will concentrate on trade and investment relations between China and the LAC countries. The main focus of the paper is on the second and third sections, which explore the motives and evolution of the inclusion of LAC countries in the BRI, the outcomes achieved from 2017 to 2023, as well as certain challenges that stand out in the implementation of the BRI in this region. The conclusion will summarise the research findings and their significance for understanding contemporary relations between China and the LAC.

CHINA-LAC RELATIONS IN THE 21ST CENTURY

The foundations of China's official positions on its relationship with the LAC states can be traced through the analysis of the official documents of the State Council of the PR China from 2008 and 2016. Starting from the global context characterised by the processes of accelerated globalisation and growing multipolarity, the Chinese position implies the necessity of close cooperation between developing countries to face common goals and contribute to the achievement of peaceful development. After the establishment of people-to-people exchanges during the 1950s and 1960s and the establishment of diplomatic ties with most LAC countries during the 1970s and 1980s, the 21st century was marked by high-level exchanges and closer cooperation and coordination in international affairs (State Council of the People's Republic of China, 2008). Undoubtedly, respect for the One-China policy represents the political basis for further development of good economic and diplomatic relations. Both documents reflect China's perspective on its relations with Latin America, highlighting the shared status of developing countries and the common challenges they face in international relations, underscoring the need for cooperation and coordination to improve their global standing (State Council of the People's Republic of China, 2016).

When it comes to specific mechanisms and platforms for cooperation, the China-CELAC Forum, created in 2014, stands out as the main political platform for cooperation between China and the LAC region as a whole. Since its creation in 2011, the Community of Latin American and Caribbean States (CELAC) has enabled higher-level cooperation aimed at "the development of the comprehensive cooperative partnership based on equality, mutual benefit, and common development between China and LAC states" (Department of Latin American and Caribbean Affairs, Ministry of Foreign Affairs of China 2016, p. 5). The operational part of this format of cooperation has been guided by the China-CELAC Cooperation Plan (2015-2019) and the Joint Plan of Action for Cooperation on Priority Areas (2019-2021). According to the mentioned documents, the leading drivers of cooperation have been trade, finance, and investments, supporting the premise that the relations between these two parties are primarily economic. The areas of infrastructure construction, energy and resources,

agriculture, technology, and innovation stand out as priorities (State Council of the People's Republic of China, 2016).

It is noticeable that the 2016 document does not reference the Belt and Road Initiative despite outlining various forms of cooperation between the two parties, including bilateral, multilateral, and South-South cooperation. Nevertheless, Latin America and the Caribbean are viewed as “a natural extension” of the 21st Century Maritime Silk Road. Chinese President Xi Jinping announced during his visit to the region in 2016 that China wants to include Latin America in the BRI, and a year later, the first MoU was signed to achieve the mentioned goal (Gonzalez Jauregui, 2021, p. 352).

China perceives its relationship with the LAC region as a win-win cooperation, considering that, in economic terms, their trade relations are complementary, resulting in the reaping of fruits on both sides. This is one of the important points of contention in academic research. While some researchers (Blázquez-Lidoy, Rodríguez & Santiso, 2007; Wise, 2020) approve of the mentioned point of view of China and provide arguments in support of that thesis, others emphasise the existence of trade dependence of the LAC region on China and the negative effects this situation brings with it. These researchers point out that China's current relations with the LAC countries mirror the region's historical relations with the US and Europe, suggesting that the narrative about the North-South structure can be applied to contemporary China-LAC relations. Bernal-Meza claims that China's relationship with Latin America is utilitarian, arguing that with its win-win rhetoric, China tends to mask the real nature of its bilateral relations with the mentioned countries, which are characterised by a North-South structure. He points out that this type of dependence is evident in the foreign policies of the LAC countries that are China's partners, which is seen through the acknowledgement of China as a market economy and a developing country, upholding the One-China policy, and refraining from interfering in the issues of Tibet and Taiwan (Bernal-Meza, 2016, p. 33). On the other hand, Guo acknowledges the complementarity in the relationship between China and Latin America as an undeniable truth, emphasising that the development issue should be seen as an incentive to enhance South-South cooperation (Guo, 2023, p. 113). Research into the short-term and long-term trade impact of China on Latin America in the mid-2000s, after China's entry into the WTO and gradual integration into the global market,

showed the existence of complementarity between the Latin American economies and the Chinese economy. This refers to the fact that the LAC countries have a comparative advantage in the export of raw materials and goods, for which China is a net importer. A significant exception is Mexico, and in this case, it is about the competitiveness of the Mexican and Chinese economies, primarily in terms of exports to the North American market (Blázquez-Lidoy, Rodríguez & Santiso, 2007, pp. 54-55).

The 2010s were marked by the conclusion of numerous strategic partnerships between China and Latin American countries. The strategic partnership between China and Brazil, established in 1993, grew into a Comprehensive Strategic Partnership in 2012. The same form of diplomatic cooperation was concluded by Mexico and Peru in 2013, Venezuela and Argentina in 2014, and Ecuador and Chile in 2016, while Bolivia, Costa Rica, and Uruguay concluded Strategic Partnerships with China (Gonzalez Jauregui, 2021, p. 351). Paraguay, Belize, Guatemala, Haiti, Honduras, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines are nations that recognise Taiwan and do not maintain diplomatic relations with China. El Salvador and the Dominican Republic have changed their positions towards Taiwan since 2018, acknowledging now the One-China policy, while Nicaragua did the same in 2021.² The latter is in accordance with the established framework of political-economic cooperation between China and the LAC countries, which explicitly emphasise the necessity of respecting the One-China policy for the establishment and development of (economic) relations between the two sides.

TRADE AND INVESTMENT RELATIONS BETWEEN CHINA AND THE LAC COUNTRIES

China's accession to the WTO in 2001 represented a turning point in international economic relations and left a significant mark on its relations with the LAC region. The boom in commodity prices that followed in 2002, caused by increased Chinese demand, influenced the significant growth of

² When looking at the China Global Investment Tracker (CGIT) data on Chinese investments in the world, it is noticeable that there is no data for the aforementioned countries that recognise Taiwan.

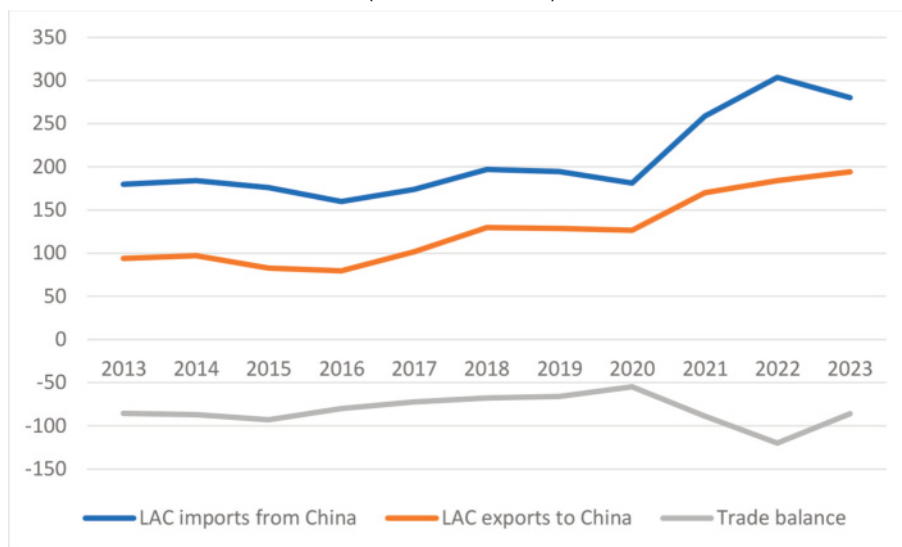
LAC countries' exports to China. The largest share in the structure of LAC countries' exports to China consists of primary products, with the following five commodities standing out: soybeans and other oilseeds, crude oil, copper ores and concentrates, iron ores and concentrates, and refined copper (Albright, Ray & Liu, 2023, p. 7). The exports of each country during the 2000s were dominated by one or two products, for example, soybeans in Argentina's exports, copper and fishmeal in Peru's exports, and soybeans and iron ore in Brazil's exports (Jenkins, 2009, p. 32). During this period, there was a notable increase in Latin American imports from China, primarily driven by manufactured goods. An analysis of the data from recent years indicates that the structure of LAC countries' exports to China has not changed significantly. Brazil's exports are still dominated by soybeans and iron ore, Argentina's exports by agricultural and food products, and Peru's exports by copper ore and refined ore (Observatory of Economic Complexity, n.d.). It can be accurately stated that asymmetry characterises the structure of trade relations between China and the LAC region (Wintgens, 2022, p. 2), which is reminiscent of China's relations with other regions (primarily Africa), causing the previously mentioned scepticism that today's LAC-China relations resemble LAC's relations with the US and the EU before the opening and penetration of China into Latin American markets. Therefore, the Chinese narrative of the "complementary" economic relations between the two sides is often countered by the narrative of "centre and periphery".

However, it is a fact that trade relations between China and Latin America have strengthened dramatically since the beginning of the 21st century. Between 2001 and 2020, trade in goods between China and LAC increased 21.5 times (from \$14.6 billion in 2001 to \$315 billion in 2020), while at the same time, there was an increase of only two times in trade relations between the US and LAC and the case of EU and LAC (Wintgens, 2022, p. 2). Another trade trend has been noticed in the last twenty years: instead of focusing on one trading partner, the countries of the LAC region diversified their exports across the US, China, and the EU (Albright, Ray & Liu, 2023, p. 3). From 2013 to 2020, trade relations between LAC and China in commodity exchange were relatively flat. After 2020, the LAC region recorded a slight increase in exports to China, while imports from China increased significantly, which is also shown in the peak of the trade deficit reached in 2022 in the amount of about \$120 billion. There is a noticeable

growth trend of Latin American exports to China without major fluctuations in the last decade – from \$94 billion in 2013 to \$194 billion in 2023 (Figure 1). When it comes to the period 2020-2022 and the growth of the LAC trade deficit (from \$55 to \$120 billion), we must take into account the global economic context, namely the distortions and consequences caused by the pandemic of the COVID-19 virus, which also affected the economic relations between China and LAC. Trade data for 2023 show the importance of the Chinese market for the LAC states' exports. Of all the countries in this region included in the BRI, the Chinese market was primary for exports from Chile and Peru and secondary in the case of Cuba, Ecuador, Panama, Trinidad and Tobago, Uruguay, and Venezuela. China ranked third for exports in 2023 in the case of Argentina, Antigua and Barbuda, and Bolivia (International Trade Centre, n.d.). In the case of Chile and Peru, China has been the primary trading partner (exports and imports) since 2017, as is the case with Latin America's largest economy, Brazil, which is not formally part of the BRI but is an important strategic and economic partner of China in the observed region (Observatory of Economic Complexity, n.d.).

Although the paper considers the LAC as a whole, it is important to mention some differences in trade trends in the last two decades. Ferchen notes that Central America and the Caribbean, lacking significant commodity contributions like South America, missed the early 2000s export boom to China (Ferchen, 2021). The author argues that Mexico should be viewed as a competitive market relative to China, particularly due to its focus on maximising exports to the neighbouring US, aligning with the findings of Blázquez-Lidoy and collaborators (Blázquez-Lidoy, Rodríguez & Santiso, 2007).

Figure 1. LAC trade in products with China from 2013 to 2023 (billions of US\$)



Source: Author, based on: International Trade Centre, 2024.

When it comes to China's FTAs, agreements are currently in force with only three countries in the observed region: Chile (2006), Peru (2010), and Costa Rica (2011). China signed FTAs with Ecuador and Nicaragua in May and August 2023, respectively, while negotiations with Panama began in 2018. China does not have trade agreements with MERCOSUR members (Brazil, Argentina, Uruguay, Paraguay) or the bloc as a whole. However, Brazilian President Lula da Silva proposed to conclude a trade agreement between China and Mercosur at the beginning of 2023 after the signing of the agreement with the EU. Twenty-year negotiations on the EU-MERCOSUR trade agreement ended in 2019, but it has not been ratified. One of the important stumbling blocks in the implementation of the China-Mercosur trade deal may be the absence of diplomatic relations between Paraguay and China (Guo, 2023, p. 127). Another important aspect threatening the MERCOSUR customs union is Uruguay's plan to conclude a bilateral trade agreement with China. The parties have conducted a feasibility study and are ready for parallel negotiations on the bilateral Uruguay-China trade agreement and the agreement with MERCOSUR (Cash, 2023).

In the early 2000s, Chinese investments in the LAC countries, excluding the Caribbean tax havens, were not as important as the trade relations between the two sides (Jenkins, 2009, p. 42). From the beginning of the 1990s until today, China has signed BITs with 15 LAC countries (UNCTAD Investment Policy Hub, n.d.). The previously mentioned free trade agreements also contain important provisions on investment issues. China invested the most in the largest LAC economies, Brazil and Mexico, characterised by a growing consumer market, a relatively favourable business climate, and good market access conditions (Guo, 2023, p. 133). According to the China Global Investment Tracker, from 2005 to 2023, China invested \$8.02 billion in Mexico and \$79.99 billion in Brazil (China Global Investment Tracker, 2024).

During the early 2000s, characterised by the commodity boom, Chinese investments mainly went into extractive industries. However, since the 2010s, a gradual diversification process of Chinese investments in the LAC region has been noticed (Wintgens, 2022, p. 4). Greater focus has been placed on investments in renewable energy sources and increased cooperation between the two sides in the energy and infrastructure sectors through the conclusion of public-private partnerships (Guo, 2023, pp. 128-130). In the last decade, out of 29 investments in Argentina, 13 were in the energy sector (\$8.86 billion), while in Bolivia, China invested the most in the transport sector (\$2.36 billion for nine projects). The Economic Bulletin data (2023) show that in 2022, China's largest M&A in Latin America was realised in renewable energy and electric mobility. Although overall, the past decade was marked by M&A in infrastructure. In financial terms, the China Development Bank and the China Export-Import Bank are key actors, which, from 2005 to 2022, provided loans to the region for \$96.1 billion and \$27.1 billion, respectively. The most loans went to Venezuela (\$60 billion), Brazil (\$31 billion), Ecuador (\$18.2 billion), and Argentina (\$17 billion), and in terms of sectors, to energy (\$90.9 billion) and infrastructure (\$26.5 billion) (Myers, 2021).

LATIN AMERICA AND THE CARIBBEAN IN THE BELT AND ROAD INITIATIVE

The attractiveness of the BRI, as in other parts of the world, is primarily reflected in the attraction of investments, which is particularly important for small Caribbean economies in the LAC region, which perceived the

signing of the MoU as an opportunity to facilitate further investments, especially in the field of highway and port infrastructure construction, as well as obtaining loans and accessing funds (Ferchen, 2021, p. 104). Taking into account the development of the economic relations of the two sides, the strengthening of trade ties in the first decade of the 21st century, and the increasing number of Chinese investments in the second decade, the inclusion of the LAC countries in the BRI can be understood as a logical next step in strengthening the overall relations between China and the LAC region. However, some of the largest economies, such as Brazil, Colombia, and Mexico, have not signed the BRI MoU.

Some scholars draw attention precisely to the heterogeneity of the region and different levels of cooperation between the LAC countries and China as important factors for the implementation of the BRI and, in general, for understanding the relationship between China and this region. In addition to the previously mentioned differences in terms of economic relations with China regarding the complementarity or competitiveness of economies, viewing LAC as a homogeneous entity is also difficult due to frequent changes in political orientations in the region's states (Gonzalez Jauregui, 2021, p. 351). It is noticeable that the trend of bilateralism in relations between China and LAC countries has continued through the BRI. However, on the other hand, there is a possibility that China could expand the influence of this initiative by mobilising LAC regional institutions (Abrão, 2022, p. 12).

Although this region was the last to join the BRI formally, China Global Investment Tracker data shows that Chinese investments within the BRI have found their place in the LAC countries since the initiative was announced in 2013, primarily in the energy, metals, and transport sectors. According to the China Global Investment Tracker database, from 2017 to 2023, the most Chinese investments and loans in the LAC countries within the BRI were in energy (\$33.72 billion), metals (\$16.09 billion), and transport (\$13.1 billion) (Table 1).³ Among other sectors, health stands out

³ The data in the table refers only to the countries that have signed the BRI MoU and for which data are available in the China Global Investment Tracker database (a total of 18 countries). The database does not contain any information for Dominica, El Salvador, and Grenada, although all three countries signed the BRI MoU in 2018.

slightly in the observed period, which is a consequence of the outbreak of the COVID-19 pandemic and China's efforts to help partner countries in the fight to overcome the health crisis.

Table 1. Chinese investment and construction in the LAC region 2017-2023.

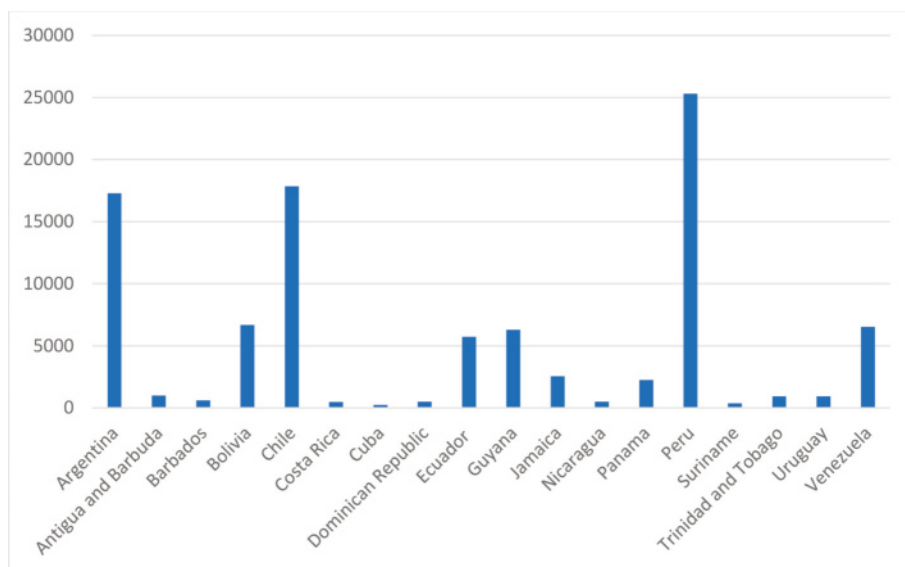
Sector	Quantity (billions of US\$)
Energy	33,72
Metals	16,09
Transport	13,10
Health	1,31
Agriculture	0,83
Utilities	0,58
Real estate	0,40
Finance	0,39
Technology	0,30
Tourism	0,30
Logistics	0,23
Other	0,22
Chemicals	0,10
Total	67,57

Source: Author's calculation based on: China Global Investment Tracker, 2024.

From 2013 to 2023, China invested \$95.96 billion in the BRI projects in the LAC countries. The data (Figure 2) show that in the observed period, the most investments were made in Peru (\$25.3 billion), Chile (\$17.85 billion), and Argentina (\$17.29 billion). Significant investments are also noticeable when it comes to Bolivia (\$6.67 billion), Venezuela (\$6.52 billion), Ecuador (\$5.73 billion), and Guyana (\$6.28 billion). Of the total \$95.96 billion invested in the observed decade, \$67.57 billion was invested from 2017 to 2023, that

is, after the formal inclusion of the LAC countries in the BRI. The largest recipient of Chinese investment in the last decade from this region is Brazil (\$46.45 billion), although not formally part of the BRI.

Figure 2. Chinese investments within the BRI in the LAC countries, 2013-2023 (millions of US\$)



Source: Author's calculation based on: China Global Investment Tracker, 2024.

An important trend in recent years in terms of Chinese investments in LAC is the focus on so-called “new infrastructure” projects, which include fintech, renewable energy, telecommunications, and other innovation-related industries. There have also been some changes in the traditional sectors into which Chinese investments flow—energy and agriculture, where there is noticeable an increasing interest in the purchase of agricultural chemical companies and the conclusion of contracts on renewable energy sources (Myers, Melguizo & Wang, 2024, pp. 2-5).

When it comes to Chinese investments and projects in the field of renewable energy sources and the production of components for the growing market of electric vehicles, the key resource is lithium, the largest

reserves of which are located in the so-called Lithium Triangle—Argentina, Bolivia, and Chile (Albright, Ray & Liu, 2023). About 60% of the world’s lithium reserves are located in the Latin American region, where China has invested about \$11 billion in lithium extraction since 2018 (Melguizo & Myers, 2024). The importance of the renewable energy sector for the position of Latin America in global supply chains and investment relations between China and LAC is also shown by the fact that the top three Chinese M&As were realised in renewable energy and electric mobility in 2022. From 2017 to 2022, over 70% of completed M&As were in the electricity sector (Albright, Ray & Liu, 2022; Albright, Ray & Liu, 2023, p. 25). China’s investment in renewable energy has generally gained importance within the BRI. The results of the study on Chinese investments in renewable energy within the framework of the BRI from 2014 to 2022 (Zakić, 2017) show that, in the observed period, the energy sector had far more investments and loans (\$340.3 billion) compared to other sectors: transport (\$208.3 billion) and metals (\$88,48 billion). The results also show that Argentina is in the top three recipient countries of Chinese BRI investments and loans in renewable energy, along with Pakistan and Laos. The findings of this study suggest a continuation of the trend of increasing Chinese investment in renewable energy sources within the BRI globally. However, the traditional energy sector will continue to play a leading role.

Additionally, in the context of digital transformation in the world, new opportunities have opened up in recent years for the creation and development of new business models in the LAC region. Chinese companies such as Huawei have been given the opportunity to expand their presence and increase investments in this region (Guo, 2023, p. 133). That Latin America occupies an important place on the Digital Silk Road is also shown by the fact that Chinese companies partially finance and participate in the construction of fibre-optic cable from Africa to Brazil (Ferchen, 2021, pp. 107-108). Since 2015, twelve of China’s largest technology companies, including Huawei, ZTE, and China Telecom, have taken new steps to invest in data centres and telecommunication networks in fifteen Latin American countries (Wintgens, 2022). The mentioned activities and the increasing involvement of Chinese technology companies in the LAC region are indicators of China’s turn to investments in “new infrastructure” within the BRI and the importance that China attaches to these sectors.

Concerns and challenges

China's economic expansion in the 21st century and its increased presence in all world regions, especially through the implementation of the BRI projects, bring potential problems and certain challenges for local economies. Most often, in this regard, in the case of the LAC region, the risk of countries' over-indebtedness and issues of environmental protection are singled out, referring to the existence of similar problems in some of the implemented BRI projects in Africa and Asia.

It is often said that the primarization of LAC exports to China, which encourages the activities of extractive industries, is an important factor in the environmental degradation of this region and that investments in infrastructure projects further strengthen this process (Jenkins, 2019, pp. 284-285). Without completely rejecting the given claims, because there have been examples of Chinese companies being punished for violating certain rules in the field of environmental protection (e.g., Shougang's Marcona mine in Peru), Jenkins nevertheless underlines that the conducted studies focused on certain countries and sectors and that comparative research is necessary to draw conclusions about the overall performance of Chinese companies in the LAC region when it comes to their impact on the region's environment (Jenkins, 2019, pp. 308-309). One of the ways to overcome the problems in this aspect of concerns and challenges lies in the initial phase of project planning and agreeing on the terms of cooperation. In this regard, it is particularly underlined the importance of the inclusion of local companies in projects financed within the BRI, together with a constant emphasis on the benefits that both local and foreign companies receive (Gonzalez Jauregui, 2021, pp. 54-55). Through the collaborative implementation of the BRI projects, the concept of win-win cooperation is effectively realised in practice.

With regard to over-indebtedness, controversies surrounding Chinese investment in projects in Pakistan, Montenegro, and Sri Lanka, among others, have provided cause for concern in the LAC states when joining the BRI. In terms of financing and implementation of large infrastructure projects, which is the main characteristic of the BRI globally and in the LAC region, the risk of over-indebtedness exists, especially in the case of small economies. However, to avoid this scenario, it is important to carefully plan when contracting credit arrangements by the governments of the host

countries and consider alternative options if analyses show that the economy would not be able to bear the burden of taking loans for specific projects (Stanojević & Zakić, 2023, pp. 140-142).

Regarding the challenges in the context of relations between the LAC countries and China, as mentioned in this text, the economic and political heterogeneity of the region calls into question, for now, the possibility of formulating a common strategy in dealing with the People's Republic of China. In this light, the differences are highlighted between the members of the Pacific Alliance, which acts as a bloc in the negotiations with China, and MERCOSUR, which appears to be uncoordinated and dominated by the members' bilateral ties with China (Abrão, 2022, pp. 11-12). The mentioned differences in the attitude of the LAC countries towards China are compounded by the fact that the largest economies of the region, Brazil, Colombia, and Mexico, although being China's strategic partners, are not formally part of the initiative that holds an important place in global economic flows. Taking into account the previously mentioned problems that countries face in implementing some BRI projects, regional cooperation in the form of sharing experiences and establishing a joint, regional action mechanism would contribute to attempts to reduce potential risks in cooperation with China.

Another significant consideration when discussing the challenges in the LAC region concerns the consequences of the trade and technology war between the US and China, as well as, more broadly, the geopolitical implications of the Chinese presence in the LAC region due to the region's historically strong trade ties with the US and the EU. The strengthening of Chinese economic activities in the Latin American region is perceived, among other things, as an attempt to take over regional leadership and reduce the hegemony of the US (Abrão, 2022, p. 15). The impact of this factor will not be discussed in detail here. However, it is important to underline that in addition to the challenges at the national and regional level, global dynamics, particularly those involving the two largest economies in the world, hold substantial significance for the further economic development of the LAC region and its interactions with non-regional actors.

CONCLUSION

Following Guo, the China-LAC economic relations in the 21st century can be contextualised in two phases (Guo, 2023). The first one, from 2003 to 2013, was marked by the development of trade relations, initiated by the commodity boom and based primarily on the export of primary products from LAC, the import of manufactured goods from China, and the negligible role of FDI compared to the trade relations of the two sides. In the second phase, from 2014 to the present, Chinese investments in the LAC countries have assumed greater importance. The countries of the region, seen by Chinese officials as “a natural extension” of the 21st Century Maritime Silk Road, began their formal inclusion in the BRI in 2017. Taking into account the development of economic relations between the two sides presented in the paper and the global importance of the Chinese initiative that celebrated its tenth anniversary, the implementation of the BRI in the LAC region can be understood as a logical follow-up in the development of Sino-Latin American economic relations.

The key findings of the analysed cooperation in the period 2017-2023 show the significance of the BRI in the LAC region, primarily in terms of the influx of Chinese investments and the implementation of projects in the energy, transport, and metals sectors, which are important for the economic development of the LAC countries. Increased engagement of Chinese companies in the field of “new infrastructure”, i.e., larger investments in the telecommunications and renewable energy sectors, emerges as a trend that warrants further scholarly research. In terms of trade ties, which have seen dramatic growth in the last two decades, China continues to be a significant economic force in the region, taking the place of the second-largest trading partner of Latin America (after the US) and the first for South America.

The problems encountered by individual countries in the implementation of the BRI projects, similar to those in other regions, require greater governments’ engagement in planning and negotiating the terms of contracting projects and investments. This engagement should be complemented by the strengthening of regulatory frameworks and the creation of internal policies addressing issues such as environmental protection. In this context, regional cooperation and coordination are of paramount importance as they can help in overcoming the problems faced

by countries in implementing the BRI projects and simultaneously enhance regional cohesion and integration.

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CHINA'S USE OF MILITARY FORCE: WHAT THE SINO-VIETNAMESE WAR OF 1979 CAN (STILL) TEACH US

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Abstract: The short, intense military conflict in February/March 1979 between two former communist allies, Vietnam and China, was the last occasion when the People's Republic of China (PRC) not only entered a large-scale military conflict but intentionally initiated it. Since 1979, the PRC has been part of several violent border skirmishes but did not take part in any conventional conflict. Despite the PRC's part in the war against Vietnam in 1979 being in many ways different than it is today, the conflict might still serve as a valuable lesson of China's use of military force, especially in analysing potential future conflict over Taiwan. The war of 1979 is especially telling because it shows several long-term aspects of Chinese foreign policy, both during the PRC period and the imperial era. For a very long time, China's strategic culture was not simply of a pacifist ("Confucian") or belligerent ("realist") strand, but both traditions have been intertwined. However, during the PRC period and before, all foreign policy steps were seen as inherently defensive by the Chinese policymakers. I claim that this Chinese "cult of defence" (in A. Scobell's words) could paradoxically lead to belligerent pre-emptive decisions, as was the case in 1979, despite the Chinese elites holding the use of military force as the result of purely self-defensive actions. Also, we can see that China's sporadic use of force stems from deep-seated conviction of disrespect for China's "core" interests and perceived weakness in crises, which the other "hostile powers" might use to their advantage. A greater understanding of how to perhaps prevent the PRC from utilising military force in the future could be gained from the analysis provided in this study.

Keywords: war, use of force, China, Taiwan, Vietnam, 1979.

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INTRODUCTION

One of the crucial issues in contemporary international relations is the consequence of the significant growth of China's military power in recent decades. Many interpretations of this critical aspect of contemporary international relations focus on the dispute over Taiwan and the possibility of military conflict between the PRC and other great powers (most probably the United States). Interestingly, comparing China's international growth in the past half a century or so, it has not been belligerent to the degree of the US or other great powers. Thus, we might ask what could contribute more to our understanding of the PRC's use of military force.

Looking at the historical cases when the PRC went to war or escalated a territorial dispute, there is strong evidence that it resorts to military force in an increasingly disadvantageous strategic situation when experiencing declining relative power. We will use the Sino-Vietnamese War of 1979 as a key example of a situation when China used military force to utilise the right "window of opportunity", looking at the worsening geopolitical situation and facing crucial modernisation challenges at home. The short, punitive war against Vietnam was supposed to stop the growth of the Soviet presence in the region and show China's determination to redress what it felt was an insult to its long-term supportive posture towards the Vietnamese revolution.

What can the history of China's past military engagement teach us about its potential future use of force? Despite acknowledging many differences between 1979 and China's potential future use of force, the example of the 1979 war is still instructive in matters of the justification used, operational problems, the uncertainty of alliance politics and economic costs, which will surely be present at any future security crisis (Heath, 2010, p. 40). However, highlighting the key points from the 1979 war will also help us to see why previous uses of force by the PRC were different than the most debated security flashpoint in contemporary Asia, and that is Taiwan. We will focus on the comparison of Deng Xiaoping's and Xi Jinping's leadership and the differences in China's economic and international public opinion exposure in case of conflict in the contemporary era compared with 1979.

This paper proceeds in three parts. First, it will briefly highlight some important features of China's use of military force since 1949. The second part will deal with the war in 1979 in detail, looking at the main causes,

Chinese decision-making, the course of the conflict, and its aftermath. The third part will present the principal points of why the Sino-Vietnamese War is still relevant for understanding Chinese foreign policy behaviour.

PRC USE OF FORCE SINCE 1949

Building on the previous research, this paper utilises the insight of a group of scholars claiming that states resort to the use of force under circumstances of their “relative declining power” or “bargaining position” in a dispute instead of a situation of “growing relative strength” (Fravel, 2008, pp. 48–49). This goes well with the preventive war theory, proposed by Jack Levy, whose analysis points out that the state with decreasing power has “preventive motivations” to start a conflict so it does not need to bear bigger costs later (Levy, 1987). The key dilemma for a state using military force is thus how to avoid missing a window of opportunity, which will be the best moment to utilise its might to the fullest. When this window is closing, the state risks the possibility of going to war under (significantly) worse circumstances later. In other words, the declining state is more pessimistic about possible future achievement of its goals than the rising one. In his work on major wars, David Copeland claims that most of these happen in situations involving “declining” great power because rising powers will have it easier in the future to dominate. Thus, initiating war is more costly than waiting for better opportunities (Copeland, 2000, p. 37). On the other hand, the state with “decreasing bargaining power” would not want to miss the right moment when it still has the power to do something significant with what it sees as a disadvantageous situation.

For a long time, the academic literature about Chinese foreign policy and place in international relations oscillated between proclaiming both modern and imperial China as essentially a *realpolitik*-orientated state (Johnston, 1995) or adhering solely to the Confucian-orientated policies of avoiding war and using military means as a last resort. That is, however, an oversimplification. As Scobell’s analysis shows, in the Chinese strategic culture, these two strains have existed in an ambivalent relationship for centuries, the PRC era not being an exception (see Scobell, 2003, pp. 19–23). One interesting aspect of this is that since 1949, China has used military force on numerous occasions, but internally and externally, it has justified these steps as

inherently defensive. That is what Scobell labels the “Chinese Cult of Defence”, meaning that China never uses force for selfish (“imperialist”) reasons but always as a last resort in situations when its core interests are at risk. Interestingly, that led to the development of the concept of “active defence”, which justifies military action as defensive even when China strikes first (as happened in 1962 or 1979) (Scobell, 2003, p. 33).

Traditionally, the Chinese state used military force for territorial expansion numerous times during the imperial era. However, the last significant expansion was during the Qianlong era in the second half of the 18th century. Since the establishment of the communist state, the PRC has used military force several times, notably in 1950 (the Korean War), 1962 (the war with India), 1969 (the Zhenbao island dispute with the Soviet Union), and 1979 (the Sino-Vietnamese War). Certainly, China was involved indirectly in other conflicts, and in the 1980s and 1990s, it was involved in several violent skirmishes with Vietnam in the South China Sea. However, the mentioned cases were the only ones when China deployed a significant number of troops and engaged adversaries in conventional warfare. One should also note that these military endeavours were relatively short, usually lasting no more than one month (with the Korean War being an exception). The PRC has solved most of its territorial disputes by diplomacy. These cases also show another important thing, which is the role of alliance politics and its impact on states’ bargaining positions. Improving or worsening a situation in a conflict or a dispute is heavily influenced by the nature of alliance ties the states involved have. Changes in the power of one’s alliance partner significantly influence the perception of one’s relative power position in the regional balance of power.

THE SINO-VIETNAMESE WAR OF 1979

When the PLA began its attack on China’s southern neighbour, Vietnam, the crisis had been long in the making. The final Chinese decision to attack, which was in preparation for months before the hostilities began, was influenced by a combination of long-term problematic tendencies in the Chinese security neighbourhood, which culminated in the Vietnamese invasion of Cambodia in December 1978.

Although the Sino-American rapprochement started in the early 1970s, the Soviet Union was still seen as a formidable adversary trying for decades

to increase its security presence in many parts of the world. One of these regions was Southeast Asia and Vietnam, in particular. Previously, the PRC relentlessly supported its Vietnamese counterpart in its struggle with France and later with South Vietnam and its ally, the United States (see Chen, 2001, ch. 5, 8). However, since the late 1960s, mutual disagreements have been growing, as the Vietnamese felt underappreciated and commanded by the Chinese. Contrary to previous scholarship claiming that the Vietnamese tilt towards the USSR happened only after 1975 (Ross, 1988, p. 30), later scholarship established that Vietnam was slowly getting closer to the USSR already after the failure of the Tet Offensive of 1968 and subsequent start of the diplomatic negotiations between Vietnam and the United States (see Morris, 1999; Nguyen, 2006). That became very clear after the unification of Vietnam in 1975, when the PRC refused to provide aid to the extent that the Le Duan leadership asked for. Thus, they turned to Moscow instead, which happily provided them with a nearly twenty times bigger aid package (Gompert, Binnendijk & Bonny, 2014, p. 118). Even more problematic was that the number of border clashes (many of them in places of poorly delaminated borders) grew significantly (see Zhang, 2010, p. 5–8).

In June 1978, Vietnam joined the COMECON, and, soon after, its delegation began to negotiate an alliance treaty with Moscow, including significant transfers of weapons and other military material from the Soviet side (Scobell, 2003, p. 121). Bilateral relations further deteriorated after Vietnam and the USSR signed the Treaty of Friendship and Cooperation (which included a clause obliging the parties to the treaty to consult each other in case of one being attacked to eliminate a threat), effectively cementing a full-fledged alliance (November 3, 1978).¹ The treaty was rightly seen by the Chinese not only as an important step in upgrading the Soviet-Vietnamese relations but further underlying growing Soviet interest in using Vietnam for containing China. That was important because of the potential future growth of the Soviet military presence in the region, especially regarding its sea power presence through getting access to the Cam Ranh Bay naval base. In the late 1970s, Chinese depiction of Vietnam as the “Cuba of the Orient” became commonplace, hinting at Vietnam playing a proxy role for Soviet influence, as the Cubans did in Africa (Chanda, 1986, p. 258).

¹ An English translation of the treaty text can be found in Chen (1987, app. B).

Since the beginning of 1978, the issue of ethnic Chinese escaping Vietnam in large numbers started to play a significant role. As in other SEA countries, the Chinese were coming in larger numbers from South China during the late Ming and Qing dynasties and kept their ties to the mainland culturally and otherwise in their host countries.² They were disproportionately represented in business circles and held significant economic position; on the other hand, their political activity was low, even during the later parts of the Vietnam War. The ethnic Chinese in Vietnam had an ambivalent position: they contributed significantly to the state economy but could not be easily assimilated because of their cultural identity and social cohesion (Chen, 1987, p. 52). Since 1975, the communist regime of now-unified Vietnam has gone on a series of campaigns and policies aimed at eliminating private business and economic activity. Even though these measures were applied nationwide, they fell on the Chinese community especially hard. The Chinese businessmen further suffered with the 1978 monetary reform, which effectively meant another involuntary transfer of economic assets into the state's hands. Hundreds of thousands were forced to migrate to "new economic zones", while others were expelled from border areas back to China starting in 1977. As a result of this increasing exodus of the Chinese from Vietnam, China stepped up its hostile rhetoric towards Vietnam, cancelled PRC-financed projects in the country, and finally cut all economic and technical ties in July 1978 (Tretiak, 1979, p. 741).

The immediate cause of the 1979 Sino-Vietnamese War was the Vietnamese invasion of Cambodia. The openly hostile totalitarian regime under Pol Pot in Cambodia (formally the Democratic Republic of Kampuchea) had been, since its inception in 1975, increasingly supported by the PRC as a useful tool to balance the growing Vietnamese (and Soviet) strength (see Mertha, 2014). But for Vietnam, Cambodia was highly problematic because of its violent and unpredictable nature, incursions into Vietnamese territory, and brutal treatment of ethnic Vietnamese in the country. The PRC's support for Cambodia was an obvious obstacle to Vietnam-dominated Indochina (see Gosha, 2006). After the invasion, the Pol Pot regime collapsed in weeks, and

² For details about the Chinese ethnic community in Vietnam see Chen (1987, pp. 50–68). For different case of the relations between the PRC and overseas Chinese during the Cold War (Indonesia) see Zhou (2019).

Vietnam established a puppet government in Phnom Penh under the leadership of Heng Samrin.

Growing geopolitical insecurity, perceived “affronts” to the longstanding Chinese support of Vietnamese comrades, and the issue of ethnic Chinese in Vietnam all contributed to the final decision to deal with Vietnam militarily. Deng Xiaoping, as the fresh paramount leader of the country, was adamant that the Vietnamese actions were increasingly hostile and would soon force China’s hand to retaliate through “punitive action”. In late 1978, Deng visited several ASEAN countries, making the case that punishing Vietnam was necessary for regional stability, and the Chinese leadership was in increasingly intensive contact with the Khmer Rouge regime in Cambodia (see Heath, 2010, p. 38–39). Right before the invasion, Deng was touring the United States and made President Carter aware that the invasion was about to start. Carter voiced the problems that would cause but did not do anything substantial (and public) to make Deng change his mind (see Kissinger, 2012, pp. 362–367; Pantsov, 2015, pp. 346–349). Despite some disagreements within the Chinese elite (some sceptical voices were more in the army than among the civilians), Deng and most of the other top party and military elites felt that the war was necessary (Scobell, 2003, pp. 128–134).

The key decisions were made in November and December 1978, when an important Central Work Conference was followed by the latter famous Third Plenum of the Central Committee. Mostly known for endorsing Deng’s plan of economic reforms, the Central Work Conference and the subsequent Central Committee approved other serious decisions (see Chen, 1987, pp. 85–92). In foreign policy, there was the finalisation of the decision to normalise diplomatic relations with the United States and contemplating the situation in Indochina. After the Third Plenum was concluded and Vietnam invaded Cambodia on December 25, 1978, Deng formally introduced the resolution to execute military punitive action against Vietnam at the Politburo meeting on December 31, which was unanimously approved. The continuation of the mentioned grievances made the Chinese leadership think that their previous coercive diplomacy against Vietnam failed and was futile to continue it (see Mulvenon, 1995; Scobell, 2003, pp. 135–137). According to Deng, it was the right time to strike before the Vietnam-Soviet relationship became too strong. Apparently, the Chinese, in this case (as was the case of the Korean War), did not see a military attack as a breach of international norms but as a lawful answer to dire

threats. As explained by Deng, “defensive counterattack” (*ziwei fanji*, Zhang, 2010, p. 22) against Vietnam would be limited and should not lead to a large-scale Soviet answer (if any). Furthermore, the PRC would not attack and occupy Cambodia, which would sit well with partners in ASEAN and international opinion in general (Chen, 1987, pp. 86–88).³

After Deng returned from the United States in early February 1979, the Central Military Commission (CMC) convened to detail the final version of the plan, which was announced to the central elites the day before the invasion. The key aspect of the plan was to keep the strike limited, following the general opinion that it was important to “teach Vietnam a lesson”, not to occupy it or destroy its political regime. Thus, Deng’s leadership kept the PRC’s air and navy forces out of the war (it was also known that the Vietnamese army was well-trained against the enemy air force and had significant anti-air capabilities and training). Mulvenon estimates that up to 100,000 Chinese troops were fighting against 60,000–80,000 Vietnamese (Mulvenon, 1995, p. 73), and K. C. Chen estimates that the Chinese amassed around 300,000 troops (including militias) against 100,000 Vietnamese (Chen, 1987, pp. 102–103).

By attacking Vietnam, the Chinese leadership wanted to achieve three long-term goals. First, to show Vietnam China’s resolve not to suffer any further incursion on its core interests. Second, they calculated that the Soviets would stay out of the war and thus decrease their salience as reliable partners to countries in Southeast Asia. The Soviets were seen in an old Maoist fashion as the key enemy, despite their attempts to mitigate at least some of the tensions before the war started (Zhang, 2010, p. 12). Third, the Chinese elites supporting the domestic economic reforms sought reliability and higher status with their partners, especially the United States, which were seen as crucial for helping the economic modernisation programme. After the normalisation of bilateral relations on January 1, 1979, the Dengist forces had high hopes for intensifying the economic relations with the US. Attacking Vietnam was

³ Even before the invasion to Cambodia, the PLA General Staff prepared a much more constrained military response to the Vietnamese border incursions, which were later apparently expanded; more intensive plans of attack – aiming at Cambodia or using the PLAN to help Cambodia – were rejected by the Politburo in November 1978 (Zhang, 2010, pp. 8–9). It is therefore plausible that some sort of military action would have taken place even without Vietnam occupying Cambodia.

supposed to show that American and Chinese interests were aligned and the policy of détente with the Soviet Union was futile.

The PLA led its attack from the provinces of Yunnan in the west and Guanxi in the east border with Vietnam.⁴ Initially, the Chinese were advancing quickly, but soon they got bogged down by difficult terrain, fierce resistance, and logistical problems. After heavy fighting, they took control of the provincial capital, Lang Son (strategic for defending the national capital, Hanoi). They started to pull out afterwards on March 5, finally exiting Vietnam on March 16, leaving significant material destruction to the cities and towns of northern Vietnam behind. In general, the PLA's performance was disappointing, being forced to heavy fighting with a more experienced (and better equipped) enemy, even though it had much smaller troops. Problems in training, outdated equipment, and poor logistics were very much visible from the start (see Gompert, Binnendijk & Bonny, 2014, pp. 123–124; Chen, 1987, pp. 101–102; Zhang, 2005, pp. 871–872). The general estimates for the casualties are around 60,000 killed or wounded on each side of the conflict, with more than 25,000 killed on the Chinese side (Chen, 1987, pp. 113–114; Zhang 2005, p. 866–867). Tretiak points out (1979, p. 755) that the number of Chinese casualties represents 20 per cent of the total American casualties during the Vietnam War. That shows that the human losses were not an important part of the war's assessment by the Chinese leadership. The conclusion of the war in March 1979 was not the end of hostilities between the two countries. Border skirmishes continued throughout the 1980s, and the PRC occupied some minor territory for strategic reasons. The thaw in bilateral relations had to wait until the end of the Cold War, as the Cambodian issue could finally be resolved in agreement with all parties involved.

What was the impact of the war on Deng's position within the leadership, and how did it influence China's position in Asia? Many analysts describe the fallout of the war as a temporary political setback for Deng, still not completely secure after ousting Mao's protégé Hua Guofeng (see Baum, 1994, p. 80; MacFarquhar, 2011). Tretiak sees the impact of the war in the partial reorientation of the ambitious economic plans, a decrease of Deng's power, and boosting financing of the armed forces (Tretiak, 1979, pp. 755–758). That is probably right, but the war also enabled Deng and like-minded leaders to

⁴ For detailed overview of the course of the war see Chen (1987, pp. 96–117).

go for deeper reform of the PLA. One of Deng's reasons for attacking Vietnam was his goal to stabilise the situation in the army after the Cultural Revolution, make it more battle-experienced, and increase its prestige (Zhang, 2010). Deng could calculate that a decisive blow like the one dealt to India in 1962 could uplift the army's prestige. If not, the potential deficiencies could still be used for much-needed general reform of the PLA (Gompert, Binnendijk & Bonny, 2014, p. 121). Others claim that the decision to go to war with Vietnam and its aftermath had little impact on internal politics (Segal, 1985, pp. 223–226). Whether Deng deemed the war also as a means to support his position is not as important as the larger geopolitical consequences.

In the short term, the war may seem like a disaster, but the PRC's long-term goals were largely fulfilled. Soviet power in the region did not increase, and, apart from material support to Vietnam, the Soviets did not directly interfere in the conflict. Despite the PLA underperforming in 1979, the Soviet position as a strong supporter of Vietnam was weakened.⁵ ASEAN countries became even more afraid of the Vietnamese threat, and the role of China in Southeast Asia improved; much of the 1980s Vietnam was internationally isolated (Quinn-Judge, 2006, pp. 220–224). China could show that after years of support for subversive communist movements and political parties across the region, it now supports regional stability (see Myšička 2015). On the other hand, Vietnam faced significant economic problems. It was financially burdened by supporting the Cambodian government and keeping its military presence there because of the uncertainty of another Chinese attack (see Gosha, 2006). Even more importantly, because of the 1979's war-limited magnitude, the PRC did not become mired in long war fought in a foreign country, like the Vietnamese did in Cambodia (Gompert, Binnendijk & Bonny 2014, p. 118). In such a fashion, China significantly reduced the security threat from the southern direction and could focus more on its economic modernisation programme. On the other hand, the US behaviour cooled the Chinese hopes for a quick strengthening of the bilateral relationship, not to mention China's inability to import technologies from the US as planned due to financial strain, together with ongoing disagreements over the Taiwan issue.

⁵ Kissinger speculates that the war was first sign of the USSR's geopolitical decline and probably hastened the invasion to Afghanistan in December 1979 (Kissinger, 2012, pp. 374–375).

IMPLICATIONS FOR TODAY

The relevance of the 1979 war for contemporary China's security behaviour is manifold, and we will first turn to decision-making. The Sino-Vietnamese War was undoubtedly driven by Deng Xiaoping, but with significant input from the other elite members of the CCP and the PLA.⁶ Any future conflict involving China will necessarily be an enormously important decision both domestically and internationally and would require effective and decisive leadership. Compared to Xi Jinping (or any Chinese leader since Jiang Zemin), Deng had an acclaimed military career despite not being a professional soldier. Right after his rehabilitation in 1977, he was vice premier, vice chairman of the CMC, and also head of the PLA General Staff. Xi, on the other hand, has no military history but took long strides to establish himself firmly in the leadership position, including firm ideological and operational control of the army. He has had a significant imprint on the military, starting with reforms of organisational structure (and battling corruption). Since 2013, he has pushed several modernisation efforts and pumped more and more finances into the military. What even the best leadership cannot provide, however, is the military's actual battle experience. The war of 1979 showed the problems of the PLA's inexperience and relatively low morale. It is hard to predict today what a fresh conflict might do to the morale of the army that has not been fighting for decades, despite Xi Jinping's leadership attempts to avoid the "peace disease" (see *The Economist*, 2023b).

Despite Deng occupying the primary power position, his decision-making was based on a lot of deliberation with colleagues and military experts. He was confident of the righteousness of his plan but did not automatically discount alternative views (Gompert, Binnendijk & Bonny, 2014, pp. 126–127). Will Xi Jinping be able to behave in such a forceful but effective fashion as Deng in 1979? It can be argued that Xi could not definitely allow such a high number of casualties because of much more sensitive domestic opinion, which would

⁶ We do not have access to Chinese archives covering the decision making about the war, but from other Chinese sources (like memoirs) and Deng's public role in rallying the support for China's position towards Vietnam it is clear, that it could only be Deng, who drove the decision to attack Vietnam (i.e. without his support the decision would not be made). That was clear, for example, during his visit to the USA prior to the conflict (see Brzezinski, 1983, pp. 409–411).

surely constrain him.⁷ Another problem is Xi's possible margin of error in making crucial decisions during a conflict. Deng's underestimating the Vietnamese strength in the 1979 war was serious but not devastating because the conflict was intentionally limited (no air force or navy). That would not easily happen in a scenario like the war over Taiwan. It would have much direr consequences because it would feature a much higher number of soldiers and significantly more destructive weapons. In 1979, only the land army was involved. That would not happen in case of any future conflict involving China because of the very different nature of (post)modern warfare. That represents a higher level of complexity for decision-making during a conflict. A decrease in the plurality of voices at the top of the CCP, a reduction of the importance of "collective leadership", disbalance in factional equilibrium within the CCP, and Xi's gradual centralisation of power in the last decade might lead to faulty decisions of the "paramount leader", increasingly being trapped in his own "echo chamber".

According to many scholars, territorial disputes have been the most common cause of war in the modern era (see Vasquez & Henehan, 2001). Since 1949, China has used military force on all occasions, except the Korean War, in such disputes. Looking at the history of the PRC's use of force, we saw that it happened in cases where the Chinese elites saw themselves in the situation of continuous worsening of their strategic situation. Taiwan is generally seen as the most dangerous potential place of conflict involving China. What does the war in 1979 illuminate about the contemporary security dilemma over Taiwan? In 1979 (as was the case of the war with India in 1962), the PRC's interest could be achieved without the need to control any foreign-occupied territory. Thus, the military strike was intentionally limited in size. In this sense, Taiwan is a different case because the goal is the unification with the de facto independent island. That was already shown in 1949 when, during the late Civil War in China, the PRC tried to invade Taiwan, a plan that very shortly amounted to disaster. Recently, the relative bargaining position of the PRC in the Taiwan issue remains weak, despite all the military modernisation in the past decades. True, purely military balance across the Strait is increasingly in the PRC's favour. However, the need to occupy the island (using

⁷ On the other hand, the still small impact of mounting Russian casualties in the war in Ukraine on Putin's regime decision-making potentially shows greater flexibility on the side of autocratic regime pursuing unpopular policies.

a complicated amphibious operation) to achieve unification still presents a tremendous military challenge (see *The Economist*, 2023a). As long this is the case (and there will be no surprising developments in the political system on the island), the PRC elites will try their best to improve their position (Fravel 2008, p. 82). That will be seen as highly problematic by other major players involved, and they will try to level China's increase in power. However, that might push China into a more aggressive stance. Johnston comments that we could expect China to use military force in a situation when there is a large gap between the actual and perceived ideal power status in a territorial dispute, which is consistent with what we said earlier about the preventive motivations of going to war (Johnston, 1998, pp. 27–28).

In traditional security dilemma fashion (see Herz, 1950), the build-up of Taiwan's defence supported by the United States will decrease China's strategic position in the dispute; simple entrenchment of the status quo could be seen as hostile by the PRC (Fravel, 2008, p. 51; see Christensen, 2002). Furthermore, the Asian structure of alliances is growingly disfavours China. We have seen that the alliance politics during the 1970s heavily influenced the breakout of the war in 1979. The PRC is obviously not as isolated as in the late 1960s and 1970s, but China still lacks military alliances or even significant military partners. Of course, alliance-building goes against China's long-term anti-hegemonistic foreign policy, but alliances are crucial for various reasons. Contemporarily, only the Russian Federation might count as being of significance for China. Even here, the Russian role in future China's war will be that of support and help to circumvent potential sanctions and embargos, not direct involvement (the reverse of the state of Sino-Russian relations since the start of the war in Ukraine in 2022). On the other hand, since the late Obama presidency, there has been growing bilateral and international cooperation openly or tacitly aimed at curbing China's might among the US and its Asian partners.

Another issue is weighing the economic impact of military conflict. It was mentioned that during the deliberations on whether to attack Vietnam, both civilian and military planners had economic outcomes in mind. Deng planned for limited attack (in magnitude and length), so the plan of the four modernisations, of which foreign investment was of utmost importance, would not be jeopardised (Chen, 1987, p. 87). However, at this time, the modernisation programme was still in complete infancy, light years away from the global economic powerhouse China is today. Thus, today, even a very limited conflict

will drastically impact not only China but also the global economy. Recent estimates put the cost of war over Taiwan at about 10 per cent of global GDP (Welch et al., 2024). Counting on limited fallout of minor conflict is simply not possible today, just thinking about the potential and immediate response of the financial market; the real question here is to what extent China will be willing to sacrifice significant economic losses for achieving strategic goals (see Fravel, 2010, pp. 511–512). In cases like diplomatic disputes with Lithuania, Australia, or Japan over Senkaku in 2010 and 2012, all the economic costs have been relatively small; actual war would mean much more pressure caused by economic distress, and, unlike the Russian Federation, China's economic model is much more intertwined with global trade and chains of production (see Myšička, 2021). As Heath points out, despite the very different levels of China's importance for the global markets and vice versa, the 1979 war was for the first time waged in circumstances when the PRC already abandoned its previous autarkic economic orientation (Heath, 2010).

Finally, in 1979, the war was fought in relative secrecy, both because of the nature of the regimes involved and the state of media and communications informing the global public about such an event. Also, the public role in the 1979 war in China was very low-key; no public mobilisation campaigns like “Resist America, help Korea” from the Korean War period happened, and the domestically provided information was scarce (Scobell, 2003, p. 141). As documented by Li Xiaoliang, soon after the war, the CCP regime deliberately avoided public mentions of the war, effectively silencing the voices of many of those who took part in the war as ordinary soldiers (Li 2007). That would not be possible in the contemporary era of internet-based global media and social networks, especially in case of a larger conflict. All the news about the war would be spread at tremendous speed, and that would be problematic for the image and prestige of the CCP regime both in international and domestic contexts.

CONCLUSION

We could see, in our brief review of China's use of force since 1949 and a more detailed analysis of the 1979 war with Vietnam, that the PRC was willing to utilise military means when it felt disadvantaged. In 1979, the most significant issue was the problematic geopolitical changes in Southeast Asia,

but “betrayed trust” between former communist partners and domestic concerns over the stability of the modernisation programme and reforms of the military also played a role. We could see that in the case of future PRC’s use of force (especially over Taiwan), the 1979 war with Vietnam already showed some potential dilemmas and challenges. However, in a more limited fashion, they could also happen in the contemporary era. Economic costs, domestic and international public opinion, and lack of alliance partners would, with a high probability, play a more significant role now or in the near future than in 1979. Thus, understanding the lessons from historical cases of foreign policy behaviour (like the 1979 war) is necessary to improve our understanding of analysing China’s role in future conflict scenarios.

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THE GEOECONOMIC STRATEGY IN NORTHEAST ASIA: NATIONAL INTERESTS VS. REGIONAL INTEGRATION

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Abstract: Having in mind the first conceptualisation of *geo-economics*, understood as the way to observe how, in the post-Cold War period, the international system arena for rivalry and conflict would be economic rather than military, the author will showcase a comparative analysis of the geo-economic strategy in Northeast Asia, specifically on the differences between the countries' domestic interests and their willingness to cooperate for the region's economic integration. By focusing on *the Big Three*—China, Japan, and South Korea—it will be possible to point out how their bilateral relations, multilateral integration, and trilateral attempts have shaped the *Asian Paradox* and possibly move away from the early conceptualisation of *econophilia* as the main cooperation framework in the region. The author will try to explain why more economic interdependence does not result in greater political and economic integration within the region.

Keywords: Northeast Asia, geo-economics, econophilia, the Asia Paradox, strategy.

GEOECONOMICS: A CONCEPTUAL CONTEXTUALISATION

The concept of *geo-economics* has been highly debated and conceptualised by different authors over different periods. Firstly introduced by Edward Luttwak in 1990, geo-economics was understood as the replacement of military conflict by economic development; that is, the states would *fight* in the international arena, not because of their military strength but rather because of their economic force and power to influence others. Here, we should note that Luttwak defined geo-economics in the early days after the end of the Cold War. Therefore, it was important to rationalise what would come next in the international arena, as actors had realised that

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military power would not be enough to guarantee the *status quo* of a global power. The economics here, interrelated with *land*, became the most significant factor. Luttwak believed that an actor, usually a state, would be more powerful and gather a bigger area of influence if it was more economically developed (Luttwak, 1990). Therefore, if there are multiple economically developed states, conflicts between them are likely to arise.

It is important to mention that, at the beginning of the 2000s, new authors such as Mercille, Scholvin, and Draper brought forward new conceptualisations of geoeconomics, usually known as *non-Luttwak approaches*. These approaches stated that there is a clear line distinguishing *geopolitics* from geo-economics: *economists think as geo-economists, while politicians think as geo-politicians* (Mercille, 2008), basically believing that political power and economic power were two different unrelated dimensions, and the latter could not lead to any form of conflict, as witnessed during the Cold War. Scholvin and Wigell believed that geo-economics was intrinsically related to how a state would make economic profit out of the geography and resources of its territory. Even though that could make a state more or less developed, it was insufficient to bring *economics* to the centre of conflict in the international arena (Scholvin & Wigell, 2018).

Contemporary approaches to *geoeconomics* portray it as one dimension of *geopolitics*, meaning that a state uses *economy* and *strategy* to benefit its *political desires*. Mattlin and Wigell have mentioned that *geoeconomics* is, to a certain extent, a foreign policy strategy typically used by non-Western powers, Brazil, India, and China, because they rely on non-military means in their soft balancing *vis-à-vis* the US (Mattlin & Wigell, 2015). The relevance and weight of these states in the international arena are mostly founded on their economic power, both domestic and international. Blackwill and Harris, on the other hand, define *geoeconomics* “as the use of economic instruments to promote and defend national interests and to produce beneficial geopolitical results; and the effects of other nations’ economic actions on a country’s geopolitical goals” (Blackwill & Harris, 2016, p. 9), contributing to the narrative that *geoeconomics* is a facet of *geopolitics*, and thus, it is considered a strategy to achieve the geopolitical goals of each state.

As Scholvin and Wigell have explained throughout the introduction to their edited book, *geoeconomics* can be used both as an analytical tool and as a strategic practice (Wigell, Scholvin & Aaltola 2019, p. 9). Thus, a careful

analysis of the concept and its use in practical terms is of great relevance. If we specifically focus on Northeast Asia, namely China, Japan, and South Korea, we can verify that geoeconomics has been relevant in these countries' domestic and foreign policies. As military power was historically a point of contention between those countries, a way to show supremacy has been through *economic means*. However, one can wonder if such *economic power* has been limited to the goal of separating those countries or if it has also been used as a framework for the mutual work of these countries to maintain peace in the region.




NORTHEAST ASIA'S BIG THREE: JAPAN, SOUTH KOREA, AND CHINA

In this analysis, according to the terminology presented by author Ya. V. Domina, the author will focus research on the *Big Three*: the People's Republic of China (PRC), Japan, and the Republic of Korea (ROK). According to the same author, the development of bilateral, multilateral, and/or trilateral agreements between those countries is the leading force for the possible economic integration of the regional area itself (Domina, 2021, p. 244). One cannot ignore, of course, the relevance of the United States and Russia to such analysis, especially when it comes to a geoeconomic analysis of the Asia-Pacific region. Nonetheless, the growing relevance of these three countries, both individually and collectively, and their willingness, as far back as the 1990s, to cooperate for the benefit of the region, is something worth studying.

According to the data in the table below, retrieved from the official website of the *Trilateral Cooperation Secretariat (TCS)*, it is possible to notice how relevant the cooperation between the three countries is, both bilaterally and trilaterally. Northeast Asia, for some, a sub-region of East Asia, represents around 20% of the world's population, 18.7% of the world's trade, and, as of 2022, had reached about 769.5 billion dollars in the total intra-trade volume.¹

¹ According to the TCS definition on their website, "intra-regional trade refers to the exchange of goods between countries located in the same geographical region." [accessed on March 30th, 2024].

Table 1. China-Japan-South Korea statistical data

			
% WORLD POPULATION	20		
% WORLD GDP	23,4		
% WORLD TRADE	18,7		
TOTAL POPULATION (MILLION)	1 587		
\$ TOTAL GDP (TRILLION)	24,35		
TOTAL INTRA-TRADE VOLUME (BILLION)	769,5		
\$ GDP PER CAPITAL (THOUSAND)	15,34		
\$ TOTAL TRADE IN GOODS (TRILLION)	9,37		
% WORLD GOODS EXPORT	20,2		
% WORLD GOODS IMPORT	17		

Made by the author.

Such data is interesting to analyse as it showcases the growing economic cooperation between the three countries, even though there have been times when diplomatic ties were frozen due to historical queries and political discourses of mistrust. Historically, relations between those countries started as part of the Chinese *tributary system*. China, being considered the most powerful state at the time, would receive gifts and high recognition from neighbouring states in exchange for regional stability. Later, during the period of the two World Wars, such relations became aggressive and imperialistic at their core due to colonial desires and the wish to expand their territories. That, in turn, resulted in periods of war between the countries with a high number of human disasters caused by massacres and violence. During the Cold War, it became an ideological query, with Japan and South Korea becoming closer to the US and its capitalistic-orientated political thought, and China and North Korea closer to the USSR in terms of communism-orientated political thought. Nowadays, besides the growing economic interest of those countries in collaboration and cooperation, their common historical ground is always present and has been consistently presented by different authors as one of the reasons why their relations are not more integrated.

From a political point of view, these three countries, which once shared the same societal organisational framework, mostly founded on Confucian values, have different political systems in place, with Japan and South Korea following a democratic and capitalist path and China following an autocratic

and communist ideology. One could question how such different political systems, aligned with historical trauma and animosity, could ever work together or cooperate. However, besides their differences, the three states share one wish and goal: economic development and growing wealth. As a South Korean proverb says, “Love does not pay rice”, and neither does hate. Thus, these countries have been carefully working on their economic ties, with more or less success. As a result, not only have they become wealthier and more developed, but they have also become diplomatically stable. Therefore, understanding what is more beneficial for the involved states—bilateral cooperation, joint participation in multilateral frameworks, or trilateral cooperation—is paramount to understanding the current trends of cooperation in the region.

Bilateral ties

China-Japan, Japan-South Korea, and China-South Korea relations have been politically unstable and, consequently, economically complicated during the last few decades (Choi & Moon, 2010). The primary cause of the decline in economic bilateral relations between China and Japan can be found in history. Japan’s exit from the tributary system in dynastic times and its willingness to conquer territories under Chinese rule resulted in historical moments such as the Nanjing Massacre (Gries et al., 2009). In fact, even though Japan was the first of the three countries to promote the ASEAN+3 talks in the 1990s, both China and South Korea still perceived it as the perpetrator of several historical disputes and wars. However, when looking at their economic ties, according to the Observatory of Economic Complexity from 2022, *China exported \$178 billion and imported \$135 billion from Japan* (OEC, 2024a), *which set the trend of Japanese dependence on Chinese rare minerals*. The Chinese government used such dependence in the form of boycotts every time something of a political and historical nature happened. For example, a fishing dispute on the Diaoyu/Senkaku islands in the South China Sea resulted in a boycott of Japanese goods in China in 2016.

Japan and South Korea trade statistics from the OEC in 2022 show that the South Korean trade deficit was \$20.3 billion, as South Korea exported \$30.5 billion to Japan and imported \$50.8 billion (OEC, 2024c). Regardless of the similarities in their political systems, South Korea and Japan are quite

conscious of their historical pasts. South Korean civil society is continually reminded of the Japanese atrocities committed during the First and Second World Wars and periods of Japanese rule in the peninsula that resulted in the poverty of the Korean population, the impossibility to use the Korean language, and the still ongoing query on “*comfort women*” (Chun, 2015). Such a shared past has been used by politicians to feed nationalism and patriotism in both countries with hopes of gaining votes and the public’s sympathy (Hunter, 2017). Therefore, if something of historical value happens in Japan, South Korea is the first to lead a series of boycotts of Japanese products, which, as a result, leads to quite a big loss for Japanese businesses, both with locations in Japan and South Korea. It is also important to mention that these two countries have been fighting in the South China Sea for the infamous Dokdo/Takeshima Island, which has become one more factor in weakening bilateral relations.

Finally, China-South Korea trade statistics in 2022 showed that China exported \$150 billion to South Korea and South Korea exported \$150 billion to China (OEC, 2024b), which showcases a balanced economic relationship between the two. Even though there are some historical animosities, mostly related to questions over territorial dominance in dynastic times as well as a Korean idea of Chinese colonialism during the tributary system (Kim, 2016), China and South Korea tend to align against Japan every time it acts upon something of historical relevance, such as a visit to the Yasukuni Shrine. On the other hand, Korea was highly influenced by Chinese Confucian values. Such a connection remains even today, making their bilateral relations more stable than those with Japan (Huang & Lee, 2018). If we include North Korea and the role that China has been playing, it is also a factor that determines the stance of bilateral relations between Beijing and Seoul.

It is important to notice that bilateral relations in the form of trade exchanges between these countries have existed since they were still kingdoms and dynasties. What once was mostly a cultural exchange rapidly became a technological and resource-orientated one, as nowadays, most of the trade exchanges are on minerals and technology essential for the manufacturing of vehicles, computers, and mobile phones. Amid such economic and technological interdependence, it is important to question why the three states have not yet signed a Free Trade Agreement (FTA), as, according to Aminian and Calderon, “trade and foreign investment are

principal strategies to access foreign markets, and, as China, Japan, and Korea become gradually more interdependent, the linkages between these two strategies become increasingly important” (Aminian & Calderon, 2010, p. 419). However, regardless of how many negotiation tables have occurred regarding an FTA, these three countries, bilaterally, never seem to reach a consensus due to historical queries and political tensions.

Multilateral partnership

Multilateral relations between China, Japan, and South Korea are probably the most efficient form of cooperation as they enable one, or more, third parties to balance the game of power between these countries. It is important to point out that during an ASEAN Summit at the beginning of the 1990s, China, Japan, and South Korea started a set of dialogues to find some common ground and specific areas of shared interests.

In East Asia, or more broadly, in the Asia-Pacific region, these three countries are part of most international and other multilateral organisations. The Association of Southeast Asian Nations (ASEAN), in the form of ASEAN+3, the Asia-Pacific Economic Cooperation (APEC), and the Regional Comprehensive Economic Partnership (RCEP) are the most relevant ones. In these multilateral organisations, the three countries can discuss problems that, on a bilateral basis, would not be possible to talk about without the possibility of a conflict. Even though these countries tend to find allies and run for more politically-orientated positions through these organisations, they are still able to maintain the *status quo* in the region. The most sensible topics are discussed amongst other states, and none of these countries is trying to directly assume a leadership position. The RCEP was inclusively started by the shared interests of China and Japan to regulate a possible FTA between the ASEAN states and ASEAN+3. Although China later became the most invested state in the establishment of the RCEP, it is still a valuable organisation focused on economic development in the region.

Because of the contemporary perception of China as the country that has been pushing forward more multilateral initiatives in Northeast Asia as a means to establish its areas of influence, some authors, such as Dong Jung Kim, have come forward with the *geo-economic domino theory*. This theory suggests that by “using its extensive economic clout, China would first try to

establish firm political influence in a developing region of the world that largely overlaps with the Third World during the Cold War” (Kim, 2022, p. 338) and then guarantee not only economic but also political dependence of those states. Consequently, its relations with Japan and South Korea would be severely damaged because the United States would immediately consider it a threat to peace in the region. Thus, multilateral arrangements in East Asia tend to be victims of this *power game* between China, Japan, and South Korea, as the last two are pinched by the US’s fear of China’s dominance in the region.

Kim still believes that such a *geoeconomic domino theory* is a “difficult trap” for these countries because “the idea that developing economies’ competitive bandwagoning on the Chinese economic initiative ignores economic considerations of those states as well as China’s own economic priorities and imperatives” (Kim, 2022, p. 342) is very unlikely to happen and, until now, difficult to prove.

In the end, regardless of how much the multilateral arrangements fear China’s political rise in the region, they are still quite effective for the continuity of dialogue between China, Japan, and South Korea, especially when both bilateral and trilateral channels are frozen due to historical queries ignited by the civil societies of each country.

Trilateral attempts

The trilateral attempt of China, Japan, and South Korea to cooperate dates back to the 1990s, when the dialogues between the ASEAN+3 started. At that time, Tokyo was the most willing to move forward with a trilateral initiative, while Seoul was very much looking forward to mediating such a scene and leveraging its diplomatic importance in the region. On the other hand, Beijing remained quite suspicious about the initiative, fearing any intrusion on its internal affairs and, quite obviously, how much the US could also interfere. Nevertheless, in 2003, a Joint Declaration between the *Big Three*, the term coined by Domina in his article in 2021, promoting trilateral cooperation focused on economic, technological, environmental, and cultural-humanitarian areas, was signed (Domina, 2021, p. 244). It was followed by the First Trilateral Summit in Japan in the same year. The Second Trilateral Summit in China happened in 2009, and the establishment of a Permanent

Secretariat in Seoul in 2011 called the Trilateral Cooperation Secretariat (TCS) occurred. The TCS is considered an international organisation, and it seems that most IR scholars are unaware of its existence and/or field(s) of work. That may be because (i) IR scholars do not believe that a trilateral arrangement between these two countries has any chance to work in the long term, or (ii) the three countries purposely want the TCS not to be highly discussed and its activities to be scrutinised.

Until now, the TCS has led high-official annual meetings every three years, but such meetings stopped due to the actions of the late Japanese Prime Minister Shinzo Abe regarding the Yasukuni Shrine and his ideas about the role of Japan in the Second World War. However, even though high officials' meetings might be compromised, the TCS works year-round in all areas of interest for the three countries. It promotes cultural exchange between university students from the three countries by organising seminars, conferences, and field trips. In that way, students can connect with each other, discuss problems, and come up with solutions for issues related to, for example, the environment.

On its website, the TCS also promotes a *TCS Statistical Hub*, where it gathers information on all trilateral exchanges, from trade and people-to-people activities to tourism. From their publications, it was possible to get the graph below (Figure 1), which shows the growing intra-regional trade volume (in \$US trillion) from 2000 until 2022. It is possible to state that there was a continuous growth in the volume of intra-regional trade, but also times of declining relations, such as in 2009, 2016, and 2020, mostly related to the freezing of bilateral relations amongst them.

By focusing on “providing support for trilateral consultive mechanisms, exploring and facilitating cooperative projects, promoting understanding or trilateral cooperation, networking with other international organisations, compiling databases, and conducting research” (TCS, 2024), the Trilateral Cooperation Secretariat is an example of how the three countries, step-by-step, have been trying to work together without the presence of third parties and the instability of the bilateral talks.

Figure 1. Intra-regional trade volume (\$US trillion) between China-Japan-South Korea



Source: TCS

Another highly-discussed trilateral attempt is an FTA between the three countries. According to Domina, the FTA was first proposed by China in 2002 but was received with growing suspicion by Japan, fearing that China, newly entered into the World Trade Organisation (WTO), would not be able to comply with international rules of trade and commerce. It is known that, until 2019, there have been a total of 16 rounds of negotiations for a trilateral FTA “at which key issues were discussed, including simplification of customs procedures, sanitation standards, investments, public procurement, rules of origin of goods, intellectual property law, and e-commerce” (Domina, 2021, p. 246). However, a joint statement has not been released yet. Realistically, for this next decade, it seems unfeasible that a trilateral FTA will ever occur, as tensions in the region are growing as a consequence of the actual geopolitical scene and the governments of the three countries are focusing on their domestic needs of political survival and economic supremacy over one another.

This leads us to ask the following question: is Northeast Asia moving towards a more economic-orientated stance to solve any issues in the region, or is the security threat too huge a reality for these countries to ever trust one another?

ECONOPHORIA AND THE ASIAN PARADOX IN NORTHEAST ASIA: DOES IT MAKE SENSE?

Econophoria, a term coined by Buzan and Segal, describes one type of economic governance prioritisation in which solutions to political and social ills are overwhelmingly sought through economic growth and development (Buzan & Segal, 1994, p. 11). This concept was used to describe how Northeast Asia has behaved since the end of the Cold War, namely, how countries have cooperated. As Michel Richey stated, “Northeast Asia is a ‘rough neighbourhood’” (Richey, 2016, p. 121), and the authors did believe that the solution to such a complicated and intricate *status quo* in the region would be the promotion of economic interdependence. However, there are some doubts about how effective econophoria is as a type of policy in resolving disputes between nations because (i) it believes that state behaviour is *always* rational and that states would always choose wealth over conflict; (ii) the primary mechanism for “peace-through-trade-growth-and-development” is *interdependence*, which can bring *vulnerability* and a higher risk of conflict; and (iii) does more *wealth* lead to less *conflict*?

If we look at the case of Northeast Asia, econophoria seems like the Western-driven solution to any problem. Why would China, Japan, and South Korea choose conflict over growing wealth and economic development? In the last ten years, China has promoted itself as the main driving force in the region, with enormous annual GDP growth, development initiatives, and the implementation of policies to facilitate trade and guarantee the continuity of “socialism with Chinese characteristics”. Thus, the question arises: would China’s economic development become a huge asset for both Japan and South Korea? If the three states follow the idea of *econophoria*, the economic growth of China would bring great opportunities for each state and its economy. As Brendon Howe stated, economic interdependence is the key to peace because (i) all parties involved are better off and, then, forget any past grievances; (ii) because of higher interdependence, namely on military and technological sectors, going to war becomes harder; (iii) a *spillover effect* may take place, bringing on a culture of cooperation instead of one of conflict; and (iv) integration breaks down the monolithic culture of the state, encouraging cross-cutting interests (Howe, 2010). However, we notice the opposite: the more China grows economically, the more Northeast Asia becomes unstable. Even though China’s economic growth has been relevant to guaranteeing the

region's importance in the economic world scene, Japan and South Korea have, throughout the years, showcased their fear of China's possible strategy of dominance over Asia. In that regard, the Japanese Ministry of Defence stated that "China has rapidly expanded its military capabilities and operations, and this has raised concerns in Japan regarding China's intentions in the East China Sea, particularly around the Senkaku Islands" (Ministry of Defence of Japan, 2023, p. 14). The International Institute for Strategic Studies (IISS) also mentioned that both Japan and South Korea are increasingly apprehensive about China's intentions in Northeast Asia, particularly regarding its military modernisation and territorial claims, which are perceived as a challenge to regional stability (Huxley & Kuok, 2023).

There are two ways to approach this phenomenon: either Northeast Asia will become unstable because of the externally influenced fear over the rise of China—a communist, socialist, and autocratic regime—or China will not be willing to play its part as the *leading force of regionalism*. On the one hand, the US was highly preoccupied with the rise of influence China has promoted in the region, mostly through the Belt and Road Initiative (BRI). Simultaneously, Japan is worried as it is losing its role as the most economically and technologically developed state in Northeast Asia. Here, it is worth remembering former US President Obama's *Pivot to Asia* Initiative and Japan's Foreign Direct Investment (FDI) strategies aimed at pursuing more investments in Africa and Southeast Asia, counterbalancing China's growing position in the region, and safeguarding their own positions and wishes. On the other hand, as presented by Jaewoo Choo in his article, China has been leading the development of regionalism in East Asia, and "as long as China does not pursue protectionism and continues to open its market to the regional economies, and these economies continue to enjoy greater dividends from the Chinese market than from the American market, then China will be highly appreciated by them as it is now" (Choo, 2016, p. 139). Until recently, it seemed as if China was very willing to play such a central role. However, China began to safeguard its economy and has made an effort to become as self-sufficient as possible in significant fields and productions following the COVID-19 outbreak and the ensuing economic crisis. What is the solution, then? According to the same author, Northeast Asia needs *structural leadership* because neither China nor the US is willing to take the necessary steps to guarantee a *power constellation*, that is, a 21st-century *tributary system*, that, according to Choo, represents "the traditional Asian

way of international order [that] does not impose or coerce others to join any form of structural union, but rather attracts others to be part of the union with appeals from both hard power and soft power” (Choo, 2016, p. 141).

Because of the lack of *structural leadership*, *political cooperation*, and *trust*, it seems that econophilia fails to become the framework by which Northeast Asia should be guided in its bilateral, multilateral, and trilateral attempts at cooperation. Such a conclusion leads us to a new concept: the *Asian Paradox*, which, according to Richey, is characterised by a persistent and even increasing strategic mistrust amongst Northeast Asian states despite the high levels of economic exchange and interdependence (Richey, 2016). Dong-ik Shin describes the Asian Paradox as a time when we notice a growing economic interdependence between the Asian states, accompanied by a decline in political cooperation and an increasing amount spent on military expenditures (Shin, 2016, p. 57). Then, the Asian Paradox materialises as a *trust deficit* in the region, which consequently manifests in a lack of any type of cooperation, either political, economic, or cultural.

Looking at the current geopolitical status in Northeast Asia, it seems that the Asian Paradox is the best framework for understanding the region. According to the TCS data, intra-regional trade has been steadily growing, and bilateral economic exchanges with deficits demonstrate the higher economic interdependence among the states. By following the news, we are also aware that China has been wagering more on the development of its military, as have Japan and South Korea. The region is indeed more unstable because of the continuous nuclear threats from North Korea, the inability of the US to define its strategy towards the Asia-Pacific, and the higher tensions in the Taiwan Strait. But aren't we witnessing the continuous economic interdependence, lack of political cooperation, and higher expenditure on the military in the three countries?

According to Richey, the Asian Paradox reveals the truth and limits of econophilia, as it entails both political and strategic wishes as well as economic ones. According to the author, for econophilia to fully happen in Northeast Asia, *politics* cannot be dismissed because, to move towards a “market-state” (instead of the classical nation-state), the leaders of the countries need to work together to create the fundamental political framework for the fruition of the market-state: “international institutions are appropriate venues for such a process, as they facilitate information exchanges, build in

some (even if only marginal) level of enforcement, and allow for multiple areas and interactions of cooperation” (Richey, 2016, p. 132).

From here, it is possible to understand that Northeast Asia, namely the Big Three, would ideally perceive that “regional cooperation is of course not an end in itself but also has to be considered as a way of enhancing economic growth and development” (Aminian; Calderon, 2010, p. 417). Regional cooperation can enhance their economic relations through bilateral, multilateral, and trilateral frameworks. However, as geopolitics is the defining force for both geo-economics and geostrategy, it is safe to say that Northeast Asia will prevail as a great example of the Asian Paradox, and we will continue to see their geoeconomic strategies as more domestically orientated than regionally orientated.

FINAL REMARKS

By conceptualising geoeconomics from its early definitions until the most contemporary ones, the author was able to establish that geoeconomics, as a tool of geopolitics, has been of higher importance in the study of Northeast Asia, which includes the Big Three—China, Japan, and South Korea. Northeast Asia is characterised by unstable bilateral relations, strategic multilateral frameworks, and early attempts at trilateral cooperation.

Although econophilia seemed like the best framework to describe how Northeast Asia would behave in the post-Cold War period, different authors realised that those states, rather than embracing economic interdependence as the means to promote peace and stability, tended to grow their vulnerability towards their neighbours, which resulted in higher expenditure on military development and a decline in political cooperation. This phenomenon, known as the Asian Paradox, points out the exquisite and complicated *status quo* in Northeast Asia, where economic interdependence and political mistrust go hand-in-hand.

Though it lacks political integration, the author believes Northeast Asia has the economic conditions to grow into a regional power. Regardless of its political differences and historical issues, the region could embrace a geoeconomic strategy that would simultaneously advance each nation’s domestic interests and regional integration by strengthening political cooperation through the Trilateral Cooperation Secretariat, adopting a more

defined strategy by either China or the US, or diversifying the scope of integration (for example, financial integration, joint projects, environmental protection, etc.).

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THE BRI 2.0 AND THE ROLE OF NEPAL AS A SOUTH-SOUTHEAST ASIAN CONNECTOR

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Diogo BORGES

Abstract: The Belt and Road Initiative (BRI) is a global interconnection project aimed at promoting China's role in the global context, comprising six land economic corridors and one comprehensive maritime economic route, which form a network of interconnectivity and economic development. After the COVID-19 pandemic, the global order faced new economic challenges, and most of the countries were forced to redefine their external policies. These caused China to rethink its BRI initiative, as announced during the Third Belt and Road Forum for International Cooperation, focusing on connecting land-based corridors to achieve multidimensional connectivity. As such, in recent years, China has been focusing on achieving connections between its two main land corridors, the China-Pakistan Economic Corridor (CPEC) and the China-Indochina Peninsula Economic Corridor (CIPEC). The central objective is to provide overland access to the Persian Gulf and the Arabian Sea for Southeast Asian countries and offer a viable alternative to Malacca. The initial idea was to link the two corridors via the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC). However, due to India's rejection of the project, China had to reconsider its connection strategy and search for new regional partners. Nepal surged as an appealing country, not only because of its geostrategic location but also because of its underexplored fossil fuel reserves. The aim of this research is to analyse the effects of the Nepalese alternative for CPEC-CIPEC connectivity in order to understand the change in China's foreign policy and the new Chinese interregional strategy.

Keywords: China, Nepal, BRI, South Asia, Southeast Asia, CPEC, CIPEC.

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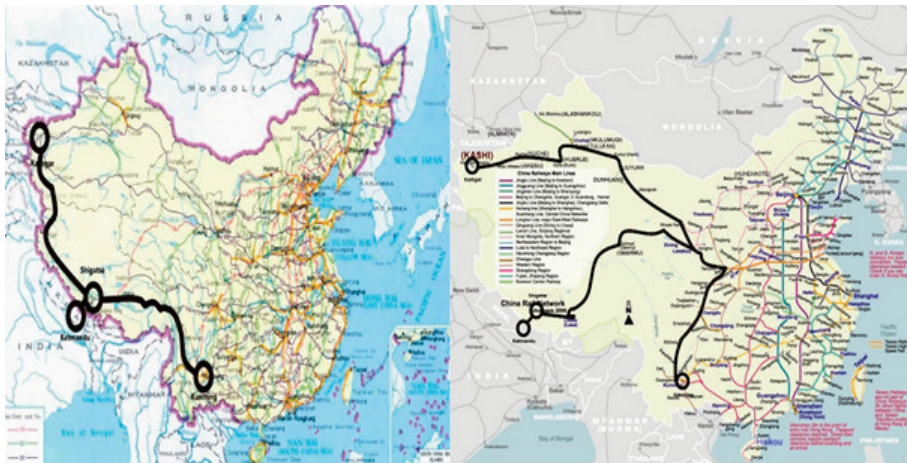
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INTRODUCTION

In 2013, Xi Jinping announced the Belt and Road Initiative (BRI) as an interregional interconnectivity project during official visits to Kazakhstan and Indonesia (McBride et al., 2023). The aim of the BRI was to advance China's global role by allowing China to extend its influence beyond its traditional sphere through two pivotal routes, the Silk Road Economic Belt (SREB) and the 21st Century Maritime Silk Road (21st MSR), which together form a land-sea network that facilitates connectivity and economic growth between the parties involved. While the SREB was composed of six economic corridors, namely the China-Pakistan Economic Corridor (CPEC), the China-Indochina Peninsula Economic Corridor (CIPEC), the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC), the New Eurasian Land Bridge (NELB), the China Central-West Asia Economic Corridor (CCWAEC), and the China-Mongolia-Russia Economic Corridor (CMREC), the 21st MSR was a Southeast and South Asia-focused project that was revived and expanded over time to allow China to control its main trade and energy import routes in the Indian Ocean Region (IOR) (China SCIO, 2020).

The emergence of the COVID-19 pandemic precipitated a series of economic challenges for the global order, compelling many nations to re-examine their external policies in the context of these novel circumstances. In addition to the challenges posed by the global pandemic, China faced significant regional rivalries with India and the United States. These included India's refusal of the BRI and the rebranding of the BCIM-EC to the China-Myanmar Economic Corridor (CMEC), as well as the power rivalry between China and the US. These rivalries led China to rethink its BRI strategy and search for new forms of connectivity (Yu, 2024, p. 169). Consequently, at the Third Belt and Road Forum for International Cooperation (3rd BRI Forum) last year, China announced a new focus on interconnectivity through land-based corridors with the objective of achieving multidimensional connectivity (Jinping, 2023).

Figure 1. Map of how the Katmandu-Shigatse multimodal project would look on China's current infrastructure
(On the left are the Expressway infrastructure lines, and on the right are the Railway infrastructure lines)



Source: Raw images taken from China-Tour website and edited by the authors to highlight the Kashgar-THEC-Kunming connection.

Within this multidimensional project, one of the main corridors is the Trans-Himalayan Economic Corridor (THEC), whose primary objective is to integrate Nepal within the Chinese infrastructure network, allowing for Nepalese development and regional integration while granting Chinese access to the Himalayan energy reserves (HNS, 2019; Miller, 2022, pp. 12–13; Zhou, 2024). Furthermore, the integration of Nepal into the Chinese infrastructure network, primarily through the construction of a Kathmandu-Shigatse railway and motorway connecting to Kunming and Kashgar (Figure 1), would facilitate the development of the western region of China, with Nepal serving as a connectivity and logistics hub within the heart of the Himalayas.

Consequently, in line with the above factors, this article puts forth the hypothesis that China's objective in establishing the THEC is to create connectivity between South Asia and Southeast Asia. It further suggests that the primary Chinese objective in this endeavour is to establish a CPEC-CIPEC mega-corridor. The central objective of this link is to provide overland access to the Persian Gulf and the Arabian Sea for Southeast Asian countries.

Furthermore, the project is intended to provide a viable alternative to the Malacca Strait, which has been a source of tension between China and the United States. Therefore, our research goal is to understand the impact of the Nepalese alternative for CPEC-CIPEC connectivity in order to comprehend the transformation in China's foreign policy and the novel Chinese interregional strategy. This will be achieved through an examination of the ongoing BRI projects in Nepal, with a particular focus on the THEC, in order to ascertain how these projects can facilitate the Chinese desired multidimensional interconnectivity. Further, an exploratory analysis of the CPEC and CIPEC corridors would be conducted to understand their regional relevance and how the South-Southeast Asia connectivity strategy through Nepal fits into China's BRI 2.0.

In order to answer the above research question and test the current hypothesis, this study will follow a specific methodological and theoretical approach. Methodologically, it will mainly conduct a qualitative analysis of both primary and secondary sources to understand how China-Nepal relations have evolved. Theoretically, this study will take into account Buzan and Wæver's (2003) Regional Security Complex Theory (RSCT), mainly through an economic security perspective that is also one of the main pillars of China's foreign policy. The authors argue that powers act mainly within their respective regional complexes, which are determined by the power dynamics of their neighbourhood relations. However, Buzan and Wæver argue that China is seen as an Asian power acting simultaneously in three regional complexes, each of which includes South Asia and Southeast Asia, and that Nepal can be seen as a regional buffer due to its geostrategic location. Thus, using this notion of China as a multi-regional power and Nepal as a regional buffer, this study will analyse how China has included Nepal in its BRI 2.0 to address one of the biggest threats to its own energy security, the Malacca Dilemma.

WHY IS CHINA SEEKING FOR ALTERNATIVES: THE NEW PATHWAYS OF THE BRI 2.0

In recent times, the international system has witnessed a series of geopolitical and geoeconomic shifts that have served to intensify the rivalry between China and the US. The primary arena of contention between the two

powers is the Indo-Pacific, a region that plays a pivotal role in the global economy by accounting for approximately 60% of global GDP and nearly two-thirds of the world's economic growth, making it a crucial area of interest for both nations (U.S. Department of State, 2024). Over the past decade, the competition for regional power has been most evident in the economic and security strategies of both China and the United States. In the case of China, this has manifested in the BRI and the Shanghai Cooperation Organisation (SCO) strategies. Similarly, in response to the wider Chinese BRI and SCO engagement, the United States supported the Free and Open Indo-Pacific (FOIP) and Quadrilateral Security Dialogue (QUAD). Therefore, it can be noticed that the tension between both sides has been growing and that the Indo-Pacific region has become the chessboard of this great power confrontation.

Regarding this power rivalry, one of the main challenges that China faces is directly connected to its energy security. As mentioned before, the BRI is composed of the SREB and the 21st MSR. Besides the fact that both parts of the initiative provide connectivity and economic growth to the parties involved, one should keep in mind that the development of these projects was partially influenced by two occurrences: firstly, China's significant energy import dependency on the Middle East, and secondly, the potential for a US blockade of Malacca (Anwar, 2019). To put the connection between these two considerations into perspective, China imports 60 to 70 per cent of its energy reserves from the Middle East, and these pass through the Strait of Malacca (Paszak, 2021). Therefore, this explains why China fears a scenario in which the US might block the Strait of Malacca in the event of a power confrontation, since it would cause a national energy crisis that would directly affect national security. This phenomenon, which has been a source of Chinese concern since the 1990s, was coined the Malacca Dilemma in 2003 by then-Chinese President Hu Jintao (Paszak, 2021).

Since the late 1990s, China has initiated a strategy to solve the problem based on building alternatives. One of these alternatives was the development of Pakistan into a regional hub, with the objective of establishing a direct connection to the energy routes of the Middle East. Around the time China showed the first concerns over the Malacca Dilemma, Pakistan promoted the Gwadar project as a mutually beneficial opportunity for both sides, offering China the opportunity to invest in an initiative that could enhance the Chinese presence in one of the most significant global energy and trade bottlenecks, namely the Persian Gulf and Arabian Sea (Khan et al., 2024, p. 5). Pakistan's

role as a possible Malacca alternative was further reinforced by a series of agreements and development plans. Of particular note are the two phases of the China-Pakistan Free Trade Agreement (CPFTA) (2006 and 2009); the completion of the Gwadar deep-water port Phase 1 and the Gwadar-Karakoram-Kashgar connectivity projects (2006); and the Pakistani admission into the Central Asia Economic Cooperation (CAREC) Program (2010) (CAREC Program, 2022; MC PRC, 2024). The implementation of these projects has enabled China to establish more direct and time-efficient routes¹, helping to reduce its reliance on the Strait of Malacca. In 2013, following a meeting between Pakistani Prime Minister Nawaz Sharif and Chinese Prime Minister Li Keqiang in Beijing, China consolidated all of its development efforts into one BRI economic corridor, designated as the CPEC, with the intention of transforming the Gwadar Port into a hub for energy trade directly connecting the Middle East to Kashgar (Khan et al., 2023, pp. 94–98; Mardell, 2020).

In the same year, China also proposed the BRI BCIM corridor to India, Myanmar, and Bangladesh as a successor to the Kunming Initiative, originally proposed in 1999, with the intention of avoiding the Malacca dilemma. However, the corridor was rejected by the Modi government after it refused to participate in the first and second BRI forums in 2017 and 2019, respectively (Ali & Khan, 2024, p. 15). The official justification advanced two principal motives. Firstly, it cited the historic Sino-Pakistani friendship. Secondly, it advanced India's argument that although the CPEC passes through Azad Kashmir, an area controlled by Pakistan, the whole of Kashmir is Indian and that, consequently, China is violating India's territorial integrity (Miller, 2022, p. 12). The Indian refusal, in conjunction with the Indo-US Civil-Nuclear Deal signed in 2005, served to exacerbate the Chinese concern regarding the Malacca Dilemma because China feared that India could utilise its influence within the Indian Ocean to impede the shipment of Chinese goods to Singapore. Nevertheless, both Bangladesh and Myanmar have elected to

¹ In a concise study conducted by Alam, Li, Baig, Muhammad, Sun, and Tariq (2023), the time and cost effectiveness of these routes were analysed. The results were presented for both China's trade with the Middle East and Europe. With regard to travel time, the aforementioned routes would allow a reduction in distance from 3000 to 10000 km, depending on the Chinese province or municipality of origin. Additionally, with respect to transportation costs, the authors concluded that these new routes would result in a decrease of approximately 2000 USD for departures from Xinjiang.

pursue their respective projects. In the case of Myanmar, China launched in 2017 the Kyaukpyu deep-water port expansion, which aimed, similarly to the Gwadar port, to build an alternative sea-land route that would connect China directly to the Indian Ocean (Fillingham, 2023). On the other hand, China also developed the Chittagong and Payra ports in Bangladesh in order to strengthen its presence within the Bay of Bengal while granting alternative ports for energy transportation (Fairman, 2019; Shepard, 2016).

In addition to the proposed corridors, China also presented the Kra Isthmus project in Thailand in 2015. This project involved the construction of a man-made canal, similar to the Panama Canal, that would connect the Gulf of Thailand and the Andaman Sea. The primary objective was to develop an alternative maritime route to the Malacca Strait that would facilitate connectivity between the South China Sea and the Indian Ocean while mitigating the risk of future US blockades. However, the project only regained focus at the end of 2023 with the Thai proposal for its redefining from a canal into a land bridge (Fillingham, 2023).

However, despite China's efforts to address the Malacca Dilemma, the post-COVID-19 global order has brought about changes to the international system that have compelled states to adopt new foreign policy strategies. According to Yu (2024, p. 170), this alteration was mainly driven by the crash in the international economy, leading to the necessity of building "an open world economy and resilient regional and global industrial chains". China was not immune to these changes and thus sought to adapt its principal international strategy, the BRI. The modifications to the BRI model were unveiled at the 3rd BRI Forum in October 2023 during Xi Jinping's closing remarks, which outlined the framework for the future of the BRI and emphasised the importance of establishing multidimensional connectivity (Jinping, 2023). This new BRI approach can be labelled as the BRI 2.0. Additionally, the failure of the BCIM corridor and the lack of success of individual projects in Myanmar, Thailand, and Bangladesh have contributed to the difficulties surrounding the Malacca Dilemma. This has prompted China to pursue a more intensive investment strategy in the SREB, with the objective of capitalising on the inter-regional success of the CPEC in connecting China to the Persian Gulf and in attracting new partners from Central Asia and the Middle East (Habibi & Zhu, 2020). The objective of this initiative was to reinforce the BRI and establish alternative continental trade routes by

promoting a mega-continental connection between Singapore and Gwadar via Kunming-THEC-Kashgar connectivity.

To achieve the above-mentioned connectivity, China sought to connect internally two of its national infrastructure network hubs, Kashgar and Kunming, which are the main connectivity nodes to the BRI. In order to establish a mega-continental corridor that could extend from the Middle East to the South China Sea, China has opted to connect its two principal SREB corridors, the CPEC and the CIPEC (Mardell, 2020; Rana & Xianbai, 2020, pp. 103–107). It is pertinent to note that the CIPEC is the Southeast Asian continental corridor that enables China to exert greater influence over the South China Sea and directly connects Kunming to Singapore. The junction of both corridors would allow China to circumvent the Malacca Strait to achieve energy security and avoid conflicts with India in the Indian Ocean. However, to connect Kunming to Kashgar, China would need to develop its internal infrastructure network. Although in Central and Eastern China the infrastructure network has been the target of a bigger development, the same cannot be said for the Tibet and Xinjiang autonomous regions, where the infrastructure network is underdeveloped (Figure 1) (Yuen, 2021). This is a significant concern for China, given that the current routes between Kunming and Kashgar are less direct and more time-consuming, which reduces their effectiveness. However, China has been progressing on this issue since the announcement of the Nepalese THEC by developing a southern Kunming-Lhasa-Shigatse-Kashgar alternative, as will be explored in more detail in the next section. This would allow China to achieve its connectivity objective within the BRI 2.0 framework.

EXPLORING TENDENCIES OF CHINESE INVESTMENT IN NEPAL: THE NEPALESE ROAD TO A CPEC-CIPEC CONNECTIVITY HUB

Since the creation of the British Raj, Nepal has been a landlocked country between two regional powers, China and India. Following the partition of the Indian subcontinent in 1947, which led to the creation of the states of India and Pakistan, Nepal found itself sandwiched between these two regional powers, both of which were vying for influence in the region. This resulted in the country pursuing a threat-balance agenda during the initial decades, as evidenced by a hedging strategy in which it sought to maintain cordial

relations with both sides while avoiding any form of conflictuality or bandwagoning (Johny, 2024, p. 1). However, Nepal's landlocked status and proximity to India, the region's closest maritime power, have prompted the Nepalese government to prioritise strengthening its relationship with India with a view to facilitating access to the Bay of Bengal via Kolkata.

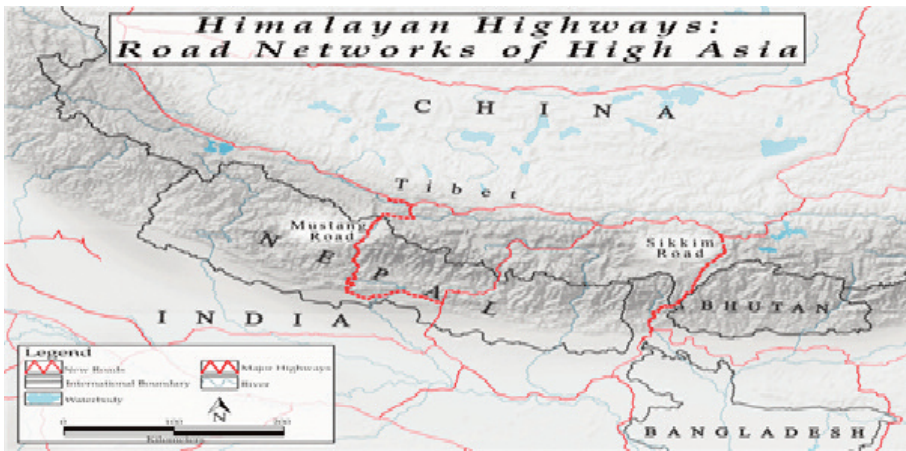
Although Nepal was more focused on relations with India, China subsequently adopted a more proactive approach towards Nepal, seeking to develop Nepalese connectivity with Tibet. With regard to the Sino-Nepalese relationship, it was only after 1955, when both countries established formal diplomatic relations, that it became a well-established and stable partnership (Choudhury, 2023, p. 122). In that same year, the relationship between the two countries was further strengthened through the signing of the Nepal-China Friendship Treaty. Even though the bulk of investments was made after 2006, China actually started as early as 1955 to develop smaller infrastructure projects and the Kathmandu-Lhasa Road² (Cottle et al., 2019). Furthermore, throughout the 1950s, China and Nepal entered into a series of bilateral agreements pertaining to the demarcation of their respective national frontiers (Murton & Plachta, 2021, p. 334). These instruments, coupled with the implementation of infrastructural projects, culminated in the conclusion of the China-Nepal Highway Construction Agreement in 1961 (MFA PRC, 1961). Subsequent to the agreement and until the conclusion of the 1970s, China also provided assistance in the militarisation of the Nepalese border, thereby ensuring the continued independence of Nepal in the face of Indian pressure. The initial decades of Sino-Nepalese relations demonstrate that the primary Chinese objective was to delineate its territorial boundaries along the Himalayan border while simultaneously seeking to enhance connectivity between Nepal and Tibet. This was done with the aim of developing its own autonomous regions and gaining political and economic leverage in South Asia.

From the 1980s on, China's focus on Nepal centred on infrastructure investment and humanitarian aid. According to Cottle, Antonopoulos, and

² It is of significance to acknowledge that the year 1955 was the setting for the Bandung Conference. During this conference, the then Chinese Premier Zhou Enlai proposed to the Nepalese delegation the establishment of friendly relations, resulting in the signing of two agreements on friendly relations and trade and intercourse development in the same year. The Kathmandu-Lhasa Road can be traced back to the latter of these two agreements (Chandran, 2020; Sharma, 2018).

Thapa (2019, p. 94), this tendency could be observed by the fact that during this period, Chinese investment in Nepal demonstrated a growth trajectory while the China-Nepal trade remained low. During this period, China increased its investment in the Nepalese infrastructure, with the construction of additional highways being a notable aspect of this (Figure 2).

Figure 2. Map of the Himalayan Road networks
(In the Nepalese territory, it can be observed the highways that connect Kathmandu to both the Western and Eastern sides of China)



Source: Galen Murton, "Himalayan Highways: STS, the Spatial Fix, and Socio-Cultural Shifts in the Land of Zomia," *Perspectives on Global Development and Technology* 12, no. 5–6 (2013): 609–21.

Of particular significance is the second Trans-Himalayan Highway, which connects Nepal with the Xinjiang-Tibet Highway (Upadhyay, 2012, p. 110). The principal reason for the observed change can be attributed to the significant political change that occurred in China in 1978, which saw the rise of Deng Xiaoping and the subsequent focus of the new government's strategy on economic development, with internal development and infrastructure connectivity becoming one of its core pillars (Dorn, 2023). In this context, Nepal played an essential role as a conduit for the Tibetan region to become more interconnected and develop economically. Additionally, as a supplementary rationale for this investment, we can argue that China was

already developing an alternative for the Nepalese connection to Kolkata with the intention of reducing Nepal's dependence on India. The completion of the Karakoram Highway in 1979 constituted the primary factor enabling this achievement, mainly by facilitating connectivity from Kashgar, in Xinjiang, to Hasan Abdal, near Islamabad, and the Karachi Port through the connectivity with the Pakistani national highway system (Hodge, 2013). As such, we can consider that this argument is reinforced by the fact that shortly after the completion of the Karakoram Highway, China proceeded to construct the aforementioned Trans-Himalayan Highway, which connected Nepal to Xinjiang. The establishment of this new route, although it was still longer than the Kolkata route, demonstrated that China was engaged in efforts to displace Nepal from the Indian sphere of influence.

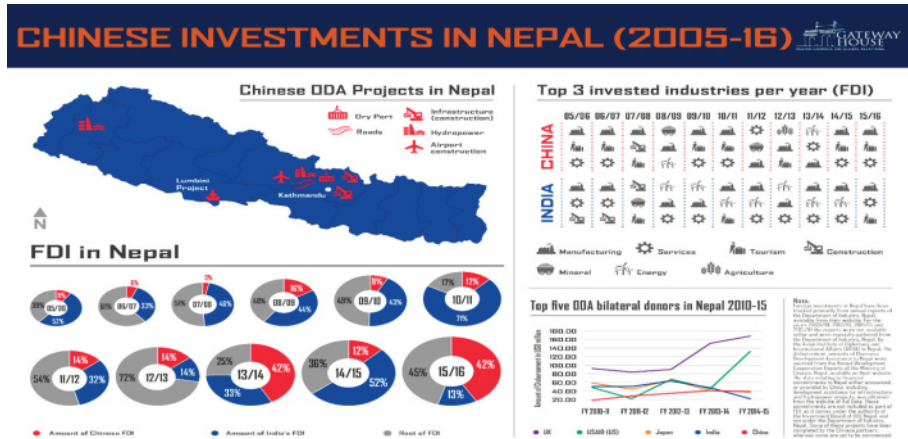
Continuing its efforts to gain leverage over Nepal, China proposed to Nepal in 1995 that Nepal should adopt an equal approach to aid and investment from both China and India (Cottle et al., 2019, p. 94). In the same year, China provided RMB 80 million in financial and technical assistance to Nepal, again for the construction of highways and transport infrastructure to improve connectivity in the Himalayan country (Cottle et al., 2019, p. 95). In the subsequent year, during an official visit from the then-Chinese President Jiang Zemin to Nepal, both countries concurred to establish a partnership founded upon good neighbourly relations, with intentions to serve as the bedrock for future relations (Choudhury, 2023, p. 123). The aforementioned Chinese foreign policy choices for Nepal demonstrate that China was prepared to adopt a more assertive approach in order to assume the role in Nepalese foreign policy that was traditionally occupied by India. In order to achieve this, China continued to foment its economic relationship with Nepal, mainly in the financial, transport infrastructure, and aid sectors, while simultaneously helping the country reach internal stability by supporting the Nepalese King Gyanendra in the Nepalese Civil War (1996-2006) (BBC News, 2005). This Chinese strategy of multilayer support allowed for the expansion of Chinese influence in Nepal, which in turn impacted Nepal's decision to join Pakistan, Bangladesh, and Sri Lanka in supporting China's admission to the South Asian Association for Regional Cooperation (SAARC) as an observer state in 2005 (Kelegama, 2016, p. 192; Kumar, 2015, p. 302). From this point on, it can be argued that Sino-Nepalese relations underwent a transition from the previous stage of intensification to a point where they assumed a higher overall importance for Nepal than Indo-Nepalese relations. The

aforementioned argument is supported by the fact that, following China's admission as a SAARC observer state, China began to invest in critical areas for Nepal, such as digitalisation. This included the construction of a 100-kilometre fibre optic cable between Zhangmu and Kathmandu in 2008, which allowed Nepal to be connected to China's information network and, after 2019, to integrate the Digital Silk Road (DSR) (Bleie, 2022; People's Republic of China Embassy in Nepal, 2007).

From 2010, the China-Nepal bilateral trade entered a new era, characterised by a notable increase in Nepalese imports from China (Acharya, 2019, p. 95; Naresh, 2022, p. 119). Chinese foreign direct investment (FDI) in Nepal also exhibited a notable surge (Figure 3) from 2012 onwards, with the exception of the 2014–2015 financial year, during which China held the distinction of being the largest single investor in Nepalese development projects. In 2014, Nepal took an unexpected step in its foreign policy when the then-Nepalese Prime Minister Sushil Koirala expressed the Nepalese interest in joining the BRI (Bhattarai, 2018). However, due to Indian pressure following this statement, Nepal was unable to join the BRI in the following years (Bhattara, 2019). As mentioned previously, this Indian opposition to the BRI was not limited to the Nepalese project but extended to the broader Chinese grand strategy. This was because India perceived that the CPEC, the flagship project of the BRI and a project between its two regional rivals, China and Pakistan, traversed through Jammu and Kashmir, a territory claimed by both India and Pakistan. Consequently, India viewed this as a violation of its territorial integrity and a direct threat to its national security (Ali & Khan, 2024, p. 15). The effectiveness of this Indian pressure would suffer a blow after the Gorkha earthquake in 2015. In the aftermath of the earthquake, India enacted a six-month trade embargo against Nepal, a move that further exacerbated the challenges faced by the country as it struggled to recover from the disaster without essential fuel and food supplies from its southern neighbour (Pandey, 2020). This presented a unique opportunity for China to expand its influence in the region by providing humanitarian assistance to the country, assuming the role of primary fuel and food exporter previously held by India, and offering the country the chance to end its landlocked dependency on Kolkata by gaining access to Chinese ports (Pal, 2021, pp. 15–16). This led Nepal to sign ten separate agreements and MoUs with China in 2016, mostly focused on the issues of transportation, infrastructure, cooperation, and port taxes. In that way, China created the basis for Nepal's adhesion to the BRI on May

12, 2017, two days before the Belt and Road Forum for International Cooperation (1st BRI Forum) (Cottle et al., 2019, p. 101; MFAGN, 2019a; OBOR Europe, 2017). This indicates that by the time of the 1st BRI Forum, China had already succeeded in securing the participation of all relevant South Asian nations in its global grand strategy, with the exception of India and Bhutan.

Figure 3. FDI tendencies in Nepal



Source: Rajiv Bhatia et al., "Chinese Investments in Nepal," *Gateway House Indian Council on Global Relations*, September 16, 2016, <https://www.gatewayhouse.in/chinese-investments-nepal-2/>.

The subsequent two-year period of negotiations between the two countries encompassed 35 initial projects, of which only nine were ultimately approved. Of these, five were directed at transport infrastructure, three at the energy sector, and one at digital infrastructure. The projects in question are the Rasuwagadhi Kathmandu road; the Tokha-Bidur road; the Kimathanka-Hile transport link; the Dipayal-Tibet transport link; the 762 mW Tamor Hydropower project; the 426 mW Phukot Karnali Hydroelectric project; the Galchhi-Rasuwagadhi-Kerung 400 kV transmission line; the Kyirong-Kathmandu railroad; and the Madan Bhandari Technical Institute (Giri, 2019). Also, besides the aforementioned projects, in 2018, China signed a Transit Transport Agreement (TTA) with Nepal in order to cement the Nepalese access to the seaports of Tianjin, Shenzhen, Lianyungang, and Zhanjiang, as well as the dry

ports of Lanzhou, Lhasa, and Shigatse (Panda & Sarkar, 2019; Yi, 2019). This indicates that the primary Chinese focus remained in the transport infrastructure and connectivity sectors, which serves to illustrate that China was laying the groundwork for Nepal to become a future hub of connectivity within the BRI (Murton & Plachta, 2021, p. 336). This became specifically clear after the Second Belt and Road Forum for International Cooperation (2nd BRI Forum) in 2019, when China and Nepal signed several agreements³ to coordinate procedures in the fields of connectivity and trade (Bhattara, 2019; Kathmandu Post, 2019; MFAGN, 2019b). Within these agreements, the most notable outcome was the announcement of the THEC, a corridor that would allow connectivity from Chengdu and Kunming (Figure 1) to Kashgar and further CIPEC-CPEC connectivity, using Nepal as a critical logistical centre (Singh, 2019). Also, an additional insight into China's strategic intentions regarding Nepal can be gleaned from a speech delivered by Xi Jinping during his visit to Nepal after the 2nd BRI Forum. In this speech, Jinping highlighted that Nepal had undergone a significant geopolitical transition, moving "from a landlocked to a land-linked nation" (UN China Mission, 2019).

In the two years that followed, Chinese investment was significantly impacted by the global economic downturn precipitated by the COVID-19 pandemic. However, by 2022, the levels of Chinese investment in Nepal had returned to normalcy and even surpassed previous figures, positioning China as the largest FDI in post-pandemic Nepal (Choudhury, 2023, p. 4). The primary focus of investment was on energy-based industries, particularly hydropower projects, the construction sector, and the infrastructure sector, which collectively accounted for over 98% of the FDI stock (Choudhury, 2023, p. 5). In 2023, China reinforced its relationship with Nepal by completing the construction of the Pokhara International Airport, which has enabled visa fee exemptions for Nepalese citizens since May of this year (Jha, 2024; Wilkins, 2024). Furthermore, China has increased its investment in energy projects such as the Upper Trishuli Hydropower Plant and the West Seti Dam (Jha,

³ It is of particular interest to highlight the following agreements: the Agreement on China-Nepal Boundary Management System, the MoU for China-Nepal Promotion of Key Projects of Investment and Cooperation on Productive Capacity, the MoU for China-Nepal Feasibility Study for Cross-Border Railway Project, and the MoU for China-Nepal Cooperation on Tunnels Construction. The full list of the 20 agreements can be found in MFAGN, 2019c.

2024). Also, regarding energy projects, it can be highlighted that in May 2024, Nepal and China began joint oil and gas exploration in Dailekh (Han, 2024).

Returning to the central point of the current study, the Nepalese centrality for connectivity between the CPEC-CIPEC multidimensional corridor within the BRI 2.0 framework can be observed in the trends of Chinese investment in the country. As has been demonstrated, Chinese investment trends in the country have been characterised by an initial and continuous focus on transport infrastructure, energy production, and logistical centres, as well as connectivity projects between Nepal and the regions of Tibet, Xinjiang, Sichuan, and Yunnan. It can be argued that these efforts have resulted in Nepal becoming the pivotal logistical centre for China's infrastructure goals in the Himalayas. It is our contention that this decade-spanning Chinese focus on Nepal, which reached its zenith with the implementation of the BRI, has the overarching objective of establishing Nepal as the focal point for connectivity between the Southeast Asian logistical hub of Kunming and the Central-South-West Asian logistical hub of Kashgar. The incorporation of Nepal as a link in China's national infrastructure grid has facilitated the advancement of the country's western regions while simultaneously ensuring the continuity of a land network that connects the various BRI economic corridors across the aforementioned Asian regions. This serves to reinforce our primary contention that following the 3rd BRI Forum, with the proclamation of a new age of multidimensional connectivity, China succeeded in integrating its two principal corridors, the CPEC and CIPEC, into a continuous and systematic mega-corridor.

CONCLUSION

The present study examines the evolution of economic relations between China and Nepal, as well as the implementation of the BRI in the region. Additionally, it explores the transformation of the BRI from a complex network of connectivity routes to a more streamlined network in Asia. China's strategy towards Nepal has been characterised by patience and adaptability. This has enabled China to displace India from its position of influence in the Himalayan country, thereby creating a privileged relationship that has facilitated the proliferation of the BRI projects in the Himalayan region. It can be argued that this has provided China with a potential long-term foothold, allowing it to

further expand both the BRI economic corridors and its influence. This prompts the question of the potential impact of the recently established single CPEC-CIPEC mega-corridor on the BRI 2.0, with the THEC acting as a connector, and on Nepal's development. This mega-corridor will facilitate a more time- and cost-efficient connectivity route, which may finally provide a definitive solution to the Malacca Dilemma. This is feasible primarily because the mega-corridor links the Port of Singapore to Gwadar, offering a solution to the Dilemma while facilitating market diversification for Southeast-South-Central Asia countries. Furthermore, this newly acquired status as a logistical hub may prove an opportunity to foster Nepal's development and reinforce its regional positioning.

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CHINA AND TURKEY: NEW BALANCES IN THE MEDITERRANEAN?

Stefano VALENTE*

Abstract: China, through its activism with the Belt and Road Initiative, is fully assuming its role as a global player in the 21st century at the political-economic level, redefining international hierarchies and balances of power. These changes trigger new dynamics in a less rigid geopolitical context than in the past. It is precisely the global economic synergies and ties that virtuously bind the different markets together that are of central importance. In this particularly complex general framework, China's political and economic role could also prove very important in the Middle East, an area recently shaken by very significant regional tensions. In fact, through a dense network of partnerships with local players, Beijing could influence the definition of new balances that will affect both the economic and political spheres in this region. Turkey could represent a reliable geopolitical partner, the geographic hinge, and the junction point of the land and sea Silk Road.

Keywords: China, Belt and Road Initiative, Turkey, Middle East, economic relations.

THE CONCEPT OF THE "WIDER MEDITERRANEAN"

While it is true that there is no unitary Mediterranean area from a political perspective, some factors, such as safeguarding energy, food, and trade supplies, unite the countries bordering the Mediterranean basin (Giorgerini & Nassigh, 2002). These factors also impact and influence the Chinese perspective in the Mediterranean.

China's approach towards the Mediterranean and Europe is twofold: it tends to alternate between typically multilateral initiatives and a systematic recourse towards bilateral strategies (Selvatici, 2018). It is an ambiguity that could be linked to two alternative geopolitical visions (Marconi, 2022). On the

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one hand, “the Greater Middle East”, based on principles of marginality and fragmentariness, contrasts with the “Wider Mediterranean”, hinged on cohesion and integration (Moita & Pinto, 2017).

Adopting either of these two interpretative categories means choosing an approach with obvious geopolitical consequences (Di Cecco, 2005). With the “Greater Middle East”, centrality is given to political, ethnic, and religious divisions; considering the Mediterranean as a “passage” area between the Indian Ocean and the Atlantic Ocean tends to fuel a conflict-based approach. The central pivot, therefore, becomes the relationship between state actors based on conflict (Boria & Marconi, 2022). On the other hand, within some geopolitical interpretative readings, conflict is an endemic dynamic in the international environment: even the hegemonic actor, in wishing to preserve the *status quo*, must constantly take action to safeguard its interests, its national security, and its position of dominance (Colombo, 2018). It is brought about by the international system’s competitive nature (Bull, 2005).

The limitations and shortcomings of the current international system only add to this trend; the lack of legitimacy of the United Nations and the absence of an “arbiter” against disputes are factors that exacerbate the criticalities associated with it. Space is a “finite space” within which the great powers clash, using the differentiation of human societies (spatial configurations of politics linked to different cultures, available resources, value systems, etc.) as a pretext. A conflict that, at the same time, can be explicit, armed, non-violent, latent, symmetrical, or asymmetrical.

It therefore seems useful to broaden the horizon of analysis and also consider other geographical categories such as the “Enlarged Mediterranean” (Redaelli, 2021) (Ramoino, 2009, 2012). The cornerstone of the theoretical definition of the Wider Mediterranean, a concept elaborated by the Italian Navy, does not reside only in its geographical dimension; it includes the Mediterranean basin as such, widening and extending also to the Black Sea, the Red Sea, the Persian Gulf, the Gulf of Aden (even the Gulf of Guinea), and strategic choke points such as Bab el-Mandeb, Gibraltar, Hormuz, Suez, the Bosphorus, and the Dardanelles. Safeguarding the flow of goods, information, and raw materials passing through them is a priority (Baldwin, 2020).

Figure 1. “Enlarged Mediterranean”



Source: De Giorgi, n.d.

This category, which emerged at the end of the 20th century at the Maritime Warfare Institute in Livorno (Italy), through the theoretical elaborations of Admiral Ramoino and Giorgio Giorgerini, was later named the *Doctrine of the Enlarged Mediterranean* (Ramoino, 1999). The Enlarged Mediterranean is probably the most important strategic proposal produced in Italy in the last fifty years (Bertonelli, 1930) (Livolsi, 1995). It has at its core an innovative theoretical approach that also tends to redefine the geopolitical role and maritime dimension of Italy and the other riparian countries involved. This concept follows in the footsteps of the historian Fernand Braudel in the mid-20th century, who emphasised that the Mediterranean Sea should not be considered a mere physical basin but as a succession of land and sea joined together by a dense network of commercial, social, cultural, and political exchanges (Braudel, 1995) (Umana, 2002). It is for this reason that *local* issues, such as Yemen’s instability in light of its clan-tribal and religious fragmentation (the presence of the Zaidi Shiite Houthi community), tend to intertwine with global economic interests (Lizza, 2011). Local disruptions have global

consequences. When considering China's role in the Wider Mediterranean and its interaction with regional powers such as Turkey, it is therefore appropriate to first theoretically define the presence of two interpretative models for this specific geographical area (Ekman, 2018).

The attempt is to bring together a particularly complex geographical framework through a reading capable of giving importance to freedom of navigation and stability of trade with an "inclusive" vision of the seas. These are the causes that have led to a "supranational" dimension of the Enlarged Mediterranean in an attempt to reconcile the needs of the different riparian powers. The preservation of supply lines and the resulting stability of trade became central principles for both China and Turkey (Thürer, 2020). The Black Sea, the Red Sea, the Gulf of Aden, and all related choke points—Bab el-Mandab, Hormuz, Suez, the Dardanelles, the Bosphorus, and Gibraltar—are included in the Enlarged Mediterranean (Marconi & Sellari, 2021).

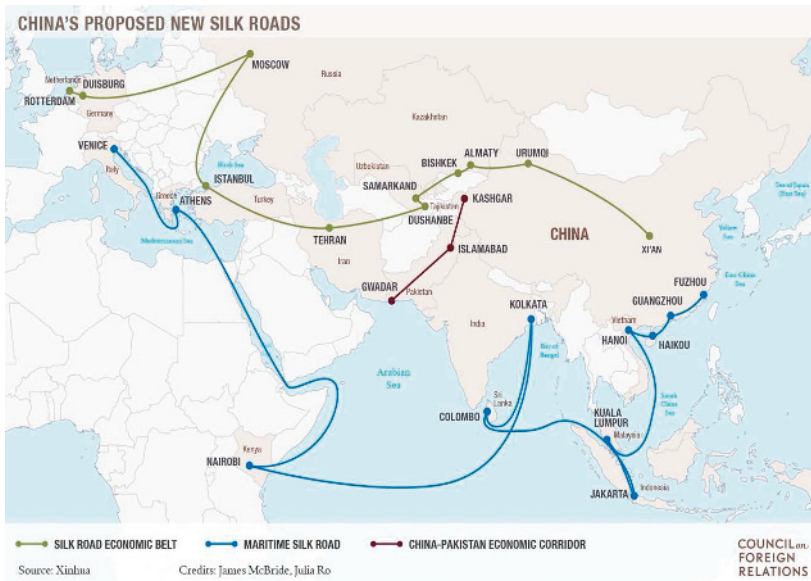
CHINA'S BELT AND ROAD INITIATIVE AND THE REDEFINITION OF NEW ECONOMIC BALANCES IN THE MEDITERRANEAN

The Chinese approach tends to fit in between the two divergent visions of the "Greater Middle East" and the Wider Mediterranean (Di Cecco, 2005). Beijing is focusing on the economic sphere and economic interests, and safeguarding trade flows and securing traffic are its priorities given the need to guarantee markets for its production surplus (Sellari, 2020). It is in this context, in these complex dynamics, that the Belt and Road Initiative fits in.

Announced at the University of Astana in 2013, the Belt and Road Initiative is one of the pivots of Chinese geopolitics in the 21st century. It includes the Maritime Silk Road (MSRI) and the Silk Road Economic Belt (SREB) (Ferdinand, 2016) (Blanchard, 2017). Initially proposed under the name One Belt, One Road (OBOR, "一帶一路" literally translated into "One Belt, One Road") in 2014, the name of this project was later replaced with the name Belt and Road Initiative (BRI). In this sense, "each component has the potential to transform the global geopolitical landscape through the construction of interrelated infrastructure projects, including ports, highways, railways, and pipelines (...). The MSRI is a geopolitical project that involves a number of actors (governments, private companies, and Chinese state-owned

enterprises) at a number of geographic scales (cities, provinces, states, and continents)” (Blanchard & Flint, 2017, p. 223).

Figure 2. Silk Road Economic Belt and Maritime Silk Road



Source: Ospanova et al., 2018

The potential success of the BRI could favour the ultimate establishment of China in geographical contexts where its political sphere of influence has not yet been extended and is currently limited to the economic sector (Duggan, 2014). It is for this reason that the BRI represents one of the tools for Beijing to test its position in international relations (Frankopan, 2019).

It is true that this Chinese projection should not be seen as historically new: from the ancient Silk Road to the activism of the Han dynasty (206 B.C.-220 A.D.), China has also tried to build bridges and strengthen trade ties with the West. However, this attitude was not constant. Even in the 1400s, Admiral Zheng He and his fleet were the protagonists of naval expeditions to the Indian Ocean. “The BRI is basically a revival of an old idea. (...) in the past, China has already been the epicentre of globalisation ambitions, making the

BRI today an old idea in a new format” (De Cremer, McKern & McGuire, 2020, p.4). What has changed is the level of market integration under the impact of economic globalisation, the speed of trade, the characteristics of supply chains, the compression of economic space, and the very strong integration between different markets and economies (Ramasamy, 2017). All factors showed how integrated and “compressed” the system was during the COVID-19 pandemic crisis (Amighini, 2020, 2017).

By projecting itself outward in such a proactive manner, China will be able to express the full potential of its production system. This aspiration is legitimate according to the priorities of its foreign policy, which also foresees the creation of opportunities for countries that manage to find an economic-political balance in their relationship with Beijing.

Internal reasons should also be considered: the success of the BRI would in fact have positive effects (Alon, Zhang & Lattenman, 2018). Finally, the BRI also has geopolitical significance as a vehicle for changing international power hierarchies: a means of responding to US activism through the creation of a “new” multilateral world order that envisages China as a dominant actor, especially within the Eurasian balances (Sellari, 2013).

For this reason, it is appropriate to pursue a broader interpretative reading of the Belt and Road Initiative. While the ultimate goals of the BRI can be easily identified, it is more complicated to interpret the processes and predict the final outcomes.

Integrating China with the rest of the world in the infrastructural, commercial, energy, financial, and even cultural spheres involves two priorities: speeding up and, at the same time, securing trade flows to gain more control over the global distribution network. The Chinese presence in the port terminals of Gwadar (Pakistan), Doraleh (Djibouti), Port Said (Egypt), Piraeus (Greece), and Kumport-Ambarli (Turkey) is part of these dynamics. This Chinese naval presence coincides with the geographical proximity to strategic choke points previously listed in the definition of the Enlarged Mediterranean (Bab el-Mandeb, Gibraltar, Hormuz, Suez, the Bosphorus, and the Dardanelles).

THE MIDDLE CORRIDOR AND THE IMPORTANCE OF TURKISH PORT TERMINALS

Turkey is currently going through a crucial phase both internally and in its foreign policy (Bozarslan, 2006). Its strengths are, first and foremost, its ability to exploit the margins of manoeuvre in the new international landscape by presenting itself as a geopolitical actor capable of assuming the position of mediator in the conflict between Russia and Ukraine. Although a member of NATO, it is at the same time able to build consolidated political-diplomatic relations with non-Western interlocutors (Ehteshami, 2007). Turkey's foreign policy is characterized by continuity despite all the novelties of the current international landscape (Akgun, 2011). The theory of "strategic depth" developed by Ahmet Davutoğlu in the 2000s, coupled with the country's new maritime dimension ("mavi vatan", "blue homeland"), has found a synthesis in a new projection between the West and the East, overcoming constraints present during the US-Soviet confrontation during the Cold War (Destro, 2012). This new strategy makes Turkey a dynamic and proactive actor, credible, and capable of disentangling itself from today's complex geopolitical balance. This new attitude, capable of adapting to new events and factors, makes Ankara a credible interlocutor. Turkey's "new" foreign policy was consolidated through the good economic performance of the 2000s and reached a turning point with the Gezi Park protests (2013) and the subsequent coup attempt (2016) foiled by Erdogan (Ambrosio, 2015). While continuing to follow its geographical reference lines (linked to the imperial past of the Ottoman Empire) towards Central Asia, the Middle East, and the Balkans, Turkish projection has undergone changes and a strategic redefinition that also involves the use of new instruments and a new policy. Ankara has thus ended up carving out a new role for itself in the Middle Eastern balance of power, reinforcing its synergy with Qatar, for example, and becoming more rigid in its relations with Saudi Arabia, the United Arab Emirates, and Egypt. It is in this new scenario that Turkey has also managed to create for itself the role of energy hub (particularly for gas), following a strategy aimed at exploiting the growing competition between Russia and Western countries (Erdağ, 2021).

The war in Ukraine and consequent polarization of geopolitical alliances had direct consequences for the international energy market and the role of energy (oil and gas) in the construction of new power hierarchies (Clô, 2000;

Di Benedetto, 2001). Considering natural gas supplies in Central and Eastern Europe or the Balkan countries, Turkey has become one of the pivotal players in this competition. It is a transit country for the Turkish-Balkan Stream (a pipeline in which gas from Russian gas fields is piped to the West) and, at the same time, a pillar of the infrastructural alternatives from the Caspian to European markets. Russian and “non-Russian” resources (desired by the EU and the US through the use of GNL-liquefied gas) are where Turkey always plays a central role (Stagnaro, 2007).

Figure 3. South Caucasus pipeline- Trans Anatolian gas pipeline
– Trans Adriatic pipeline



Source: ICGB, n.d.

Besides the energy issue, Turkey has at the same time reasserted its influence at strategic choke points (besides the Bosphorus and the Dardanelles) to protect its national and economic interests. Its military and commercial presence in Somalia, Djibouti, and throughout the Horn of Africa is an example of this and should be read through this interpretative lens. At the same time, it should be emphasised that China is increasingly proactive in these areas and not only in the commercial sphere. It is in this changing scenario that synergies between Ankara and Beijing seem to be strengthening.

A further aspect to be taken into consideration is Ankara's attempt to delimit the territorial waters of the Mediterranean to its own advantage. The presence of hydrocarbon deposits makes this dynamic very relevant. The discovery and exploitation of relevant offshore deposits such as Nour, Zohr, and Leviathan has redefined the geopolitical balance throughout the Mediterranean and the Middle East (Bordonj, 2013).

Erdogan, in recent years, has built a new image, a new geopolitical representation of Turkey in these new power structures, forging new, often complex, relationships with regional powers such as Saudi Arabia, Egypt, and the United Arab Emirates, while at the same time creating new alliances such as those with Qatar (Ennasril, 2013). The inclusion of China could prove to be a very significant variable for one reason: the need for Turkey to maintain economic performance capable of "fuelling" this dynamic and proactive foreign policy (Akçay & Qingye, 2020). One thinks, for instance, of the Turkish projection in Libya and the support granted to the "central" power in Tripoli, which historically clashes with the tribal confederations of Cyrenaica (which have other regional and international sponsors) (Lizza, 2011).

Erdogan's support, including military support, also has reflections on energy security: the Memorandum of Understanding signed by the two countries in 2019, which was followed by the MoU of October 2022 concerning the possible exploitation of the territorial waters "included" between the two countries, is emblematic. Turkey thus seeks to exploit opportunities to its advantage in the process of territorialising of the Mediterranean. All regional and international powers, from Greece to France to Italy and the United States, must necessarily take Turkey's new geopolitics into account (Ehteshami, 2007). China might contribute to these developments by bolstering a recent initiative in this field that, through the BRI, has shown to be more and more cutting-edge.

As previously emphasised, this activism has been possible thanks to good economic performance, which has allowed Turkish political power to pursue strategic choices and invest both in trade and the development of its defence industry (Marsili, 2011).

However, it is worth highlighting the structural weaknesses of the Turkish economy, which in the recent past has been characterised by high inflation coupled with the devaluation of the currency (the Turkish lira) (Walker, 2007). Hyperinflation and currency devaluation, combined with low economic growth

rates, have had direct and indirect consequences for foreign policy and the country's position in the complex international landscape. The strengthening of political-economic ties with Qatar, which is willing to provide capital to Turkey in exchange for important military support, and the possible synergies with China are all pieces of the same mosaic. It is these dynamics that will prove decisive for the future geopolitical positioning of this actor, potentially redefining the new balances of the entire Mediterranean and the Middle East.

China, at the same time, must take into account the sustainability of its investments in the Belt and Road Initiative, including the possible support for the Turkish economy that could be linked to this project. In spite of China's balance of payments surplus and its large spending margins, there are thresholds that must also be considered. China has great capabilities, but these cannot be considered limitless. China's exposure to the construction of large infrastructural hubs (think, for example, of the CPEC with Pakistan) also includes the need to keep these large works efficient over time with the related indirect costs. From this need emerges the necessity to identify economically and politically credible and reliable interlocutors, avoiding the risk of collaborations with excessively fragile political actors that could end up disallowing agreements with China (despite the constraints that tend to be created at an economic level).

China's strength based on the non-interference model could prove to be a winner, but the reactions of its competitors, first and foremost those of the United States, must also be taken into account. A decisive variable when considering the relationship between China and NATO member Turkey. However, China has to identify a reliable interlocutor capable of pursuing a policy of continuity in Central Asia, the Middle East, the Mediterranean, and the Balkans that suggests that relations between China and Turkey will improve in the long term. Indeed, the interests of the two geopolitical actors seem to share common needs (Akyener, 2017). Indeed, Turkey represents a possible connecting point and geographical hinge between the Silk Road Economic Belt (SREB) and the Maritime Silk Road (MSRI). These two Chinese-led projects, the land and the maritime one, seem to find a geographical synthesis precisely in Turkey.

The paradox concerns, for example, the possible points of friction in Central Asia: the development of the Belt and Road Initiative projects in this geographic quadrant could in fact favour the integration of Kyrgyzstan,

Kazakhstan, Tajikistan, Turkmenistan, and Uzbekistan with Turkey, thus favouring trade with Ankara and its political-economic interests. From these assumptions emerges the need for a political agreement between China and Turkey that would also take into account the other historically active actor in the area, Russia (Bugajski & Assenova, 2016). Undoubtedly, China's insertion throughout the Mediterranean and Central Asia is reconstructing new balances and opportunities. Turkey, historically adept at exploiting the margins of manoeuvre at its disposal, seems to be inserting itself proactively into these processes. Turkish geopolitical ambitions could, potentially and prospectively, coincide with Chinese ones.

The Middle Corridor, an alternative to the Northern Corridor that passes through Russia (a work that is burdened by the uncertainties linked to the war in Ukraine), represents an infrastructural land and sea route capable, in perspective, of connecting Turkey to China through a network of highways and railways that pass through the Caucasus and Central Asia (Kohli, Linn & Zucker 2019). Along this route, Turkmenbashi (Turkmenistan), Baku Alat (Azerbaijan), and Aktau/Kuryk (Kazakhstan) represent major multimodal transport hubs. Turkey, in this sense, could end up representing an important platform in the transport geopolitics pursued by China (Akman, 2019).

Figure 4. Middle Corridor



Source: Middle Corridor, n.d.

It is no coincidence that in 2015 a joint venture (China Investment Corporation, COSCO Pacific, and China Merchants Holdings International) was created to acquire 65% of the port of Ambarli Kumport, Turkey's largest port

(by containers). In this sense, specific conditions for a concrete rapprochement between Turkey and China are emerging. On the one hand, the performance of the Turkish economy and, consequently, Erdogan's ability to strengthen his domestic leadership and give continuity to this foreign policy appear decisive. Economic disruptions (devaluation of the lira and inflation, for example) combined with geopolitical overexposure could create preconditions for the need for Chinese economic support, which would also have consequences in the political sphere. Chinese support could, in this sense, take different forms and not only be linked to direct investments; a rebalancing of the balance of payments with Turkey (currently strongly in favour of China) would be sufficient, and the consequences would be very significant. A second variable is Turkey's relationship with the European Union, Russia, and the United States. Especially the latter, which have tended in recent years not to tolerate Turkish activism, could diminish Erdogan's room for manoeuvre in the event of a more rigid policy towards him.

The hypothesis of a real political-economic synergy between China and Turkey within the Belt and Road Initiative could undoubtedly redefine regional balances and power hierarchies in the Middle East, Central Asia, the Wider Mediterranean, and the Balkans (Peyrouse, 2016). This is a process that cannot be taken for granted and relies on China's ability to convey a winning narrative based on the involvement and sharing of individual local actors. The Belt and Road Initiative involves countries with profoundly different sensitivities and foreign policy priorities. Finding a synthesis will not be easy.

CONCLUSIONS

Studies that delve into the Belt and Road Initiative tend to focus on perspectives concerning the economic changes linked to this project. In fact, these changes are already concrete, and it seems more appropriate to list above all the processes of redefining the geopolitical balances related to them (Khanna, 2010). China tries to build a dense network of political and economic relations in order to preserve its national interests, which are linked to the stability of trade and the continuity of this trade (Nye, 2004). Every critical factor that negatively affects economic globalisation ends up penalising Chinese economic interests (Milanovic, 2020).

It is from these assumptions that Beijing's activism and economic dynamism—its willingness to directly or indirectly acquire strategic assets, especially at the global infrastructure level—can be explained. Port terminals, motorways, and high-speed railways are the geographical outlines of this geopolitical design (Huang, 2017). This exposure makes it necessary to identify reliable partners capable of making these investments and political efforts pay off over time. In this context, the interests of Ankara could coincide. Turkey potentially represents the geographic hinge and the junction point of the land and sea Silk Road. Through cooperation with Turkey, China could, in fact, strengthen its role in the Enlarged Mediterranean (Ergenc, 2015). This geopolitical category, created in Italy, tends to define the Mediterranean not only as a basin or an inland sea but enlarges its geographical boundaries to include all those adjacent seas and their strategic choke points. It is no coincidence that it is precisely at these strategic junctions that China and Turkey are very active and present (think, for example, of Djibouti and the entire Gulf of Aden).

Turkey, at the same time, seeks to strengthen its new geopolitical dimension by asserting its sphere of influence in Central Asia, the Middle East, the Mediterranean, and the Horn of Africa and finding new strategic depth. A deeper rapprochement between Ankara and Beijing is likely given all these presumptions and circumstances; the dynamics of the global scene and economic parameters may turn what now appears to be a hypothesis into a tangible reality.

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AN ALIGNED PARTNERSHIP: CHINA-GULF RELATIONS FOR GREATER GLOBAL SOUTH COORDINATION IN THE MIDDLE EAST

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Abstract: In the previous decades, China-Gulf relations were centred on oil exports and bilateral trade. Recent Chinese engagement with the Gulf Cooperation Council (GCC) countries has been extended beyond traditional energy security to encompass geopolitical, security, and strategic means of cooperation. China has indicated the willingness to exercise a greater role not only in the Gulf but also in the Middle East as part of its Global South ambitions. Throughout history, understanding Middle East politics has been a key obstacle to traditional Western/Northern great powers' involvement in the Middle East. However, having China as the leader of the Global South has widened the scope of understanding of relations between major emerging powers. China has made several concrete foreign policies to enhance its Global South's involvement in the Middle Eastern security crises and tensions. Its engagement included the Joint Comprehensive Plan of Action (JCPOA), the Palestine-Israel issue, the Arab Spring and the post-reconstruction of Arab countries, Saudi Arabia-Iran rapprochement, and other issues. Nevertheless, the Chinese understanding of the Middle East remains limited and uncertain. Thus, the Gulf emerging powers, Saudi Arabia and the United Arab Emirates (UAE), in particular, are of critical relevance to establish a more sure-footed Chinese diplomacy in the Middle East and thus exemplify the aimed China-Global South cooperation through providing a deep understanding and better coordinated regional policies. This paper evaluates China-Gulf coordination under the umbrella of Global South Cooperation in recent Middle East crises, jointly playing a more active geopolitical role in the region. I argue that Beijing's close coordination with the Gulf States, as the emerging Global South powers, on continuing concerns and regional conflicts in the Middle East increases China's geopolitical and security reliance on the Gulf, resulting in a reinforcement of a new geopolitical role of China in the Global South and an increase of China's lead of the Global South.

Keywords: China-Middle East, Gulf States, Global South, geopolitics.

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INTRODUCTION

While China's energy security needs in the Middle East remain topping its regional priorities, the regional order and geopolitical arrangements mark the recent headlines of China-Middle East relations. Recent engagement between China and middle powers in the Middle East, such as Egypt, Saudi Arabia, the United Arab Emirates, and Iran, is significant for framing the regional geopolitical and security landscape. China and Middle Eastern countries are ancient partners; their partnership is rooted in the old Silk Road and revived with China's diplomacy, bilateral relations, and modern initiatives such as the Belt and Road Initiative.

China's emergence as a pivotal leader, funder, and co-shaper of the Global South has also moulded China-Middle East relations. The broad market access and mobility of resources among the Global South countries opened the spaces for China and Middle Eastern countries to navigate new opportunities among the Global South domains and sectors. For this reason, middle- and low-income countries in the Global South view China's rise as a logical alignment with their thrust for development and prosperity. Deepening the relations with a new contender of the traditional hegemonic powers (mainly the United States and European powers) would solidify the construction of what is called the Third World and/or the Global South, in which several countries may seek power and influence.

When analysing China-Middle East relations within the framework of the Global South cooperation, the Middle East is considered a regional hotspot for China. Beijing estimates regional hotspots as geographic areas with increasing possibility and continuity of escalated tensions. The modern history of the Middle East and the ongoing twenty-first-century crises in the Arab World have caused deep regional cleavages and complicated confrontations between its regional rivals. In this regard, it is sensible for China to coordinate its Middle East foreign policy with emerging middle powers, showing serious and feasible efforts in restoring regional stability and addressing the deep-rooted issues in the Middle East. The Gulf States, Saudi Arabia, and the UAE are the key players in this context.

This paper analyses China's coordination of the Middle East regional affairs with the growing Gulf States under the umbrella of the Global South framework. It looks at how China's positioning as a leader of the Global South

increasingly matches the Gulf States' regional role in the Middle East and emerging global bodies such as the BRICS+. At the same time, it is essential to consider the limitations and challenges imposed on the region due to the rooted Western influence that would hinder China-Middle East cooperation. In this context, it is vital to consider how the Gulf States could facilitate the joining of the dots between the Global North and the Global South for the stability and well-being of the Middle East.

CHINA'S ROLE IN THE GLOBAL SOUTH AND THE MIDDLE EAST

In the past decade, with the advent of Secretary General Xi Jinping to the presidency, China's Communist Party has adopted the direction of projecting its state power as a leader of the Global South. Simultaneously, China was promoting its image as a developing country despite the sophisticated level of comprehensive development it had reached. Chinese diplomats, state-owned companies (SOCs), national banks, and other resources have been directed to cultivate the new image and narrative China wants to promote to the world as a leading member of the aimed collective development movement for the Global South. The establishment of the development funds, such as the Asian Infrastructure Investment Fund, the New Development Bank, etc., and the enlargement of the Shanghai Cooperation Organisation and the BRICS bodies were meant to build up the Global South's influence and China's leading role in these areas. Around \$1 trillion is estimated to sum up the transaction of the Belt and Road Initiative (Made, 2023). Such Chinese global institutionalised initiatives and calls for collective development reflect Beijing's desire to present itself as a committed global power of the Global South's stability and development.

To surge the solidity of the Global South, China has been injecting its thinking and global approach into the proposed global initiatives. Besides the Belt and Road Initiative (2013), the Global Civilisation Initiatives (GCI), the Global Development Initiative (GDI), and the Global Security Initiative (GSI), introduced between 2011 and 2023, are meant to serve China's new modification of the world order in which the Global South has the right to lead and enjoys a broader influence. Despite these initiatives remaining more of slogan politics and abstract principles, as viewed by many countries and observers (Zeng, 2020), China has exemplified the feasibility of their implementation in the Arabian Gulf

and the Middle East. The peace deals of Saudi-Iran and the Palestinian factions were repackaged by the new initiatives, presenting China as a key contributor to the global governance of the Global South in areas where the West has struggled to reach conflict resolution and maintain peace.

When analysing the needs of the Global South, it is evident that the needs of the Middle East are not fully attended to yet, especially in the reconstruction period after the Arab Spring. Building common ground for China and the Middle East's needs serves China's advocacy for the Global South's prosperity and the Middle Eastern and Gulf powers to double up their role and influence in such a globalised world. This mutual desire explains the group inclusion of Middle East powers in the BRICS+ enlargement of 2024. The enlargement reflected the common direction and commitment of both Middle Eastern powers and China to achieve security stability and economic prosperity as top priorities.

Through examining the modern history of China and its foundation as the People's Republic of China, it is apparent that the Middle East was far from being a regional priority to its internal politics. In the post-World War II era, China underwent an internal transformation aimed at addressing significant domestic issues and impediments to the establishment of the People's Republic of China. The immediate neighbourhood was also very critical to China amid the growing border issues with China's neighbours and increasing US-USSR competition in the twentieth century. Despite the ancient relations between China and the Middle East through the Silk Road trade, the twenty-first century marks an undeniable shift in China's expansion of influence through building its neighbourhood diplomacy and widening the geographic lines of its engagement in other regions. During the 1980s and early 1990s, China established its diplomatic relations with Middle Eastern countries (Zhang, 1999). Since then, the Middle East has become a key spot in Chinese plans. Now, China is the largest trade partner for the majority of Middle Eastern countries and enjoys a comprehensive strategic partnership with more than fourteen Arab states (Embassy of the People's Republic of China in the Islamic Republic of Iran, 2024). Yet, China's involvement in the region is not necessarily independent from challenges due to some Chinese security and geopolitical limitations and internal regional constraints. Welcoming Chinese involvement in the Middle East varies from one state to another given the profoundly rooted external and internal security and geopolitical obstacles.

Throughout the contemporary history of the Middle East region, many global and great powers have sought to project their presence and involvement in the region as reliable and committed external powers by providing political and security guarantees. At that time, China was occupied with its internal issues. Thus, building up diplomatic and military might was absent from the foundation and gradual opening of relations between China and the Middle East. Beijing's acquisition of the necessary power and leverage of great power in the twenty-first century was a key milestone in establishing the Major Power-Middle Power relations. Gradually, Beijing has achieved economic growth and military power. It has also started to shape its foreign narrative through which it can promote itself as the next global power. Consequently, China has become mature enough to establish its footprint in other regions; the Middle East was no exception.

China's major power relations with the middle powers in the Middle East may not necessarily follow the same narrative of the traditional major power-middle power relations. In this discussion, it is significant to distinguish between the classic and current understanding of the relations. Generally, middle powers seek to shape their external behaviour in alignment with the international system and major powers' characterisation of the global order. Displaying a consistent behaviour in relevance to major powers' global initiatives may imply that the middle powers legitimise the global system shaped by major powers (Jordaan, 2003). That explains why middle powers are perceived as lacking an influential orientation for their regional affairs despite being nationally stable and well-organised.

It is noteworthy that, recently, China has been perceived as a pro-Arab great power in tough times of the Middle East crisis, the Palestine-Israeli conflict. Compared to other traditional colonial powers, China is less ideologically driven towards the Middle East. Regional powers of the Middle East, especially Egypt, Saudi Arabia, Iran, the UAE, and other active powers, find that China has adopted an even approach with less biased baggage brought to the Middle East. The recent Chinese involvement in the Palestine-Israeli issue and China's host of Arab countries' leaders alongside Indonesia signalled that China is willing to take more assertive action to address this historical issue, especially after the recent American posture and reluctance in pressurising Israel to end the continuous attacks on Gaza. China Foreign Minister Wang Yi, in a call to his Israeli counterpart, explicitly stated that Israel

has gone beyond the self-defence mechanism in the Gaza War (Wong, 2023). That was an evident demonstration of Beijing's tendency to further its role and position itself as a responsible great power in the Global South affairs.

Beijing's increasing geopolitical and security profile in the Middle East has alarmed the United States and other European powers. The Western powers perceive China's and Russia's deepening footprint in the Middle East and close alignment with the Gulf powers as alarming to their historical interests in the region. The West has sharpened the focus on the Global South conception because it is more associated with China's rise. On the other hand, Middle Eastern countries view cooperation with China under the umbrella of the Global South as a like-minded partnership in which they may preserve mutual economic interests (McElwee, 2024, p. 2). Beijing recognises the recent fluctuations in US-Middle East relations, especially the American posture in the aftermath of the Arab Spring and the hardening of the Gulf arms purchase of American weapons and fighters. In light of the need for stability and prosperity in the Global South, China and, to a lesser extent, Russia can skilfully provide Middle Eastern countries with more realistic and unconditional alliances and chances. The promoted Chinese global developmental initiatives and the balance of engaging but not interfering in the internal politics of states constitute a more suitable model for the Gulf States and the Middle East to comprehend. Beijing's alternatives compensate for the long suffering of the Middle East from Western conditionality in the Major Power-Middle Power relations for decades.

At the same time, the growing China-Middle East relations allow Beijing to widen its presence worldwide, tackling the established traditional world order that is not fully favourable to its current rise. The West still sophisticates its interests not only for its national benefit but also to slow down China's rise worldwide. That has put the Middle East and Gulf powers in tough and tight situations imposed by the American side, not the Chinese side. The growing American containment in the South China Sea and involvement in Far East Asia are seen by Beijing as apparent American suppression. When analysing China-Europe relations, the United States has also contained and hardened the expansion of the China-Europe partnership network. Beijing believes in its right to enlarge its natural friendship circles with the Global South and the Global North, whether backed by the US or not, as President Xi implied in the 2018 Central Conference on Work of Foreign Affairs (Xinhua, 2018).

THE GULF STATES ELEMENT IN CHINA-GLOBAL SOUTH RELATIONS

The Gulf countries, Saudi Arabia and the United Arab Emirates, in particular, have played a proactive role in the Middle East in recent years. Following the Arab Spring, these two countries have taken a leading role in the reconstruction of the Middle East. In close coordination with other Arab leaders, the Gulf countries have prioritised the stability of the Middle East to minimise the mobility effect of the inter- and intra-state wars. In this context, China-Gulf relations have further implications beyond their geographic lines; the Middle East is not independent from this effect. China-Gulf relations serve both sides' ambitions and keenness to play a greater role in the Global South and the Middle East. Saudi Arabia and the UAE are building up their capabilities as key middle powers in the Global South amid the dynamic power structure changes in the world, increasing their possibility to occupy a bigger room in the shift towards achieving wider multipolarity in the world and minimising the effect of global powers' competition on the Middle East.

Facilitating a greater and wider Chinese role in the Middle East was part of the solution of directing Middle Eastern people and political parties to the urgency of achieving development rather than initiating new wars. The Gulf States have played an active role and shown increasing support for the Belt and Road initiatives, given their geographic centrality and economic potential. The UAE, for example, was a founding member of the Asian Investment Infrastructure Bank supporting the Belt and Road Initiative, a member of the New Development Bank backing the BRICS bodies, and joined the BRICS+ in its 2024 enlargement. This is in addition to its persistent and active investments and diplomatic clout throughout the Middle East. Therefore, the facilitation of the Belt and Road Initiative's projects in the Middle East by the Gulf States served their direction of a broadly stable Middle East.

The alignment of the Gulf countries' national visions, such as Saudi Arabia and the UAE's 2030 national visions, and the aimed Middle East development with China's proposed developmental and civilisational models was appealing to the Middle East region. A regional development wave is emerging as a result of the diversification of the economy and the reduction of reliance on the Gulf's oil and gas resources. The Gulf States and the Middle East have been observing China's linear economic and stable growth despite the country's recent slowdown. This has increased the sensitivity to easing Chinese investments in the region in order to align with national development visions and address a

key issue for many of the region's countries: job creation. Thousands of jobs have been created through Belt and Road projects based in the Middle East (Bahgat, 2019, p. 101). The close relations between China and the Gulf widen the cooperation beyond the energy sector in the Middle East.

The growing China-Gulf relations are a symptom of the broader evolution of the geopolitical context of the Middle East, as Lons (2024) puts it. The Gaza War has been intensifying the discussions on China's role, which some view as contradictory to its announced commitment to the region. Other recent Middle Eastern wars and crises have also highlighted Beijing's reluctance to take an assertive position. China maintained a reserved stance on the Houthi attacks on the Red Sea (Lons, 2024, p. 2). The increasing competition among external powers' involvement in the Middle East and the growing regional complex fragmentation necessitate a better alignment of China's engagement with the region. For this reason, the Gulf States may better enhance China's bargaining and define its clear position on different issues related to the Global South and the Middle East.

The growing autonomy of Saudi Arabia and the United Arab Emirates away from an external power influence would enhance China's Middle East narrative in relation to its overall Global South look. Equipping China with a better understanding of the complexity of the Middle East would serve the overall stability of the Global South. The Gulf may also contribute to bridging China-US engagement in the region rather than China-US competition. Both global powers realise that the Middle East has its own choices now and thus are positioned in a situation where they must competitively coexist. Instead of countering each other's involvement in the Middle East, China and the US must build partnerships based on their comparative advantage. The new generation of Gulf leaders and the post-Arab Spring Middle East powers seek to balance and diversify their dependencies from within the region rather than attending to external needs only.

The displayed autonomy by the Middle Eastern middle powers may not offer an appeasable concession to major powers' characterisation of global stability or aimed global reforms. The emerging middle powers in the Middle East enjoy a higher degree of self-determination and self-association to regional orientation in their engagement with external great powers. In this regard, Jordaan (2003) finds that the emerging middle powers exhibit stronger regional behaviour, distinct from the weak states. That is to favour regional integration

and construct identity independent of external pressure (Jordaan, 2003, p. 2). In this regard, the Gulf middle powers exhibit balanced middle-power relations when dealing with the external major powers involved in regional affairs.

The consistent political posture China has been showing in its Middle East foreign policy was another slot for the Gulf countries to show support towards a greater Chinese role in the Global South and the Middle East. The Middle East has suffered from the American change in foreign policy due to the change of presidency and party terms. This made the Middle East cautious about being incorporated into longer-term commitments with the American administration. The Iranian nuclear deal is a relevant example in which the Gulf and Arab states were unsatisfied with the very little American consideration of the Arab concern regarding Iran's development of nuclear weapons. Despite the close coordination between the Gulf States and the Obama administration at the time, the United States and other European powers have shown weak consideration of the Gulf worries. Beijing is viewed as a good listener and realiser of Arab needs in this regard, despite its strategic relations with Iran. China has consistently balanced its relations with both sides through linear and well-studied behaviour, given that the terms of Chinese policies have been building on each other rather than adopting a complete shift in external behaviour.

China has gradually developed its military and arms capabilities, which makes Beijing a possible arms supplier to the Middle East and Global South. For decades, the traditional security guarantor and arms supplier of the Middle East (United States) has been partially associating the arms deal with the human rights and transparency levels of the Middle Eastern arms customers. Several arms deals have been cancelled despite their official announcements by American and Middle Eastern governments due to the linkages made by the US to the status of these deals with Middle Eastern dynamism. Several Saudi Arabia and the United Arab Emirates arms requests have been rejected by the American administrations. This American attitude has been historically rooted in US-Arab military cooperation since the United States refused in the 1980s to equip Saudi Arabia with the missile system. The subsequent reaction taken recently by these Arab states is to shift to Russia and China. For the latter, and despite the evident progress made in military capabilities, China still has relatively low-quality arms and systems when compared to Western powers (Bahgat, 2019, p. 102).

Chinese military equipment is perceived as a possible substitute for American, especially for countries banned from purchasing American arms. That explains the growing China-Iran military trade and long-term military agreements. Saudi Arabia and the UAE have also found Chinese arms very affordable for their involvement in the Yemen war during the Arab Spring. The West is now aware that China's military cooperation contests the historical ME military cooperation with the West. When the US refused to sell armed drones to the UAE, Abu Dhabi purchased them from Beijing. This does not imply that China will replace the US military soon. It means that restrictions on Western weaponry exports to the Global South and Middle East will result in a greater shift towards China and Russia. The US views the enhancement of China-Middle East relations as a counterbalance to its relations with the Middle East. Some Middle Eastern states have utilised the deepening of their relations with China as a bargaining tool to pressurise the West and increase their regional autonomy. Nevertheless, playing one great power against the other could be a high risk in the longer-term coordination of the Global South and the Middle East since it may lead to possible disengagement of either power in the region and thus result in unintended consequences of the vacuum left.

In terms of energy security, China is the largest oil importer in the world, and the Gulf market is topping China's hydrocarbon supply (EIA, 2024). Despite the global shift towards renewable sources of energy to address the growing climate change, China will remain dependent on traditional sources of energy to meet its energy and industrial demands. Accordingly, the Middle East will remain significant in this context. The Belt and Road also serves the global desire to achieve a remarkable shift in energy sources. In this context, the Gulf countries have played an evident role in connecting China with the rest of the Middle East and the Global South. The interconnected port capabilities and the growing ability to manage the industrial zones of Saudi Arabia and the UAE in the region reinforce China and Gulf countries positioning in new regional and global markets in the Global South. Khalifa port and Yanbu and Jeddah ports are key spots in the expansionist plans of both sides. The infrastructure connectivity China and the Gulf may promote far beyond their geographic domains is not limited to energy, ports, and infrastructure projects. The speedy technological transformation also contributes to intensifying the Gulf element in China-Global South relations.

CONCLUSION

China's goal to create a modified version of the current global order is unachievable until regional developments in the Middle East are stabilised. Given that the Middle East is considered a key hotspot in twenty-first-century politics, fulfilling the aimed vision of the Global South urges further incorporation of the Middle East and its regional powers. Major Powers-Middle Powers relations' analysis in the case of China-Middle East relations may not necessarily follow the same traditional narrative of relations. The current emerging middle powers in the Middle East display a distinct character to minimise the external pressure exercised by great powers' dynamism. Nevertheless, the region has suffered throughout history from external powers' intervention in its internal affairs. China's increasing involvement in the Middle East is welcomed by some powers while dealt with carefully by other powers. The new generation of Middle East powers has put the external powers, including China, in a diversified basket of Major Power-Middle Power relations. By playing a proactive role in the region and ensuring its stability and development, the Gulf powers can provide China with a better understanding of the regional complexities and opportunities. China, Saudi Arabia, and the UAE share similar ambitions of widening their role and influence in the Global South through security, geopolitics, energy, infrastructure, and technological domains. This ambition could also be utilised to bridge the Global South-Global North linkages and minimise the effect of China-US global competition through the Middle East platform.

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HOW TO REACH THE EQUAL OUTCOME THROUGH “WIN-WIN” COOPERATION – CASE STUDIES OF SERBIA AND NIGERIA WITHIN THE BRI

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Ako Chubiyoyo ABBAH**

Abstract: Ten years after President Xi Jinping launched the Belt and Road Initiative to boost economic development and inter-regional connectivity, this initiative has propelled the concept of “win-win” cooperation. The main goal of this paper is to analyse the results and perspectives of a deeper and equal outcome and mutual benefit among the 155 participatory countries, including Serbia and Nigeria, as the European and African pillars of the initiative. The new quality of productive forces such as innovation, fostering emerging industries, and adopting forward-thinking plans has opened a second stage of mutual capacity building based on the concept of “win-win” cooperation, or equal gain for all, contrary to the “zero-sum” concept, or one’s gain is another’s loss, an ideology of the West in the post-Cold War era that led to deep divisions in international relations and political and economic inequality. This paper will analyse documents related to the decisions and practices integrated into the Belt and Road Initiative. In addition, the authors have used comparative economic analysis based on trade and investments, using Serbia (Free Trade Agreement between Serbia and China) and Nigeria (Forum on China-Africa Cooperation) as case studies in assessing the benefits of the BRI. Finally, the authors offered doable solutions that may enhance and disseminate China’s cutting-edge artificial intelligence-based technological advancement for Serbian and Nigerian modernisation. As a component of “win-win” cooperation, this cooperation ought to be used in all of the Belt and Road’s member nations through interactions with industry, academia, and civil society.

Keywords: Belt and Road Initiative, “win-win” concept, “zero-sum” concept, Global South cooperation, Serbia, Nigeria.

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INTRODUCTION

Each of the great powers is left grappling with the age-old dilemmas of rise and fall, the shifting pace of productive growth, technological innovation, changes in the international scene, and the spiralling cost of weapons, with alternations in the power balances, wrote British historian Paul Kennedy in his book *The Fall and the Rise of Powers* published in 1987, having in mind the United States, the USSR, Japan, China, and the EEC. Those are not developments that can be controlled by any state or individual (Kennedy, 1988, p. 540).

After the end of the Cold War, the triumph of the West over the USSR and the Eastern Bloc created a “new world order”, whose main characteristic was the political and economic supremacy of the United States and the “zero-sum” logic as a new ideological motto of the West, which means that profit for one means loss for another. During the 35 years of the post-Cold War era, this concept caused deep divisions in international relations and political and economic inequality, calling into question even the purpose of the United Nations, which promotes social progress and a better standard of living in greater freedom (United Nations Charter, 1945).

When the post-Cold War era reached a new power shift, with China’s fast-growing economic rise becoming a leading competitor to the political, economic, and military power of the United States, “zero-sum” logic, which is “thwarting efforts to deal with global problems from Afghanistan to unemployment, climate change to nuclear proliferation” (Rachman, 2011, p. 10), started to be replaced by the new concept of “win-win” cooperation. The development and visibility of this concept began with the launch of China’s Belt and Road Initiative (BRI) in 2013. This initiative represents the essence of China’s future success and the mutual cooperation of the countries that joined it by signing a Memorandum of Understanding (MoU).

The BRI is China’s mega project (Reviving the Silk Road) that helps deepen its reform, opening towards the world, and practicing its ideas of “win-win” cooperation. The BRI means a bridge between developing and developed countries; an instrument in encouraging global economic growth and, more importantly, furthering South-South cooperation at various levels, which leads to better connectivity, intra-regional connectivity towards trans-regional economic cooperation, and integration (Simić, 2017, pp. 78-79).

Marking its 10th anniversary last year, the BRI boasts over 3,000 cooperation projects, exceeding \$1 trillion in investment, lifting over 40 million people out of poverty, and benefiting 155 countries (Chinese FM, 2023). The aim is to provide more powerful judicial services and legal mechanisms for the purpose of the implementation of BRI, like a “one-stop” service for resolving international commercial disputes opened in 2021 and designed to meet the new demands of the online era and provide fast, convenient, and low-cost legal services (Simić, 2023, p. 53). The main source of this initiative and the “win-win” concept represents the Five Principles of Peaceful Coexistence launched by China and India. In 1954, this concept was made to resolve border disputes and urged all members of the international community to apply the principles of international coexistence, known as the Pancasila agreement (Government of India—Ministry of External Affairs, 2004). It is for mutual respect for territorial integrity and sovereignty, non-aggression, non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence. On the 70th anniversary of this historical event, the same principles have shown everlasting relevance, although the world has been in turmoil since then. The conference issued the Beijing Declaration under the theme *From the Five Principles of Peaceful Coexistence to Building a Community with a Shared Future for Mankind*, under the new circumstances, with four sub-forums focusing respectively on the contemporary value of Asian wisdom, the vision and mission of the Global South in a shifting landscape¹, contributing to global prosperity through Chinese modernisation, and promoting global governance featuring extensive consultation and joint contribution for shared benefits.²

¹ The Global South is now often used instead of the Third World to refer to less developed countries, which are predominantly located in the southern hemisphere, on the contrary to the Global North of the rich countries, predominantly in the north hemisphere.

² Rethinking the essence of the Five Principles of Peaceful Coexistence in the modern period and their further elaboration was the summit of the Shanghai Cooperation Organisation (SCO) in Astana in July 2024, where member states endorsed the Initiative on World Unity for Just Peace, Harmony and Development. According to the Astana Declaration, member states underscored the SCO’s role in bolstering global peace, security, and stability and shaping a new democratic, equitable international political and economic order, inviting the global community to join the initiative. The member states of SCO are: China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Uzbekistan, India, Pakistan, and Belarus.

These Five Principles of Peaceful Coexistence are in accordance with the aims of the United Nations Charter. They were fundamental in establishing the Non-Aligned Movement at the Bandung Conference in 1955, promoting mutual benefit through cooperation and national independence and freedom and right to choose, and showing each country's values in the decision-making process in foreign policy.

The major test for “win-win” cooperation in the last decade was the COVID-19 pandemic. Concerned with the future of humanity and the well-being of the people, China and the premier forum for international economic cooperation—the G20—called on openness and inclusiveness in building a global community of a shared future. China encouraged vaccine companies to 1) transfer technology to developing countries; 2) scale up cross-border trade cooperation to ensure the smooth passage of vaccines and related raw and auxiliary materials; 3) treat different vaccines equally and advance mutual recognition of vaccines in accordance with the WHO's Emergency Use Listing; 5) and provide financial support for global vaccine cooperation, especially for developing countries to access vaccines. Until 2022, China has provided over 1.6 billion vaccine doses to more than 100 countries and international organisations (Xi, 2022, p. 556). China also welcomed the International Monetary Fund's decision on the new allocation of Special Drawing Rights totalling US\$650 billion to lend new financial assets to low-income countries seriously affected by COVID-19 (Xi, 2022, p. 557).

The new quality of productive forces, as Chinese President Xi Jinping has recently announced, such as innovation, fostering emerging industries, and adopting forward-thinking plans, have opened a second stage of mutual capacity building based on the concept of “win-win” cooperation, or equal gain for all, as President Xi has promoted from the beginning of the BRI. The majority of 155 countries in the framework of the BRI are developing countries with difficult modern histories (wars, clashes, territorial and ethnic conflict) in shortage of advanced technology and modern economies for further stages of development. This applies both to large countries, such as Nigeria (the most populous country in Africa), and to smaller ones, such as Serbia (in Europe).

Serbia, as a part of the former SFR Yugoslavia, and Nigeria share historic pasts as member states of the Non-Aligned Movement. Therefore, they share the principles of international solidarity for peace and development,

upholding the Bandung Principles to ensure a concerted and adequate response to the challenges of the contemporary world, and deepening cooperation for shared global affluence. The two countries were forerunners of the cooperation promoted by the Belt and Road Initiative, especially in infrastructure and boosting Global South cooperation. The official representatives of Serbia and Nigeria actively participated in the 3rd Belt and Road Forum held in Beijing in October 2023, which resulted in the signing of the Free Trade Agreement between Serbia and China (entered into force in 2024) and the Strategic Partnership Agreement between Nigeria and China.

The article proceeds as follows: Chapter Two analyses the character of Serbia-China cooperation through the Belt and Road Initiative, new areas of its application in the framework of the Free Trade Agreement between the two countries, and challenges concerning the accession process of Serbia. Chapter Three discusses cooperation between Nigeria and China, especially in developing special economic zones, through the Forum on China-Africa Cooperation and the Global South policy as China's approach to the African continent. Chapter Four explores to what extent China's new phase of modernisation is based on education, science and technology, and talent, which benefit the 155 participatory countries of the Belt and Road Initiative, and the authors suggest practical measures for achieving a "win-win" outcome. Finally, Chapter Five summarises the last ten years that have been observed.

FREE TRADE AGREEMENT BETWEEN SERBIA AND CHINA WITHIN THE BRI

Serbia joined the BRI on November 1, 2015. The main achievement of the BRI is the acceleration of the economic relations between Serbia and China in the fields of trade and infrastructure. Strategic partnership relations between the Republic of Serbia and the People's Republic of China were established in 2009, further deepened in 2013, and then raised to the level of a Comprehensive Strategic Partnership in June 2016 (Republic of Serbia Ministry of Foreign Affairs, 2024b).

According to the Statistical Office of the Republic of Serbia, the foreign trade commodity exchange between Serbia and China in 2023 was 5,638 billion euros, of which only 1,143 billion euros were exports from Serbia, predominantly the raw material base, such as copper ore, copper, untreated wood, rubber products, meat, and fruits. The import was based on

unclassified goods, telecommunication equipment, electric machines, and aluminium (Statistical Office of the Republic of Serbia, 2024). Serbia has a significant trade deficit with China worth 3,352 billion euros. One of the main goals of Serbia is to reduce this difference, which might be possible with the Free Trade Agreement (FTA) signed in 2023, which entered into force in July 2024. President Xi Jinping's visit to Serbia in May 2024 is immensely significant for the implementation of the Free Trade Agreement, i.e., better positioning of the Serbian economy on the Chinese market.

The main infrastructure projects that Chinese companies conduct in Serbia are the reconstruction of the Kostolac Thermal Power Plant, the section of highway Miloš Veliki on corridor 11 from Horgoš (border crossing with Hungary) to Požega towards the Boljari in Montenegro and the Adriatic coast; the high-speed railway Belgrade-Budapest; the bridge Mihajlo Pupin in Zemun linking the two parts of the capital Belgrade divided by the river Danube; the Danube corridor (68 km); and the Fruška Gora corridor (47 km). In the previous decade, all these projects upgraded the level of the transportation system, the living standards, and connectivity between the regions, which is vital for the economy and its dynamism. Furthermore, in 2019, Shandong Linglong Company substantially invested in building a tyre factory in Zrenjanin. The room for further development of cooperation with China exists, primarily due to the transition to a model of high-quality infrastructure development, including smart highways, management of transport systems, artificial intelligence, innovative solutions, and electric cars.

The cooperation between Serbia and China also faces scrutiny from both internal and external critics. On an internal level, the remarks refer to the fact that there is cooperation promoted by the BRI but also the need for more investments and fewer credits, which Serbia has taken from China for infrastructural projects. "The lack of transparency and coordination can lead to debt traps, in which borrowing countries find themselves unable to service their debts, potentially leading to a loss of sovereignty over key assets" as happened to Ghana, Pakistan, Sri Lanka, and Zambia (Hardman, Romeu, Runde, 2024). The second remark refers to environmental protection by Chinese companies like Zijin Mining in Bor and HBIS Steel in Smederevo. Meanwhile, these companies have invested heavily in environmental protection by incorporating new technology into the production process. According to the two Memoranda signed in 2023 with the Ministry of Mining

and Energy of the Republic of Serbia, the company Zijin Mining confirmed to invest an additional US\$3.8 billion in copper and gold production in the Republic of Serbia, with the obligation to apply the highest environmental standards (Ministry of Mining and Energy, 2023). This environmental policy converges with the adoption of the Integrated National Energy and Climate Plan of the Republic of Serbia for the period until 2030 with projections until 2050, consistent with the European Green Deal's zero emission target for 2050 to cut greenhouse gas emissions by 40.3% compared to 1990 (Ministry of Mining and Energy, 2024). The third remark refers to working conditions and living standards of employed workers in Chinese companies situated in Serbia, like Shandong Linglong Company. On the external level, the remarks come from the side of the European Union (EU), with which Serbia has started the accession negotiation process. The EU sees the BRI as a force with greater geopolitical influence in Serbia and the Balkan region than on economic cooperation. Chinese support for Serbia has also been showcased during the COVID-19 pandemic when China supplied Serbia with vaccines, masks, respirators, and other medical supplies before giving them to any other countries due to the "iron-clad friendship" (The Government of the Republic of Serbia, 2020).

Cooperation between Serbia and China in culture, media, and tourism is evident in the opening of cultural centres, respectively, in Beijing and Belgrade. The remarkable Chinese culture can serve as a soft power. Its strengthening is decisive for China to reach the Two Centenary Goals and realise the Chinese Dream of rejuvenation of the Chinese nation (Xi, 2014, p. 178). China insists on improving cultural communication with other countries and intensifying the system of cultural and educational exchanges. It uses various means, such as mass media, group dissemination, and interpersonal communication, known as the people-to-people policy (Xi, 2014, p. 180), to achieve these goals. Cultural soft power encompasses the "international right to a voice, enhance the capability of international communication, and spare no efforts in establishing a system for international discourse to tell, in the right way, the true story of our country and make our voices heard through giving full play to the emerging media and enhancing our creativity, influence, and public trust" (Xi, 2014, p. 180). For the improvement of Sino-Serbian relations, it was also important that the visa-free system came into force in January 2017. Due to these relations, the number of Chinese tourists in Serbia significantly increased.

Free Trade Agreement: The new economic decade for Serbia and China

During the Third Belt and Road Forum for International Cooperation held in Beijing in October 2023, Serbia and China signed several key bilateral agreements, including a Free Trade Agreement. That was the first between China and a Central and Eastern European nation, Serbia, which became China's 29th FTA partner (Interesse, 2024).

The Free Trade Agreement contains a Preamble, ten chapters, and six annexes. In the Preamble, the two parties reaffirmed their commitment to carry out comprehensive cooperation under the Belt and Road Initiative and jointly forge a community of a shared future (The Ministry of Internal and Foreign Trade of the Republic of Serbia, 2023). They promote and further strengthen the multilateral trading system, building on their respective rights and obligations under the Marrakesh Agreement establishing the World Trade Organisation. Each party shall reduce or eliminate its customs duties on originating goods of the other party (Article 7).

This agreement aims to boost trade and collaboration in sectors such as automotive, technology, agriculture, and commodities. By eliminating tariffs on many goods, the agreement is expected to significantly impact European and Eurasian trade dynamics, highlighting their commitment to mutually beneficial relations (Interesse, 2024). There are 1,560 companies operating in Serbia with the majority of Chinese capital, and they employ almost 20,600 workers (Beta, 2024). In 2022 and 2023, China's direct investments were US\$1.379 million and US\$1.373 million, accounting for 31.1% and 30.4% of the total investment, respectively (Serbian Chamber of Commerce, 2024a).

During President Xi's visit in May 2024, the two countries signed 29 agreements to enhance legal, regulatory, and economic cooperation, starting the new phase of a "shared future" (Republic of Serbia Ministry of Foreign Affairs, 2024a). The free trade agreement is expected to enhance further the liberalisation of goods trade, fostering mutual benefits and "win-win" outcomes.

The signing of the Free Trade Agreement and President Xi's visit to Serbia (the first visit was in 2016) reflect the high level of economic cooperation and political trust between the two countries and support for each other's sovereignty and territorial integrity, highlighting their alignment on key geopolitical issues (Interesse, 2024). In the context of negotiations on EU

accession, “all the agreements that Serbia negotiates must ensure compatibility with the EU *acquis* and include sunset clauses, which guarantee that Serbia can renounce the agreements upon accession to the EU” (European Commission, 2023, pp. 146-147). Nonetheless, China considers Serbia the main pillar of the Belt and Road Initiative in Europe, along with Hungary.

SPECIAL ECONOMIC ZONES: COOPERATION BETWEEN NIGERIA AND CHINA WITHIN THE BRI

Nigeria joined the BRI on September 1, 2018. Nigeria-China trade volume reached US\$22.6 billion in 2023, making Nigeria China’s third-largest trading partner in Africa (Guardian, 2024). This year marks the 68th anniversary of diplomatic relations between China and African countries, during which the two sides have forged unbreakable bonds in their struggle against imperialism and colonialism and supported China’s rejoining the UN in 1971.

The Forum on China-Africa Cooperation (FOCAC) was established in 2000. The majority of African countries that are part of FOCAC have joined the Belt and Road cooperation format. In recent years, China and African countries have worked together to fully implement the eight major initiatives, like fighting the COVID-19 pandemic, expanding practical cooperation in trade and investment, sharing experience on poverty reduction and elimination, promoting green development, and upholding equity and justice. In 2021, the two sides prepared the China-Africa Cooperation Vision 2035 under the first three-year plan of joint cooperation. China will work closely with African countries to implement nine programmes: the medical and health programme, the poverty reduction and agriculture development, the trade promotion programme, the investment promotion programme, the digital innovation programme, the green development programme, the capacity building programme, the cultural and people-to-people exchange programme, and the peace and security programme (Xi, 2022, pp. 520-521).

Given the role that Special Economic Zones (SEZs) played in China’s industrialisation, Nigeria followed this example. In Nigeria, there are over 48 registered Free Trade Zones. After the establishment of the Nigeria Exports Processing Zones Authority in 1992 and the Oil and Gas Free Zones Authority in 1996, Nigeria has established 14 operational SEZs, offering foreign companies a tax reduction on all taxes, including federal, state, and local

government taxes, duty-free importation, and 100% repatriation of capital, profits, and dividends (Hawksford, 2024). Lekki Free Trade Zone and Ogun Guangdong Free Trade Zone are the two SEZs China committed to developing in Africa in 2006. The expectations from the side of Nigeria were that it would encourage the inflow of Foreign Direct Investments (FDI), which can be a source of knowledge transfer to the domestic manufacturers in more sophisticated technologies and management practices, job creation, and revenue generation (Ogbonna, 2021). Some SEZs experienced great success, such as the Lekki Free Trade Zone, which had attracted about US\$2.5 billion in FDI as of 2023. Many SEZs are still “encumbered with binding constraints in areas of regulatory complexities, infrastructure deficits, and inadequate access to finance, amongst others” (Bello, 2024). There is a need to align Chinese investments with Nigeria’s economic priorities.

Strategic partnership agreement: The new economic decade for Nigeria and China

Vice President of Nigeria, Sen. Kashim Shettima, participated actively in the 3rd Belt and Road Forum in 2023 and met with President Xi and Vice President Han Zheng. President Xi highlighted numerous BRI projects underway in Nigeria and pledged China’s continued support for the country’s industrialisation and agricultural modernisation efforts. Vice President Shettima reiterated that Nigeria is committed to deep engagement with China through the BRI, and he called for improvements in Nigeria’s digital space by leveraging projects within China’s Digital Economy. This resulted in the signing of a Strategic Partnership Agreement covering multidimensional fields of cooperation valued at over US\$6 billion, focusing on science, engineering, and other investments. China has bolstered Nigeria’s economy in several key ways. Their billion-dollar investment in the Lekki Deep Sea Port as a free trade zone near Lagos aims to streamline trade exports and imports not just for Nigeria but for all of Africa (Guardian, 2024). However, the main challenges for Nigeria in future cooperation are in the areas of security, currency depreciation, poor infrastructure, and corruption.

Many scholars, such as Sheriff Ghali Ibrahim, Head of the Department of Political Science and International Relations at the University of Abuja, urged “African countries to embrace the three initiatives for China-Africa practical

cooperation in support of Africa's industrialisation, agricultural modernisation, and talent development and assist in Africa's integration and modernisation" (Saliu, 2024).

RECOMMENDATIONS FOR ENHANCING COMPETITIVENESS AND ALIGNING WITH CHINA IN THE FUTURE

Improving the mechanisms for high-quality cooperation under the Belt and Road Initiative as a mutual benefit for participatory countries is a part of the Resolution of the Central Committee of the Communist Party of China on further deepening reform comprehensively to advance Chinese modernisation, adopted at the third plenary session of the 20th Central Committee of the Communist Party of China on July 18, 2024 (Xinhua, 2024). It is emphasised to "continue to implement the Belt and Road Science, Technology, and Innovation Cooperation Action Plan and redouble efforts to develop multilateral platforms for cooperation in green development, the digital economy, artificial intelligence, energy, taxation, finance, disaster mitigation, and other areas, to improve the integrated framework for land, sea, air, and cyberspace connectivity and build a multidimensional network to connect countries along the Belt and Road, to make coordinated efforts to advance both major signature projects and 'small but beautiful' public welfare projects" (Central Committee of the Communist Party of China, 2024, p. 28).

The new swathe of Chinese reforms, which involves numerous measures to support a national drive for "new quality of productive force" such as innovation, fostering emerging industries, and adopting forward-thinking plans, has opened a new stage, both for the internal development of China and the mutual capacity building in the Belt and Road Initiative, based on the concept of "win-win" cooperation. Education, science and technology, and talent function as basic and strategic underpinnings for Chinese modernisation. Because of that, the recently adopted Resolution on Further Deepening Reform Comprehensively to Advance Chinese Modernisation urges to "expand international science and technology exchanges and cooperation, encourage the establishment of international science and technology organisations in China, and improve the management mechanisms whereby China's universities, research institutes, and science

and technology-related social groups engage in specialised exchanges and cooperation with their foreign counterparts” (Central Committee of the Communist Party of China, 2024, p. 15).

This Resolution, planned to double the economic, technological, and defence capability of the country, presents a part of the latest reforms and the opening until 2029 to advance China’s modernisation, which began in 1978. More than 300 reform measures offer more investments abroad and a “first-class business environment” in order to protect the rights and interests of foreign investors and foreigners living in China (Central Committee of the Communist Party of China, 2024, p. 27).

The reform measures were introduced to establish a balance between China’s status as a leading technological and economic power and its domestic economy, which in the period April-June 2024 slowed down to 4.7% compared to the period January-March 2024 of 5.3% (Economics, 2024). On that track, the future task is “better leverage the role of the market, foster a fairer and more dynamic market environment, and make resource allocation as efficient and productive as possible (...) need to lift restrictions on the market while ensuring effective regulation and strive to better maintain order in the market and remedy market failures”, in order to “ensure smooth flows in the national economy and unleash the internal driving forces and creativity of the whole of society (...) to improve the systems for promoting full integration between the real economy and the digital economy, the work will be faster to set up a system for data property rights concerning ownership determination, market transaction, proceeds distribution, and interests protection” (Central Committee of the Communist Party of China, 2024, pp. 6-12).

Integrated urban and rural development is essential to Chinese modernisation. It means pursuing coordinated progress in new industrialisation, new urbanisation, and all-around rural revitalisation, facilitating greater urban-rural integration in planning, development, and governance across the board, and promoting equal exchanges and two-way flows of production factors between urban and rural areas to narrow the disparities between the two and promote their shared prosperity and development (Central Committee of the Communist Party of China, 2024, pp. 13-22).

The recommendations for better and more fruitful sharing of the future

As the participants of the Seminar on Capacity Building for Think Tanks from the BRI Countries, organised by the Centre for International Knowledge on Development (CIKD) in Beijing, the authors of this paper urge for a new quality of cooperation between China and the participatory countries of the Belt and Road Initiative. They also emphasise the importance of the new ways and phases sharing the latest economic and scientific developments with China through business, academia, and civil society exchanges, i.e., “win-win” cooperation and “win-win” outcome.

The trade and infrastructural projects with China have made significant development in the BRI countries during the past decade, helping them to maintain the economy (the full work capacity and employment of workers, the explosion of small and medium enterprises—SMEs). However, they are not enough for the faster overall technological progress of these countries. The extraordinary rise of China is evident, but the question is how the BRI countries can share the achievements in cutting-edge technology with China on an equal basis, thus improving individual and mutual cooperation.

Both countries, Serbia and Nigeria, used in this paper as case studies, are the representative countries in the framework of the Belt and Road Initiative. From an economic standpoint, the overall cooperation with China is beneficial and involves political support. On the other hand, China has comparative advantages and high disparities in the value of bilateral trade relations (UNCTAD, 2024a, b.). “China focuses on the exchange of secondary products for Nigeria’s primary products” (Adekeye, Adeyemi, Mashau, 2023) and the structure of Serbian exports is dominated by raw materials, while the structure of imports is dominated by final products with high-added values (boilers with water heating pipes, smartphones, and portable machines for AOP).

Since Serbia and Nigeria are part of the BRI framework, they can use this initiative to improve not only their relations with China but also their bilateral economic relations. According to the Serbian Chamber of Commerce, the foreign trade commodity exchange between Serbia and Nigeria from 2014 to 2023 increased from US\$9.6 million to US\$139.6 million. In 2016, it increased to US\$36.4 million, but Serbia had a significant deficit of US\$21.6

million and US\$93.6 million in 2023, due to oil imports. The top ten export products of Serbia to Nigeria in 2023 were: unclassified goods by CT—military goods, paper and cardboard, smoking tobacco, cotton wool rollers, machine parts, tractors for semi-trailers, green tea, and other appliances. The top ten import products from Nigeria in 2023 were: oil and oils from bituminous minerals, crude, unclassified goods by CT—goods in storage, cocoa mass, cocoa beans, lecithin, sesame seeds, other herbs, acacia nuts without husks, and fresh and dry ginger (Serbian Chamber of Commerce, 2024b). It has been observed that in the last ten years, the number of Serbian exporters in 2014 was 59 and importers 12. The number increased significantly in 2018 and amounted to 52 exporters and 19 importers. In 2023, the number of exporters decreased to 33, and the number of importers increased to 25. However, in 2023, there was only one entity that was both importer and exporter, 25 only exporting, and 24 only importing.

These data, with a meagre foreign trade exchange, indicate the need to increase trade relations, especially since Nigeria has huge natural energy reserves needed in Serbia. On the other hand, Serbia has developed agriculture and natural water resources for which it can find a market in Nigeria. Serbian construction companies used to build in Nigeria but are now less visible due to high competition.³ There are many opportunities for such cooperations between the BRI countries to boost domestic potential and generally contribute to the success of the Belt and Road Initiative.

The concrete recommendations to be more competitive individually or in the framework of the BRI in the future, side by side with the technological progress of China, encompass the following:

1. Wide engagement and inclusivity on the level of civil society, business, and academia;

³ In Nigeria, the largest Serbian construction company, Energoprojekt, carried out the electrification of the settlements at the beginning of the 1970s, projected and built the Trade-Fair Complex in Lagos (1974-1977) the largest one in Africa, and an urbanisation project in Kano City (mid 1970s). At the end of the 1970s, Energoprojekt took over the construction of the huge complex of the Federal government building. In that period, Energoprojekt founded one of the two existing joint ventures with the Federal Government of Nigeria known as NECCO (with a share of 60% of Energoprojekt and 40% of the Federal Government of Nigeria), which designed and built the dam in Yola for irrigation and other purposes at the beginning of the 1980s.

2. More intense mutual academic cooperation involving students and professors in scientific and technological research or practical sharing of knowledge;
3. Mutual support in securing raw materials needed for new high-technological projects and the construction of chip factories in the BRI countries that are the most suitable for it;
4. Joint efforts in securing strong legal services in economies in the BRI, which will contribute to the creation of a transnational legal order and a better understanding of the legal system of participatory countries through the initiative *One Belt, One Road, One Court*, having in mind that there are countries with a civil law system, a common law system, and Islamic law;
5. Interaction between Chinese workers in Chinese companies in the BRI countries and the local population and familiarisation with legal regulations to perform work more efficiently and get to know the working environment better;
6. Encourage Chinese companies to create local jobs;
7. For all future projects in which Chinese companies participate (related to EXPO 2027 in Serbia) and other infrastructural projects in the field of road and railway infrastructure or similar (Lekki Deep Sea Port in the Lagos free zone in Nigeria), it is important to include as subcontractors of the domestic micro, small, and medium-sized enterprises to be engaged in the construction industry;
8. Exchange of experiences in the policy of eradicating poverty with the Chinese experts on the spot as technical support;
9. Foster the people-to-people policy or getting to know each other in the BRI countries;
10. Launch the common BRI Journal(s) with common topics to better inform academics and experts as well as the public, as EuroBalkan was for the Balkan countries during the 1990s.

CONCLUSION

Coordination, consistency, and cooperation are the three main conditions for fruitful “win-win” gain in the international environment for the BRI countries. We should broaden common plans or further deepen and widen

the BRI processes so that all participatory countries can share technological progress driven by China. The number of BRI countries is approaching the number of United Nations members, casting new light on the new world no longer divided between the East and the West as it was during the Cold War. Currently, the world is divided into the Global South and the Global North, or the concept of Western liberal democracy and the concept of national states, which harmonise national interests with other countries, denying the Western concept of social and political development. Harmonisation of political positions in the United Nations (China is a permanent member of the Security Council) is seen as a stronger voice for the BRI in condemning acts that contradict the UN Charter.

The “zero-sum” concept and the idea of “might make right” are proven to lead to global instability. As the largest developing country in the world and a member of the Global South, China is committed to “win-win” cooperation and common development. Serbia, on the path to EU accession, and Nigeria, on the South Global cooperation and African integration path, are geographically distant. However, their historical heritage, cooperation, and political and economic performance towards stability and development are the core of the BRI. They search for new possibilities to materialise the “win-win” concept with a strong “win-win” outcome for all participatory countries in the new technological era, simultaneously upgrading cooperation with China and their mutual exchanges.

This paper aims to highlight the new opportunities and projects that Serbia, Nigeria, China, and other participating countries in the Belt and Road Initiative (BRI) have in store for the upcoming decade. These include cooperation in multinational e-commerce, investments, green development, and the judicial sector, all of which will support the rule of law and democracy and make mutual benefit a key priority on the global stage.

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CRITICISM OF CHINA IN 2024

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Abstract: The purpose of this research is to identify the main reasons for criticism of China in 2024. The article identifies issues such as industrial policies and strategies favouring domestic companies and imposing strict requirements on foreign companies operating in China; the rapid growth in the high-tech and automotive industries; the environmental impact and energy consumption and overproduction; the provision of military equipment used for building drones, cruise missiles, and optical parts of tanks and other armoured vehicles to Russia; and the lack of transparency and human rights. The research material is based on analysis of open sources such as media reports, think-tank surveys, academic articles, and statements in English and French. The differences between Western and Chinese philosophies, which underpin their approaches to economy, politics, society, and international relations, appear to be the root of the criticism.

Keywords: Belt and Road Initiative, China, criticism, economy, environmental impact, digital economy, cyber espionage.

INTRODUCTION

Every global power invites critical discourse in the international arena. The People's Republic of China is no exception. In the challenging geopolitical changes, it is important to look at how China is perceived and why it is criticised, primarily, albeit not only by Western stakeholders. The preliminary research for this article has shown that in 2024, China was criticised for the following reasons:

1. Its industrial policies and strategies favour domestic companies and impose strict requirements on foreign companies operating in China, which led to friction with Western countries as they claim that China's

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- industrial, R&I, trade, and foreign direct investment policies aim at a dominant position in international markets;
2. The rapid growth and success in high-tech sectors challenge the leading position of advanced economies, leading to concerns about its impact on the world economy;
 3. The activities of the pharmaceutical sector in China led to the increasing production and exports of antibiotics, other pharmaceuticals, and medical consumables.
 4. Dr He Jiankui's research on gene editing applied to human reproduction, which resumed in Beijing's Daxing district in 2023;
 5. The automotive industry surpassed all other countries and became the leading exporter in 2023, followed by Japan, Germany, South Korea, Mexico, and the US;
 6. The manufacturing sector, whose economic performance has come at the price of substantial environmental impact and energy consumption;
 7. "Overproduction" has a strong impact on the US and other countries;
 8. The provision of military equipment utilised for building drones, cruise missiles, and optical parts of tanks and other armoured vehicles for Russia;
 9. Its critical minerals industry;
 10. The lack of human rights and freedom;
 11. Corruption;
 12. The lack of transparency;
 13. Youth unemployment;
 14. Cyber espionage;
 15. China's ageing society.

The research material for this analysis consisted of open-source materials, such as media reports, think-tank surveys, NGO reports, articles, and statements in English and French. The research technique consisted of (1) collecting data retrieved by using research apps and searching for phrases like "Why is China criticised in 2024?"; "What criticism targets China in 2024?"; "For what aspects is China criticised in 2024?" in English; (2) classification of the criticism into categories: human rights, transparency, environmental, etc.; and (3) induction, i.e., conclusions based on empirical

observations interpreted through the concepts underscoring Western philosophies in the economy, politics, society, and international relations.

CONCEPTS TO APPLY WHEN LOOKING AT THE WEST-CHINA RELATIONS

Two recently published books are dedicated to the analysis of the East-West dialogue and perceptions of China, which emphasise different philosophies used in the Western and Oriental approaches in the economy, political systems, society, and international relations.

In the book *East-West Dialogue* (Chen & Pohl, 2023), judging from their experiences and interactions with China, international authors explain the main differences between the East and the West and the main misperceptions related to the East coming from the West. Chen and Pohl state that it is important to note that China's philosophy is Confucianism. While Western cultures place the individual at the centre, Confucianism stresses the group concept, and the individual has meaning only within a group or society. The West stresses individual rights and freedom, while China stresses group interests and collective rights and restricts individual rights (Chen & Pohl, 2023). However, the aim is the same: to ensure development and quality of life. Secondly, the instinct for competition is present in nature and human society. Therefore, there is the instinct to explore new frontiers. The US is a country that traditionally expanded its frontiers, so why should it be critical of another country that expands its realm of interest? (Chen & Pohl, 2023). Jan-Boje Frauen, a German scholar, emphasises that the US spreads a Cold War narrative about China seen as "a scheming and highly sophisticated hostile foreign entity aiming for global dominance" (Chen & Pohl, 2023, p.132). According to Lawrence Brahm, author and documentary director, Western religions rely on the opposition bad-good and right-wrong, and Oriental religions rely on harmony, balance, and co-existence of the opposites, like Yin-Yang, Shiva-Shakti, etc., and that is why the West tends to judge and see others in negative connotations. We should also note that Chinese culture is very intricate and has "three pillars: Taoism, which means change; Buddhism, which means that past, present, and future are seen simultaneously and negative situations are turned into opportunities because everything is about how we perceive; and Confucianism, which means the

capability to respond to crises by using the longitudinal and latitudinal matrix of organisation” explains Lawrence Brahm (Chen & Pohl, 2023, p.186).

In the book, *The Rise of China—Fresh Insights and Observations*, a collection of essays published in 2021, Yeow Poon, a British liberal politician, claims that criticism may result from the impossibility of understanding China and from jealousy because “the rise of China has become an enigma for us... the narrative in the Western media has become increasingly hostile towards a more confident China”. (Poon, 2021, p. 10) In the same book, Phil Bennion, British liberal MEP, claims that “China’s ambition is to remake the international rule-based system more favourable to authoritarian regimes... and the West is promoting resistance to such changes and to Chinese assertiveness” (Bennion, 2021, p. 43).

A complement to understanding the different Western and Oriental approaches can be American exceptionalism, which has been unconsciously taken over by the Western public discourse. In its public discourse, the US sets itself apart from all nations and defines itself as an example of moral exception, “the city upon the hill”, “a morally elevated people set apart from the rest of the world and living in a land of opportunities that is the envy and aspiration of humankind”, a “chosen nation” with a “Manifest Destiny” to expand, a nation designated by God to serve the common good on a global scale and to project liberties to truly light the world, and “the world’s last hope for promoting freedom and justice over tyranny and despair”.

ANALYSIS OF THE CRITICAL DISCOURSE—CASE BY CASE STUDY

1. Industrial policies and strategies that favour domestic companies and impose strict requirements on foreign companies operating in China

China’s industrial policies favour domestic companies and impose strict requirements on foreign companies operating in China. Western countries accuse China’s policies in industry, R&I, AI, trade, and foreign direct investment of aiming at a dominant position in international markets. During the meeting with China’s President Xi Jinping in March 2024, US officials reiterated concerns over the Chinese industrial policy practices and overcapacity and the resulting impact on US workers and companies, blaming China’s massive trade surplus of more than \$279 billion in 2023 (Los Angeles Times, 2024).

However, some experts say that: (1) not all sectors receive focus, and there may be differences between central and local levels, as local governments may have their own local interests, differing from the central ones; (2) some companies receive subsidies from the state, but sometimes they are not the most innovative and competitive on the global stage, so there should be no a reason to worry; (3) objectives vary across sectors, programmes, and provinces and may not be harmonised and cannot translate into competitive advantages for Chinese companies. “Sector-related data suggests that excess capacity risks remain confined to several industries with known idiosyncratic trends” (Oxford Economics, 2024); (4) there is proof of rather diminished demand, not overcapacity, and a lack of course-corrective measures taken by Chinese authorities, which results in a misperception of overcapacity; (5) the global economic slowdown and inability to look into the future results in misperceptions of overproduction in EVs, renewables, etc., in China.

2. Rapid growth and success in high-tech sectors have challenged the position of advanced economies

AI is used in 32% of the industries in China, 22% in the US, and 18% in the EU. China is, for the moment, behind the US in the GenAI sector, and it is building everything on the technologies already existing. However, its ambitions and propensity for futuristic technologies have no limits. Kai-Fu Lee’s company, for instance, took over LLaMA (Large Language Model Meta AI), launched by META in February 2023, and immediately produced its own version (Liao, 2023).

The purpose of the “Made in China 2025” strategy is to make China a world leader in key industrial sectors by reducing reliance on foreign technologies and strengthening domestic innovation capacity.

In March 2024, a delegation of US businesspeople went to Beijing to meet President Xi, who reassured them that China could be trusted for investment. During the March 2024 China Development Forum in Beijing and the 3rd Plenary Session of the 20th Central Committee of the CPC in July 2024, China reiterated its goal to rely on high-tech, high efficiency, and high quality to maintain its economic growth (Xinhua, 2024).

The West makes connections between China’s economic growth and China’s “theft of intellectual property” through cyber espionage, forced

technology transfer, and local regulations that force companies to store their data locally and share it with the government.

3. The pharmaceutical sector in China is criticised for increasing production and exports of antibiotics, pharmaceuticals, and consumables

China's pharmaceutical market is currently the second largest in the world, behind the US. Apart from economic considerations, pharmaceuticals are a priority for the Chinese government because of the ageing population, since 26% of China's population will be over 65 in 2025, but also because the life standards of the Chinese are increasing, and they are taking more care of their health (Price Waterhouse Coopers, 2024). Some pharmaceutical companies have global ambitions. BeiGene had its Brukinsa cancer treatment approved by the US Food and Drug Administration in 2019, first for a Chinese company, with standards harmonised with the US and European regulators. WuXi Biologics has manufacturing plants in Ireland, Germany, and the US (Price Waterhouse Coopers, 2024).

Some analysts claim that the fear regarding dependence on Chinese drugs is exaggerated (De Bolle, 2024) because the US already has a competitive advantage since it produces more specialised, advanced pharmaceuticals and invests in riskier and more profitable businesses. On the other hand, China produces huge amounts of simpler pharmaceuticals and medical consumables; most Chinese pharmaceutical companies are still in the early stages of R&D; the number of clinical trials has decreased over the last years; and it only has large facilities and a less expensive labour force.

4. Dr He Jiankui's research on gene editing applied to human reproduction

At the end of 2019, doctor He Jiankui was sentenced to three years in prison for "illegal medical practices" because he had applied the CRISPR (clustered regularly interspaced short palindromic repeats) method on twin girls in a pregnant woman. The Ministry of Science and Technology and the National Health Commission of the P.R. China forbade him from working and conducting further research in genetic editing. Despite that, in 2022, He Jiankui announced the creation of He Jiankui Laboratory in Beijing's Daxing

district and continued his work. In 2023, he participated in an online event organised by the University of Kent in the UK on life ethics regulation and received criticism for his work (Zhai, 2023). Criticism also came from the academic community in China in March 2023 at a Conference on “Challenges and Responses to Ethical Governance of Science and Technology” in Beijing, where more than 200 scholars from all over the country defended ethics in science and denounced He Jiankui’s activity (Zhai, 2023).

5. The automotive industry, which became the No. 1 exporter in 2023

According to a 2023 report of the International Energy Agency, more than half of the world’s EVs are used in China. China is the world’s biggest single carbon emitter in the world, and the ambition of the CPC in 2021 was to have 40% of electric cars by 2030, which gave incredible impetus to China’s EV production. In 2023, the Chinese company BYD became the leading exporter of EVs, surpassing Tesla. Their main market is Europe, followed by Mexico and Russia (Wayland, 2024). In 2023, 8% of the car sales in Europe were made in China, and by 2025, the market share in Europe will be 15% because of the green transition. Chinese companies are very quick to release new models at low prices.

Some analysts explain that the success of EV producers in China is achieved because of the subsidies from the government, clever policies for acquiring cheap raw materials from various countries along the Belt and Road routes, and the level of automation already implemented in Chinese industrial sectors where AI and robots perform 33% of work. Apparently, it is difficult for Western countries to make clever policies to balance decarbonisation with consumer costs, accommodate fiscal constraints, and boost domestic industries. Whatever the true reason, at least for the moment, no one can now compete with China in producing EVs.

6. The manufacturing sector—economic performance but environmental impact and energy consumption

China is responsible for 33% of the global CO₂ emissions. To fight pollution, the government has focused on wind and solar energy over the last few years,

planted millions of trees, and boosted the EV industry. Over the last decade, the number of PMs per cubic meter decreased three times (Wong, 2021).

With 20% of the world's population and only 7% of the world's water resources, the Chinese government has planned to build 80,000 sewage collection pipelines by 2025 and to invest USD 50 billion in wastewater treatment facilities for polluting industries such as textiles, printing, steel production, oil and gas production, coal mining, and pharmaceutical production, as well as USD 8 billion in new sludge processing facilities.

Solid waste is the most serious problem for all countries, as it produces 5% of greenhouse emissions and is a source of contamination for air, soil, water, and food. In 2021, China adopted an action plan to promote recycling and to reduce solid waste by using bulk solid waste such as coal gangue, coal fly ash, tailings, associated minerals, smelting slag, by-product gypsum, construction refuse, and crop straw, by incineration of household waste to reduce the amount of landfill waste, and by reusing resources, including steel scrap, copper, aluminium, lead, zinc, wastepaper, plastic, rubber, and recycled glass—approximately 450 million metric tonnes currently and probably 510 million by 2030 (International Trade Administration, 2023).

China is the biggest polluter with 14 billion CO₂, followed by the US with 6 billion CO₂. If we relate this to the population, China is the 3rd in CO₂ per capita, after the US and Canada, according to the Global Carbon Budget 2023 report.

7. Overproduction in China has an impact on the US and other countries, but also on its economy

In April 2024, the US Treasury Secretary warned China about the harmful impact of overproduction (Tan, 2024). The lower cost of Chinese goods will result in a rise in imports of other nations. Local productions will be doomed to fail, domestic consumption will not increase, and production will rely on exports to other countries. China is the largest trading partner for 124 countries, compared to 56 for the US (Chen & Pohl, 2023). Together with Hong Kong, China is the central trade and logistics hub for the RCEP, the world's largest trading bloc (ASEAN + their trading partners).

Western countries see overproduction as a structural problem resulting from the fact that Chinese production is not based on market needs but on CPC policies, as it intends to become the world's largest economy by 2040,

thus making an economic transition from quantity to quality, from mass production to high tech, from growth based on low-cost manufacturing to the green-tech sector: solar cells, electric vehicles, lithium-ion batteries.

8. Provision of military equipment utilised for building drones, cruise missiles, tanks, and armoured vehicles for Russia

China is the fourth largest arms exporter after the US, Russia, and France. It provided Russia with equipment for building drones, cruise missiles, and optical parts of tanks and other armoured vehicles through a group of Chinese companies; 90% of Russia's microelectronics came from China in 2023 (Bushard, 2024). Russia's semiconductor imports from China jumped from \$200 million in 2021 to over \$500 million in 2022 (Madhani, 2024). In 2024, China was Russia's largest supplier of commercial goods and about 50 dual-use components that are subject to a Western high-priority export control list (Sher, 2024).

However, some analysts claim China does not exceed certain red lines (Haenle, Gabuev & Minjiang, 2024). In July 2024, China banned the export of drones, high-precision inertial measuring units, synthetic-aperture radar, and engines with an output above 16 kilowatts, as well as wireless communication beyond the range of 50 kilometres, as a result of the criticism by the US and its allies regarding the alleged supply of military exports to Russia (Khaliz, 2024).

9. Critical minerals industry

China provides more than 80% of rare earths and is among the main producers of lithium, cobalt, and nickel. Along the routes of its Belt and Road Initiative, China has taken the opportunity to exploit the critical minerals in various countries (copper companies in Congo and Zambia, cobalt companies in Congo, and lithium companies in Zimbabwe). Criticism directed at China was caused by geopolitical concerns of Western countries because they might depend on China to provide these minerals for their technological needs. In addition, China's mining practices do not comply with environmental requirements and often violate labour standards. These minerals indeed facilitated China's leading position in the semiconductor market.

Regarding environmental and labour requirements violations, this is common practice for mining companies in many countries with weak governments and poor labour legislation. For instance, the Business & Human Rights Resource Centre¹ documented allegations of abuse in 18 countries, and it found 42% in Asia, 27% in Latin America, and 24% in Africa. Indonesia had 27 abuses, Peru 16, DR Congo 12, Myanmar 11, and Zimbabwe 7, more than 70% of all reported allegations, and China is a major economic partner for all of them.

China controls 8% of Africa's mining sector, which means less than half the Western countries, and shows a misperception of the West (Egyin, 2024).

10. Human rights and freedom

Some media and NGO reports present human rights violations in China, including repression of ethnic minorities, surveillance, censorship of the media, and persecution of human rights defenders. Critics of human rights in China in 2024 mainly focus on the situation in Xinjiang in northwest China, where Beijing is accused of having detained over a million Uighurs and other Muslim minorities (Amnesty International, 2022) and possibly of "crimes against humanity". However, under intense Chinese pressure, members of the UN Human Rights Council rejected the idea of a debate on this document (Larson, 2024).

In 2024, critics of the state of human rights in Hong Kong mainly focus on the repression of civil liberties and the national security law and its implications because "article 23" imports into Hong Kong's law legal concepts from mainland China related to "national security" and "state secrets". The new offence of "external interference" could lead to prosecutions against activists due to their exchanges with foreign actors, portrayed as "threatening national security". The right to a fair trial is increasingly disappearing due to the new investigative powers allowing detention without charge for 16 days and depriving the possibility of consulting a lawyer (Amnesty International, 2024).

11. Corruption

Statistics show that corruption has been significantly curtailed since President Xi came to power in 2012 and promised to fight against corruption

¹ A UK-based NGO.

at all levels. Between 2012 and 2014, more than 4 million officials were removed from their positions and even imprisoned on the grounds of bribery, abuse of power, and corruption (BTI Transformation Index, 2024). The anti-corruption investigations are performed by the National Supervision Commission and the Central Committee for Discipline Inspection. Since 2021, anti-corruption campaigns have been directed at financial regulators, stock exchanges, banks, asset management companies, and the financial sector. China has the death penalty and enforces it as part of measures to curb corruption in the public sector.

China uses advanced technology, AI, and communication technologies to improve governmental efficiency. China's ranking on the E-Government Development Index increased from 65th to 45th place in just two years, between 2018 and 2020 (E-Government Surve, 2020). Technology helped the government encourage citizens to report acts of corruption via emails and hotline numbers. Anti-corruption officers have been trained to use technology to identify and investigate cases easier, and they have exchanges with specialised foreign agencies.

China has the fewest number of public servants, only 8 million, and 60 million employees working for public companies, which means 13% of the total employees, compared to 16% in the US and 26% in France.

According to the 2022 corruption index made by Transparency.org, out of 180 countries, China ranked in the middle with 44 points (on a scale from 0 to 100), similar to Romania, and 42 in 2023, like Hungary.

12. Lack of transparency

The 2024 WTO Trade Policy Review on China² criticised the lack of transparency regarding the financial support provided by the state to certain key industrial sectors (Farge, 2024). The EU Chamber of Commerce in China criticised the bilateral agreements signed by China with countries along the BRI, as, in 2021, only 20 out of the 132 companies surveyed participated in a bid to win projects along the BRI countries (Business Standard, 2024). Foreign

² Process that is a regular assessment for all its 166 members.

companies complain about the complexity of Chinese laws' ambiguous regulatory constraints.

Although the EU Chamber of Commerce criticises China's lack of transparency in business, bids, and other commercial aspects, it does not agree with the US opinion that "China is uninvestable" and sees China as a market with many investment opportunities (Chen, 2023).

13. Youth unemployment

In April 2024, unemployment of the Chinese young generation between the ages of 16 and 24 in urban areas was 20%, four times higher than the general unemployment level in China. Youth unemployment is almost 14% in the EU and 10% in the US. The situation has resulted from the lack of corroboration between the qualifications of the graduates and the needs of the labour market, too many graduates compared to the number of jobs on the market, and the lack of job opportunities in the private sector. The 9-9-6 work schedule is no longer accepted by today's more emancipated young generations seeking flexible working hours and newly emerged sectors of activity. There is also a focus on academic skills and the gradual loss of vocational schools. These are the causes of youth unemployment in Western countries as well.

In 2022, China revisited the Vocational Education Law to make Chinese vocational education the best in the world (Koty, 2022). This was due to the fact that students with lower scores would go to vocational schools, hence a distorted perception of society and students' reluctance. The Ministry of Education, the Ministry of Finance, and the Ministry of Human Resources and Social Security implemented a policy that gives a special allowance of 1,500 yuan to companies for each college graduate and the unemployed young person hired, and it also started organising job fairs (Si, 2023).

Of China's more than 740 million employees, around 500 million work partially or entirely online (Statista, 2024).

14. Cyber espionage

In August 2021, Positive Technologies Expert Security Centre from Moscow, Russia, informed that Chinese cyberattacks were sent to Mongolia, Russia,

Belarus, Canada, and the US. These cyberattacks were later on correlated with the activity of the APT31 group, a.k.a. Judgement Panda (CrowdStrike) and Zirconium (Microsoft), active since at least 2016, which targeted the government sector, aerospace and defence enterprises, international financial companies, high-tech sectors, organisations and individuals close to US presidential candidates during the 2020 campaign, companies in France, and home and office routers (Positive Technology, 2024).

Although China is Australia's biggest economic partner, in October 2023, Mike Burgess, the director general of the Australian Intelligence Security Organisation, did not hesitate to declare that China has the largest and most sophisticated spying systems of all times (Mercer, 2023).

In March 2024, the US Department of Justice charged seven Chinese nationals with computer intrusions targeting critics of China and US businesses and politicians, accusing them of being part of the above-mentioned APT31 hacking group in support of China (Justice.gov, 2024).

As a confirmation of this apparently vivid large-scale cyber espionage, in February 2024, The Guardian published an article about an "enormous cyber-leak from I-Soon, a Chinese hacking company", revealing day-to-day operations of China's hacking programme, long lists of targets, telecom service providers, and governments (AFP, 2024).

15. Aging society

Approximately 21% of the population in China, or almost 300 million people, are above 60, and 24% of China's population will be over 65 years old in 2050 (Statista, 2024), which results in fewer people available to support a growing elderly population who are part of their families, declining productivity, increased labour costs, reduced profitability in manufacturing sectors, and a pension system under pressure to support an increasing number of retired people. Since the young generations in China nowadays are more independent and professional mobility forces them to move around, many turn to community-based care services, assisted living facilities, health monitoring devices, telemedicine, and apps that connect families with healthcare providers to provide for their elderly. Local communities in China have already created daycare centres where the elderly can go, spend time,

and eat, and digitalised monitoring systems to identify the problems they face at home, such as daily life shortages, health problems, etc.

Although not at the same scale, these concerns are shared by Western countries as well.

One interesting joint project that proves that China is making efforts to address this issue is the *Social Technology for Global Aging*, hosted by the Department of Global Health and Social Medicine of Harvard Medical School and funded by the Jiangsu Industrial Technology Research Institute in Nanjing, implemented by Harvard University and Tsinghua, Fudan, Minzu, and Nanjing Post Chinese universities and Telecommunications University, an effort “to improve eldercare, with interdisciplinary methods used to address global ageing in other global settings than the US” (Kleinman, 2022).

CONCLUSION

Facts prove that sometimes criticism results from misperceptions and misinterpretations:

1) Industrial policies and strategies favour domestic companies, but data suggests that subsidies and excess capacity risks are present only in some industries with idiosyncratic trends and, in many cases, at the regional level;

2) Demand is lower, and capacity is not higher; there are no corrective measures, which results in a perception of overcapacity; China has officially declared its intention to manufacture quality and products with higher value, not quantity;

3) China’s pharmaceutical market is the second largest in the world, but the US has the competitive advantage since it produces more specialised and advanced pharmaceuticals, while China produces huge amounts of simpler pharmaceuticals and medical consumables, and its R&D and clinical trials are scarce;

4) China’s automotive industry is leading in EVs because it had a cleverer approach, while Western countries still cannot achieve a green transition and make efficient inter-sectorial policies;

5) To fight pollution, China focused on wind and solar energy, planted millions of trees, boosted the EVs industry, has decreased three times pollution in 10 years, has planned to build 80,000 sewage pipelines by 2025,

to invest USD 50 billion in wastewater treatment facilities for polluting industries, and USD 8 billion in new sludge processing facilities, and has adopted an action plan to recycle and reduce solid waste by 2030; China is the biggest polluter with 14 billion CO₂, followed by the US with 6 billion CO₂, but the 3rd in terms of CO₂ per capita, after the US and Canada;

6) China provided military equipment to some countries, among which Russia, but it complied with international criticism and, in July 2024, banned the export of drones, high-precision inertial measuring units, synthetic-aperture radar, and engines with an output above 16 kilowatts, as well as wireless communication able to work beyond the range of 50 kilometres;

7) China has invested in many countries to exploit metals, but the scale of its exploitation is less than a half of the Western countries;

8) To fight corruption, China uses advanced technology, AI, and its E-Government Development Index increased from 65th to 45th place between 2018 and 2020. Anti-corruption officers are trained in the highest technology to identify and investigate cases easier. In the 2022 Corruption Index, out of 180 countries, China had 44 points on a scale from 0 to 100, similar to Romania, and 42 in 2023, like Hungary; China has one of the lowest number of civil servants, only 13% of the labour force (out of which only 15% in central and local administration and 85% in public companies), compared to 16% in the US, 25% in Romania, and 26% in France;

9) Youth unemployment has similar percentages and root causes as in Western countries, and China has been implementing labour market measures since 2021;

10) The ageing society has the same cause as in Western countries, but numbers are higher in China because of China's one-child policy, emancipation, professional mobility, and more independent youth. A project to improve eldercare with interdisciplinary methods to address global ageing is the Social Technology for Global Aging, implemented by Harvard Medical School and Chinese universities: Tsinghua, Fudan, Minzu, Nanjing Post, and Telecommunications University.

Some aspects that appear to receive criticism for justified reasons are:

1) Cyber espionage, considered to be the most sustained, scaled, and sophisticated spying system, unprecedented in human history, with long lists of targets, from the government sector, aerospace and defence enterprises,

international financial companies, the high-tech sector, to private houses of personalities, etc.;

2) The human rights issue, as China maintains repression of the freedom of speech and some civil liberties, as well as tight control in the Uighur area and Hong Kong;

3) The lack of transparency regarding the financial support provided by the government to certain vital industrial sectors, the bilateral agreements signed by China with various countries along its BRI, the commercial contracts often allocated without tenders, and China's legislation are considered unclear, vague, and open to multiple interpretations that prevent foreign companies from accessing the Chinese market.

Any analysis of China should start with its Confucianist approach to societal matters, not the individual ones. Self-discipline, diligence, and obedience to authority are the highest values for citizens, not individualism and ownership like in Western societies. Meritocracy remains one core value in China. Visions and thoughts conceived by the leaders are long-term plans that are usually put into practice. The centralised supervision of the government does not prevent individual achievements, which is reflected by the fact that two-thirds of the world's wealthiest women are Chinese living in China.

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CHINA'S ROLE IN THE GLOBAL SOUTH: GROWING ECONOMIC POWER

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Abstract: This article explores the different facets of China's economic power in the Global South and the consequences of this power for both China and the countries of the Global South. In addition, it analyses the presence of China in the Global South, paying attention to the economic power and the related risks and opportunities. The work focuses on the impact of China's engagement in the region, both positive and negative, on both China and countries of the Global South. In light of this, the study seeks to understand the economic undertakings and investments made by China to unmask the socioeconomic impact of China's engagement. The work aims to describe the process of China's economic rise in the Global South and the opportunities and threats connected with it. The work is mostly theoretical and uses academic articles, policy briefs, and field trials to identify the trends of China's engagement with the developing world. The findings show that China's economic presence is substantial in terms of infrastructure investment and trade, especially through the Belt and Road Initiative. Nevertheless, there are certain questions concerning the sustainability of such relations, including the issue of sovereign debt, environmental impacts, or geopolitical factors. The studies reveal that the Chinese model of partnership should be more balanced and sustainable and based on the principles of openness, fairness, and mutual advantage. The conclusion underlines the need for a balance between integration and exclusiveness for the sake of creating a common beneficial ground in the context of geopolitics and developmental problems.

Keywords: China, Global South, economic influence, Belt and Road Initiative, sustainability, geopolitical dynamics.

INTRODUCTION

The world economy has evolved greatly in the past few decades, and China has played a big role in global business and investment. This change is more apparent in the Global South, where China has become the "new kid on the

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block” in terms of economic power. This has resulted in new opportunities for cooperation and, at the same time, competition. China’s economic policies, especially the Belt and Road Initiative (BRI), have increasingly targeted the Global South, which encompasses Latin America, Africa, and some Asian countries. This complex approach is applied to support the economic development of China and simultaneously enhance the connectivity of infrastructure and economic development of partner countries.

China has pursued the Global South through various means such as providing infrastructure, trade relations, and development assistance; therefore, China is using both economic diplomacy and soft power (Bräutigam, 2020). The Chinese policy defining the country’s approach to investments is primarily the policy of mutual benefit, i.e., investments benefiting the countries of investment and China. This has come in the form of mega projects, including the railways, road networks, and energy connectivity projects towards enhancing these countries’ macroeconomic frameworks. Still, the benefits of these expenditures are evident, but they also raise several issues that should be closely considered.

Perhaps the most widely acknowledged positive impact of China’s economic cooperation with the Global South is the fast-tracking of infrastructure development. In many countries of the Global South, inadequate infrastructure has been a key constraint on growth for several years. China helps to eliminate the deficit by participating in the strategic projects necessary for the country’s development, thus increasing trade and overall economic development. For example, the BRI can be utilised for building transport infrastructures that knit together hitherto unconnected regions, thus enhancing regional integration and economic transformation (Ferdinand, 2016).

However, China’s economic influence does not stop at the provision of physical infrastructure. Chinese money and companies have further boosted the transfer of technology and skills in many sectors. Through joint ventures and collaboration, the local workers gain new skills and knowledge beneficial for the host countries, thereby improving the human capital of the countries. Also, the rising trade relations between China and the Global South countries help open new markets for local goods and services and boost the economic development of these countries.

Nevertheless, these economic relations are not beyond certain barriers. Among the most significant issues is the level of government debt. As a result of Chinese funding of infrastructure projects, many Global South countries have accumulated large amounts of debt. This has led to questions on why countries borrow so much, considering their economic vulnerability. They cannot repay their debts and risk a financial crisis (Hurley et al. 2018). However, there is no discussion of the environmental impact associated with some of these large-scale infrastructural developments. The process of fast infrastructure development is yet associated with many concerning issues, such as the loss of forests, impacts on biodiversity, and environmental pollution.

The geopolitical consequences of China's economic initiatives in the Global South are also not straightforward. China's rising role is often seen as a threat to the current global system, especially by Western countries. This has led to geopolitical competition, where the strategic interests of most international actors intersect, occasionally leading to heightened conflicts (Rolland, 2019). Hence, while economic relations hold the promise of mutual gains, they also pose a complex challenge in trading carefully to avoid undermining the principles of sustainability and equity.

This research aims to provide an overall analysis of China's economic power in the Global South. The research seeks to understand China's impact by focusing on several factors, such as infrastructure, business, and other related issues. The final goal is to stress the importance of the balanced and sustainable approach to relations between China and the countries of the Global South that should be based on the principles of openness, fairness, and reciprocity and contribute to the sustainable and inclusive development of both China and the countries of the Global South (Li, 2019).

METHODOLOGY AND DATA ANALYSIS

In this research, the author used interviews as a research tool to explore China's economic power in the Global South. Fifteen interviews were conducted with five university professors whose work focuses on China-Africa relations, five current or former government officials with experience in China policy, and five leaders of civil society organisations focusing on sustainable development issues and Chinese investment. The interviews were expected to provide a range of opinions on the multifaceted political, economic, and

social effects of China's engagement strategies. This approach allows a comprehensive analysis of the many and complex aspects of China's engagement.

The applied methodology in this analysis is adequate to grasp the extent of China's economic power in the Global South. After gathering large amounts of data and conducting a qualitative analysis, the work gives an idea of the multifaceted nature of China's engagement and its effects. This approach makes it possible to investigate the subject systematically and in detail and to draw conclusions that will be helpful to policymakers, scholars, and other people concerned with China's economic relations with the rest of the world.

Data collection

To avoid bias and achieve a comprehensive view of the Chinese economic activity in the Global South, data for this study were collected from primary and secondary sources. A review of academic literature in the form of articles, books, and research papers was conducted. These sources include information on theoretical approaches and concrete data on China's investments, trade, and infrastructure projects in the Global South. A systematic review of published material, such as articles, books, and research papers, was done.

Literature including policy documents and reports from international organisations, think tanks, and government was also used. All these sources contain useful information on China's economic engagement policies and the results of their implementation. Information from the African Development Bank, the Brookings Institution, and the Centre for Global Development revealed China's policy concepts and examples of their application.

Conducting field research and undertaking case studies from different countries of the Global South was also employed. These studies provide an understanding of the social and economic impacts of Chinese investment. They played a significant role in showing the direct impacts of infrastructure projects, trade liberalisation, and investments on communities and households. The research, however, collected a large and quite diverse set of data sources to obtain a broad and complex understanding of China's economic role in the Global South.

Data analysis

Qualitative content analysis was used to analyse the obtained data. This method is useful in textual data analysis to identify the main topics and trends. The analytical procedure included the following steps: The first step of the data analysis was coding the textual data to determine the main themes and patterns. The data were therefore broken down into separate sections for open coding, and phrases and sentences were elaborately analysed for their hidden meanings. As a result, it was possible to identify the following topic areas: infrastructure, trade and investments, human capital, sovereign debt, environmental impacts, and geopolitical consequences.

In light of the classification procedure, the data were divided into broader thematic categories. This process involved grouping similar codes into categories representing the major aspects of the research.

OVERVIEW OF IMPACTS OF CHINA'S ROLE IN THE GLOBAL SOUTH

Infrastructure Development, Trade, and Investment

As China has increasingly engaged the Global South, it has drawn the attention of scholars because of the implications of this relationship for China and the countries in the Global South. This literature analysis explores the various aspects of Chinese enlargement: infrastructure, trade and investments, human capital and technology transfer, concerns over sovereign debts, the ecosystem, and geopolitical effects. By examining these sectors, the review aims to shed light on the multifaceted nature of China's economic processes and their social impacts.

China's large spending on infrastructure is one of the most noticeable features of its engagement with the Global South. Other authors such as Bräutigam have highlighted the transformational agenda of these initiatives, aimed at addressing chronic deficiencies in the infrastructure of Latin American, African, and Asian countries (Bräutigam, 2020). In this approach, the Belt and Road Initiative (BRI) can be singled out as the only megaproject aimed at increasing the interconnectedness and integration of the world economy (Ferdinand, 2016). These investments are large-scale projects like railways, highways, and energy projects with a view to building host economies

and significantly improving transport and logistics. They enhance trade by reducing transportation costs and increasing market access, promoting regional integration, and economic diversification. This is in line with studies suggesting that such infrastructure development helps in the growth of the economy because it connects areas that were hitherto not connected.

In addition to infrastructure, China's economic activities in the Global South, for instance, include commerce and investment. Thus, China is a major trading partner for many countries in the region. There has been an increase in trade volumes between China and the Global South, which has led to opening up of new markets for local products and enhancement of economic growth. This is a win-win relationship, especially as this partnership assists China in acquiring vital raw materials and finding markets for its goods.

Chinese investments in the mining, manufacturing, and agricultural sectors have been quite rewarding. Alden and Jiang stress that these investments generate employment and boost local businesses. The Chinese investors have seen the opportunity and entered the market, transforming these industries and improving productivity and the economy in the process. Besides, this investment plan enhances the economic capacity of the host countries and fits in with China's strategic objectives of securing resources and markets.

Second, the effects of China's engagement in human capital and transfer of technology are also another area of interest. Sino-foreign cooperative projects and cooperation projects between Chinese companies and other regional companies provide opportunities for personnel training and technological learning. These contacts are immensely important in enhancing the human capital in host countries because local personnel gain new skills and knowledge from their engagement in Chinese projects. This is the capacity-building aspect of China's economic cooperation, which is vital to the enduring development of these areas.

Besides, Chinese investments foster technological exchange, which contributes to the modernisation of companies in the Global South. This process of technology diffusion is important for the growth of these areas' economies, which enhance their positions in the global value chain. This transfer is economically beneficial in the long run as it improves the qualifications of workers and their technological expertise to create future leaders and achievers.

Nevertheless, China's economic engagement in the Global South has been met with certain concerns, particularly about national debt. Most of the countries within the area have huge debt due to Chinese funding of infrastructure development. Consequently, Hurley, Morris, and Portelance (2018) explain the effects of debt reliance, arguing that it results in economic vulnerability and financial unsustainability. All these countries have large amounts of debt and must repay their loans because defaulting has adverse economic consequences.

The term "debt trap" has emerged in this discussion, which suggests that countries might be compelled to surrender certain strategic assets to China as a way of repaying their debt. This state of affairs poses a severe challenge to the economic sovereignty and stability of the affected countries. As mentioned before, Chinese loans are considered the source of short-term financial support for growth, but this is why one should also consider the long-term repayment ability and the possible effects on the economy (Hurley, Morris & Portelance, 2018).

Another issue that has raised concerns is the environmental impact of China's infrastructure projects in the Global South. Increasingly fast infrastructural development impacts the environment by deforestation, loss of animal species, and pollution. There is a requirement for green approaches that help minimise the negative impact on the environment and support the equilibrium between human society and nature (Zhao, 2020). Environmental impacts are more noticeable in big projects such as dams, roads, mining, and other similar interventions that can affect the environment and people around it.

The effects of these measures should be regulated by strict laws and regulations to avoid adverse effects. Academics call for sustainability to be incorporated into these developments so that growth does not result in the planet's destruction. This balance is important to protect the natural sovereignty of host countries while at the same time attaining development objectives.

China's increasing clout in the Global South is a game-changer in geopolitics; China's economic transactions are reshaping the world order and eroding the dominance of Western countries (Rolland, 2019). This geopolitical shift has compounded the existing tensions and rivalry between China and other important players in the international system. The strategic interests of many countries intersect in the Global South, creating a rather specific and multilevel geopolitical map.

China's interest in the region has frequently been interpreted by Western governments as a means of gaining more influence. This has resulted in geopolitical rivalry, the implications of which cannot be overlooked as far as international stability and security are concerned. The geopolitical part of China's economic presence means it is also necessary to consider its strategic objectives and the general environment of the global economy in which this presence unfolds.

This being the case, there is a need to come up with a balanced and sustainable economic model for China in the Global South, i.e., the aspect of openness, equity, and mutual gains in the relations between China and these nations (Li, 2019). The achievement of economic cooperation that is equitable and inclusive is relevant for sustainable growth and development. National debt, environment, and geopolitical matters can also be addressed in a balanced strategy. China and the Global South should join forces and build a better world based on sustainable development principles and cooperation that is based on the principles of equality and common goals. This means that there has to be an embrace of the principles of openness and accountability and the development of economic relations based on the principles of equity and reciprocity.

RESULTS

China's Economic Influence and Opportunities for Regional Development and Challenges

China's economic presence in the region is significant given the outstanding investments in infrastructure, strategic acquisitions, and large-scale business activities. At the heart of this effect is the Belt and Road Initiative (BRI), announced in 2013 to enhance trade connectivity and increase economic development in the regions of Asia, Africa, and Europe. The BRI covers various sectors such as transportation (roads, railways, and ports) and energy (oil and gas pipelines), which can greatly transform the economies of the involved countries.

The positive sides of China's economic involvement are as follows: The BRI has facilitated the development of infrastructure, which has improved the transport and logistics infrastructure, reduced the cost of trade, and increased

market access. For instance, the CPEC, one of the BRI projects, consists of a multitude of roads, railway lines, and energy projects.

China's economic involvement brings many benefits. As part of the Belt and Road Initiative, the transport and logistics infrastructure has grown, lowering trade costs and opening new markets. For instance, the China-Pakistan Economic Corridor (CPEC), one of the most prominent BRI projects, encompasses the development of roads, railways, and energy projects, and the enhancement of the Gwadar Port. This corridor aims to create an economic route connecting China and the Arabian Sea without having to pass through the long sea routes of Southeast Asia (Wolf, 2019).

Moreover, the amount of Chinese investment in the region has boosted the economy and development. They are mainly in the form of infrastructure financing using loans and direct investments in projects, thus creating employment and boosting the local economy. Some regional initiatives include the Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund, which provide the funding needed to finance large-scale projects that would otherwise be unattainable by the local governments (Hameiri & Jones, 2018).

The trade has also developed, with China emerging as one of the most important trade partners of many regional countries. Enhanced infrastructure helps to streamline the movement of goods and services, and this enhances the trade relations between China and its associates. For instance, China's trade with the ASEAN countries has greatly improved in recent years, and ASEAN is China's largest trading partner (Cai, 2020).

All the same, some important aspects must be considered to ensure that China and its partner countries remain good economic partners. Hence, government debt must be well managed. Most countries involved in the BRI projects have burdened themselves with a large debt to do that. For instance, the Hambantota Port in Sri Lanka was handed over to China on a 99-year lease due to the country's inability to repay the loan it had taken (Hillman, 2018). The use of sound financial management will help nations avoid high levels of debt and at the same time have stable economies.

Another issue is the environment. Everyone has the responsibility of caring for the environment. Proper infrastructure construction may decrease the negative influence on the environment and increase sustainability. For instance, the Diamer-Bhasha Dam under the CPEC in Pakistan has been criticised for its construction. Adequate planning and assessment of the

environment may help in decreasing the negative impact on the environment and may benefit the population (Ahmed, 2018).

Here the geopolitical relations offer space for the development of both countries. This is particularly so since China's influence is rising, which can enhance multilateral relations and cooperation in the area. China is engaged in an open and inclusive dialogue with other major regional countries and can contribute to the enhancement of stability and growth of the region. India, for instance, may be seen as a potential partner for cooperation, especially in regions like Gilgit-Baltistan, where both countries can benefit from cooperation approaches.

Thus, the question of openness and good governance in the implementation of projects is paramount to the enhancement of the results of China's investments. By adopting project management standards and involving stakeholders in project implementation, the BRI projects might be more effective and socially accepted. Open procurement and competitive bidding, as a way to fight corruption and mismanagement, can build trust and enhance the results of projects (Dollar, 2019).

Nevertheless, China's regional economic hegemony faces serious challenges that can jeopardise its sustainability. The first of these is the question of government debt, which is regarded as one of the most important problems in the world today. Several countries that embraced the BRI have accumulated huge debt to finance the projects within it. For instance, the fiscal issue of Sri Lanka that led to the lease of the Hambantota Port to China for 99 years explains the consequences of high debts (Hillman, 2018). Certain countries' large debts have the potential to trigger an economic crisis and give China influence over those nations.

Environmental factors are a major constraint. This is because fast infrastructure development results in environmental degradation. Infrastructure development, such as the construction of dams, highways, and industrial areas, has led to deforestation, relocation of individuals, and pollution. In Pakistan, the construction of the Diamer-Bhasha Dam under the CPEC has caused concerns regarding its effects on the local environment and population displacement (Ahmed, 2018). Stakeholder management, particularly balancing between economic development and environmental protection, remains a crucial issue that has to be solved to preserve the long-term existence of such projects.

The geopolitical factors have worsened the situation. Some major countries, especially the United States and India, are apprehensive and jealous of China's increasing regional power. The strategic dimension of the BRI and the projects implemented in the regions of increased tension, including the South China Sea and the Indian Ocean, have contributed to the escalation of the conflict. India has concerns with the CPEC, for instance, because it passes through the disputed region of Gilgit-Baltistan, which India considers its territory. It could lead to strains and even slow down the development of the BRI projects.

DISCUSSION

The debate would serve as a reminder to adopt a more moderate and responsible foreign policy, particularly in relation to the Belt and Road Initiative. The research focuses on the role of openness, equality, and mutual benefit in these collaborations to guarantee their effectiveness and sustainability in the long run. China has increased its economic clout due to massive spending on infrastructure, commerce, and integration of the regions. However, there are certain questions that need answering for these initiatives to keep moving up the ladder.

According to the findings, there is a need for good fiscal policy to mitigate the risks of national debt. On the positive side, the BRI expenditure on infrastructure may lead to massive economic development. On the downside, it amplifies the risk of fiscal vulnerability for the member countries. There is the Hambantota Port in Sri Lanka, which, due to the country's inability to pay off its debts, was handed over to China for 99 years. This situation calls for well-coordinated and well-coherent financial planning for the longer-term, well-defined loan contracts, and thorough debt sustainability analyses. Such policies are important to avoid overborrowing and uphold the stability of China's financial system and therefore boost confidence in its financial dealings.

The paper also focuses on the evaluation of environmental effects. The BRI infrastructure is built rapidly, raising real worries about environmental damage. If not well controlled, it might produce negative impacts on the environment, such as damage to dams, roads, and industrial zones. Discussions on the environmental and socioeconomic impacts of the Diamer-Bhasha Dam under the CPEC have been a topic of debate in Pakistan.

Attacking these challenges requires a proper assessment of the environment and measures to take in project development and management. Thus, it is essential to achieve sustainability development for the infrastructural development projects and the welfare of the affected communities.

It is, therefore, important to understand that geopolitical factors have a very significant influence on the outcomes of China's overseas partnerships. In the report, the increasing influence of China in the region presents opportunities for enhancing multilateral and regional cooperation/integration but at the same time calls for careful management of geopolitics. The geospatial element of the BRI, especially in the South China Sea and the Indian Ocean, has increased the geopolitical risk. For instance, India's perception of the CPEC, which goes through the territory of Gilgit-Baltistan, is a good illustration of this. Thus, the principles of openness, tolerance, and peaceful dialogue should be adhered to when discussing these geopolitical matters and working towards the creation of a stable and successful region.

Transparency and good governance during the implementation of the BRI projects are important factors that will enhance the success of the projects. Concerns of corruption, ineffectiveness, and non-competitive tendering have been made on these projects, and thus their effectiveness and fairness cannot be guaranteed. It is also important to ensure transparency in the procurement of project inputs, follow international standards in the delivery of project activities, and involve local people and stakeholders in the decision-making processes to build confidence and achieve better results in the project. China can enhance the effectiveness of the projects it has undertaken in the area of infrastructure and, in the same way, enlarge the overall credibility of its foreign relations undertakings through the adoption of proper project management and governance.

Furthermore, the discussion emphasises the significance of a balanced distribution of the advantages created by BRI efforts. It is for this reason that it is important to ensure that the economic returns on these initiatives are spread out across all the stakeholders and particularly to the locals, who are an essential component of the partnership. Social impact assessments that take into account the local community's concerns and desires will enhance the social acceptability and sustainability of infrastructure projects. Therefore, such a strategy could be useful in mitigating potential social conflicts and hence resulting in better relations between China and its partner countries.

The discussion underscores the significance of a continuous and less emotionally charged approach to China's interactions with the rest of the world. It is therefore possible to suggest that China's economic partnerships should be more effective and durable through the principles of openness, balance, and mutual benefit. These are areas like financial management, environmental risks, geopolitical considerations, accountability, and equity in the sharing of gains that need to be well managed if initiatives such as the Belt and Road are to be sustainable in the long run. These findings are useful for policymakers, project implementers, and other stakeholders involved in decisions on the future of China's overseas economic linkages. The findings imply a call to engage in a proactive and inclusive process with a focus on mutual respect and common benefits to create more effective and profitable international connections.

CONCLUSION

The results underline the need for a comprehensive approach that should embrace the principles of inclusive growth and at the same time be able to steer the course through the rocks and shoals of geopolitics and development. The Belt and Road Initiative by China has the potential to provide the much-needed boost to economic growth and integration of regions owing to increased spending on infrastructure and trade. However, taking into account a number of important criteria is a must for both the efficiency and sustainability of these systems.

First and foremost, the need for effective financial management cannot be underlined enough. It is for this reason that nations in a similar position to Sri Lanka, who are struggling to meet their debt repayments, have to make significant compromises. One cannot stress enough how important it is to have sustainable financial sources. To avoid accumulating too much debt, countries need to have clear and understandable loan contracts and perform very stringent debt sustainability analyses. Availing financial stability is another way China can enhance confidence in its foreign relations, thus creating avenues for enhanced business relations.

Financial stability is equally important for environmental and social sustainability. The fast infrastructural growth has raised concerns about the adverse effects on the environment. One excellent illustration of what may

occur in terms of the environment or society is the Diamer-Bhasha Dam project in Pakistan. Environmental impact assessment and measures for reducing the adverse impacts must be incorporated within the project design. Seeing to it that economic development is not at the expense of the environment will guarantee the sustainability of the project economically and at the same time safeguard the health of the populace.

Geopolitical shifts are an additional layer of complexity. On the one hand, the increasing power of China gives opportunities for further development of regional cooperation; on the other hand, there is a need to be more careful with geopolitical issues. The BRI projects have been placed in strategic locations, which has led to competition, for instance, India's position on the China-Pakistan Economic Corridor. It is necessary to address these challenges and contribute to a stable environment in the region by ensuring openness, mutual respect, tolerance, and constructive communication. China should endeavour to foster and promote harmonious relations with other great powers to advance a balanced international system.

Openness and good management in the delivery of the projects are important. The incidence of corruption and inefficiency in the procurement system has also raised issues of the need to have a transparent procurement system and compliance with international standards. Involving local people in the decision-making process of the BRI projects, as well as incorporating the most effective PMI practices, will boost the trust and effectiveness of the projects. This approach will not only improve project results but also increase China's international prestige.

The question of who gets what is also an issue of interest; the benefits must be distributed fairly. It is crucial to promote economic benefits to the advantage of all the stakeholders, especially the local people, if sustainable relationships are to be developed. Enhancing the social acceptability and sustainability of the infrastructure projects requires including development initiatives that meet the local needs and demands. By applying this technique, one can minimise the chances of social conflicts and build better and more harmonious and advantageous relations.

Thus, the conclusion underlines the need for a more balanced and long-term vision of China's foreign relations. China can increase the effectiveness and sustainability of programmes like the Belt and Road Initiative by paying attention to the principles of participation and shared growth, as well as

understanding the dynamics of geopolitics and development. Therefore, knowing that there is a well-thought-out and tactful strategy is helpful information for legislators, project implementers, and other stakeholders.

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THE POTENTIAL CHALLENGES OF THE SINO-IRANIAN 25-YEAR COMPREHENSIVE COOPERATION PLAN: THE ALLIANCE SECURITY DILEMMA

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Abstract: In March 2021, Iran and China signed an agreement regarding the Chinese Grand Strategy, called the Belt and Road Initiative (BRI). This agreement will enable China to project its power into the three continents, Asia, Africa, and Europe, up to its one hundredth revolution anniversary in 2049. A review of the unauthorised published agreement shows it goes beyond Iran's perceived position in the BRI and resonates with Iran's assist development document. There would be a compelling reason for the Chinese side to accept such a commitment if it meant that China would play a pivotal role in Iran's growth. Therefore, the main question is what potential challenges the Iranians would face, given their unequal power distribution at the international level. The hypothesis is that the main challenge for the alliance is the security dilemma, which includes the two dimensions of autonomy/security and entrapment/abandonment paradoxes. Indeed, the principal ideal of the Islamic Republic of Iran's (IRI) foreign policy is the rejection of all forms of domination. It is of paramount importance not to lean on the Orient and China in an attempt to escape from the West's impressive pressure leverage. The paper concludes that, in accordance with Iran's foreign policy goals, the obstacles arise not only from getting involved in the alliance security conundrum but also from coming into conflict with dual deterrence from the West and the East.

Keywords: potential challenges of the Sino-Iranian 25-year Comprehensive Cooperation Plan, IRI's Foreign Policy, Alliance Security Dilemma, autonomy, security.

INTRODUCTION

The Sino-Iranian 25-Year Comprehensive Cooperation is a road map for the two countries up to 2046. It is signed within China's "One Belt, One Road"

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Initiative, declared by President Xi Jinping in 2013, which aimed to engage more than 60 countries in Asia, Europe, and Africa. It should encompass one-third of world GDP up to 2049, which would enable China to show its impressive achievements to the world on the occasion of the first hundredth anniversary of its revolution (Gharayagh-Zandi, 2018, p. 170). For this reason, President Xi visited Iran in 2016 and met with all Iranian officials, including the Supreme Leader. Article 6 of the Common Declaration, issued during the visit, provided a strategic document for cooperation between the two countries. In 2020, Hasan Rouhani's administration issued an order to deliver a document in collaboration with the Chinese counterpart, signed by the foreign ministers of the two countries in Tehran in March 2021 (Motamedi, 2021).

The Document was recently made publicly available in an informally sanctioned format, despite the two countries having decided to create an alliance. The Ibrahim Raeisi administration of Iran appeared to prioritise the agreement with China after taking office in 2021. There were two reasons for this: First, the withdrawal of the US from the Joint Comprehensive Plan of Action (JCPOA) without having a net result for Iran has blurred the dealing with the West. As a result, Iran had no other choice but to look to the East. Second, in terms of its foreign policy principle, conveying a sense of self-esteem or self-sufficient orientation has been a very strategic asset for Iran to protect its national security. Therefore, Iran believed that meeting all needs was its domestic task (Mohammadi 1998, p. 79). That is a unique strategy praised in Iranian official rhetoric (Mesbahi, 2011, p. 14). However, this strategy has faced critique due to two issues: First, the politics of self-sufficiency was perfectly suitable for the bipolar international system; it needs to be adapted as a result of changes from bipolarity to multipolarity at the international level (Haji-Yousofi 2005, p. 68). Second, the US unilateralism after the Soviet breakdown put Iran under huge pressure to change its behaviour and become just an ordinary actor. Iran's resistance, in reverse, marked its foreign policy, which was changed for security reasons and because of the fear of experiencing issues similar to those of the Soviet Union. What the two previous administrations of Mahmood Ahmadinejad and Rouhani, with different foreign policy approaches tried, is reached the same result in practice.

These issues, therefore, directed Iran away from its basic strategy, "No East, No West", and incited it to engage in an alliance with Eastern countries, especially China. Joining an alliance has not been on the agenda of Iran's

foreign policy since the 1979 Islamic Revolution. Indeed, that was a sensitive issue for two reasons: First, opting into an alliance with the West, especially the US, to protect its national security from the Soviet existential threats during the previous revolution. However, the dependence of the Pahlavi Dynasty on the US finally brought about the regime change. Therefore, the main issue in Iran's foreign policy is to what extent it can participate in an alliance without contradicting its foreign policy principle.

While there is no power parity between the two countries, the main issue is the potential challenge of the 25-year Comprehensive Cooperation between Iran and China. The author hypothesises that the main challenge is the "alliance security dilemma", with its two paradoxes of security/autonomy and entrapment/abandonment. Iran tried to be active according to its role conception at the international level without its independence, autonomy, and security being threatened. Going into an alliance with a great power is an option, but it would present a danger if Iran gets entangled in the security dilemma. To analyse that, the author used conceptual content analysis to address an objective and systematic description of the manifest content of the document, i.e., the Sino-Iranian Agreement. The author chooses the conceptual analysis of the Alliance Security Dilemma to examine the challenges for the Iranian side. It identifies the intentions and issues to reveal the given pattern of challenges in the document content through historical experience from previous and similar cases.

That created a new approach to the agreement in comparison with the existing literature. Some blueprints could be found in the literature. First, there was an attempt to explain why China is interested in continuing and even increasing its relationship with Iran after the US withdrawal from the JCPOA. Some of the explanations are: it is related to China's attention towards the Third World (Barzayan and Abbasi, 2021, pp. 315-318); it is because China's foreign policy has changed since the post-Cold War era from "non-alignment" to "partnership agreement" (Shafiee, 2022: 175); it is an enduring feature of China's ever extended needs for Iran's oil in order to ensure its energy security in exchange for investment in Iran's infrastructure (Turu, 2024, p. 1); it gives China control over how Iran spends its resources (Seliktar and Rezaei, 2020, p. 1); it may be referred to the secrecy of the agreement mentioned by the Iran's former President, Mahmood Ahmadinejad called it as a suspicious secret deal (Fassihi and Myers, 2020, p. 1); at the regional level China pursues its ambitions

in the MENA (Hincks, 2020: 1); to alter the balance of power in the region (Figueroa, 2022, p. 1); and to change the region's security architecture in the age of relative decline of United States' power and rise of regional powers (Saleh and Yazdanshenas, 2023, p. 375). China's ambitions do not always conflict with US interests in the region; they may just be a strategy of undermining US influence and generating new flashpoints with the US (Elveren, 2024, p. 1).

Second, the related literature states that Iran, indeed, pursues its interests in investment and technology under US maximum pressure (Rahimi and Sazmand, 2022, p. 173). At the same time, it tries to ensure its annual oil revenues from China to seek its ambitions in the region in the context of the axis of resistance (Maqsood, 2023, p. 86). That will provide a lifeline for Iran until the sanctions are lifted (Fassihi and Mayrs, 2023, p. 1).

Third, the literature introduces several challenges the agreement faces, such as: in the Iran's domestic environment, there are political forces believing that the relation with China is not in Iran's national interests; there is a doubt about how China would remove the obstacles Iran faces regarding nuclear and missile issues; China could delay payment of oil and gas purchased from Iran for up to 2 years; China's debt-trap diplomacy; Chinese low-tech capacity in comparison with the West; China provides a lifeline for Iran without confrontation with the US although the relationship between the two countries is worsening; increased US pressure in order to decrease Iran's orientation towards the East; China's good relations with the actors who are in competition or a conflictual relationship with Iran in the MENA; and geopolitical tensions such as the Ukraine crisis and the peace process between the Israel and Palestine authorities (Rahimi and Sazmand, 2022, p. 173; Bagheri Dolatabadi, 2023, pp. 5966-73; Nurdun, 2024, p. 5).

Overall, the agreement is rated negatively in the literature, as Iran's national interests are compromised by the complex reality. Allow me to present a few examples. "Tehran needs a friend. Beijing may be a dangerous one" (Vatanka, 2019: 1). "This agreement may help Iran's economy in the short term, but it will be harmful in the long run" (Bagheri Dolatabadi, 2023: 59). "This agreement will be more beneficial to China than to Iran because Iran has no choice" (Turu, 2024: 1, see Moeinabadi and et al. 2024: 33). The paper has a similar stance regarding agreement while using a different approach.

THE ALLIANCE SECURITY DILEMMA AS A THEORETICAL FRAME

Alliance and how to manage it in international relations depends on two concepts-rationality and power. (Erkomaishvili, 2019, p. 30). Orthodox theories of alliance formation in IR are about the balance or imbalance of power and focus on systemic conditions (LeVeck and Narang, 2016, p. 4). Therefore, when a nation perceives that its desired status is declining, it tries to revive it by entering an alliance with great powers. One rationale for the alliance, according to Stephen Walt, is the balance of threat, which is analogous to the balance of power (Walt, 1985, p. 5). When a nation's sovereignty is threatened, it forms an alliance. In contrast to the balance of power, facing certain obvious threats is a stronger justification for a state to form an alliance (Chun, 2000, p. 74).

Besides alliance, there are two other adjacent concepts. The first concept is "coalition", which is "a set of members acting in concert at x time regarding the one-to-one issue" (Dwivedi, 2012, p. 225). Therefore, it is formed at a certain time to face a particular issue, for example, a military threat, and would arguably disappear when the situation is settled. The second concept is alignment, which "is formed with a purpose of achieving certain foreign policy goals and preferences, among which the most widely accepted one is to counteract a state or a group of states, seeking to acquire a dominant position in the international system" (Erkomaishvili, 2019, p. 29). Alignment is between a coalition and an alliance, and its duration is longer than a coalition because of its significance. When it is signed, it becomes an alliance. The alignment in foreign policy is a process, and an alliance is its outcome.

As was already indicated, rationality entails weighing the advantages and disadvantages (Chun, 2000, p. 76) of a major goal by signing and successfully joining an alliance while making its preferences known to both insiders and outsiders. In doing so, we should determine "alliance need, the extent to which the prospective partner meets the need, and the actual terms of the alliance contract" (Chun, 2000, p. 76). Alliance is a coordinated response to international institutionalism in the sense that it "can be thought of as part of a continuum of security relationships from alignment through federation" (Morrow, 2000, p. 65; also Lake, 1996, p. 10).

Coalition and alignment imply that joining or leaving an alliance would not be a simple task if a formal alliance document were introduced. It is, therefore, a very critical issue that needs to be understood profoundly. Here we have a

real-life example of the alliance security dilemma. States, at best, opt to join an alliance equal in power to rebalance the situation or to face a threat (Chun, 2000, p. 76). Although it is a very standard procedure, there would be a problem if two states were not in a parity position, as Glenn Snyder pointed out (Chun, 2000, p. 83). When two states are not in a parity situation, it consequently leads to paradoxes in managing autonomy/security and entrapment/abandonment. If there is parity between the nations in an alliance, it is a symmetric alliance. In the lack of parity situation, they get involved in an asymmetric alliance, and this difference may lead to paradoxes. First, if a state cannot preserve its sovereignty, it naturally needs a state of art to provide it at the expense of its autonomy. That is called “a game of pure coordination” (Chun, 2000, p. 78), in which the inferior state has to coordinate various issues from domestic to security to foreign and international politics with the superior state. That presents a dilemma because an inferior state seeks to protect itself from a source of threat, but it would feel compelled to comply at the expense of its autonomy. Therefore, this is the security/autonomy paradox the inferior states face.

The second paradox is that if the superior state strives to make a security cover for the inferior one (loophole) (Beckley, 2015, pp. 20-21), it may be entrapped into conflict with the other superior state. If the superior state fails to do so, then the inferior states do not want to stay in the alliance commitment. The abandonment is a logical step. If the superior state shows disloyalty to its commitment to protect the inferior one, it loses its reliability, prestige, and reputation. Therefore, in this type of relationship, the superior state must give guarantees to defend the inferior state in war and peacetime, cooperate to mitigate the threats, and restrain each other from engaging in reckless behaviour (Beckley, 2015, pp. 20-21). Both parties must utilise past behaviours to predict or explain future behaviours and examine the possibility of interdependence in situations of interactive crises (Henry, 2020, p. 55). Lastly, we cannot conclude that alliance is a lost cause, but rather that it should be managed.

THE SINO-IRANIAN 25-YEAR COMPREHENSIVE COOPERATION DOCUMENT: A RANGE OF ITEMS

To identify the relationship between China and Iran, some terms used in the unauthorised document (TPCIC, 2021) require a blueprint accordingly. For example, “a comprehensive cooperation” in its title; “two close partners”

in a variety of trade, economic, political, cultural, and security issues; and “an important strategic partner” used in the introduction. There is also a reference to “comprehensive strategic participation” in mutual, regional, and international relations in Article 1. As a result, it must be made clear which is in use. Looking at the agenda below, you can see how the document practically approaches several topics.

Table 1: Main Items of Sino-Iranian 25 Year Comprehensive Cooperation Document

Rank	subject	Item
1	Energy and Oil	<ul style="list-style-type: none"> – Sustaining the supply of crude oil to China – Cooperating in the upstream and downstream of Iran’s oil industry – Participating in constructing and equipping Iran’s oil storage in Iran, China, and other places – Participating in the construction and development of Iran’s oil pipelines – Promoting investment and providing a financial resource in the construction of thermal power, hydroelectric, water and wastewater treatment plants, dams and irrigation networking, drainage, and desalination plants – Cooperating and participating with the Chinese investment companies in promoting renewable energy and combined cycle power plants in Iran by buyback, providing the credit line, and through the oil and petroleum delivery – Cooperating in the construction of new facilities and delivering new technologies in Iran’s electricity and water section
2	Financial, Bank and Insurance	<ul style="list-style-type: none"> – Developing financial, banking, and insurance cooperation based on the market economy – Facilitating implementation of previous agreements and reevaluating the ongoing production, construction, and service projects – Establishing a trade company to facilitate the trade of goods and services – Providing the credit line to construct infrastructure projects and financial exchange – Opening the Iranian bank branches in China’s free zones and establishing a common commercial bank in both countries – Facilitating the Chinese investment in Iran’s free zone’s commercial and industrial projects

		<ul style="list-style-type: none"> – Encouraging China’s credit bank to invest in Iran – Supporting the Chinese insurance covers in Iran’s national projects – Preparing to develop all kinds of cooperation between the two countries including the mutual, the money swap, and establishing a common investment fund
3	Infrastructure and Transportation	<ul style="list-style-type: none"> – Promoting and providing financial support for the construction and development of the airport and its accessories between the two countries – Cooperating and consulting in airport management, air industry, air navigation, and information infrastructure – Delivering the air industry technology to Iran – Implementing Iran’s regional and national railway – Fundraising to electrify Iran’s railway and participating in the construction of the Tehran-North highway – Investing to construct smart cities according to the Makran city of Iran’s ecosystem – Cooperating with the construction of green and smart buildings – Delivering technology in the construction of the desert highway in Iran – Providing Chinese participation in the construction of logistic networks in Iran’s ports, railways, and terminals of the free zone – Establishing a common maritime transportation company – Delivering the new technology in transportation to Iran – Investing in Iran’s housing section
4	Scientific, cultural, Tourism and Environment	<ul style="list-style-type: none"> – Providing the state grant for the academic exchange – Identifying a common project in advanced technology – Bank sharing to promote artificial intelligence projects in Iran – Establishing an Academic Chiefs Association of two countries – Facilitating the Chinese and Persian language learning chairs in both countries – Developing a common communicative and information infrastructure – Establishing an emergency warning for national communication to involve the cyber security

5	Free-Trade Zone	<ul style="list-style-type: none"> – Encouraging Chinese investment in Iran’s free zones in Qeshm, Arvandrood, and Makoo – Delivering the Chinese experiences to develop a free zone in Iran – Establishing an Asian Infrastructure Development Bank and the Silk Road Fund – Participating to invest in international stocks in developing the free zone in Iran
6	Industry, Mineral and Trade	<ul style="list-style-type: none"> – Cooperating to delivery of construction in the car production in common – Designing the industrial park and accessories in the car production by irrigating energy – Investing in the solar cells in Iran – Establishing a common fund for providing the credit to promote export strategy
7	Agriculture and Health Care	<ul style="list-style-type: none"> – Cooperating to tackle the coronavirus breakout – Cooperating in providing drugs, medical equipment
8	Political Cooperation in bilateral, regional and international levels	<ul style="list-style-type: none"> – Supporting each other in international organisations and summits – China’s lobbying that Iran becomes a full member of the Shanghai Economic Organisation
9	Military, Defense and Security	<ul style="list-style-type: none"> – Holding a common commission for developing the military-industrial complexes – Developing cooperation between the military, defence, and security sections of the two countries – Designing and implementing the common earth, sea, and air military manoeuvres – Developing the defence industry between the two countries
10	Middle and Long Term Projects	<ul style="list-style-type: none"> – Developing a transportation system to optimise the International North-South Corridor, the Chabahar Ports, and the Caspian Sea facilitations – Investing in the refinery project of Djask in Iran – Utilising Iran’s geo-economy to connect with the regions in the periphery of Iran – Establishing a learning Experience Platform and Data Centres

As stated, in accordance with the theoretical framework, it is an alliance ratified by two nations. In addition, it is of interest to Iran and China. It took three decades for China to make the BRI Initiative operational. For Iran, the BRI represents a chance to utilise its geopolitical and energy profits to compensate for underdevelopment resulting from the US attempts to isolate Iran from the rest of the world. In fact, given the ongoing logic of power transition, there is no reason to ignore an ever-growing power. That resonates with Iran's auxiliary development document, indicating a lack of equality between the two parties.

POTENTIAL CHALLENGES OF THE SINO-IRANIAN 25-YEAR COOPERATION PLAN: THE ALLIANCE SECURITY DILEMMA

It is important to note that the prime principle of Iran's foreign policy is Article 152, which states that "The foreign policy of the Islamic Republic of Iran is based upon the rejection of all forms of domination, both the exertion of it and submission to it, the preservation of the independence of the country in all respects and its territorial integrity, the defence of the rights of all Muslims, non-alignment concerning the hegemonic superpowers, and the maintenance of mutually peaceful relations with all non-belligerent States" (Iran's Constitutional Council, 2021). Iran's rejection of all forms of domination is connected to the Western exertion of influence throughout the non-Western world, especially regarding its unpleasant experience of Western influence in Iran's domestic environment in the 19th and 20th centuries. It is forbidden to join in alliance with belligerent states. However, an alignment with unpretentious nations is permitted. Now, the main question is which state in the international system is not inclined to dominate over others if it can. For Iran, China is not a belligerent state because it shared a troublesome common experience in the colonial era. We must remain pragmatic, though, as the theoretical discussion of the alliance security dilemma in the theoretical section may not always hold. It is crucial to evaluate Iran's primary foreign policy goal of avoiding dominance with merit to avoid becoming entangled in the security/autonomy and entrapment/abandonment contradictions already discussed. Let us talk about challenges that may reveal more paradoxes in advance.

First, China, as an ever-developing country, needs energy that is accessible, profitable, and sufficient. At the same time, Iran is under severe sanctions, so it needs to be resilient in the face of potential domestic upheavals. Therefore, it

is logical for Iran to sell its energy to China. The signed document sets a context for this by providing a buyback agreement, credit line, mutual investment fund, and swap exchange. It does not necessarily mean a cheap thrill, but it is a chance of exchange compared with the sustainable supply of energy. Indeed, the two issues remain unsolved; there is no choice for Iran in the state of sanctions except to supply oil at a low rate, and second, it is expected to be prolonged for 25 years as did four decades in the past.

Second, debt-trap diplomacy is one of the challenges. When a state gives a loan to another state in an urgent situation, the giver makes a new arrangement for long-term repayment. When the taker is close to bankruptcy, the giver secures a loan on its critical properties and infrastructures (So, 1990, p. 139). The giver, as usual, invests where it can maximise its return. The Chinese investment strategy, as observed in African and Central Asian countries, is different when investing in risky countries and regions. In the risky regions, which are not expected to take a loan from Western countries, China intentionally gives a loan secured by their valuable properties. It is a generous offer at the beginning for those countries that urgently need a loan. At the end of the process, it results in China's domination of the taker's national properties and infrastructure. It is a credit for imperialism, too (Scobell et al., 2020, p. 25). In Chinese foreign policy, it is called public or popular diplomacy.

China's public diplomacy may appeal to Iran because it is determined by internationally approved institutions and does not require any conditions. Iran, with an energy-enriched property, would be less concerned. If it gets worse, the agreement mentioned above is provided to secure a loan on Iran's energy property, ports, mineral resources, and other infrastructures without its permission. As a result, Iran has to get involved in a game of "pure coordination" with China on various issues.

Third, as the document points out, China intends to help, participate, and develop technology while building a national internet and promoting startup companies in Iran. It would set a context for China's remote control over Iran's communication infrastructure. If it comes true, it is a matter of national security based on Article 81 of Iran's Constitution, which states that "the granting of concessions to foreigners for the formation of companies or institutions dealing with commerce, industry, agriculture, services, or mineral extraction is absolutely forbidden". Indeed, three points would be the focus of concerns; firstly, the three countries, Russia, China, and Iran, are inclined to establish their national database

centres, yet none have the adequate knowledge to apply it (Pashentsev, 2020, p. 85). Furthermore, it does not establish the framework for cooperation between Iran and China; rather, it simply states that China will supply Iran with it. China would gain total control over Iran's communication infrastructure at the expense of Iran's government's accountability and compatibility with other countries.

Fourth, since China cannot access the West directly, one of the primary concerns in their relationship is China's attempt to obtain advanced Western technology through Israel (Evron, 2016, p. 406-407; Orion, 2020, p. 4). If Iran and Israel have an adversarial relationship, as they already have, using Israel's technologies would make Iran's domestic environment more vulnerable. Therefore, it is possible that all of the startup productions and technologies sourced from China and used in Iran's various sectors could become exposed to hazardous conditions and sabotage.

Fifth, another main issue is related to Iran's nuclear programme being operated by the agreement. China played a major role in the development of Pakistan's nuclear weapons. Iran is a more prosperous nation than Pakistan, and if China's rivalry with the US materialises, it will be advantageous for Iran to have such a potential in the near future. It is not on the two nations' agendas (Sahakyan, 2022, p. 235) and is dependent on how Iran interacts with the West and how Russia feels about Iran's nuclear program, particularly with regard to the Bushehr nuclear plant. China did a wise job by not getting involved in the crucial and critical issues in its non-peripheral region; the agreement the two nations struck allows them to do so if necessary.

The sixth is about the Sino-Iranian military cooperation that still exists. Regarding the document, China's priority to create military posts along the BRI is steadily increasing due to the necessity of the route's safety as a commercial route, particularly for sea navigation. In order to achieve this, China invested in two-thirds of the world's ports and released 67% of the world's storage containers in 2015. For instance, 18% of the top 20 global navigation businesses are Chinese-owned (Al-Tamimi, 2017, p. 612). The possibility that it will be utilised to guarantee the political survival of nations in order to keep them secure along the route raises certain concerns. The military manoeuvre that China, Russia, and Iran conducted in the Persian Gulf and its periphery in 2019 and again in 2022 raises doubts about whether the purpose was to secure the Belt and Road Initiative (BRI) commerce route connecting the three major powers in the non-peripheral regions of China and Russia. Which party would

enter the dispute on Iran's behalf if ties between Iran and the West deteriorated, and why would they need to do so? The major paradox of this document—entrapment/abandonment, as previously mentioned—is that it raises an essential question for which it provides no solution.

However, it needs to be stressed that China endeavoured some positive initiatives in the MENA, such as the rapprochement between Saudi Arabia and Iran and the increased trade volume between China and countries in the region, and it proceeds to do the mediation by the Chinese Foreign Minister among Palestinian factions during the Gaza conflict since 2023.

CONCLUSION

The paper attempted to clarify that the power imbalance between the two nations could present some potential implementation issues for the 25-year Sino-Iranian agreement. The main issue is the alliance dilemma, including autonomy/security and entrapment/abandonment paradoxes. Therefore, the principal ideal of the IRI's foreign policy, which means the rejection of all forms of domination, is the importance of not leaning on the Orient and China but rather attempting to escape from the West's impressive pressure leverage. According to Iran's foreign policy principles, the author believes that the issue not only offers an excuse to avoid becoming embroiled in the alliance security predicament but also creates an appropriate framework for dual deterrence from the West and the East. Consequently, it is imperative that all aspects of the process be reevaluated, particularly the alliance needs, in order to meet the requirement affirmed in the alliance contract.

It is noteworthy that Iran can now exhale under the heavy sanctions imposed by the US. Iran can gain leverage over US pressure by looking to the East in its foreign policy, i.e., China, Russia, and India, thus attempting to escape US unilateralism in its post-Cold War international relations. In addition, the dual deterrence approach respects Iran's foreign policy principle and gives some leeway to the alliance security dilemma. Indeed, it represents a very reasonable foreign strategy.

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