



# CHINA'S DIPLOMACY: A TRIUMPH OF COST-BENEFIT ANALYSIS

MARCH 2023



## INTRODUCTION

FRANÇOIS GODEMENT

These days, Xi Jinping's global offensive is everywhere on display, from his renewed trips abroad to China's public diplomacy. A Global Security Initiative, a Global Development Initiative, and now even a Global Civilizational Initiative: top heavy in rhetoric, **these offers to the world considerably broaden China's bid for what it has called "discourse power" (话语权)**. Zheng Bijian, a Party adviser, who has promoted at home and abroad the notion of China's "peaceful rise" in 2003-2004, also seems to have used first the notion of discourse power<sup>1</sup>. Hu Jintao, China's leader from 2002 to 2012, made this notion a prerequisite to advance China's soft power. More simply, Xi Jinping spoke in 2012 to "telling China's story well" (讲好中国故事).<sup>2</sup>

At the best possible moment for its stand regarding Russia's war on Ukraine, China poses as a mediator between Iran and Saudi Arabia. After similar efforts in 2016 in Myanmar, China is also playing a role as a facilitator among conflicting parties in the Horn of Africa. And of course, China's twelve-point proposal for a solution to the "Ukraine crisis" is also a step up for China's diplomacy. Taken together, these moves are quite **a change from China's usually cautious and slow-moving diplomacy**, and from an ingrained habit of describing any assertive development from China as merely reactive to the wrongful actions of one or the other international actor.

China's growing economic weight inside the global economy, decades of increases in military expenditures that now surpass its GDP growth rate, its

apparent centralization of power that contrasts with the political strife in almost all the world's democracies, lend further credence to the notion that China is a global power on the way to reshape the international order. We are now close to half a century of fascination with the "rise of China". On several occasions in those decades, assumptions were made about its direction.

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1. See Lynch, D. (2009). "Chinese Thinking on the Future of International Relations: Realism as the Ti, Rationalism as the Yong?" *The China Quarterly*, 197, 87-107.

2. China Media Project's Staff, "Telling China's Story Well (讲好中国的故事)", *China Media Project*, April 16, 2021, [https://chinamediaproject.org/the\\_ccp\\_dictionary/telling-chinas-story-well/](https://chinamediaproject.org/the_ccp_dictionary/telling-chinas-story-well/)

Global convergence, based on China's global opening and turn to market, proved to be wrong. Today, **China's diplomacy is suddenly seen as turning from a passive to an active role, along with the ability to defy the United States for global leadership.** All previous restraint – including China's well-known reluctance to shoulder responsibilities – may be forgotten. China's priority courting of countries in the so-called Global South and its translation into an anti-American and anti-Western consensus impress audiences everywhere.

But we should look closer, with two guiding observations. First, do Chinese capacities match the long shadow it projects on the global community? Second, what are the risks that China is ready to take in its international endeavors – as a blustering enemy of Western democracies, a mediator or peacemaker, and a friend to autocracies in need? The reality remains far behind the claims. It paints a different picture: that of **an opportunistic power that is making use of weaknesses and divergences in the camp of democracies, while denouncing what it calls an encirclement.**

Financially, China accumulates surpluses – in Western currencies. What is called China's soft power is its trade and lending strength. Yet it can hardly pull away from the dollar or call in its loans to the emerging world: its power as a creditor rests on its income as an exporter. Our insatiable thirst for its products is its chief source of wealth. The calcu-

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lus on gains from trading with countries such as Russia or Middle Eastern ones, which it dominates commercially, is a sideshow. Militarily, decades of budget expansion are not equivalent to combat deployment and experience. **Teasing and occasionally crossing red lines – or changing the goal posts – is the ground on which China excels,** largely because it can count on its counterparts' reluctance to engage in conflicts. It conveniently forgets this reluctance when it denounces sanctions as almost an act of war. A major part of its defence program is achieving near-parity with the United States in terms of nuclear weapons. Yet one does not conquer territory with nuclear weapons.

Is China becoming a mediator? **Its role over the compromise reached by Iran and Saudi Arabia does give pause.** But let's look beyond appearances. It was in the 1980s that Riyadh bought Chinese mid-range missiles. Iran has been consorting with China ever since the Iran-Iraq war. The Saudis and Iranians were already talking quietly in Baghdad before that location became unsuitable. China does have an essential quality for a mediator: it is truly equidistant from each, as was graphically shown by Xi Jinping's consecutive visits in 2016 to Saudi Arabia, Egypt and Iran. American – and European – sanctions on Iran, the Saudi kingdom's increased hostility to the West's human rights approach after the Khashoggi murder, Europe's lack of leverage, allow Beijing to play the role of a host and to offer its good offices. But where are the Chinese guarantees to any aspect of the deal? This is no Camp David. And of course, China's partialness towards Moscow prevents any comparison. **Were a solution to the Ukraine war to be found at some point, China could be a messenger among others, and it could grade up or down its support** – which is what is coveted by all sides. In all likelihood, it would end up being a godfather and guarantor for Russia, in a situation which would best recall the 1954 Geneva Conference. It cannot be a mediator.

**China is also not a frequent gambler and risk-taker, as the nuances of its relationship with Moscow show.** Indeed, there is massive overt support

for Putin, to the extent that Xi extends wishes for his “re-election”<sup>3</sup>: an unprecedented breach of Beijing’s opposition to external interference in domestic affairs. The “no limits” friendship is reaffirmed, as is a litany of complaints ranging from NATO enlargement to alleged nuclear waste from Japan’s Fukushima nuclear plant. But nothing is said about material support to Russia – especially weapons – and Putin’s early claim that an agreement about the Power of Siberia 2 gas pipeline was about to materialize has not been confirmed during the meeting by China.

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China’s game is skillful. Invocation of the UN charter and norms comes at little cost since the UN is paralyzed for action over Ukraine by Russia’s – and China’s? – veto power. The cost to China for its extraordinary overt leaning to Russia is not huge: Europe has no strategic weight in the Asia-Pacific beyond isolated initiatives. **It is rational for China to predict that the wish of**

**many Europeans to bring an end to the war will keep the relationship open, if not effusive.** As to Russia, “it’s in hardship that one sees true friends”<sup>4</sup>, wrote Xi Jinping in a Russian publication. Although to be fair, this was expressed in the context of Covid, it also demonstrates the sense that Beijing has the upper hand over Russia. Finally, Xi Jinping has opened a barrage of denunciations against the United States, without apparently crossing the red line of substantial weapon deliveries. Until better informed, the allegations aired up to now concern infringements, not an all-out shift to arms deliveries.

As has been the case in the language that China has been deploying at the UN for several years, **China’s word offensive is relentless, 360 degrees, and full of promises of common prosperity under one roof.** Strikingly, there is never a single proposition aiming to make international institutions more effective. Binding rules are invoked only when they restrain international action. Lofty aims – the last one out of the box is the “Global Civilisation Initiative” are not backed by consequential follow-ups: the Belt and Road does stand out, but it is more of a commercial venture over infrastructures than a feat of development assistance.

China’s positive strength remains its trade balance and the power that flows from it. Negatively, it benefits from the doubts about the long term engagement of the United States to safeguard the international order, and from Europe’s collective weakness: we have been able to unite over Russia’s war much better than many predicted, but we cannot deliver as much as would be required, and our political leaders fear opinion fatigue.

China is cleverly, and sometimes daringly, exploiting these opportunities. On March 22, Xi Jinping’s parting public words to Putin as he left Moscow were: “Right now there are changes – the likes of which we haven’t seen for a hundred years – and we are the ones driving these changes together”<sup>5</sup>. The notion of a “once in a hundred years” opportunity is for Xi a code name for his belief in the decline of the United States and the West. So far, it is a low cost international strategy. **Behind the chanting about the UN, there is a search for “major power” coalitions under toothless international regimes.** Authoritarian regimes can defend themselves from global chaos, democracies need rules. China’s vulnerability under such a situation would be over trade. A major exporter needs rules at least in that regard. And so, our continued addiction to convenient Chinese goods is the life insurance for China’s low cost international strategy.

3. Guy Faulconbridge, “China’s Xi to Putin: Russians will support you in 2024 election”, *Reuters*, March 20, 2023, <https://www.reuters.com/world/europe/chinas-xi-putin-russians-will-support-you-2024-election-2023-03-20/>

4. Xi Jinping, “Move steadfastly forward, towards new prospects of friendship, cooperation and joint development between China and Russia (Упорно двигаться вперед, к новым перспективам дружбы, сотрудничества и совместного развития Китая и России)”, *Rossiyskaya Gazeta*, March 20, 2023 <https://rg.ru/2023/03/20/uporno-dvigatsia-vpered-k-novym-perspektivam-druzhby-sotrudnichestva-i-sovmestnogo-razvitiia-kitaia-i-rossii.html>

5. As directly reported by international media.

## ABOUT

China Trends seeks understanding of China from Chinese language sources. In an era where the international news cycle is often about China, having a reality check on Chinese expressions often provides for more in-depth analysis of the logic at work in policies, and needed information about policy debates where they exist. China Trends is a quarterly publication by Institut Montaigne’s Asia program, with each issue focusing on a single theme.





## AVOIDING AMERICA'S TRAP

The National People's Congress opened a window into the current foreign policy thinking in Beijing. For the first time, Xi Jinping pointed to a "severe and unprecedented challenge" coming not only from the United States, but from the "all-round containment, encirclement and suppression from the West, led by the United States (以美国为首的西方国家对我实施了全方位的遏制、围堵、打压)".<sup>6</sup> Xi has also formulated what could be elevated to China's new foreign policy doctrine under his leadership – 24 characters meant to serve as guidelines for China's international action: "stay calm, remain determined, seek to achieve progress in a stabilized environment, proactively achieve results, stay united, dare to struggle (沉着冷静、保持定力、稳中求进、积极作为、团结一致、敢于斗争)".<sup>7</sup>

Taken together, these two statements point to a **China on the defensive and carefully planning the next steps of its quest for "international leadership"** outlined by Xi in his 19<sup>th</sup> Party Congress's work report. Of course, this is the nature of the security dilemma that actions conceived to be defensive appear offensive to the other side, and vice versa. China would portray any military adventure in the Taiwan Strait or elsewhere as a necessary and inevitable defensive measure against foreign aggression. The pattern of "reactive assertiveness" observed in Chinese actions in the East and South China seas during Xi Jinping's first term remains a powerful analytical framework to interpret his approach to risk taking in foreign and security policy.<sup>8</sup>

If a threat perception centered on Western containment of China leads to a foreign policy doctrine that emphasizes calm, determination, stability and unity, it suggests **a vision of an incremental transformation of the international order cautious of avoiding counterproductive overreaction or premature risky behavior**, rather than an intention to take immediate action in East Asia, *à la Putin*. The "dare to struggle" motivational slogan, by now a signature of Xi Jinping's new era, has led to many confrontational actions on the global stage, from aggressive wolf-warrior rhetoric to border clashes with India. But in the bigger picture of Xi's foreign policy doctrine, they appear as tactical reactive steps to a hostile international environment. Nothing tangible in those statements points to the planning of a bold initiative to overturn the status quo through war.

Recent Chinese expert publications on foreign policy put Xi Jinping's statements in perspective, and shed some light on the current thinking in Beijing. One common thread is the notion that China needs to avoid falling into the US trap. Another is around the idea that China needs to loosen the pressure by going around the US containment policy, expanding where there is space to expand, like water.



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6. "(Two Session Authorised Release) Xi Jinping stressed, when visiting members of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) and the Federation of Industry and Commerce (FICCI) who attended the CPPCC meeting, to correctly guide the healthy and high-quality development of the private economy; Wang Huning Cai Qi Ding Xuexiang attended the visit and discussion ((两会受权发布) 习近平在看望参加政协会议的民建工商联委员时强调 正确引导民营经济健康发展高质量发展 王沪宁蔡奇丁薛祥参加看望和讨论)", *Xinhua*, March 6, 2013, <https://app.xinhuanet.com/news/article.html?articleId=d87f87a4abb631c300c73a9540fb7d24>

7. As first noted by Taylor Fravel on Twitter: <https://twitter.com/fravel/status/1632889268774354944>

8. An approach defined the following way; "Beijing uses an action by another party as justification to push back hard and change the facts on the ground in its favour." The term was first coined in "Dangerous Waters: China-Japan Relations on the Rocks," *International Crisis Group*, Report No. 245, April 8, 2013, p. 12, <http://www.crisisgroup.org/~media/Files/asia/north-east-asia/245-dangerous-waters-china-japan-relations-on-the-rocks>

## The trap

Da Wei, director of the Center for International Security and Strategy (CISS) at Tsinghua University, argues that the **Biden administration puts Susan Strange's "structural power" concept into practice**. Structural power is the ability to shape the international political economy architecture.<sup>9</sup> To him, the Biden administration is building a structural network from which China is excluded, and inside which the US plays the central organizing role.<sup>10</sup>

This creates a dilemma for China. When China raises the level of its security response to the United States, it obstructs its interactions with the rest of the world (导致与外界联通受阻). When China responds to US actions that seek decoupling, it accelerates decoupling (加速脱钩) with other players. This is where he sees the US trap. **The US stimulates China to accelerate its decoupling from the world (刺激中国走向反向脱钩)**. By doing so, the Biden administration seeks to drive a wedge and isolate China from the world economy.

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But there is another danger for China. Wang Fan, president of China's Foreign Affairs University, develops the idea, often present in China's strategic discourse, that China needs to avoid "fall[ing] into traps of attraction set up by other countries (落入他国设下的战略诱引的陷阱)".<sup>11</sup> The "trap" idea regularly

appears in Chinese analyses of Russian setbacks in Ukraine.<sup>12</sup> **Accordingly – and this interpretation is not a monopoly of Chinese intellectuals, the US has patiently shaped an environment in and around Ukraine to provoke Russia into committing a major self-destructive strategic mistake**. One analyst from *Jimu News* compares the US strategy towards Russia to fishing a big fish. "If the fisherman has an impatient character and struggles violently against the big fish, the fish may escape. But if the fisherman is clever, he will loosen the line when the fish struggles, and only reel it when the fish has exhausted its strength and has become a prey".<sup>13</sup>

## Going around the trap

To avoid falling into the trap, the best strategy is to get around. This thinking is well captured by Lin Minwang, assistant director at Fudan University's International Studies Research Centre, when he argues that China should prioritize strategic expansion in the "middle belt (中间地带)".<sup>14</sup> He notes that **in Sino-US competition, each side will choose its own battles according to the principle of "you fight yours and I fight mine (你打你的，我打我的)"**. Iran and Saudi Arabia establishing diplomatic relations in Beijing next to Wang Yi commenting that the two sides "have displayed sincerity" in a "victory for dialogue and peace" is a concrete manifestation of this line of thinking regarding how to respond to US containment.<sup>15</sup>

In a similar fashion, Da Wei argues that to win the long-term strategic game against the United States and create the conditions for the great rejuvenation of the Chinese nation, the **only way is to maintain and improve China's connectivity with the world**. For him, this is to some extent a question of **economic competitiveness**. Only by integrating into the global scientific and technological innovation chain can China gradually increase its number of "single champions (单项冠军)", improve the level of science and technology, and thus increase labor productivity.

9. Structural power: "shape and determine the structures of the global political economy within which other states, their political institutions, and their economic enterprises and (not least) their scientists and other professional people have to operate". Strange Susan, *States and Markets*, London: Pinter Publishers, 1988, 24.

10. Da Wei, "Winning the 'track and field' race requires going beyond the bilateral competition between the US and China (达巍: 跑赢“田径赛”, 需超越中美双边竞争)", *Global Times*, February 1, 2023, <https://m.huanqiu.com/article/4BW6aXt08RR>

11. Wang Fan, "Great Power Diplomacy with Chinese Characteristics: Coordination, Change and Improvement (王帆: 中国特色大国外交: 协调、变革与完善)", *Exploration and Free Views*, Vol. 1, 2022, <http://www.tsyzm.com/CN/Y2022/V1/I1/12>

12. For example, this piece by Zheng Guichu in the *People's Daily*. "Zheng Guichu: The 'Ukrainian trap': what's in the gourd? (郑归初, “乌克兰陷阱”: 葫芦里卖的什么药?)", *People's Daily*, May 5, 2022, <http://world.people.com.cn/n1/2022/0519/c1002-32425263.html>

13. "Russia and Ukraine may have both fallen into the trap laid by the US, has the US really urged for peace and negotiation? (俄乌或许都掉进了美国布置的陷阱, 美国有真正劝和促谈吗?)", *Jimu News*, February 23, 2023, <https://www.163.com/dy/article/HU9VQH83053469LG.html>

14. Lin Minwang, "China's diplomacy will continue to dare to fight, be good at fighting, and be aware of difficulties (林民旺: 中国外交将继续敢于斗争、善于斗争、知难而进)", *The Paper*, January 10, 2023, [https://www.thepaper.cn/newsDetail\\_forward\\_21481612](https://www.thepaper.cn/newsDetail_forward_21481612)

15. "Iran and Saudi Arabia Agree to Restore Relations", *Al Jazeera*, March 10, 2023, <https://www.aljazeera.com/news/2023/3/10/iran-and-saudi-agree-to-restore-relations>; "Saudi, Iran restoration of ties a 'victory for dialogue' - China's Wang Yi", *Reuters*, March 11, 2023, <https://www.reuters.com/world/saudi-iran-restoration-ties-victory-dialogue-chinas-wang-yi-2023-03-10/>

In what he describes as a “track and field race (田径赛)” with the United States, Da Wei argues that China has options it plays intelligently. China should “hedge subtractions with additions (用“加法”对冲“减法”)” – play win-win games where it can and lose-lose games where it must would be an interpretation. This is a classic United Front view of international affairs. China needs to differentiate between the “main contradiction” (US-China relations) and the “secondary contradiction” (China’s problems with US’s allies and friends). There is space vis-à-vis Europe and countries in the Asia-Pacific. **And even inside the United States, there is space because the US is not a “single actor”.** He argues that “even if the entire U.S. government does ‘subtraction’, we can still do ‘addition’ with the American business community, academia, and local governments”.

*Play win-win games where it can and lose-lose games where it must would be an interpretation.*

Wang Fan asks rhetorically whether China’s foreign policy needs to rely on cooperation with developed economies. His answer is positive, but the relative importance of the developing world (sometimes called the “Global South”) is increasing in China’s overall strategy. Lin Minwang notes recent breakthroughs in China’s foreign policy, in a piece written before the announcement of the Iran-Saudi Arabia mutual recognition which shows how Chinese diplomacy patiently paved the way to that outcome. He argues that **China’s foreign policy proceeds through a focus on key powers:** “Saudi Arabia, Iran, Indonesia, Egypt, Turkey, Argentina, Brazil, South Africa and other major developing countries”, to which China gives priority.

Lin emphasizes how **China took the initiative to strengthen relations with the Islamic world.** Wang Yi was the first Foreign Minister invited to the Council of Foreign Ministers of the Organization of Islamic Cooperation (OIC) in March 2022. This came less than a year after the first ever appointment of a Chinese representative to the OIC in June 2021. He particularly notes China’s constructive position on relations with Iran, labeled a partner for development, security, stability, and “mutual learning among civilizations”, and the important cooperation with OIC to “expose the attempts of the United States and the West to discredit China by using Xinjiang-related issues”. In parallel, China strengthened relations with Arab countries. Xi Jinping attended the first China-Arab States summit, the first China-Gulf Cooperation summit and paid a state visit to Saudi Arabia. Lin Minwang argues that this is the “high-level Chinese diplomatic initiative towards the Arab world since the foundation of the PRC”.

The Middle East is not the only theater where China seeks to upgrade its presence and influence. According to Lin Minwang, **China needs to “crack the Indo-Pacific strategy (破解“印太”战略)”** directed at its maritime expansion. He has however less tangible results to show for on that front, despite Wang Yi’s 2022 tour of Pacific Islands.<sup>16</sup>

### In search of a “breakthrough in influence”

That US-China tensions result from a historical phase of adjustment in the world order is almost a cliché of China’s strategic thinking. Wang Fan argues that China’s status is transitioning from “big developing country” to “strong developing country”. **“From big to strong” underpins the view that frictions are a necessary part of a natural and incremental transformation**

16. “Wang Yi: China’s Cooperation with South Pacific Island Countries Having Diplomatic Relations with China Shows a Vibrant Situation of ‘Two-Wheel Driving’”, Ministry of Foreign Affairs of the People’s Republic of China, June 3, 2022, [https://www.fmprc.gov.cn/mfa\\_eng/wjdt\\_665385/wshd\\_665389/202206/t20220603\\_10698495.html](https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/wshd_665389/202206/t20220603_10698495.html)

**of the world order.** In this context, China, according to Wang Fan, needs a “breakthrough in influence”. How can China convert its growing power into greater influence? It is already happening, he notes. China “used to be an answer, but now it is a proposition, it used to be passively reacting, now it actively schemes solutions (以前是答题, 现在是命题; 以前是被动应对, 现在是主动谋划)”. But insufficiently.

Wang Fan offers no magic answer to his own question. Instead, he has some dark words of caution. **He sees a complex contradiction between China’s need to adhere to peaceful development and the acute sharpening of security competition, which now extends to industrial supply chains and proceeds through weaponization of interdependence.** According to him, “peace does not necessarily mean security (有和平不等于有安全)”, and China can’t sacrifice security for the sake of development, nor can it sacrifice development for the sake of security.

*Before reaching any breakthrough, the Chinese strategic community faces the more practical and immediate task of resuming influence activity.*

Before reaching any breakthrough, the Chinese strategic community faces the more practical and immediate task of resuming influence activity. Wu Shicun, founding president of the National Institute for South China Sea Studies (NISCSS), reflects upon his participation at the February 2022 Munich Security Conference.<sup>17</sup> He observes “great enthusiasm and expectation (很大的热情和期盼)” on the part of his German interlocutors to gain direct insights from the

Chinese group. This applies to a wide range of interlocutors encountered in Germany, from think tanks, media, foreign policy associations, chambers of commerce and other institutions. **A willing audience is an opportunity for China.** As track 1,5 diplomacy resumes, the Chinese strategic community will certainly put into practice this attempt to get around the US containment, to seek cracks to exploit in Western unity, and to prepare a “breakthrough in influence”.

<sup>17</sup> Wu Shicun, “A taste of Europe’s complex mindset towards China in Munich (吴士存: 在慕尼黑感受欧洲复杂对华心态)”, *Global Times*, February 22, 2023, <https://opinion.huanqiu.com/article/4Bnd4tluwrm5>





## CHINA SEDUCING THE EUROPEAN UNION: OPTIMISTIC NARRATIVE, BUT NO CHANGE IN POLICY

Seduction is a fine art of manipulation, so the saying goes. China's current foreign policy towards the EU presents a false, optimistic narrative of prospective relations, instead of delivering the real policy changes expected by the European Union. This narrative was first delivered by official voices, before being relayed and strengthened to the global audience by state-owned Chinese media, accounts in the social media, articles and statements by Chinese researchers from academia and "think-tanks". But **China's main goal is to secure its trade relations with the EU and delay the possible implementation of any anti-Chinese instruments** currently being developed by the European Commission, as well as soften their effectiveness. Last but not least, China aims to downgrade the level of transatlantic cooperation, especially in the context of possible joint initiatives in the Indo-Pacific.

Even before Russia's aggression on Ukraine in February 2022, EU-China relations were on a downward trajectory. Existing sanctions, the lack of reciprocity in terms of market access, economic coercion against Lithuania and European entities, as well as human rights violations by the Chinese fastened a change of perception of China in Europe, bringing it closer to American perceptions and creating transatlantic convergence to some extent. After February 24<sup>th</sup>, China's tacit support to Russia's aggression on Ukraine joined the list of conflicting issues, becoming a crucial barrier to enhance relations with China from the EU's perspective.

### Reshaping the narrative

From China's perspective, the turn of events in Ukraine with no sudden victory for Russia, was rather unexpected. **It took some time for Chinese authorities to digest the situation and produce new narratives on its "peace, stability and mediator" potential and the possibility of "win-win" cooperation with the EU.** Afterwards, and especially since the conclusion of the 20<sup>th</sup> Party Congress, EU-China exchanges experienced a significant period of intensification, with high-level meetings, most of them initiated by the Chinese side. There was a visit of German Chancellor Scholz to China in November 2022, meetings between Xi Jinping and European leaders at the November G20 summit in Bali, as well as an active public diplomacy campaign by Fu Cong, the newly appointed Chinese ambassador to the EU.

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The process of "seduction" (诱惑) culminated with Wang Yi's February-March 2023 visits to France, Italy, the Munich Security Conference and Hungary. All these official activities were to serve one goal: strengthening the narrative of a possible



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enhancement of EU-China relations, even more so in the context of China's positive influence on settling the war in Ukraine. However, China wanted to cope with the main barrier in the relation by adjusting narratives rather than offering policy substance. It was no coincidence that after cancelling his visit to Brussels, Wang Yi went in March straight from Budapest to Moscow.

During the recent Two Sessions, the EU-China relations' narrative was perpetuated and inscribed in the general foreign policy guidelines introduced by Xi Jinping. His new "guiding slogans" are oriented on mobilizing the Party apparatus to actively bring stability in the international arena and raise China's ability to self-defend its interests in its rivalry with the West. Qin Gang, the new foreign minister, "translated" these into the framework of China-EU relations presenting both blocs as "two great civilizations (中欧是两大文明), two markets and two major forces".<sup>18</sup> **He very much focused on the issues of "foreign influence" and independent strategic interests.** These are requirements for the comprehensive strategic partnership with the EU where the Union is, in China's perspective, forced to make painstaking decisions in achieving strategic autonomy and long-term stability. China's constant focus on the notion of "strategic autonomy" in relations with member states, as well as institutions in Brussels in its narrative ignores the very essence of the European debate on this semantic topic since it is now described as out-dated and lacking specifics in most parts of Europe. It does not however prevent Chinese authors from state-affiliated institutions to continue underlining "strategic autonomy" in their description of China-EU relations.

18. Qin Gang, "China-EU relations are not targeted, dependent, or subject to any third party (秦刚: 中欧关系不针对、不依附、也不受制于第三方)", Ministry of Foreign Affairs of the People's Republic of China, March 7, 2023, [https://www.fmprc.gov.cn/wjbxhd/202303/t20230307\\_11036940.shtml](https://www.fmprc.gov.cn/wjbxhd/202303/t20230307_11036940.shtml)

## Overcoming misunderstandings for tentative optimism

Feng Zhongping, director of the Institute of European Studies of the Chinese Academy of Social Sciences still considers a positive future of EU-China relations is possible, without neglecting challenges to be overcome.<sup>19</sup> He tries to present the EU's idea of a trilateral approach to China ("cooperation, competition and rivalry") as still valid in European politics. He further identifies the approach as one of the main trends influencing current relations and existing misunderstandings, together with a lack of contacts during the Covid-19 pandemic, pressure from the Biden administration on EU institutions and the Russia-Ukraine conflict. It corresponds with Yan Shaohua's opinion, a researcher from Fudan University, who also underlines the EU's approach to China in 2022 as "stamped" (烙印) if not "kidnapped" (绑架) by the Russia-Ukraine conflict,<sup>20</sup> while also underlining the relevance of the tridimensional approach in EU-China relations. Both analyses therefore clearly call for a more realistic look on China and suggest (although not explicitly) change in the "cooperation, competition, rivalry" approach.

*EU's approach to China in 2022 as "stamped" (烙印) if not "kidnapped" (绑架) by the Russia-Ukraine conflict.*

19. Feng Zhongping, "China-EU relations are expected to stabilize (中欧关系有望止跌回稳)", *China-US Focus*, January 5, 2023, <http://cn.chinausfocus.com/foreign-policy/20230103/42746.html>

20. Yan Shaohua, "EU's China policy in 2022 (2022年欧盟对华政策)", *Aisixiang*, March 2, 2023, <https://www.aisixiang.com/data/141190.html>

21. Jian Junbo, "China-EU relations in 2023: Promising prospects for cooperation and challenges that cannot be ignored (2023年中欧关系: 合作前景广阔, 挑战不容忽视)", *The Paper*, January 17, 2023, [https://m.thepaper.cn/rss\\_newsDetail\\_21585735](https://m.thepaper.cn/rss_newsDetail_21585735)

Jian Junbo, deputy director of the Center for China-Europe Relations of Fudan University, provides readers – and possibly Chinese officials – with some recommendations:<sup>21</sup> diversify contacts with multi-level and multi-sectoral exchanges, as well as diversify forms and levels of cooperation. What he explicitly mentions is the **China-Central and Eastern European (CEE) cooperation as an example of a fruitful discussion platform. As much as it is false from an objective perspective, this cooperation needs to be identified first as some kind of Chinese appreciation for rapprochement**

with Hungary and second as an attempt to use the example of relations with the CEE as a false narrative towards the EU. The need to engage in both bilateral and multilateral contacts (such as the next EU-China summit) has also been a constant message from the Chinese party media after Wang Yi's visits in Europe. One of the Global Times' editorials thus emphasises the need for more communication which will allow both sides to reduce the level of misunderstandings by repeating the official line: "there is no fundamental conflict (但中欧之间并没有根本性矛盾)".<sup>22</sup>

### The Munich Security Conference, a catalyst for a more realistic discourse?

Chinese scholars are generally aware of the debates in the EU caused by their country's policy towards Russia. As much as they cannot publicly elaborate on the specifics and reasons behind these differences and controversies they at least describe the situation freely. For instance, they looked upon China's reception at the Munich Security Conference (MSC) compared to other years. The feeling is pessimistic and bitter to some extent, especially considering reactions to China's positions during Wang Yi's speech and public interactions. One of the Chinese participants, Wu Shicun, provides a clear observation on how "Munich is no longer 'neutral' and will [bring] more unfriendly voices towards China in the future".<sup>23</sup> What is more, it has become an organization which "represents rule-based politics in the international mechanism (在这个国际机制中代表基于规则的政治)". As previously-quoted researchers, he also advises more communication in order to spread the China-positive narrative.

Wu Shicun was a member of the delegation of Fu Ying (at that time deputy director of the Foreign Affairs Committee of the National's People Congress). The latter diplomat also delivered her observations on the state of EU-China relations and provided recommendations following her visit to the MSC. The first one is to keep communication channels open, especially when Sino-US relations are deteriorating. Second is to address a change of atmosphere at the meetings like the MSC, which have become one-sided gatherings without Russian representatives and with a large American delegation in her opinion. This American delegation at the MSC is further depicted as "clearly taking full advantage of the current crisis to achieve the goal of reuniting close transatlantic ties".<sup>24</sup> As for Europeans, her overall sense is that their "misunderstanding of China is deepening (误解在加深)".

*The political reality behind China's narrative – or seduction – depicts the EU as an instrument of the policy in its rivalry with the US, not as a meaningful subject for China's foreign policy.*

Make no mistake here. The political reality behind China's narrative – or seduction – depicts the EU as an instrument of the policy in its rivalry with the US, not as a meaningful subject for China's foreign policy. The current "seduction narrative" also tries to optimize the troublesome input of China-Russia relations in this context. China, on one hand is emphasising the EU's independence and "strategic autonomy", while on the other presenting its economic

resources (and EU's dependencies) as a means to reduce the transatlantic alliance – seen as harmful to the EU's interests.

22. "Editorial: To restart cooperation China and the EU need to 'act as soon as possible' (社评: 重启合作, 中欧需要"尽快行动起来")", *Global Times*, February 17, 2023, <https://opinion.huanqiu.com/article/4BkAL3wgZoW>

23. Wu Shicun, "Experience the complexed European mentality towards China at Munich Security Conference (在慕尼黑感受欧洲复杂对华心态)", *Global Times*, February 22, 2023, <https://opinion.huanqiu.com/article/4Bnd4tluw5>

24. Fu Ying, "Three Impressions from the 2023 Munich Security Conference (在慕尼黑感受欧洲复杂对华心态)", *The Paper*, February 23, 2023, [https://m.thepaper.cn/rss\\_newsDetail\\_22046223](https://m.thepaper.cn/rss_newsDetail_22046223)

China was surprised by the West's united front to support Ukraine but it is still trying to exploit political divisions and use the hope in Spanish, French, German or Hungarian societies to end the war "as soon as possible". Convincing Europeans remains very much the intent of Chinese political initiatives such as "China's position on a political solution to the crisis in Ukraine".<sup>25</sup>

**As much as China does not want the Russian aggression to become the main topic in EU-China relations, it does acknowledge the significance of the conflict for Europeans.** For China, priority is its strategic partnership with Russia however, as confirmed with the in-person visit of Xi Jinping in Moscow in late March. That is why, in the context of the ongoing Russia-Ukraine war and including through the economic lens, China will mainly try to present the above narratives as actual policies towards stabilization.

25. China's position on a political solution to the crisis in Ukraine (关于政治解决乌克兰危机的中国立场)", Ministry of Foreign Affairs of the People's Republic of China, February 24, 2023, [https://www.mfa.gov.cn/zyxw/202302/t20230224\\_11030707.shtml](https://www.mfa.gov.cn/zyxw/202302/t20230224_11030707.shtml)



## THE BELT AND ROAD AND THE GLOBAL DEVELOPMENT INITIATIVES: DON'T COMPARE APPLES WITH ORANGES

The Global Development Initiative (GDI) (全球发展倡议) was not conceptualized to replace the Belt and Road Initiative (BRI) (一带一路), and **even if it might be getting more attention while the BRI loses a little of its preeminence, nothing points in that direction.** The best indication is provided by the Chinese propaganda apparatus, which has been extensively using the two, and simultaneously quite often. When looking at official documents, the two go along quite well with, as a precision, most mentions of the BRI mentions being in main planning or implementation-specific documents or in policy and strategic guidance.<sup>26</sup>

The GDI is there to complement the BRI, between the two there is "mutual promotion and synergy (相互促进、协同增效)"<sup>27</sup> as stated in April 2022 by Wang Yiwei, director of the Center for European Studies at Renmin University of China. He referred to them more specifically as "China's dual plans for the world [to] put the promotion of common development in a prominent position, forming a new point of strength and a new combination (中国为全球提供的双方案, 把促进共同发展置于突出位置, 形成了新发力点和新结合点)". **Nonetheless, how the GDI will complement the BRI is not clear yet, nor are its use and scope.**

*How the GDI will complement the BRI is not clear yet, nor are its use and scope.*

### The GDI as China's developmental and diplomatic response in the multilateral framework

The GDI not only has an explicit developmental focus, but it is also entirely externally projected and strongly diplomatic in essence. Since its very launch, the GDI has been embedded in the existing multilateral system, with the United Nations at its core, in line with the long held official line of the People's Republic of China. Admittedly, **Beijing has been attempting to make the strongly-bilateral BRI more multilateral too, but without a clear consistent approach.**



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The brand new GDI is directly connected to the achievement of the UN's Sustainable Development Goals. Xi Jinping put forward the GDI at the UN General Assembly in September 2021, and two years later, in February 2023, Zhu Jiejin, professor of international relations at Fudan University argued that the GDI could "provide institutional guarantee for the G20 to maintain its position as the main forum for international economic cooperation (可以为G20坚持“国际经济合作主要论坛”定位 (...) 提供机制保障)".<sup>28</sup>

Embedding the GDI in the existing multilateral system brings two main advantages for China, which in part may provide an explanation as to what is the scope of the GDI. First, more focused on diplomatic messaging and the multilateral order, its **costs are lower than the heavily infrastructure-centered BRI, as well as more evenly distributed between Beijing and potential partners**, both in terms of monetary and reputational costs. Second, it is an easy way for China to gather support amongst developing countries within the UN without risking any major backlash targeted at China.

Furthermore, the GDI is not the only new framework initiative proposed by China. In 2021, Xi Jinping also launched the Global Security Initiative (GSI) to frame China's new security offer to partners, and the Global Civilization Initiative (GCI) of March 2023 formalized its ideological intentions to facilitate coexistence between populations. Together, they provide the BRI and China's foreign policy a broader conceptual framework to operate under. Besides this theoretical complementarity, **the GDI, the GSI and the GCI are firstly responses to the new challenges perceived by Beijing, which have also been shaping the BRI itself.**

### The BRI's gradual diplomatic rebranding to fit in the multilateral framework

On one hand, the BRI is continuously associated with the all-time objective of concretely building a community of common destiny for mankind as reminded by Xing Guangcheng, director of the Institute of Frontier Studies of the Chinese Academy of Social Sciences, still in February 2023. On this point, he stated that the BRI is a "practical platform and carrier for building a community with a shared future for mankind (构建人类命运共同体的实践平台和载体)".<sup>29</sup> Lowering the cost of exchanges by developing roads, telecommunication networks and common standards remains the heart of the initiative.

On the other hand, **there are clear and prominent signs of change in the BRI's identity. The changes come in response to backlashes to the failing projects of the BRI**, alongside with the lower external financing capacities of the PRC. Its net external financing capacity, as measured by its current account balance, is indeed expected to follow its downward trend according to the IMF's forecasts.<sup>30</sup> In the same vein, Chinese financing to Africa has continuously declined since 2016, with barely any new investments already in 2020 and 2021.<sup>31</sup> And as for most Chinese international endeavours, the challenge posed by the US is not far away either.

According to the declarations of Chen Wenling, chief economist of the China Center for International Economic Exchanges, during the first seminar on the progress and evaluation of the 10th anniversary of the BRI: "The 'Belt and Road' is in the process of profound evolution and adjustment of the world pattern, we are facing new contradictions and challenges (...), we need to think about many major global issues ("一带一路"正处于世界格局的深刻演

26. Based on MERICS Polixi Tracer.

27. Wang Yiwei, "Complementary Development Initiatives (全球发展倡议与“一带一路”协同增效)", *China-US Focus*, April 20, 2022, <http://cn.chinausfocus.com/finance-economy/20220419/42572.html>

28. Zhu Jiejin, "G20 mechanism should guard against the risk of 'securitisation' (G20机制应谨防“安全化”风险)", *Global Times*, February 27, 2023, <https://opinion.huanqiu.com/article/4BscJufXmLA>

29. Xing Guangcheng, "Promoting China's neighbourhood diplomacy in a multi-directional and pragmatic manner (多向度务实推进中国的周边外交)", *Aisixiang*, February 26, 2023, <https://www.aisixiang.com/data/141034.html>

30. "World Economic Outlook - Countering the Cost-of-Living Crisis", International Monetary Fund, October 2022, <https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022>

31. "Small is Beautiful: A New Era in China's Overseas Development Finance?", Boston University Global Development Center, January 19, 2023, <https://www.bu.edu/gdp/2023/01/19/small-is-beautiful-a-new-era-in-chinas-overseas-development-finance/>

化与调整中, 我们面临新的矛盾与挑战中 (...), 需要思考很多全球性重大问题”, having already described the BRI as “a protracted war, a long-term cycle, a transnational project, a systematic major project, [that] can not be achieved overnight (持久战, 是长周期的, 是跨国的, 是系统性的一个重大的工程, 不可能一蹴而就)”.<sup>32</sup>

As such it is being shaped to deal with the increased competition with the US as accurately expressed by Zhang Wenzong that “while refuting the falsehood of the United States on international occasions, China needs to make friends and make real friends. Developing countries that support and respond to the ‘Belt and Road’ initiative are more likely to accept China’s concept of win-win cooperation (中国在国际场合批驳美方谬论的同时, 需要广交朋友、交真朋友。支持和响应“一带一路”倡议的广大发展中国家, 更容易接受中国的合作共赢)”.<sup>33</sup>

To manage the negative spillovers of the BRI, Xi Jinping has hence shifted the focus of the BRI from grand infrastructural projects to “small and beautiful projects” (美而小), away from hard infrastructure and more towards soft infrastructures, those networks of rules, standards and framework that enable to lower the costs of exchanges beyond transport. In February 2023, the words of Liu Zongyi, senior fellow and secretary general of the South Asia and China Center at Shanghai Institutes for International Studies, confirmed the evolution of the BRI in line with China’s objectives: “the ‘Belt and Road’ cooperation constantly adapts to the new situation, develops and innovates, and promotes the construction of a healthy, green, digital and innovative Silk Road (不断适应新形势, 开拓创新, 推动健康、绿色、数字、创新丝绸之路建设)”.<sup>34</sup>

*The GDI, GSI and GCI, instead of replacing the BRI, seem to complement the connectivity initiative of the PRC with a two-pronged multilateral and diplomatic agenda.*

In its tenth anniversary, the BRI is thus still evolving and adapting to China’s own constraints and objectives. The GDI, GSI and GCI, instead of replacing the BRI, seem to complement the connectivity initiative of the PRC with a two-pronged multilateral and diplomatic agenda aimed at bringing the international order closer to the preferences and interests of Beijing.

*BRI as “a protracted war, a long-term cycle, a transnational project, a systematic major project, [that] can not be achieved overnight (持久战, 是长周期的, 是跨国的, 是系统性的一个重大的工程, 不可能一蹴而就)”.*

32. Chen Wenling, “The Belt and Road Initiative’ has accumulated huge resources (“一带一路”已积累巨量资源)”, *Aisixiang*, February 17, 2023, <https://m.aisixiang.com/data/140806.html>

33. Zhang Wenzong, “Building an international circle of friends who know China and are friendly to China (打造知华友华的国际舆论朋友圈)”, *Global Times*, February 23, 2023, <https://opinion.huanqiu.com/article/4BoRwkvTQLX>

34. Liu Zongyi, “How to build the ‘Belt and Road Initiative’ with quality in the face of more risks and challenges (面对更多风险挑战, 如何高质量建设“一带一路”)”, Shanghai Institute for International Studies, February 9, 2023, <https://www.sis.org.cn/sp/14593.jhtml>

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