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The Belt and Road Initiative, China's foreign policy and the XIX Party Congress

Abstract

The paper discusses political decisions made during the XIX Congress of the Communist Party of China (CPC) which took place in Beijing between the 18th and the 24th of October 2017. During weekly meetings, attended by 2,280 delegates representing nearly 90 million party members, the political goals of the state were determined and the composition of the CCP leadership was selected for the next five years. By analyzing these changes the paper tries to point out the possible implications in regard to foreign policy that can be drawn from the most important political event in the People's Republic of China in 2017.

Key words:

Communist Party of China, Xi Jinping, XIX Congress, foreign policy, change, "new age" socialism

XI JINPING'S OPENING SPEECH TO THE XIX CONGRESS OF THE CPC AND "NEW ERA" SOCIALISM

In the lengthy opening speech delivered to the party delegates, Chairman of the People's Republic of China and General Secretary of the CPC Central Committee Xi Jinping, announced the implementation of a political philosophy under the name "socialism with the Chinese characteristics of the new era" (*xin shidai Zhongguo tese shehui zhuyi*, 新时代中国特色社会主义思想)

义).¹ At the semantic level, it expands the concept of socialism with Chinese characteristics (up to 11 characters). In the 1980s, the ideological framework of the state was defined as *you Zhongguo tese de shehui zhuyi*, 有中国特色的社会主义 (10 characters), in the next decade the term *you Zhongguo tese shehui zhuyi* 有中国特色社会主义 (9 characters) was used; and until recently in the 21st century: *Zhongguo tese shehui zhuyi* 中国特色社会主义 (8 characters).

The intensity of the socialist phraseology in Xi's speech was enormous and probably tedious for the nearly 2,300 delegates listening to the report delivered by the head of the party and state. To whom, then, have these – rather unapproachable – words been directed? Among the possible addressees are the rank and file party members who are to transmit the socialist content down to ordinary citizens. An example of similar propaganda activities is the campaign of “core socialist values” (*shehui zhuyi hexin jiazhi guan*, 社会主义核心价值观), which consists of an amalgam of the republican and communist slogans circulating in the Chinese political discourse over the last century. This approach was considerably intensified in the months preceding the Congress. One may find it intriguing that posters and banners promoting this campaign which have been ubiquitous in public spaces (on the streets, hotels, restaurants, etc.) are treated by many CPC members as, at best, a politically necessary anachronism. Perhaps the recent revival of the socialist phraseology is tantamount to an attempt by the CPC to rejuvenate an ideological connective (other than nationalism) for a society preoccupied with money-making, or to provide an alibi to maintain the Marxist façade for a nearly century-old party that, in organizational terms, returns to the classic Leninist model. After all, according to the head of the largest communist party in the world, the CPC will play a leading role in every area of life in China: “government, army, society, education, in the east, west, south [and] in the center, the party leads everything.” Therefore, one should expect a further centralization of power and an even greater role for party discipline and propaganda organs.

Xi Jinping announced that in the “New Era” China will be decisively approaching the political center of the world and contribute more for hu-

¹ Xi Jinping, “Juesheng quanmian jiancheng xiaokang shehui duoqu xin shidai Zhongguo tese shehui zhuyi weida shengli – zai Zhongguo gongchandang di shijiu ci quanguo dahui shang de baogao 决胜全面建成小康社会夺取新时代中国特色社会主义伟大胜利——在中国共产党第十九次全国代表大会上的报告”(Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era - Delivered at the 19th National Congress of the Communist Party of China), website of the Government of the PRC, 27 October 2018, http://www.gov.cn/zhuanti/2017-10/27/content_5234876.htm

manity; this will likely result in PRC's increased activity in building its own world order (parallel to the one defined by the West after 1945) – by creating the “new type [of] international relations”. Although the traditional principles of China's foreign policy have been maintained by Xi, it is noticeable that a more assertive position is being adopted: instead of supporting non-interference in other countries' affairs, resistance is being advocated against those who break the rules. According to the PRC leader, China will also seek to democratize international relations and reduce development gaps between global South and North. Such a defined approach and the overcoming of internal development disparities is also aimed at removing barriers to foreign investment (which stands at the core of China's economic disputes with developed countries) and the greater opening of Western China to foreign investors.

As asserted by Xi Jinping, the task for the coming years will be to combat poverty among the rural population (by 2020) and a general improvement of the living conditions of the population (*minsheng*, 民生), the most important element of which is to secure employment. However, the long-term strategic goal for China is to achieve the status of a global leader, first in terms of innovation (by 2035) and by mid-century in military power: by 2050, the People's Liberation Army is to become a world-class army. The Chairman of the PRC has also firmly outlined measures to fulfill the task of “gathering the Chinese lands” as a necessary condition for the full rejuvenation of the country. It is probably the first time that the phrase to strictly “maintain comprehensive powers (*quanmian guan zhiquan* 全面管治权)” over Hong Kong and Macao has been written in the highest level document. The term literally means the possibility of management of all matters of Special Administrative Regions directly by the central government in Beijing – despite the “One Country, Two Systems” formula. Equally strong rhetoric was also applied to express the position on Taiwan and the development of the relationship between Beijing and Taipei, which is to be based on maintaining the prospect of “peaceful reunification” and “one country, two systems”. The absolute basis of dialogue in the Taiwanese Strait is, according to Xi, the so-called “Consensus of 1992” and the definition of “one China” construed at that time. This political formula constitutes the dividing line between Taiwan's two main political parties, being accepted by the Nationalists (Kuomintang) yet rejected by the ruling Democratic Progressive Party. Thus the warning that the separatist forces striving for Taiwan's independence would face “firm opposition and containment” was clearly addressed to the political camp of President Tsai Ing-Wen. The term separatism appeared in the speech as many as eight times, and the head of the CPC urged that “There will be no tolerance towards the repetition of the

historical tragedy of state disintegration. All separatist activities will be met with strong opposition from the Chinese people". It is also a signal that the policy of a sharp course and increased control over Xinjiang will be maintained which one may associate with the late Qing political-mode carried out in the Northwest.²

PERSONAL RESHUFFLE IN THE PARTY LEADERSHIP AND FOREIGN POLICY TRAJECTORIES

The Congress included the Xi Jinping's Thought – "Socialism with Chinese Characteristics for the New Era" – in the party constitution. It has been defined as a "signpost of actions to achieve national rejuvenation", and thus immortalized. Following Mao Zedong and Deng Xiaoping, it makes the current head of state the third leader whose contribution to the development of "Chinese socialism" is constitutive. Contrary to the method of power transition adopted in the CPC over the last two decades, the Congress did not explicitly indicate who Xi's successor would be, which may suggest Xi's ambition for long-term leadership, or lack of political compromise inside the highest echelons of power to be worked out in the next five years. Accordingly, it has to be noted that the age of the members of the Standing Committee, who in five years will cross the party's retirement age, does not predestine them to take over power after the current leader. In the shadow of Xi's consolidation of power, three personal decisions may in particular herald a change of tone in the important areas of the PRC's activities.

First, in terms of foreign policy, the promotion of Yang Jiechi, a former Foreign Minister and State Counselor to the Politburo, indicates that foreign policy is gaining as much importance as it did in the 1990s, when Qian Qichen, deputy prime minister and foreign minister, was a member of this political body. Secondly, the appointment of Han Zheng to the Standing Committee of the CCP is noteworthy in relation to the increased ideological discipline and control over society declared by Chairman Xi (by the means

² Xi Jinping, "Juesheng quanmian jincheng xiaokang shehui duoqu xin shidai Zhongguo tese shehui zhuyi weida shengli – zai Zhongguo gongchandang di shijiu ci quanguo dahui shang de baogao 决胜全面建成小康社会夺取新时代中国特色社会主义伟大胜利——在中国共产党第十九次全国代表大会上的报告"(Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era – Delivered at the 19th National Congress of the Communist Party of China), website of the Government of the PRC, 27 October 2018, http://www.gov.cn/zhuanti/2017-10/27/content_5234876.htm

of various types of institutional solutions, including the establishment of the National Supervision Commission to fight corruption among public sector employees – and not only party members as in the case of Central Commission for Discipline Inspection; and the creation of the so-called Social Credit System by 2020). Placing the CPC Secretary in Shanghai in the inner circle of power may herald a greater than expected degree of openness to subjectifying procedures that would be used to solve the growing social problems that Xi repeatedly pointed out in his speech.³ The promotion of Han Zheng may also have an international dimension with a positive effect on the development of Sino–Greek relations. Friendly contact between Han and both Prime Minister Alexis Tsipras and the local authorities in Piraeus is well known.⁴ The majority of shares in the Piraeus port are in the possession of the Shanghai-based Chinese Ocean Shipping Company (COSCO). The final significant element is the promotion to the Standing Committee of Wang Huning, a former professor at Fudan University, and from the mid-1990s an ideologist and soft-power propagandist who promotes the concept of so-called neo-authoritarianism (*xin quanwei zhuyi*, 新权威主义), according to which China needs a strong leader capable of carrying the state through difficult times of divisions and challenges. Therefore, one can expect an increased ideologization of the Chinese political discourse, both domestically and abroad. The internal agenda, as the XIX Congress has shown, will be dominated by a diminished form of the slogans of Marxism-Leninism in order to identify and solve the “principal contradictions” within the Chinese people.⁵ On the world stage, meanwhile, the PRC leadership will promote the Chinese socio-political mode of governance or the Chinese approach (*Zhongguo fang'an*, 中国方案).⁶ This is expected to be especially appealing to the developing countries, including those of Central

³ Ketty Loeb, “A Grim Outlook for China’s Civil Society in the Wake of the 19th Party Congress”, *Asia Pacific Bulletin*, No. 402, 26 October 2017, Washington, DC: East-West Center, available at: <https://www.eastwestcenter.org/publications/grim-outlook-china%E2%80%99s-civil-society-in-the-wake-the-19th-party-congress>

⁴ Chen Zhanjie, Liu Yongqiu, “China, Greece to boost cooperation through Belt and Road Initiative”, *Xinhuanet.com*, 13 June 2017, http://news.xinhuanet.com/english/2017-06/13/c_136362882.htm

⁵ Xu Lingui, “China embraces new ‘principal contradiction’ when embarking on new journey”, *Xinhua.com*, 20 October 2017, http://news.xinhuanet.com/english/2017-10/20/c_136694592.htm

⁶ “Shijiu da: Zhongguo zhihui Zhongguo fang'an yingxiang shijie 十九大：中国智慧中国方案影响世界”[the 19thCPC Congress: Chinese wisdom [and] Chinese approach influence the world], *Renmin Ribao* 人民日报, 24 October 2017, <http://cpc.people.com.cn/19th/n1/2017/1024/c414305-29604555.html>.

and Eastern Europe, which in the eyes of Chinese policy-makers is broadly defined as a region with developing characteristics.⁷

During the Congress, a new charge was levelled against Sun Zhengcai, a former party leader in Chongqing, who had been accused of “a serious violation of party discipline,” *ergo* corruption and abuse of power. Liu Shiyu, head of the China Securities Regulatory Commission, accused Sun (and several other politicians) of organizing a plot to overthrow Xi Jinping.⁸ This action raises unequivocal associations with previous accusations against Liu Shaoqi or Lin Biao who once competed with Mao Zedong. The formula of the allegations made against Sun Zhengcai indicates a change in the strategy of internal party rivalry, in which the candidates for the highest positions in the CPC can be charged based on political accusations.

However, contrary to widespread paeans invoking Chairman Xi and praising the development of the motherland under his rule, stands a statement issued by the outgoing governor of the People’s Bank of China, Zhou Xiaochuan. In the midst of the Congress the influential head of the central bank has tempered the official optimism, warning against the high risk of financial destabilization and the so-called Minsky moment.⁹ This wording was used in relation to the mechanisms of the financial crisis in Russia in 1997 and the global financial collapse a decade later. In this context, it should be mentioned that in September 2017 Standard & Poor’s agency downgraded China’s rating from AA-minus to A-plus, justifying the reduction with the long-term growth in the number of loans increasing the economic and financial risk for China.¹⁰

Although the Congress inaugurated the “new era” of Chinese socialism, the solutions being announced instead bring associations with its orthodox version, signaling an ideological shift back to the roots. In the CCP’s organizational formula presented at the Congress, an image in many respects analogous to the formational period of the Chinese communist organization

⁷ Bartosz Kowalski, “China’s foreign policy towards Central and Eastern Europe: The ‘16+1’ format in the South–South cooperation perspective. Cases of the Czech Republic and Hungary,” *Cambridge Journal of Eurasian Studies*, 2017, 1: #7R65ZH, <https://doi.org/10.22261/7R65ZH>.

⁸ Wendy Wu, Choi Chi-yuk, “Coup plotters foiled: Xi Jinping fended off threat to ‘save Communist Party’”, *South China Morning Post*, 19 October 2017 (updated 23 October 2017), <http://www.scmp.com/news/china/policies-politics/article/2116176/coup-plotters-foiled-xi-jinping-fended-threat-save>

⁹ Charlotte Gao, “Before Reshuffle, Central Bank Governor Sends Warning to China’s Economy”, *The Diplomat*, 20 October 2017, <https://thediplomat.com/2017/10/before-reshuffle-chinas-central-bank-governor-sends-warning-to-chinas-economy/>

¹⁰ Richard Partington, “China’s credit rating cut to A+ by S+P over rising debt fears”, *The Guardian*, 21 September 2017, <https://www.theguardian.com/business/2017/sep/21/sp-cuts-chinas-credit-rating-to-a-over-rising-debt-fears>

emerges: the application of Leninist methods to manage the party, state and society, and the use of propaganda tools. In this context, the ideological format of Xi Jinping is not presenting itself innovatively, and defining contradictions as oscillating around social disparities cannot be considered as a contribution to the ideological thought of the “new era”.

CONCLUSION: EXERCISING GLOBAL INFLUENCE THROUGH THE BELT AND ROAD INITIATIVE

Apart from Xi Jinping's Thought, the “implementation of the Belt and Road” was also enshrined into the CPC's constitution. This unprecedented insertion of an international policy initiative into the basic framework of the party's operational code implies that the strategy will be continued over the long term and makes it an element of policy that should survive the future change of leadership in the CPC. In this way, countries with deeper relations with China will have to agree, *de facto*, to participate in the projection of China's global influence, or at least abstain from open criticism.¹¹

Chairman Xi's declaration that China is ready to play a global role and “contribute more to humanity” may translate into Beijing's pursuit of exporting its own political model and increasing its military presence in the world. The establishment of a military base in Djibouti, which is the first Chinese facility of this kind in a foreign country, along with plans to construct an offshore naval base in Pakistan's Gwadar, confirm China's quest to secure its trade and investments along the Belt and Road.¹² As other global powers have done in the past, China will be actively working on creating its own spheres of influence in single nations or groups of countries. The natural testing ground for balancing the West will be the global South, *ergo* developing countries, of which Beijing is an informal leader, creating multilateral blocks in the China “plus” formula (eg. Forum on China-Africa Cooperation; “16+1” initiative). It should be noted that, prior to the XIX Congress, in July 2017, the first group of students from developing countries graduated from the Institute of South-South Cooperation and

¹¹ “Belt and Road in CCP Constitution – Future Sealed?”, *BeltAndRoad.blog*, 26 October 2017, <https://beltandroad.blog/2017/10/26/belt-and-road-in-ccp-constitution-future-sealed/>

¹² Minnie Chan, “First Djibouti ... now Pakistan port earmarked for a Chinese overseas naval base, source say”, *The South China Morning Post*, 5 January 2018, <http://www.scmp.com/news/china/diplomacy-defence/article/2127040/first-djibouti-now-pakistan-port-earmarked-chinese>

Development (ISSCAD) of Beijing University. Present at the commencing ceremony were many influential officials and scholars, including Lin Jianhua, the President of Peking University, Yu Jianhua, vice minister of commerce, and Justin Yifu Lin, Dean ISSCAD and former Chief Economist of the World Bank, while Chairman Xi Jinping send a congratulatory letter. This shows that China follows in the footsteps of the West in its endeavour to shape the elites in developing countries.¹³

The enormous self-confidence radiating from Chinese politicians after decades of “concealing potential and biding time” (*taoguang yanghui*, 韬光养晦), and the increasing strength of economic and cultural attractiveness broadcast to the global community with the help of the Belt and Road Initiative (BRI) will therefore constitute a growing challenge for Western countries. Revealing in this respect is the pre-Congress interview with Xinhua given by Aleksandar Vučić’s, the President of Serbia and the chairman of the ruling Serbian Progressive Party. He declared readiness to strengthen the relationship with the CPC and follow certain Chinese solutions that might be replicated in Serbia.¹⁴ Furthermore, the revealed examples of China’s behind-the-scenes building of political influence in such developed countries as Australia, New Zealand and the Czech Republic prove that, under the rule of Xi Jinping, these activities clearly grew in intensity.¹⁵ Beijing’s capacity to exercise global influence and shape the international situation has clearly increased over the past years, and, in the face of Donald Trump’s protectionist “America First” policy, along with the eroding cohesion of the EU, its influence will only grow further in the years to come.

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¹³ Institute of South-South Cooperation and Development web page, 21 August 2017, <http://www.isscad.pku.edu.cn/news1738/2017/0821/33374.html>

¹⁴ “Serbia’s ruling party keen on more cooperation with ‘natural ally’ CPC”, *Xinhua.net*, 13 October 2017, http://news.xinhuanet.com/english/2017-10/13/c_136677543.htm

¹⁵ Anne-Marie Brady, “Resisting China’s magic weapon”, *The Interpreter*, 27 September 2017, <https://www.lowyinstitute.org/the-interpreter/resisting-china-s-magic-weapon>

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