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# 1. Introduction

*Carla P. Freeman*

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In an interview just before the meeting of the sixth BRICS summit, a gathering of the world's largest emerging economies,<sup>1</sup> opened in Brazil's coastal city of Fortaleza, Chinese President Xi Jinping remarked, 'We [China] will . . . dedicate ourselves to perfecting the international system of governance and proactively push for expanding the representation and right to speak for developing countries in international affairs.'<sup>2</sup> Later, in a Xinhua report on a dialogue among BRICS leaders and countries from the region that followed the Summit, which included the announcement of plans to move forward with a new BRICS development bank and reserve fund, Xi observed that BRICS and South American countries, as emerging economies and developing countries, constitute 'the rising power' in the international structure, stating: 'We should jointly push the international order toward a fairer and more rational direction, maintain the rights of people's self-choice for choosing the social system [*sic*] and development path, strengthen global governance and attract more attention to the issue of development from the international community.'<sup>3</sup>

As the chapters that open this *Handbook on China and Developing Countries* show, Xi's remarks chime with a legacy of engagement by China with the developing world, rooted in the shared experience of colonialism and struggle for independence. The invocation of a shared identity with the developing world and a commitment to advancing the ability of developing countries to follow their own economic and political path in an unfair world system expressed by Xi has been a feature of Chinese engagement with developing countries since China began playing a role on the world stage as the People's Republic of China (PRC). Representing China at the 1955 Bandung conference, China's premier, Zhou Enlai, appealed to representatives at the international gathering of developing countries, including those strongly anticommunist delegates, by expressing China's accord with the 'common desires and demands' of developing countries. Later, in the context of the Cold War competition, and amid growing strains between Beijing and Moscow, China would help arm and equip African movements for national liberation, also providing extensive training in guerilla warfare – I am told by a former American diplomat that Jonas Savimbi spoke very good Chinese. China would demonstrate its solidarity with Africa even as it struggled to find resources in its coffers for its

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own national development; in the early 1970s, it found means to fund the construction of the nearly 1,200-mile-long and USD 500 million Tan-Zam (TAZARA) railway project. The railway aimed at 'liberating' copper-producing Zambia from dependence on rail routes through Rhodesia, South Africa and Mozambique by giving it access to the Tanzanian port city of Dar es Salaam. After finally assuming its seat at the United Nations (UN) and the UN Security Council in 1971, thanks to the votes from the newly recognized developing countries in the UN General Assembly, Beijing would use its new international platform to foster a sense of shared identity among developing countries around common areas of concern and amplify the perspectives and interests of developing countries in international policy deliberations.

As China has sustained its phenomenal economic ascent, it has become a beacon and sometimes model for other developing countries. China's 'going out' policy launched in the 1990s initiated a steady flow of out-bound investment, much to developing countries. Some of this investment has been accompanied (and enabled) by loans from Chinese policy banks, along with other forms of development assistance from Beijing. China has also initiated new platforms for its interactions with developing regions. The Forum on China-Africa Cooperation (FOCAC), launched in 2000, has been joined by the China-Caribbean Economic and Trade Cooperation Forum (CCETC) started in 2005, the China-Pacific Island Countries Economic Development and Cooperation Forum first convened in 2006, and the China-Community of Latin American and Caribbean states (CELAC) forum announced in 2014. Potential twenty-first century versions of the Tan-Zam are found in such proposed Chinese-backed regional transportation projects as the 'Pan-Africa' rail network, the 'New Silk Road,' involving rail connections through Central Asia to Europe and a proposed high-speed rail network stretching from Kunming to Singapore. As I write, Xi Jinping has also just proposed that China help develop a transcontinental Brazil-Peru railway.

The China that is lending support to these projects is not the China of the Mao era: supporting revolutionary anti-colonial movements is no longer in the mix of factors driving Chinese engagement with other developing countries. Today's Chinese-funded or otherwise Chinese-facilitated projects may ultimately translate into broadened geopolitical influence for China – some projects indeed have been tied to efforts to win diplomatic loyalties away from Taipei. But projects sponsored by Beijing today are largely economic rather than political in objective, formed in the 'win-win' spirit China insists infuse its investments abroad – contributing to economic development in host countries, while strengthening its own economic (and energy) security. Chinese investments certainly play to the

particular strengths of China's infrastructure construction companies, like state-owned Sinohydro and the China Road and Bridge Corporation. They also export the lessons that China has learned in the course of its own development experience of the past several decades. These include the importance of infrastructure to development to economic growth, with access to reliable power and also transportation networks as a lead priority – indeed, as the Chinese saying goes, 'to get rich, build a road.'

But China's ability to play a role in actualizing plans for continental-scale infrastructure development today also reflects something more: China now has the capabilities and resources to advance grand visions for the world beyond its borders. Thus, while Xi's statements at the BRICS summit may echo the speeches of his predecessors in the halls of Zhongnanhai of solidarity with developing countries, in today's context his words carry different weight. China has grown from the recovering autarky at the periphery of international politics of even a few decades ago into a sumo-sized economy and a daunting military power. Its more than USD 9,000 income per capita (in current US dollars) makes it an 'upper middle income' country, according to the World Bank's classification; by its official measures, fewer than 100 million of its nearly 1.36 billion people live on less than USD 1 per day, a colossal achievement given the country's endemic poverty even two decades ago.<sup>4</sup> In 2011, China became the world's largest trading nation measured by total imports and exports and displaced the US as the world's leading trading nation, becoming the number one trading partner of 124 countries.<sup>5</sup> Its military is increasingly capable, on a trajectory for extensive international force projection in the near future, a trend symbolized by the launch of its first aircraft carrier in 2011. Today when China's leaders speak, they have the whole world's attention.

China's emergence on the world stage as a developing country with unprecedented global influence signifies changes to the international system, including to the nature of the dynamic between the developing and developed worlds. It is a syllogism that the rise of China as a world power while it is still a developing country has changed the nature of relations between developing countries and the rest of the world. However, these changes remain inchoate – while it is clear that international power dynamics are shifting to reflect China's increased capacity to promote its own economic and political interests, we do not yet know how this will reshape the nature and structure of interactions between developing and developed countries, or how it will affect the tectonics of the international system as a whole. One example, explored in this volume, is how China's emergence as a developing country with the financial largesse to serve as a donor, and/or lender, to other developing countries is changing the practice

of overseas development assistance. The divergence from Western norms of China's approach to development finance has raised questions among many in the Western donor community about the implications of China's growing role as donor for countries that are on the receiving end of its assistance. This includes concerns about the potential impact of Chinese development finance on the ability of recipient countries to service new debt as well as how it might erode, or even undermine, established donor objectives and practices.<sup>6</sup> To the latter point, China's rigid commitment to such principles as 'not imposing any political conditions, not interfering in the internal affairs of the recipient countries and fully respecting [the] right [of recipient countries] to independently choos[e] their own paths and models of development' – principles restated in its second White Paper on foreign aid issued in July 2014 – have been particular targets for criticism.<sup>7</sup>

China's growing economic footprint in developing countries is also reshaping patterns in international investment and trade that are not well understood. The US and its allies, accustomed to a preponderance of international prestige and suspicious of China's intentions and the impact of its rise on an international order of their design, are now grappling with the uncertainties created by the gravitational pull on many developing countries of China's economic influence and the appeal of its success. In addition to these factors, there are ramifications of China's enlarging role in developing countries on the international security policy front, as developed countries find themselves contending with a rising power whose interests and values are, so far as they understand them, as yet indeterminate, but almost certainly not neatly aligned with their own.

China's global heft is also changing the nature of China's bilateral relations with developing countries and with developing countries as a global bloc. While China's historical narrative of national development puts its 'century of humiliation' by the imperialist West and Japan at its center, the language of the oppressed does not describe China's capabilities and international influence today. The once 'sick man of Asia' is now as an economic miracle at the epicenter of regional economic networks, playing a central role in global investment and trade, and even drawing immigrants from less prosperous world regions who see it as the land of opportunity. However, China's poor record in managing what economists label the 'externalities' of economic growth has not gone unnoticed by educated observers in many developing countries. Those concerned about the potentially adverse impacts of China's growing economic role in their countries have a watchful eye on how it might be affecting environmental conditions, progress toward transparency, as well as labor practices and human rights in their countries. Others worry about the costs to indigenous business development of Chinese investment and trade, a topic also

addressed in this *Handbook* with particular reference to African cases. This may be the case even as they acknowledge the contributions to development in their countries from Chinese trade, investment and development assistance.

In addition, China's role as a driver of some of today's global challenges has meant that in the area of global policy its preferences may not always coincide with those of other developing countries. One example is global climate change policy. China, which has held firm to its position that the principle of common but differentiated responsibilities should apply to any new climate change agreement, has faced demands from other developing countries that it accepts legally binding reduction targets to reflect its responsibilities as the world's top greenhouse gas emitter.<sup>8</sup> The rise of China across so many dimensions of power has also generated new anxieties and tensions in China's immediate regional neighborhood, particularly among countries with which it has longstanding disputes over territorial sovereignty, or where its activities may affect access to resources or their distribution. However, where geopolitical and resource competition are not significant factors, as reflected even to some extent in the climate example, the more salient feature of developing countries' relations with China today appears to be the rising expectations for the ability of China as a global heavyweight to serve developing country interests, both as an engine of development and of increased developing country influence in international policy.

China's own sense of itself as a developing country is also changing. Its increasingly vocal and networked population is actively debating what global role a powerful China should play. Some Chinese argue that their country should retain a focus on its still substantial domestic development agenda and preserve a 'low profile' or 'retiring demeanor,' as advocated by Deng Xiaoping. Others reflect rising national pride in China's extraordinary success. There are others who contend that, having arrived as a significant power on the world stage, China should be more proactive, even assertive, in promoting both its geopolitical interests and its successful economy as a model. The swelling cacophony of voices within Chinese society weighing in on this issue includes officials, academics and others in policy circles in China, who publicly debate whether it is time for a substantial recalibration of China's role in world leadership.

This *Handbook* is thus published at a time of sea changes in China's interactions with countries in the developing world, significant changes that carry implications for international relations writ large. Its contributors write from universities and think tanks in Africa, Asia, Europe, Latin America, and North America. Their chapters – all 21 of them – offer a rich introduction to navigating the changing terrain of China and developing

country relations. They offer foundational material, identify current and emerging trends and explicate critical issues and policies, while offering signposts for readers toward new research territory across the broad topic of China and developing countries. The theme of transition across a spectrum of China and developing country relations, including the ideational, perceptual and structural dimensions (although contributors do not necessarily draw upon these terms), is central to this volume.

The chapters in this *Handbook* are divided into sections that loosely reflect these three dimensions, with a fourth section analyzing these dimensions as they apply to particular bilateral and regional interactions between China and developing countries. The volume's first section presents three chapters that serve to frame the topic of China's changing relationship with developing countries, including the theory and practice of China's engagement with developing countries in current and historical perspectives. The *Handbook* opens with a chapter by Suisheng Zhao, who tackles the question of China's role as a model for developing countries. Zhao, a prolific scholar who has made influential contributions to the study of Chinese nationalism in the context of state building, as well as to other areas of research, asks whether China's development experience can be used as a model for other countries given what he sees as the tenuous resilience of China's own sustained development. In Zhao's view, in order for a 'China model' to be a roadmap for other countries on sustained economic dynamism, it would need to include reforms to state institutions to make them far more accountable and responsive to social demands.

This is followed by a chapter by Qingmin Zhang, who writes from the School of International Studies at Peking University. Zhang provides historical context for the development of China's relations with developing countries in its Asian neighborhood, as well as in Africa and Latin America. He traces the shift in China's policies toward the developing world from an emphasis on political objectives to economic ties, and then toward relations in which both dimensions are considered. While fundamental principles have persisted in guiding China's approach to its relations with developing countries in all regions, Zhang observes that past patterns of interaction will be difficult to sustain as China's global influence continues to grow.

The chapter that follows is by political scientist and longtime observer of Asian affairs and global politics, Mel Gurtov. Gurtov's views contrast with Zhang quite strikingly. Gurtov shares Zhang's observation that China routinely deploys a theoretical framework to guide its relations with the developing world; however, he argues that the theoretical framework used by China changes to reflect its leaders' assessment of how best to enhance their country's overall economic and strategic position in

international affairs. Gurtov evaluates the idea of 'peaceful development' as the latest such framework. As a tool for framing a sustained developing country identity for China as it rises, he argues that 'peaceful development' is replete with contradictions, many reflecting the reality that China 'straddles the line between a second-world and third-world country.' Gurtov concludes his chapter provocatively, arguing that, among 'peaceful development's' many contradictions, two pose potentially fundamental dilemmas for Chinese leaders. The first is that recent social and political upheavals in the developing world may reveal the political vulnerabilities of China's development model. The second is that, in the face of turmoil in the developing world, China's invocation of the doctrine of non-interference, once a rallying cry for Third World nationalism and solidarity, may now be read by developing countries as a sign of impotence.

The issue of identity in China's interactions with the developing world is explored in the second section of the volume. Writing from the University of International Business and Economics in Beijing, Xinquan Tu and Huiping Mo tackle the question of why, despite its glittering cities and weight as an 'indispensable actor in the world economy,' China persists in holding to its developing country identity. They argue that it does so today less out of self-interest aimed at accruing benefits in the international system than out of 'socio-cognitive identity.' They point out that in some areas Beijing has demonstrated a willingness to make policy choices that go against the clear preferences of developing countries, such as its decision to join the Trade in Services Agreement (TISA) negotiation. They conclude that this suggests an increasingly 'pragmatic and flexible approach' by China to its self-identification as a developing country.

The next two chapters explore very different angles on China in relation to its developing country identity. The first of these by Simon Shen, who teaches at the Chinese University of Hong Kong and directs the global studies and graduate political economy programs there, surveys online blogs and forums to analyze the stereotypes that Chinese intellectuals and netizens have of both Africa and Latin America. Shen demonstrates that most of the terminology and narratives used online to describe Latin America, Asia and Africa rest upon old stereotypes and distorted images. How the 'other' is constructed by society says much about self-identity. Given this, at a time when the Chinese state still plays a key role in constructing narratives but with public opinion also increasingly influencing Chinese policy choices, Shen's findings have disquieting implications for Beijing's approach to Africa and Latin America, arguing, Shen contends, for the early construction of what he calls a 'second generation image.'

The next chapter by Adams Bodomo, who chairs the Department of African Languages and Literatures at the University of Vienna, draws on

Bodomo's extensive fieldwork on Africans in China to build a detailed profile of the growing African community in Guangzhou. The picture that emerges from his survey data and accompanying interview notes is of a community that has its own distinct identity. However, Bodomo makes a case that it is a community best understood not as an enclave, existing in isolation from its Chinese host society, but rather as a bridge community between African societies and China that is acquiring a discrete Chinese identity. Bodomo also observes that the community's development merits careful documentation as an immigrant community in a country that has seen only limited immigration since 1949. It is also worth studying as an early example of what could well turn out to be an 'emerging minority group' in China; indeed, Bodomo's survey data indicate that 10 percent of African migrants already identify themselves as local Guangzhou people to a large extent.

The next section of the *Handbook* includes seven chapters, each of which looks closely at an aspect of how China's relations with developing countries are affecting the structure of the international system, through changes to existing structures, regimes or other patterns of interaction. The section begins with a chapter by Gregory Chin, a political economist at York University in Canada. Chin examines the ways in which China's global rise is shaping changes in the World Bank Group – an institution that provides financial and technical assistance to more than 100 developing countries around the world. Chin argues that China's growing impact on the global economy along several structural dimensions underlies ongoing changes in the World Bank's relationship with China. Even while the Bank has continued to lend to China, it has pushed China to contribute more as a donor, in tandem with support for an increase in China's voting shares in the core International Bank for Reconstruction and Development. China's standing in the World Bank, Chin concludes, gives China the potential to exercise additional international influence in the economic policy sphere and as a source of alternative lending practices. In combination with other multilateral initiatives, such as the new BRICS Bank, which Chin assesses elsewhere,<sup>9</sup> and China's bilateral development lending, China is on the road to becoming an indispensable actor in global development finance.

Chin's discussion is followed by a chapter by Cheng Cheng, a doctoral candidate at Nanjing University who is among the first in China to analyze Chinese overseas development aid and finance with reference to the international literature on development finance. Drawing on the work of Deborah Bräutigam, with whom he studied, Cheng agrees that overseas development assistance (ODA) as defined does not offer an adequate framework for accurately assessing Chinese development finance. Building



on Bräutigam's work, Cheng argues that 'Official Development Finance with Chinese Characteristics' or ODF-CC, a concept which includes elements of ODA mixed with other features unique to Chinese practice, provides a more precise framework for describing and analyzing China's economic and financial interactions with most countries in Africa. Cheng concurs with Bräutigam that China's approach to development finance reflects its own experience as the recipient of international development assistance. He also notes that it is consistent with China's approach to its development assistance for its own less-developed ethnic minority regions. Cheng concludes that there is no question that ODF-CC challenges the traditional ODA model, but argues that this competition is likely to result in greater benefits for recipient countries. Indeed, Cheng observes that the increased supplies of public goods resulting from ODF-CC, such as reduced transportation costs and more stable electricity supplies, not only improve domestic economic conditions in recipient countries but also create better conditions for foreign investment, not only from China but from other parts of the world.

The next chapter takes a look at the progress toward *renminbi* (RMB) internationalization, focusing on both the direct effects of the RMB as an international currency and the indirect effects of RMB internationalization's contribution to a more multilateral (read less dollar-dominated) international monetary system. The author, David Bulman, a former World Bank consultant and Policy Fellow at the Ash Center for Democratic Governance and Innovation at the Harvard Kennedy School, concludes that, in the short term, RMB internationalization will boost China's bilateral trade with developing countries by increasing the availability of trade financing and reducing exchange rate risk. In the medium term, Bulman argues, the RMB will become a more important component of reserve currency baskets. Along with the additional leverage accruing to China from RMB internationalization, his analysis shows that the emergence of the RMB as an alternative reserve currency will increase global stability. Emerging markets will benefit most, as they are most vulnerable to US volatility. Bulman anticipates, moreover, that the emergence of the RMB will set the stage for larger emerging markets to internationalize their own currencies.

Bernardo Mariani, of Saferworld's China Programme, then takes us to a look at China as a contributor to security in developing countries. Mariani examines how China's approach to peacekeeping is changing and how China is changing peacekeeping operations. Mariani observes that, although Chinese officials and policy experts generally hold to a narrow interpretation of the international community's right to intervene, the expansion of Chinese participation into multi-dimensional peacekeeping

operations shows that it is willing to assume larger international responsibilities, even as it pursues its own national interests. Mariani's analysis concludes that China's increased engagement in UN peacekeeping operations has strengthened the peacekeeping regime. China has supported peacekeeping missions mandated to take such measures as using force to protect civilian lives. Mariani argues that China's caution in endorsing missions invoking Chapter VII of the UN Charter, which allows the Security Council to take military and non-military action to 'restore international peace and security,' impedes China's capacity to meaningfully assist conflict-affected countries. To do more, Mariani suggests that China should put conflict sensitivity at the core of the development assistance it provides to its partners, 'whether it be a small aid project in a village or a national-scale infrastructure project.' For China to exercise the international leadership in peacekeeping befitting its place in the world, however, will require the country to move beyond a rigid commitment to non-interference.

The next three chapters look broadly at China's impact on resources and the environment in developing countries. Contributor Mariano Turzi, a member of the faculty at both New York University and Torcuato Di Tella University in Buenos Aires, examines the kinds of engagement China is pursuing with the developing world in the sphere of agriculture. Turzi's chapter, which focuses principally on South America, examines the possible geoeconomic and geopolitical impacts of China's agricultural engagement with developing countries. Turzi argues that there are powerful 'political economy coalitions' that help, along with other incentives, to align food supply and food security. He finds evidence that China's food security strategy includes some efforts to gain controlling stakes in order to consolidate a global supply chain via state-owned international agricultural commodities traders. What this means for the developing world, Turzi argues, is the potential for the emergence of national security dilemmas and foreign policy challenges around a new set of strategic interests, with soil rather than oil at their core.

The chapter by Jin Zhang then examines the international investments by China's oil industry with a focus on developing countries. Zhang, a lecturer in the Judge Business School and Fellow of Wolfson College at the University of Cambridge, makes the point that though Chinese oil companies have access to state funding streams and operate to ensure China's access to diverse sources of oil supplies, they also pursue the goal of international competitiveness as commercial actors. This drive for competitiveness has been a factor in their decision to engage in cooperative commercial relationships, however. Rather than going it alone, Chinese oil majors are increasingly opting to partner with international or

national oil companies from developing countries to acquire international oil assets, especially in developing countries. Zhang concludes that this pattern is likely to be sustained.

In the next chapter, which I co-authored with Yiqian Xu, a recent graduate of the Master's program at Johns Hopkins School of Advanced International Studies, we focus on China's role in global deforestation by examining its practices in the international timber trade, including trade in illegal timber. Our investigation of this topic is driven by a number of broad questions, but most significantly the question of what China's behavior as an actor in global efforts to promote sustainable trade in timber and in its bilateral relations with producer countries might tell us about the broader question of how China views its responsibility for the global governance of the world's natural environment. We conclude that China's support for a sustainable approach to forestry, including a legal international timber trade, is clear. The Chinese government has taken steps to curb illegal logging, both through international agreements, as well as through domestic initiatives; however, its efforts remain piecemeal and insufficient. Its timber companies operating abroad thus may or may not comply with local laws or be standard bearers of best forestry practices and in practice China's door remains wide open to illegal timber imports. At the same time, it is important to make the point that China's behavior is not a question of compliance or lack of compliance with an international regime: there is no international regime governing trade in sustainable timber products. In addition, international norms against the consumption of illegal harvested wood are weak: only the US and the EU have laws barring illegal timber imports; Japan, a major consumer of important wood, does not. Improvements to the management of global timber will require global efforts in which China must play an important role.

The final section of the volume presents a look at China's relations with a range of particular developing countries and regions around the world. Its eight chapters cover Africa, India, Myanmar, Central Asia, the Middle East, Latin America, and the Pacific Islands. As remarked above, each chapter addresses a somewhat different aspect of China's relationship with the country or region. However, three key themes emerge that relate to the three dimensions loosely structuring the volume: (1) the need for new frameworks, and accompanying data; (2) changing identities and perceptions; and (3) shifting dynamics and emerging tensions. The chapters in the volume are organized according to a defensible geographic logic, moving from Africa, to the Middle East, to Central Asia, and then India and Eastward. The discussion below, however, describes the chapters in relation to the three themes above.

There are several chapters that touch in various ways on the first

theme; however, this section includes one chapter for which this theme is central. In Chapter 16, Xiaofang Shen shares insights from her cutting-edge work on Chinese investment in Africa. She unpacks the sources of investment (public or private) and begins to gather data at the firm level toward a more accurate picture of and framework for understanding Chinese investment flows to the continent. Shen, a former investment policy adviser at the International Finance Corporation, is now a Senior Visiting Fellow at the Peking University National School of Development and an International Fellow at the Lincoln Institute of Land Policy. There is much for other researchers to learn from in her rich description of her project methodology and in her preliminary findings. Shen shows that emerging stereotypes about Chinese investment in the continent are off the mark. Her research indicates that private Chinese investment is an important, and growing, element of China's investment mix in Africa. Private Chinese firms are very different investors from state-owned firms. Investments by the latter are often impelled by an interest in securing access to resources with backing from China's policy banks. In contrast, private investors tend to be small companies that put their own financial wherewithal at stake, calculating that they can sustain what have become 'sunset industries' in China by investing in Africa. Shen is careful to point out that her project has only begun the process of making sense of the various streams of Chinese investment flows to Africa; far more research and survey data are needed in order to begin to accurately identify patterns and trends.

Chapter 19 on the China-India relationship by Selina Ho explicitly addresses the volume's second theme of changing identities and perceptions. Ho, a Senior Research Fellow at the Lee Kuan Yew School of Public Policy of the National University of Singapore, argues that China's relations with India are experiencing new policy adjustments, led principally by changes on the Chinese side. Ho makes the case that understanding these changes in geopolitical or economic terms alone lead to what she argues are inaccurate predictions of either an eventual military clash between the two countries or a vision of a future economic melding of the two economies as 'Chindia.' In Ho's view, shifts in China's perceptions of India – with perceptions defined as the *emotional and mental images* that China has of India – must be considered. These perceptions have resulted in new uncertainties within Chinese policy circles about how to approach India policy. China's image of India as a 'backward' country, rather than a rising power, persists. Yet, China also recognizes that the arena in which it finds itself engaging India is expanding and it needs to assign greater priority to its India policy. Ho's focus on perceptions leads the author to predict that China will step up its efforts to develop a more comprehensive

relationship with India, aimed in part at reducing the ‘trust-deficit’ that has inhibited progress toward improved ties in the past.

The third theme, shifting dynamics and emerging tensions, is central to the volume’s remaining chapters. Readers will find in Garth L. le Pere’s chapter on China’s changing relationship with Africa (Chapter 15) a nuanced discussion of the changes in China-Africa relations. Le Pere, whose university affiliation is as a Visiting Professor at the University of Pretoria, observes that China’s re-energized relationship with Africa comes in the form of a ‘pragmatic posture.’ As le Pere describes it, this pragmatic posture emerges from both domestic and international constraints and is accompanied by ambiguities in China’s interaction with the continent. These ambiguities include a Chinese narrative of its relations with the continent that does not acknowledge that its role is not entirely salutatory and thus inhibits cooperation toward mitigating these challenges. Some progress in this direction, le Pere implies, may lie in China’s engagement with the continent through the FOCAC process, the main vehicle for China’s cooperation framework with Africa, which brings together 50 African countries. Le Pere observes that the process has also presented an opportunity for countries in the continent to ‘pursue policies that are mutually beneficial in a real political, social, and economic sense and which reflect African proprietorship.’ Le Pere concludes by arguing that progress toward this admittedly ambitious goal could be abetted by a move by African states from a bilateral to a coordinated, multilateral approach to the FOCAC process.

Le Pere sees potential in China’s role in Africa to boost cooperation among African countries, particularly around managing the opportunities presented by China as a donor and investor on the continent. Chapter 22 by Riordan Roett and Guadalupe Paz paints a very different picture of the implications of China’s growing engagement in Latin America for the region. Latin America has not had a FOCAC parallel until the initiation of the CELAC forum in 2014. In their analysis, Roett and Paz, my colleagues at SAIS who edited one of the first comprehensive studies of China’s expanding role in Latin America,<sup>10</sup> emphasize the extent to which China’s engagement with Latin America is changing to include concerns in the region about growing dependencies on Chinese markets. There is also a growing recognition among Latin American states that what appears to be an emerging rivalry for regional influence between the US and China may present new opportunities for them – here some strategic coordination could enhance these opportunities. At the same time, however, Roett and Paz suggest that one among the many ways in which China could influence shifting regional dynamics lies in an incipient division emerging in Latin America. This division is between the bloc of Atlantic-facing

nations – Argentina, Brazil, and Venezuela – that favors a substantial role for the state in economic development and is wary of globalization and US influence; and the bloc of Pacific-facing nations – Chile, Colombia, Mexico, and Peru – that favors a liberal economic model, free trade, and closer ties to the US. While they do not explicitly draw this parallel, the division they describe seems to follow the contours of the clash between the state-capitalism of the ‘Beijing Consensus,’<sup>11</sup> and the ‘Washington Consensus,’ with its emphasis on market liberalization.

Chapter 21 by Terence Wesley-Smith also finds evidence that China’s growing role in the economies of the Pacific Island states, or Oceania – the 22 island states and territories that are members of the Pacific Community – is reshaping regional dynamics. Wesley-Smith is a professor at the University of Hawai’i at Mānoa, where he directs the Center for Pacific Islands Studies. The patterns he observes in China’s relations with the Pacific Islands resonate closely with those found elsewhere: China’s growing engagement represents new opportunities for these countries, while also raising new concerns, including worries that Chinese loans have resulted in unsustainable levels of debt and about the social tensions engendered by the rising profile of Chinese business personnel and workers. Wesley-Smith sees many factors contributing to the new assertiveness in international policy evidenced by island leaders. In his view, however, it is the region’s growing ties to China that have facilitated changes to the long-standing patterns of power and influence shaping Oceania’s international interactions. This includes setting into relief some of the weaknesses of a regional order designed to serve the interests of Western powers active in the region, which have begun to inform efforts by island leaders to promote the distinct national and regional interests of the countries they lead on the international stage.

In Chapter 17, Leila Austin’s discussion of China and the Middle East focuses on evolving China’s Middle East policy. Austin, another colleague from SAIS, assesses Chinese policy as an effort to build inroads to a region on which, from an energy perspective, China is increasingly dependent, while remaining politically neutral. China has sought to broaden its energy and trade-based relationship through deepening cultural exchanges, focused in part on China’s own Muslim population, via the China-Arab Cooperation Forum. Preserving a position on the sidelines of political dynamics in the Middle East is proving difficult for China as violence in the region intensifies. As Austin observes, symbolic gestures that are not supported by political commitment ‘risk angering Middle East leaders who demand more serious engagement in their affairs.’

Finally, two chapters take us back to China’s immediate region. In Chapter 18, Niklas Swanström, Director of the Institute for Security

and Development Policy in Stockholm, writes on China's relations with Central Asian states. In Swanström's assessment, China's rising engagement with Central Asian states of the past three decades has been primarily at the bilateral level, reflecting limited concern for the internal affairs of these states, with the exception of how it might affect the Uighurs in Xinjiang. As Greater Central Asia has emerged as an important source of energy and trade relations, particularly for Xinjiang, and as an important security buffer and a transit region for China more broadly, its political and economic weaknesses have come to threaten China's own security. In response, China has begun to rethink its 'loose rein' approach to managing the region. The 'loose rein' refers to a method used by Chinese dynasties to stabilize neighboring peoples by integrating them into the Chinese economy. Swanström predicts that China will adopt a new approach that will involve a rethinking of the principle of non-interference where the region is concerned, strengthened military ties, as well as an enhanced use of multilateral strategies to engage Central Asian states, particularly through the Shanghai Cooperation Organization (SCO). Beijing's ability to implement this strategy successfully, however, depends on many factors, including its ability to overcome the fragmentation of interests in Beijing, regionally and between business and security interest groups – a fragmentation that has been an important factor, Swanström argues, in China's difficulties in effectively engaging the region.

There is a cautionary tale in the last chapter I will discuss. Chapter 20 by Yun Sun focuses on China's relations with Myanmar. China has seen its once easy bilateral friendship with Myanmar deteriorate dramatically in recent years. Some in Beijing might attribute the sharp negative turn in China's relations with its neighbor to American efforts to win Myanmar's support away from China, particularly given the opportunity presented by Myanmar's turn toward political reform. Yun Sun, a fellow with the East Asia Program at the Henry L. Stimson Center, attributes the decline in China-Myanmar relations to somewhat different factors. In Sun's view, for decades China's interests in Myanmar aligned neatly with those of Myanmar's military regime. The latter saw China's tacit security guarantee against a potential US invasion and accompanying arms sales and other forms of military support as of critical importance to its survival. Myanmar's isolation from the West made Chinese trade vital to Myanmar's economy, and China's exports of machinery, equipment, production lines and assemblies to Myanmar played a key role in Myanmar's industrial development. However, China's engagement with Myanmar, characterized by Sun as 'benign, but hardly altruistic,' proved unsustainable in the face of Myanmar's evolving politics. Today, China, which remains a substantial and influential stakeholder in the Myanmar

economy, is trying to find new ways of engaging Myanmar. Sun suggests that tensions between China's vested interests and agenda and Myanmar's changing domestic political and economic agenda, as well as Myanmar's emerging regional ties, could continue to strain relations between the two countries. This, Sun suggests, could make interactions between China and Myanmar within the Association of Southeast Asian Nations (ASEAN) a more significant factor in the countries' bilateral relationship.

I am in Yangon as I finish up this introduction. I am teaching a course on China's development to a group of young and mid-career professionals, most from the Myanmar government. At the time of writing, Yangon seems poised for rapid economic development. Today there was a break in the clouds after a week of steady rain and I have had my first clear view of the Yangon cityscape. The sky is full of construction cranes, giant raptors guarding sites around the city where new foreign-invested hotels, offices, and shopping malls are slowly gaining height. China is still doing big business with the country as a whole, holding the top spot as the leading source of its foreign investment, but other countries – mainly from the region – are not so far behind. Discussions with the students in my class suggest to me that at least the educated in Yangon today find it hard to see China and its development story through objective eyes. China is Myanmar's close and increasingly looming neighbor and they see its global and regional ambitions as certain to affect a Myanmar still in the process of making a vulnerable political transition, and in ways over which Naypyitaw may have little control. These facts shade perceptions of China as a partner or potential development model. The asymmetries between China and most developing countries, including Myanmar, across the gamut of measures – GDP, population, land mass, and military power – add uncertainty to relations with China, which may be seen more as a lodestone for possible bandwagoning with, or as a danger to balance against, than as a partner. As one of the students put it, 'Myanmar's relations with China are changing, but China is changing the world.'

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## NOTES

1. BRICS stands for Brazil, Russia, India, China, and South Africa.
2. 'China Pushes For Developing World's Rights as BRICS Summit Opens,' Reuters, accessed July 28, 2014, <http://www.reuters.com/article/2014/07/16/us-china-diplomacy-idUSKBN0FK05T20140716>.
3. 'BRICS, S. American Countries, "Rising Power" in Int'l Structure: China's President,'

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4. 'China World-Class Poverty,' *Analecets: China, The Economist*, February 27, 2013, accessed July 30, 2014, <http://www.economist.com/blogs/analecets/2013/02/chinas-poor>.
  5. 'China Leaves Behind the US as World's Leading Trade Partner,' *RT.com*, accessed July 30, 2014, <http://rt.com/business/china-us-largest-trading-country-908/>.
  6. See Deborah Bräutigam, 'Chinese Development Aid in Africa: What, Where, Why, and How Much?,' in Jane Golley and Ligang Song (eds), *Rising China: Global Challenges and Opportunities* (Australian National University Press, 2011), 203–222.
  7. Information Office of the State Council, 'China's Foreign Aid (2014),' *XinhuaNet* (English), accessed August 13, 2014, [http://news.xinhuanet.com/english/china/2014-07/10/c\\_133474011.htm](http://news.xinhuanet.com/english/china/2014-07/10/c_133474011.htm).
  8. At the Copenhagen climate summit in 2009, for example, a proposal by the small island nation, Tuvalu that major developing countries, including China, accept legally binding obligations received support not only from the Alliance of Small Island States (AOSIS), but from most G-77 members. See Gary Clyde Hufbauer and Jisun Kim, 'After the Flop in Copenhagen,' The Petersen Institute, draft, February 2, 2010, accessed July 30, 2014, <http://www.seda.sk.ca/images/image/events-content/Gary-Hufbauer-Jisun-Kim-Flop-in-Copenhagen.pdf>.
  9. See Gregory T. Chin, 'The BRICS-led Development Bank: Purpose and Politics beyond the G20,' *Global Policy* (2014), 1–9.
  10. See Riordan Roett and Guadalupe Paz (eds), *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States* (Washington, DC: Brookings, 2008).
  11. Joshua Cooper Ramo, *The Beijing Consensus: Notes on the New Physics of Chinese Power* (London: Foreign Policy Center, 2004).