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Editorial

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A Magnificent Upsurge in a Century of Splendor — Written for the Centenary of CPC International Relations

A century of stormy weather attests to our splendid spring flowers and solid autumn fruits. In 2021, we will celebrate the 100th birthday of the Communist Party of China (CPC) and commemorate the centenary of CPC international relations. Over the past 100 years, CPC international relations has accompanied the Party all the way from its birth to growth and to fruition, playing an important role in China's New Democratic Revolution, in the socialist revolution and construction, and in the reform, opening up and socialist modernization, and making important contributions to China's national independence, liberation of the Chinese people, rejuvenation of the Chinese nation, world peace and human progress.

Since the 18th CPC National Congress in 2012, under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at the core, CPC international relations has pressed ahead in the new era in an all-round way by interacting with world political parties, studying international situation and issues, building a global circle of friends, and presenting the CPC's true image. To the international community, we have expounded in-depth on the profound connotations and global significance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, resolutely safeguarded the ruling position of the Party and the institutional security of socialism with Chinese characteristics, and promoted the construction of a community with a shared future for mankind with continued new results. To date, the CPC has established all kinds of relations with over 600 political parties and organizations in over 160 countries and regions. A global political party partnership network has been in place featuring all-round, multi-channel, wide-scope and in-depth party-to-party exchanges. The CPC in Dialogue

with World Political Parties High-Level Meeting was a success and has become a platform of high-end political dialogue with broad representation and international influence. CPC visions, CPC stories and CPC contributions are well received and gain traction internationally. In an unprecedented way, the CPC is approaching the center stage of world political parties, contributing ideas and concepts to global development and prosperity, and rendering strength and confidence for world peace and stability.

The underlying attribute to the above achievements is General Secretary Xi Jinping acting as the navigator and helmsman of the entire Party, the strong leadership of the CPC Central Committee with Comrade Xi Jinping as the core, the scientific guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and Xi's series of important instructions on CPC international relations which stand for our fundamental guideline. Looking back to the historic achievements of CPC international relations over 100 years in the past, and especially since the 18th CPC National Congress, we recognize that to do well with CPC international relations in the new era, it is necessary to uphold and strengthen the centralized, unified leadership of the Party, which consists of the fundamental political underpinning and political advantage. It is necessary to go by the basic essence and definition of CPC international relations as a critical front of the Party's work, an important component of China's overall diplomacy, and a crucial embodiment of major country diplomacy with Chinese characteristics, and as such, we must make our plans and advance our work closely relating to the Party's central task, serve the overall interests of the Party and the country, and always take the Party's stand and needs for our point of departure. Leveraging our unique advantage, it is necessary to deepen political guidance for the international community, resolutely safeguard China's sovereignty, security and development interests, and promote the construction of a new type of party-to-party relations and a community with a shared future for mankind. It is necessary to emancipate the mind, seek truth from facts, advance with the times and constantly deepen our understanding of the regular patterns of CPC international relations in order to carry on the essence while pursuing innovations in theory and practice of CPC international relations.

As General Secretary Xi Jinping observed, "for a party which fights for the eternal well-being of the Chinese nation, the centenary only ushers in

Song Tao

A Magnificent Upsurge in a Century of Splendor — Written for the Centenary
of CPC International Relations

the prime of life”. At the historic crossroad of the Two Centenary Goals, CPC international relations in the new era is like a ship in high spirits hitherto unseen, carrying the glory and dream of generations of the Chinese people, taking on the mission and duty of serving the national rejuvenation and promoting human progress, riding the wave, persevering, and sailing to the other shore for a community with a shared future for mankind. Serving both China’s internal and international imperatives, we shall earnestly study, implement and communicate Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. As part of the Party, we shall persist in behaving as the Party does, striving for the Party, and prospering the Party. We shall maintain political integrity, think in terms of the big picture, follow the leadership core, and keep in alignment with the central Party leadership; strengthen confidence in the path, theory, system, and culture of socialism with Chinese characteristics; and uphold General Secretary Xi Jinping as the core of the CPC Central Committee and the entire Party, and the authority and the centralized, unified leadership of the CPC Central Committee. We shall carry forward the cause, break ground and make innovations, and make fresh contributions to embarking on a new journey to build a thoroughly modern socialist country, and to achieving the Party’s second centenary goal.

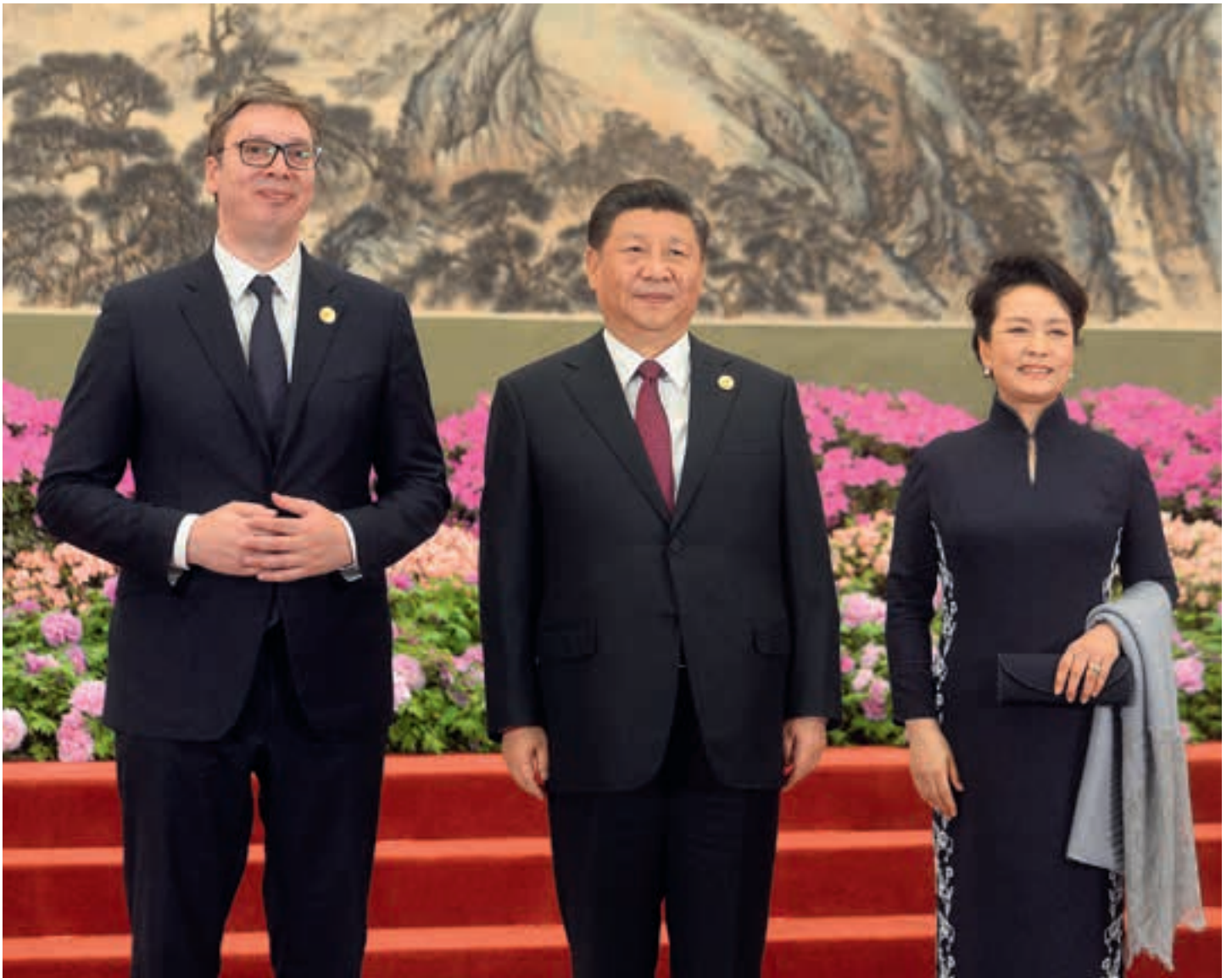


Photo: Tanjug

The president of the Republic of Serbia Aleksandar Vučić with the president of the People's Republic of China Xi Jinping and his wife Peng Liyuan, at the Second forum for international cooperation "Belt and road", april 2019.



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Socialism with Chinese Characteristics

Summary: The text speaks about the formation of the Communist Party of China, its beginnings and development, as well as the categorizations ever since the establishment of the People's Republic of China in 1949. The new geopolitical reality has been explained, especially since the fall of the Berlin Wall. The argumentation is made about the peculiarities of Chinese history and modern development. The immeasurable importance of the Communist Party of China in governing the most populous country is pointed out. A short section on the relations between Serbia and China has been included. The conclusion highlights the general views encompassing most of the claims presented in the previous text.

Keywords: Communist Party of China, Serbia, new geopolitics, contemporary Chinese politics, COVID-19, Belt and Road

Introduction

One century ago, thirteen Chinese men gathered in Shanghai Bay and decided to hold the first Congress of the Communist Party of China during the same month (July). That first, secret meeting took place in a modest and rather small house in Shanghai, which is still in its place today. During the First Congress, the Communist Party of China is said to have had about fifty members decisive to change the way of life and the system of functioning, and fight for the new values which should be formed in China, the former "central empire". The participants of these historic gatherings were motivated by grand ideas of the Soviet revolution and the recommendations of the teachers of the dictatorship of the proletariat. Filled by the desire to establish

justice for the majority of the oppressed population, they developed plans how to accomplish it. Among them was Mao Zedong, who was to become the leader of the Communist Party and of China twenty two years later.

It is certain that in 1921 no one could even suppose that the Communist Party would rule in China and that today we would be celebrating the centenary of its founding, hard-to-describe sacrifices, unbelievable tribulations, struggles, victories, but also failures, the greatest zeal and success spoken about by the whole world nowadays.

There are numerous categorizations of the past century in China and, regardless of their nature, they are most often connected to the leading figures. Many good connoisseurs of modern China claim that Mao Zedong managed to unite China

and liberate it from foreign invaders, to establish its sovereignty and territorial integrity and put his country on the international map of the world. In his era, China took over the baton from Taiwan in the United Nations and the Security Council and became the first-tier factor in international relations. It is important that China achieved its full independence and secured its respect in the world. Many things happened in Mao's era and the final register may never be completed. One thing is certain: with him as its leader, China began radiating self-confidence.

10 | After Mao Zedong's departure and a few whimsical years, a new stage began under the leadership of Deng Xiaoping, Mao's contemporary, who had been periodically punished during his political career. A number of historians believe that after Mao's first revolution, Deng conducted the second revolution. He opened up China, began carrying out domestic reforms, crated a market of a special type and simply put huge human potential into operation. He did all this for the sake of the development of his own country, while simultaneously maintaining its identity. Even today it is often spoken about the text in classical Chinese style with 24 Chinese characters, sending the following message: "Watch carefully, define the position, do your work peacefully, hide your capacities and wait for the right moment; don't attract attention and never look for guidance"

It can be said that the so-called third revolution is being carried out by current leader Xi Jinping, the President of the People's Republic of China and the General Secretary of the Communist Party – the first one in the history of post-war China who was born after the establishment of the People's

Republic of China was declared. This man with a university degree has built his career gradually and persistently based on his skills, exceptional abilities and undeniable commitment. He has encountered various perplexing issues in the life of his country and with each accomplished task proved his success in understanding and comprehending the specific character of the nation he belongs to. It is no wonder that he is holding the leading position in China today.

The experts who carefully monitor China's development and current affairs in relation to China claim that Xi Jinping is the first man in the history of China to state that some of the most important goals are increasing income of Chinese citizens, their better life and higher standard of living. Something like that was hardly imaginable until recently. When we also take into account the fact that President Xi Jinping has recently declared that poverty has been overcome in his country, we can only get an impression of what sort of person he is and what an efficient and successful mechanism he governs.

His vision called "Belt and Road" (colloquially, "the new Silk Road") was declared in 2013 with clear messages and explanations. In that respect, China has signed agreements with dozens of countries, and it would come as no surprise if that number reached one hundred soon. The basic meaning of this great idea is contained in the fact that the modern Chinese state offers favourable arrangements to the countries that accept it voluntarily in order to achieve their own goals in the construction of infrastructure, roads, railways and everything else that is necessary for security, acceleration and expansion of economic

relations of the countries, their internal stability and development. This also includes the cooperation “17+1” which has constantly developed ever since the Warsaw Meeting in 2012.

New geopolitical reality

Before, during and after the fall of Berlin Wall, euphoria spread across the United States of America and West Europe. The Warsaw Pact and the Soviet Union dissolved, while NATO grew larger. There were conflicts in store in former Yugoslavia. Incited internally and externally, they turned into civil and ethnic wars (as well as religious, according to some) that ended up in the break-up of former united Yugoslavia, with many victims, particularly civilians. In the last decade of the 20th century and at the beginning of this century, the monopoly of a single world power could be felt rather directly. Fortunately, at the same time some regional powers emerged and, thanks to their persistence and commitment to succeed, choosing their own road of development, they gradually created a multipolar world, as it is most often called nowadays. The centres of power are multiplying and it can only make true democrats happy. In the past 20 years, we have witnessed the establishment of Shanghai Cooperation Organization (SCO), BRICS (Brazil, Russia, India, China, and South Africa), the Euro-Asian Union etc. Turkey and Iran are becoming more and more significant, as well as many other countries worldwide.

In such circumstances, China is playing an increasingly important role. About ten years ago it was ranked the second in the world by its economic

success and the volume of the gross national income. For a long time China has been the first in the world by the volume of its trade. It is no secret that it is the first country in history that has managed to double its national income in only ten years. In that way it has attracted plenty of attention, unfortunately including many ill-intentioned ones. There is a good reason why “*Thucydides Trap*” has become a frequently mentioned syntagm in the American theory and many other political theories (Allison, 2017). President Xi spoke about it during his visit to the USA in September 2015. He explained the dangers of being trapped by a stereotype in a very convincing and substantiated manner, emphasizing that China by no means strived towards political domination, being certain that there was room for all of us on the planet, no matter how different we might be.

In this place it would be appropriate to remember a famous Chinese seafarer from the very beginning of the 14th century – Admiral Zheng He, who sailed many seas and oceans with his fleet and visited different countries of Asia and Africa (according to some, on one of his seven great voyages he reached as far as the coast of South America) (Menzies, 2002). Many sources state that this army leader’s fleet consisted of hundreds of ships with 27,000 soldiers. It is a historical fact that during the rule of the powerful Ming dynasty, Admiral Zheng He traded with the countries in which he anchored his ships, exchanging gifts and expressing gratitude for receiving rare animals unknown in China. He never even attempted to colonize, let alone enslave the nations who stood out with their hospitality. This occurred much before 1489 as the alleged year when Columbus

discovered America (with three ships, as we know). In contrast, Cortes and Pizarro had only a few ships, but managed to enslave millions of natives. Portuguese Alvarez sailed to Chinese Macao with several ships in the 16th century, and this colony was not liberated until the last year of the 20th century. Zheng He's example should be given a special place in all textbooks throughout the world as proof that cultural conflicts are not inevitable. On the contrary, based on his example, it becomes easier to understand the modern efforts of many Chinese social theoreticians to prove that opposites (yin and yang) are not necessarily equivalent to conflict and that they create a synthesis, and even harmony, if generations are taught properly. It points to many elements of Christian culture that has advocated harmony, peacefulness and particularly love from time immemorial.

Everything we have stated can be checked up historically and socially. The collapse of this thesis is possible only if the event of unilateral and selfish acting. That is why all those claiming to advocate real peace and general wellbeing are now standing the test. The oaths about the values to be realized are challenged most if they continue to be imposed in practice.

It transpires that the most popular and democratic behaviour is the one that is not based on the exclusion of the materialization of someone's greedy interest, but on true mutual appreciation and understanding the needs of the nearest ones.

Technological achievements, instant information, immediate communications with any part of the world, space travel, terrifying weapons, cyber wars etc. compound interpersonal and in particular interstate relations. Sometimes

inventions and newly-made devices seem to surpass the established human perceptions of the way they should treat neighbouring nations, but also the world as a whole. There are more and more challenges and it is increasingly substantiated to ask whether the man will be able to react properly at a certain moment, especially if that decision has extensive and far-reaching consequences. Mere relying on artificial intelligence is always rather disputable. That is why it is even more important not to forget the premise of everything that exists and that every nation and state should have a sense of satisfaction but no fear.

Returning to the situation in modern international relations which are, naturally, most affected by the largest powers, we should point to the starting points of the UN Charter which have remained current because today's conflicts in the world call for constant reminding of its goals and principles. It is probably the only book that should be equally respected by all at any time. All other declarations, strategies, instructions and agreements (public and secret) need to fulfil completely the spirit of the words contained in the Charter.

It can be concluded that the Chinese ruling party takes this seriously into account. No document of domestic or international significance is intended to be implemented at the expense of other countries and nations. It definitely does not mean giving up the idea of achieving the country's own territorial integrity.

It is an important question what would be happening in the world and what trends would exist in the development of the states without China. With its diligence and hard work, huge investments

in education and science, involvement in world capital flows, respect for the rules in international relations established after World War Two (in which Beijing did not participate!), in the footsteps of economic development, organizing the most populous country in the world, stabilizing internal circumstances, alleviating poverty, creating a large number of workplaces, huge success in inventions, new technologies, investment breakthroughs outside the country, contributions to multilateralism, not conditioning financial support and aid to other countries etc., China deserves to have the central place in international relations. China is doing this led by its Communist Party.

Frequent criticism that China is expanding and wants to dominate over the space of others most often comes from those with a great number of military or other bases thousands of kilometres far from their own borders. Of course, it would not be good if any other country tipped the scales and took over the leading great-power role of the United States of America the way it has it today.

Contemporary world cannot be imagined without China. The same was in the past too because it has been an uninterrupted civilization ever since its beginnings. China is said to have had as many as 450 emperors and there is still no single scholarly opinion about its beginnings. In his book, Kissinger even notes that the Chinese nation has no legend about its emergence, which makes it special in comparison to most other nations (Kissinger, 2011). Moreover, we should recall that until the 19th century it has primacy in trade performances and that for centuries it was in the first place by the volume of its trade and the gross national product. Therefore, China

is a natural leader in economic terms. As Ezra Vogel correctly noticed, the USA should recognize China's contribution of to the world and treat it fairly (Vogel, 2013).

Recalling Deng Xiaoping's visit to Japan in October 1978 and a series of his dialogues with the hosts, first of all with the then Prime Minister Takeo Fukuda, we must emphasize his following words:

“Deng explained to his hosts that he had come to Japan for three reasons: to exchange the documents ratifying the Treaty of Peace and Friendship; to express China's gratitude to its Japanese friends who had strived to improve China-Japan relations in the past few decades; and, like Xu Fu, to search for the ‘secret magic potion’. The Japanese listened and laughed because they were familiar with the story of Xu Fu who had been sent to Japan by Chinese Emperor Qin 2,200 years before in order to find the secret elixir of immortality. Deng went on to explain that what he actually referred to by the “magic potion” was the secret of modernization. He said that he wanted to learn about modern technology and management”.

This is how the foundations were laid for China's opening up to the world, which implied gradual abandonment of deteriorated ideological postulates and, in the beginning, subtle inclusion of China in the world capital and commodity market. It is known that the first serious experiments in that respect were conducted in Shenzhen that bordered with Hong Kong and used to be a minor fishing settlement. At that time it was not wise to conduct trials or reforms in the capital city,

in the centres like Shanghai or in the provincial capitals, but seemingly unimportant places were chosen. Forty years later, under the leadership of President Xi Jinping, Shenzhen's trade volume is becoming equal to that of Hong Kong! Moreover, taking into account that Shenzhen is the seat of Huawei, Tencent and several other leading world companies, the extent of such economic progress is evident in an extremely short period of time from the perspective of history.

14 | However, I believe that the most direct indicator of the success of someone's governance is the percentage of population literacy. The latest statistical data show that almost 100% literacy has been achieved in China. In my opinion, this fact speaks volumes about the maturity of the country. All other circumstances derive from literacy. All inhabitants are entitled to health insurance! When we think of the fact that it is the country with more than 1.4 billion inhabitants, any further comment is unnecessary.

General literacy certainly leads to China's increasing investments in development. The target has probably been achieved of allocating 2.5% of the gross national income to research and development. China has produced and owns one of the most powerful supercomputers (Tianhe-2). The scale of the attention dedicated to it is proved by the decisions of the highest Party bodies (the latest Congress of the Communist Party of China, this year's session of the National People's Congress of China etc.) and the efforts of President of the Republic and General Secretary CPC, Xi Jinping, that China must reach technological autonomy, no longer depend on deliveries of the companies from

the countries with reserved, rather distrustful or even hostile attitudes to the Chinese state (China Daily, 2020). Naturally, it will not affect China's cooperation with all those countries that want it. On the contrary, such cooperation will become stronger. We also have in mind that in the past few years China has organized quite successful fairs dedicated exclusively to importing goods from abroad, which is probably a unique case in the world. Furthermore, China's government and party leaders decisively continue the Belt and Road policy the effect of which surpasses everything that has been known in the history of mankind to the present day.

It is interesting that in his program speech at the most recent Plenum of the Central Committee of the Communist Party of China, as well as at the session of the National People's Congress of China, Chinese leader Xi Jinping unambiguously determined the direction of further progress of the nation and the state. He assessed that it was time to transfer completely from extensive trade to intensive trade, that quality should overshadow quantity, that people should live a better life, that the middle class should be stronger, that the principle of "double circulation" should be applied (strengthening domestic purchase power and consumption, as well as the continuation of trading with the world) etc. At the beginning of this year, the 14th five-year plan until 2025 was officially adopted, as well as long-term development guidelines until 2035. If, apart from all this, we have in mind that China has made private and state-run property equal, the importance and scale of this unrivalled venture can be anticipated.

Recently the news has gone around the globe that Chinese cosmic module landed on the surface of Mars. We know that China was the only country to send a spacecraft to the dark side of the Moon. This and similar data are the testimony of the most complex and refined ventures we have usually associated with the USA and Russia so far. China is evidently becoming the leader in some fields of space technology production, which deserves praise, especially when the cosmic expanse is used for peaceful purposes.

According to numerous news sources, the coronavirus was first detected in China. The disease caught many countries worldwide mostly unprepared, so the number of victims and the infected increased by geometric progression. Although the most populous country in the world, China managed to contain this plague by putting in huge efforts and setting the whole social (not only medical) system into motion, thus putting the danger posed by COVID-19 under control in a relatively short period of time. This is yet another countless time that China has proved its efficiency and care. At the moment this text was written, almost a year and a half after the outbreak of the pandemic, China, as the most populous country, had fewer than 100,000 of total registered cases (in comparison to over 160 million registered cases in the world). Chinese vaccine was one of the first to be used throughout the world. Many countries were interested primarily in this vaccine, while China did its best to meet everyone's requirements. The World Health Organization (WHO) has recommended Sinopharm vaccine and approved its use. The fact that more than

one third China's population has already been vaccinated speaks volumes of the highest-ranking organization that exists here.

According to Henry Kissinger, China is finally "in the position to lead its foreign affairs, no longer on the basis of its long-term capacities or ultimate strategic goal, but in compliance with its current power".

Serbia and China

Serbia supports China's policies, particularly the one regarding Hong Kong and Taiwan. In multilateral forums, our two countries seem to have almost identical attitudes. We highly appreciate the support provided by China in relation to Kosovo and Metohija.

Serbian President Aleksandar Vučić has met Chinese President Xi Jinping more than ten times, while their constant and regular communication would be difficult to measure in terms of hours.

It is a rare case that a country has the National Council dealing solely with China and Russia. It is led by Serbia's former president Tomislav Nikolić. The Council is composed of nine ministers from the current Government of the Republic of Serbia.

There are numerous joint projects for traffic and infrastructural construction in progress. It is estimated that more than \$10 billion (or more than \$12 billion according to some sources). I would like to mention, for example, the Belgrade bypass, high-way Preljina–Požega, high-speed railway to Budapest etc. We know that Chinese companies have taken over the steelworks in Smederevo and the mine in Bor. Chinese companies have already

built the bridges across the Danube and the Sava Rivers. There are also many engagements in other areas of exceptional importance to the economy of our country.

Serbia will never forget the aid provided by China during the coronavirus-caused infection. We are particularly grateful for the Chinese team of doctors that has spent many weeks in Serbia, helping specifically to put the disease under control.

We emphasize that the Republic of Serbia will always oppose sanctions against China or any other country. Because of our bitter experience, we are unable to consent to such measures.

Our two countries have already built a solid and encouraging registry of common past and guaranteed future.

Conclusion

China is a country that has the longest recollection of its statehood and cherishes the awareness of it. It is one of the few countries that can boast of such a fact. The famous book by the last Chinese Emperor Pu Yi, entitled *From Emperor to Citizen*, contains a unique testimony about the man who experienced and survived such transition (not counting the “ordinary” kings and queens). Similarly, China has experienced and survived the transition from a powerful empire to a powerful republic founded on social justice.

We may assume that fans of Alexandre Dumas would translate the principles of socialism into the motto “one for all, all for one”. Through its Communist Party, China promotes a long-established legal principle that the state is above

the individual, but it at the same time proves quite effectively that the state is always there for the individual and his environment, as an inseparable condition for survival.

China has recognized quite successfully that Chinese citizens can reap good fruits of life only if they work in corroboration with the rest of the world. It may seem that such a conclusion leads to paradoxes which, after being considered thoroughly, turn out to be extremely logical. For example, China did not take part in shaping the post-war order, but it promotes political and economic principles that derive from this order, only with its own “ingredients”.

China has become a super-power not only in economic, political and military terms, but also thanks to its century-long tradition and culture. It has chosen the system that many see as a “relic of the past” – socialism. Nevertheless, it is well-known that there are different solutions and roads of building a truly satisfied society and its organization of power. It transpires that such system serves the society that is accomplishing enviable progress in all spheres of life.

I would like to repeat something I have advocated for on numerous occasions. In today’s world it is pointless to glorify internal political systems of some member-countries of the United Nations. True democracy in international relations should imply that each country assesses itself. Its choice should be respected by all. It does not mean that we should not by all means strive for the principles of life that constitute the ultimate points of the civilization progress so far. However, under no circumstances should we “teach others a lesson” because it might easily turn into our own negation.

I would also like to point out once again that Chinese socialism is characteristic only of China. Moreover, it is understandable that in the war and post-war periods China took over from others with respect to ideology what it found useful for itself and consistently carried out, sometimes

even too eagerly. However, modern Chinese state has proved its efficiency and peculiarity in numerous areas. This refers to indisputably wise and comprehensive governance.

I would like to congratulate the Communist Party of China the centenary of its founding.

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Shenzhou12 spacecraft had been successfully launched and sent into the space with three Chinese astronauts

Articles



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Working Hard to Bring Happiness to the Chinese People and Promote Progress of all Mankind^[1]

“The Communist Party of China (CPC)”, proclaimed General Secretary Xi Jinping, “strives for both the wellbeing of the Chinese people and human progress”.

The world today is undergoing major changes unseen in a century. Certain countries, amid the global spread of COVID-19, increasingly resort to unilateralism, protectionism, bullying and political smear. Across the globe, there emerges greater deficit of governance, trust, peace and development, resulting in mounting uncertainties and destabilising factors. Yet it should also be noted that peace and development remain the theme of our time, together with mutual respect and win-win cooperation as an unstoppable trend.

Standing on the right side of history, the CPC is committed not only to rallying the Chinese people and leading them in running our own affairs well, but also to building a community with a shared future for mankind to promote world peace and common development. Moreover, the CPC rises above the Cold War mentality and opposes power

politics as it endeavours to nurture and contribute to the lofty cause of world peace and development.

The CPC: a firm practitioner of the “people first” and “life first” philosophy

As General Secretary Xi Jinping stated, to seek happiness for the Chinese people, share weal and woe and maintain close ties with them is the original aspiration and the lasting pursuit of the Party. Over the past seven decades and more since the founding of the People’s Republic of China, the CPC has led the Chinese people in bringing about rapid economic growth and long-term social stability, both of which are applauded miracles rarely seen worldwide. Chinese people’s sense of fulfillment, happiness and security has been growing constantly. The year 2020, under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at its core, marked a historic moment eliminating once and for all absolute poverty, a problem plagued

[1] <http://www.lcparty.org/en/party-news-en/item/33579-working-hard-to-bring-happiness-to-the-chinese-people-and-promote-progress-of-all-mankind>

the Chinese nation for several thousand years. China's achievements in poverty alleviation have been acclaimed by personages from political parties around the world as "a miracle in the history of human development".

China's response to the recent outbreak COVID-19 speaks volumes about the CPC's governance philosophy of putting people first and its core value of serving the people wholeheartedly. At crucial moments of crisis, the nature and distinctive feature of a political party and a political power can be best judged by the paramount item on its agenda. In the face of the sudden outbreak, General Secretary Xi Jinping has been personally directing and planning China's response efforts. The CPC has all along been adhering to the governing philosophy of "people first" and "life first" by prioritising people's health and safety. All available resources were mobilised in an all-out effort to treat and save each and every patient. More than 39 million Party members fought tirelessly at the frontline. Among the 40,000 plus medical workers sent from around the country to assist Hubei, 56.1% are Party members. Nearly 400 Party members sacrificed their precious lives in protecting people's health and safety. In the words of political parties and their leaders from many countries, China's response efforts under the leadership of the CPC has demonstrated the Party's profound care for its people and the humanitarian spirit.

History and reality have repeatedly shown that the CPC has always shared weal and woe with the Chinese people and maintained close ties with them. The Chinese people are in the best place to make such judgment. According to a recent trust

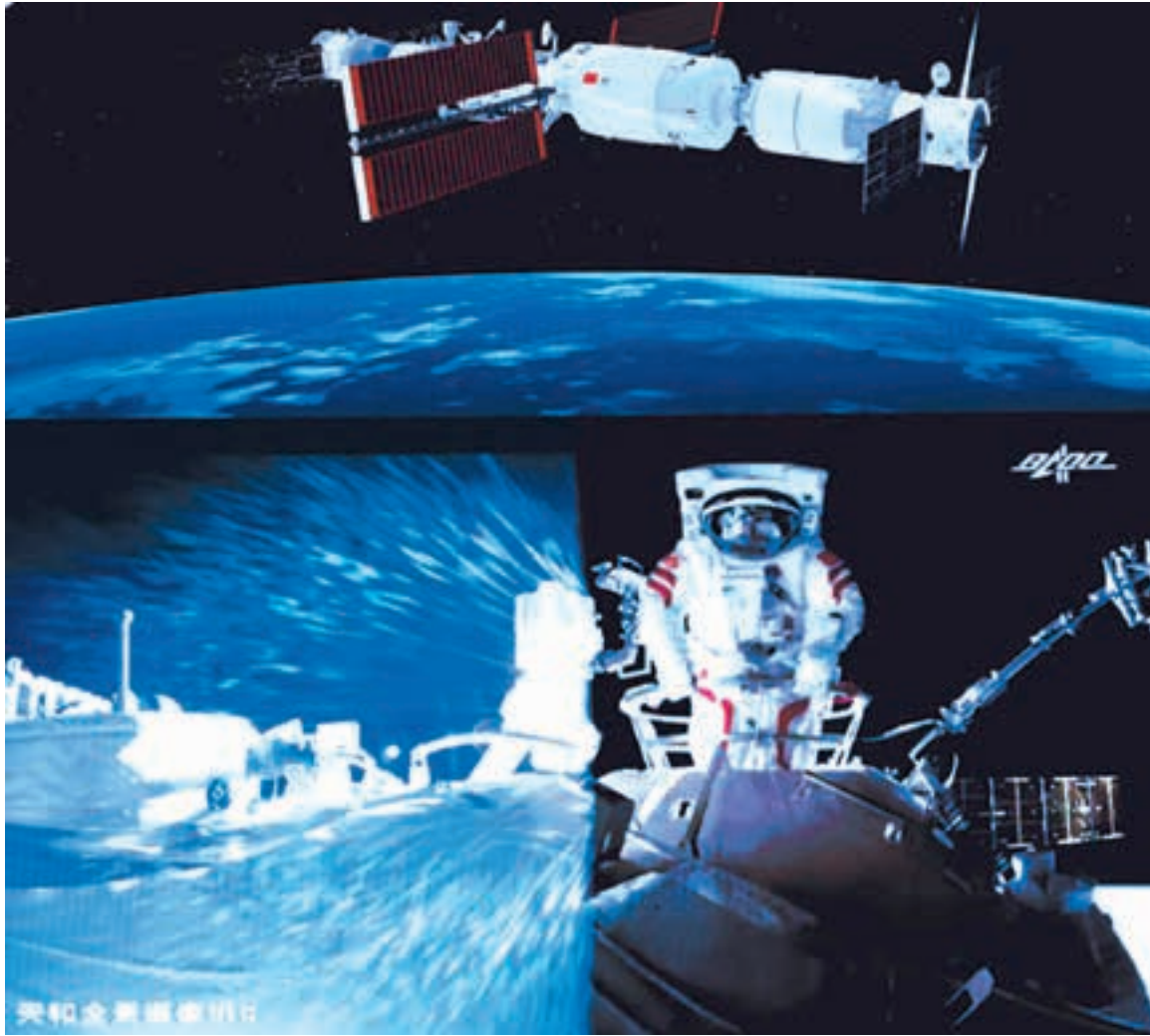
barometer report released by a well-known public relations firm in the US, 95% of the Chinese public trust the Chinese government, the highest among all countries surveyed. The strong bonds between the CPC and the Chinese people are inseparable as flesh and blood. Any attempts to smear the Party or to drive a wedge between the Party and the people are doomed to fail. Putting people first and serving the people wholeheartedly always remain the deepest hallmark and the most distinctive feature of the CPC.

The CPC: a staunch guardian of lasting peace and universal security

As General Secretary Xi Jinping pointed out, we Chinese Communists know only too well how precious peace is, hence we are resolved to uphold peace. The CPC was born with the peaceful genes that have long run in the blood of the Chinese civilisation. It has led the Chinese nation to a path of peaceful development, which was later solemnly incorporated in the Party Constitution and the Constitution of the People's Republic of China. The CPC is committed to settling disputes and differences through dialogue and consultation. It always stands ready to work with world political parties to seek political settlements of international and regional hotspot issues and to meet global challenges including, among others, terrorism, public health crisis and climate change. Many political parties and their leaders pointed out that the CPC, which has never waged a war of aggression in the past seven decades since it came to power, remains an important force for world peace.

Song Tao

Working Hard to Bring Happiness
to the Chinese People and Promote Progress of all Mankind



The chinese space station and one of the astronaut went on a spacewalk

The world today is undergoing profound and complex changes. Extremism, terrorism and separatism still manifest themselves. Traditional and non-traditional security threats

are increasingly interwoven. All of these present more complicated and severe challenges to world peace and tranquility. The CPC will continue to pursue peaceful development, blaze a new trail in

international relations that favours dialogue over confrontation, partnership over alliance. The CPC will never seek hegemony, engage in expansion, or pursue its own sphere of influence. At the same time, it always stands ready to resolutely defend its national independence, sovereignty, security and dignity, and will never yield to any external pressure.

The CPC has devoted major efforts to working with world political parties to maintain regional and global peace and stability. By enhancing mutual trust on security issues with political parties of neighbouring countries, facilitating communication and cooperation with them, the CPC has succeeded in helping stabilise the situation in the South China Sea, which has won extensive acclaims from the international community. Over 240 political parties and political organisations and 280 well-known think-tanks and NGOs from over 120 countries have stood up for China's stance on the South China Sea issue. Despite continuous attempts by a handful of countries outside the region to instigate tensions on the issue, countries in the region have remain cool-headed and calm in analysing and handling the situation. Many political parties in the region and their leaders offered to inform China of their express position that they will not be fooled by the tricks of certain countries to stir up trouble in the South China Sea as they know the trouble-makers will leave unscathed after setting the fire but it's the countries in the region and their peoples who will suffer. The CPC will continue to strengthen solidarity and cooperation with political parties of neighbouring countries to pursue friendly

coexistence and shared development. Together we will work to maintain peace, stability, prosperity and development of the region.

The CPC: a firm defender of fairness and justice with a strong sense of responsibility

General Secretary Xi Jinping stated that justice is a lofty goal that people of all countries pursue in conducting international relations. However, fairness and justice are still far away from being realised in contemporary international relations. World political parties need to demonstrate their sense of responsibility, uphold international fairness and justice, defend multilateralism, build an open world economy and foster a more fair and equitable international order. Political parties of many countries speak highly of the CPC's efforts to promote international cooperation against COVID-19 and to provide anti-epidemic assistance for the rest of the world while certain countries have been busy scapegoating others and wantonly wielding the stick of sanction. It is easy to tell who is doing the right thing and who is not. More than 240 major political parties from over 110 countries and international political party organisations have issued a joint open letter with the CPC to oppose the politicisation of public health issues, which helps pool strong political consensus for enhancing international anti-epidemic cooperation and building a global community of health for all.

Acting in line with the Chinese tradition of valuing righteousness and credibility, the CPC

has adhered to the principle of upholding justice while pursuing shared interests in its international exchanges. In pursuing justice, we never succumb to power, nor do we make benefits thereof the first consideration. We have readily shouldered our due responsibilities and played our due role. The CPC unequivocally stands for equality among countries, irrespective of their sizes, resolutely oppose any form of hegemony and bullying, firmly defend and pursue multilateralism, and promote multi-polarity and greater democracy in international relations. Our stances and actions have been widely acknowledged by political parties around the world with enthusiastic response. In conducting international exchanges, the CPC values good faith and sincerity, and has thus made many true friends and good friends. At the height of COVID-19 in China, political parties and personages from various sectors of various countries extended their helping hands. Along with ensuring steady progress in containing the epidemic at home, the CPC has reciprocated the kindness we received by providing needed assistance for over 200 political parties and organisations to the best of our ability. Together, we have set a shining example of world political parties overcoming difficulties with solidarity and mutual support. What's been promised must be done. This is our Party's fine tradition in international exchanges and a distinctive feature of major country diplomacy with Chinese characteristics. As leaders of many developing countries put it, the assistance promised by some countries is more often than not lip service, or comes with harsh political strings. It's another case

when it comes to the CPC. It does mean what it says in helping other developing countries.

The CPC: a committed promoter of mutual benefits and common development

As General Secretary Xi Jinping stressed, it is the relentless efforts of the Chinese people that have made China what it is today! In rallying the Chinese people and leading them through the extraordinary journey, what our Party relies on are the fine traditions of self-reliance and hard work, the strong awareness of fulfilling our responsibility, and the pioneering spirit of “crossing the river by feeling the stones”. Meanwhile, by coordinating domestic development and opening up to the outside world, linking China's development with that of the world, integrating the common interests of the Chinese people and those of other peoples, our Party has made an important contribution to the world economy and global development. It is the prevailing view of world political parties that the CPC strives for both the wellbeing of the Chinese people and that of people around the world. China's reform and opening up, which has changed China's destiny and promoted the development of the region and indeed the world, will continue to deliver benefits to all mankind.

Staying committed to an opening-up strategy of win-win cooperation, the CPC actively works for an open world economy. To address unbalanced development which constitutes the biggest imbalance confronting the world today, the CPC initiated and promoted the Belt and

Road cooperation on the principle of extensive consultation, joint contribution and shared benefits, to provide an important platform for all countries to achieve mutual benefits and common development. With concerted efforts of all parties, the Belt and Road is becoming a model of cooperation for meeting challenges through solidarity, a model of health for protecting people's safety and wellbeing, a model of recovery for restoring economic and social activity and a model of growth for unlocking development potential. In many countries, political leaders and general public alike have spoken highly of the Belt and Road Initiative. They all share the view that the BRI is by no means the "spheres of influence" or "debt trap diplomacy" portrayed by certain politicians, but a transparent major initiative that leads all countries to common prosperity, and opens up bright prospects for enhancing the common wellbeing of the humanity. It lives up to its reputation as "the greatest development initiative of the 21st century".

In promoting development, it is better to teach a man how to fish than to just give him fish. The CPC attaches great importance to drawing on its own practices to explore the law governing the evolution of human society and sharing with other countries what it has learned. It is committed to exchanging governance experience with political parties of other countries. Since its 18th National Congress, the CPC has invited tens of thousands of representatives of foreign political parties to visit China, and held discussions and exchanges in various formats with world political parties. In-depth discussion for experience-sharing and closer cooperation have been conducted on

topics such as community-level party building, anti-corruption, targeted poverty alleviation, ecological conservation, economic development, and improvement of people's livelihood. Political parties and their leaders from many countries stated that the CPC has not only shared with the world the dividends of economic growth but also the dividends of thoughts and ideas without reservation, offering good reference for other countries, especially developing countries, in their explorations of development paths suited to their own national conditions.

The CPC: a champion in upholding openness, inclusiveness, and mutual-learning among civilizations

General Secretary Xi Jinping stressed that no two political systems are entirely identical, and a political system cannot be judged in abstract terms without regard for its social and political context, its history, and its cultural traditions. The leadership of the CPC and the socialist system with Chinese characteristics are the choice made by history and by the people. Since its founding, our Party has clearly manifested its political nature as a Marxist political party, which is the scientific foundation and basic reasoning for our full confidence in the path, theory, system, and culture of socialism with Chinese characteristics. We are committed to our own path. We do not want to "import" models from other countries, nor do we want to "export" the Chinese model, still less will we ask other countries to copy the Chinese practice. Our practice of not drawing lines along ideologies in our international

exchanges has won wide recognition and praises from political parties worldwide.

Political party leaders from many countries concur that a better future for mankind needs to be underpinned by the harmonious coexistence, exchanges and mutual learning among different civilisations, cultures and social systems; and that to attribute disputes between countries to differences between civilisations and systems and use it as an excuse to align with the “like-minded” and alienate those with different views, and to allow the strong to bully the weak will only gravely undermine the current international order, or even risk plunging different civilisations into estrangement and conflict.

The CPC always embraces and approaches the achievements of other cultures with an open mind and a broad perspective. It is important that we overcome cultural misunderstanding, clash and supremacy through exchanges, mutual learning and coexistence. In recent years, the CPC has actively explored the building of a new type of party-to-party relations that seeks to expand common ground while reserving differences and enhances mutual respect and mutual learning. We have established all kinds of relations with over 600 political parties and organizations in over 160 countries and regions, and built a multi-form,

multi-level international network for party-to-party exchanges and cooperation. The success of the CPC in Dialogue with World Political Parties High-Level Meeting, widely acclaimed by the international community, has demonstrated the great political inclusiveness and moral appeal of our Party, representing a major contribution to the advancement of world political civilization.

General Secretary Xi Jinping stressed that “the CPC is the largest political party in the world. It must behave in a way commensurate with this status”. As a major party that is going to celebrate the centenary of its founding, the CPC is committed to taking Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as its guide to actions. Bearing in mind the overarching strategic task of rejuvenating the Chinese nation as well as the profound once-in-a-century changes the world is undergoing, the CPC will, as always, contribute its significant share to world peace and tranquility, common development for humanity, and exchanges and mutual learning among civilisations. Working together with political parties around the world, the CPC will strive for gathering mighty synergy toward building a community with a shared future for mankind, and for creating a better tomorrow for the entire world.

Photo: Xinhua



The Hong Kong-Zhuhai-Macao Bridge, which is the world largest ever sea-crossing project with a total length of 55 kilometers



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Political Party Diplomacy with Chinese Characteristics in Seven Decades since Founding of PRC: Innovations in Practice and Theory

Summary: Since the founding of the People's Republic of China, the Communist Party of China has found itself in a complicated international situation and arduous development tasks. The CPC has steadily promoted its foreign exchanges in the process of inheritance and development. It has achieved leaps in practice of the theoretical innovations in party to party diplomacy with Chinese characteristics, which contributed significantly to the central missions of the Party and the nation, as well as the overall strategy of the state diplomacy. Starting at a new historical phase, it is crucial to summarize the experience of the practical and theoretical innovations in party to party diplomacy with Chinese characteristics. It is also of great importance to discover the basic logic and principles therein. All of which would provide practical significance for promoting a benign interaction between the practice and theory of party to party diplomacy, and make greater contribution.

Keywords: Party diplomacy with Chinese characteristics; Innovations in Practice and Theory; historical contribution

Since the founding of the People's Republic of China (PRC), the exchanges between the Communist Party of China (CPC), the ruling party, and foreign political parties naturally evolved into political party diplomacy. Over the past 70 years, in pursuing political party diplomacy with Chinese characteristics, we have fully grasped the historical mission, roles

and positions, endeavored to make explorations in practices, made improvements by reviewing experience, made adjustments and innovations as well as realized the sublimation of theory. Carrying out in-depth research on innovations of practice and theory of political party diplomacy with Chinese characteristics as well as their interactions is conducive to planning new

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developments and breaking new grounds for political party diplomacy in the new era.

Great Leaps in Practices: Historical Perspectives

For the past 70 years, the CPC, the ruling party of a socialist country, with its composure, broad-mindedness and international vision, has fully understood the international situation and tasks of different historical periods. Based on the strategy of major country diplomacy with Chinese characteristics, the CPC designed political party diplomacy from an overall and long-term perspective, explored to pursue great development of political party diplomacy following the logic of history and trend of the times, pushed for three major leaps of political party diplomacy and gradually formed the current landscape of political party diplomacy.

First, the fraternal relationship between the CPC and other communist parties as well as working-class political parties from other countries has gradually developed into a normal relationship. After the founding of the PRC, the CPC decided to take the side of the Soviet Union-led socialist camp in light of the international circumstances at that time. In the 1960s and 1970s, the CPC encountered setbacks in its relations with communist parties of some countries and saw a severe shrinking of numbers of political parties willing to have contact with it. Since the Third Plenary Session of the Eleventh Central Committee of the CPC, the CPC has continuously

emancipated its mind and gradually sought to normalize its contact with communist parties and workers' parties of other countries in its practice, and resumed relations with communist parties from regions including Europe, West Asia, North Africa and Latin America and gradually adjusted its relations with communist parties of some Southeast Asian countries. After the collapse of the Soviet Union and the upheaval in Eastern Europe, the CPC quickly established contact and maintained normal engagement with the newly established communist parties and renamed left-wing parties of the former Eastern European countries. At present, in dealing with the party-to-party relations with progressive forces such as communist parties and workers' parties, the CPC prioritizes the consistency or similarity of nature, ideas and goals and seeks to broaden consensus, as well as in practice emphasizing safeguarding national interests and security.

Second, the CPC started to establish friendly relations with legitimate political parties of all countries instead of constraining its engagement to communist parties or workers' parties only. For a long time after the founding of the CPC, it only had contact with communist or workers' parties. After the founding of the PRC, there were only sporadic interactions with socialist parties of developing countries. With the international situation evolving, from 1977 the CPC started to establish contact with nationalist democratic parties. Since 1981, the CPC has gradually expanded its exchanges and cooperation with socialist parties of developed countries through establishing connections with

French Socialist Party. Since the 21st century, the CPC has also established relations with different types of emerging political parties in European countries in accordance with new changes of political party politics abroad. Up till now, the CPC has maintained frequent contact with over 600 political parties and political organizations from over 160 countries. An all-round, wide-range and multi-tiered new landscape of political party diplomacy has taken shape. The CPC now has an ever-widening “friends’ circle” covering political parties both in and out of government, government organs and civil society organizations.

Third, the CPC is now giving equal importance to both bilateral exchanges and multilateral ones. After the founding of the PRC, learning the lessons from the just-dissolved Third International, the CPC didn’t join the Soviet Union-led Communist Party-Workers’ Party Intelligence Bureau. Bilateral exchanges were the mainstream foreign exchanges back then. In the mid-1980s, the CPC began to establish contact with the Socialist International and started the process of multilateral exchanges with political parties. After the end of the Cold War, the CPC gradually increased its contact with regional and international political parties and organizations. In the mid-1980s, the CPC began exploring to establish contact with center-right political parties in Europe. Entering the 21st century, the CPC has maintained regular contact with the European Socialist Party, the European People’s Party, the European Left Party, the European Green Party, the Permanent Conference of Political Parties of Latin America

and the Caribbean, the São Paulo Forum and the African Political Parties Council. In 2017, the CPC in Dialogue with World Political Parties: High-Level Meeting was held in Beijing and gradually institutionalized.

Innovations on Theory: Historical Evolution

The CPC has always attached great importance to developing theory and has continuously strengthened the theoretical exploration of exchanges with foreign political parties. Before the founding of the PRC, through the contact and exchanges with the Communist Party of the Soviet Union and the Communist International, the CPC had initially formed some understandings and principles for dealing with its relationship with fraternal parties.

After the founding of the PRC, the CPC introduced the guiding principles in handling political party diplomacy featuring independence, complete equality, mutual respect and noninterference in each other’s internal affairs, which were formed during the period of revolutionary struggle. It stresses that every political party has the right to decide its own affairs and opposes blindly copying other countries’ experiences. It advocates that all political parties, be they big or small, strong or weak, should be equal. It advocates that political parties of different natures should have mutual tolerance, seek common grounds while reserving differences and conduct cooperation without interfering each

other's internal affairs. It stresses that we should attach importance to proletarian internationalism and international cooperation, and also opposes undermining the legitimate rights and interests of other political parties for the interests of one single country or party.

Since the Third Plenary Session of the Eleventh Central Committee of the CPC, the CPC has seized the momentum of historical development, and explored to work with world political parties to establish a new type of party-to-party relations featuring independence, complete equality, mutual respect and non-interference in each other's internal affairs, contributing to solidifying and sustaining party-to-party relations and state-to-state relations. Besides, the CPC has put forward important guiding principles for major theoretical and practical issues including how to deal with historical legacies in party-to-party relations, how to transcend differences of ideology, how to properly deal with party-to-party and state-to-state relations. At the turn of the 21st century, the CPC put forward the guidelines for the trans-century development of CPC's international work, pointing the directions for advancing political party diplomacy. On that basis, the CPC gradually made clear the position of political party diplomacy, which is not only an indispensable front of CPC's undertakings, but also an important component of China's overall diplomacy. In light of the development of the situation, the CPC further proposed that we should strive to make political party diplomacy an important channel for China to develop its foreign

relations, an important window for displaying the good international image of the CPC, an important platform for officials to observe and study the world, as well as an important channel to draw from other countries' experiences and serve the decision-making of the Central Committee.

Since the 18th CPC National Congress, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and Xi Jinping Thought on Diplomacy, political party diplomacy has entered a new era in developing theory. Xi Jinping personally participates in guiding CPC's international work and puts forward the general requirements of focusing on political parties, research, connections and image. He proposes that political parties from different countries need to enhance mutual trust, strengthen communication and coordination and explore to build a new type of party-to-party relations featuring seeking common grounds while reserving differences, mutual respect and mutual learning on the basis of a new type of international relations as well as build up a network for political parties to exchange and cooperate in various forms and at different levels. He makes clear that the CPC will never "import" foreign models nor "export" Chinese model, not to mention ask other countries to "replicate" China's practices. Besides, the CPC follows the change of the situation and proposes to build a trinity layout combining political party diplomacy, public diplomacy and civil society diplomacy as well as a mechanism with "great synergy" for political party diplomacy so as to enhance its contribution to the overall national diplomacy.

Innovations on Theory: Prominent Features

First, the CPC has inherited and developed Marxist party-to-party relations. After the founding of the PRC, the CPC creatively combined the basic principles of Marxist party-to-party relations with the situation of China and the CPC, and advocated equality and mutual respect. It opposed the abnormal relations between the “superior party” and the “subordinate party” in the International Communist Movement and emphasized the principles of independence and non-interference in the internal affairs of political parties of other countries. Besides, the CPC creatively enriched and improved Marxist party-to-party relations in light of the changes of the international situation and the theme of the times, making it more modern and scientific, in particular, it broke ideological stereotypes, expanded the diversity of its connections, proposed the principles of complete equality, mutual respect and seeking common grounds while reserving differences in its contacts with all legitimate political parties so that it can better conduct party-to-party exchanges.

Second, the CPC highly responds to the call of the times. In different historical periods, the CPC is always good at grasping the trend of the world and theme of the times, enriching the connotation of political party diplomacy constantly in line with the development and changes of the situation, guiding the practice of political party diplomacy and achieving good results. Since the outbreak

of international financial crisis in 2008, based on the common pursuit of development and better governance as well as the trend of the times where developing countries generally “look eastward”, the CPC has given more prominence to exchange and mutual learning, enhancing the experience exchanges and sharing on party and state governance so as to enhance the capacity of political parties of other countries to govern. Since the 18th CPC National Congress, the political party diplomacy community has been acting firmly in maintaining political integrity, thinking in terms of the big picture, following the leadership core, and keeping in alignment with the central Party leadership and having full confidence in the path, theory, system, and culture of socialism with Chinese characteristics as well as upholding the authority of General Secretary Xi Jinping and the CPC Central Committee. Guided by Xi Jinping Thought on Diplomacy, new prospects and new achievements are constantly being made.

Third, the top leader of the party has always guided innovations on theory. The top leaders of a political party are the most important practitioner and promoter of political party diplomacy, for they not only participate in and guide political party diplomacy but also lead theoretical innovations. The top leaders of the CPC are good at summarizing the experience and lessons of political party diplomacy in the turning point of history to advance the development of theory; good at planning the new layout of political party diplomacy in grasping the tide of the times and strengthening the top-level design of diplomacy;

34 | good at addressing the realistic problems in responding to the concerns of the international community and improving the international image of the CPC. Since the 18th CPC National Congress, Xi Jinping attached great importance to the theoretical innovations on political party diplomacy and proposed the theory on political party diplomacy with distinctive features of the times and Chinese characteristics, providing theoretical support for political party diplomacy to better serve the Chinese wisdom and Chinese solutions. In 2017, Xi Jinping further illustrated in his keynote address at the opening session of the CPC in Dialogue with World Political Parties: High-Level Meeting the connotations of a community with a shared future for humanity and ways to build it. He advocated that, on the basis of a new type of state-to-state relations, we should build a new type of party-to-party relations featuring seeking common grounds while reserving differences, mutual respect and mutual learning, ushering a new stage for political party diplomacy for the new era.

Four, innovations on practice and theory complement each other. Over the past 70 years, in the process of advancing political party diplomacy, the CPC has always been goal-oriented, process-oriented and problem-oriented, and has upheld the correct perspectives on the history, the big-picture and its own roles. It has been good at summarizing experience and lessons as well as grasping the trend of development in a historical view, thus promoting the sustainable development of political party diplomacy. In different historical

periods, the CPC has always been exploring the development rules of political party diplomacy, summarizing the useful experiences of party-to-party exchanges, carrying out self-innovation and self-improvement and realizing the sublimation of theory. The interactions of innovations on practice and theory lead to an ever-widening path of political party diplomacy with Chinese characteristics and a bright prospect.

Innovations on Theory: Important Historical Contribution

First, creating a favorable international environment and safeguarding national sovereignty, security and development interests. On October 1, 1949, the CPC, which had just been declared in power, undertook the historical task of seeking happiness for the Chinese people and rejuvenation for the Chinese nation. In the face of the treacherous international situation with sudden and perplexing changes and the complicated relations between major countries, the CPC needs to make a greater number of closer friends, make great efforts to open up a new prospect of foreign relations and create a favorable external environment. When China's foreign exchanges are at a low ebb, political party diplomacy, through engaging with politicians and leaders of major countries and key countries, can expand the coverage of international exchanges and gradually promote the turnaround of the external environment. In a relatively favorable international environment, the CPC needs to consolidate the groundwork,

continue to expand its global “friend circle”, contribute to the consolidation and expansion of China’s important strategic opportunities. Since the 21st century, in dealing with issue concerning core interests like Taiwan-related, Tibet-related and Xinjiang-related issues, DPRK nuclear issue, the reform of the UN Security Council, South China Sea issue and China-US trade frictions, political party diplomacy has also played its advantages for it is about dealing with people. It can engage in a forward-looking manner through the whole process, thus earnestly safeguarding the national interests.

Second, rising above ideological differences, to achieve the sound development of state-to-state relations. At the beginning of the founding of the PRC, influenced by the strong ideological mentality, the CPC tended to determine whether to have close or distant relations based on the system of a country and the nature of the political party. Such self-limitations had its necessity in a particular historical period, but it will also inevitably bring about negative effects. With the developments of international situation and China’s integration into the world, the CPC has gradually dimmed the influence of ideologies in conducting foreign contacts, enhanced its exchanges with all kinds of legitimate political parties of all countries. It also further realized the synchronized exchanges with mainstream political parties both in and out of government so as to ensure the sound development of state-to-state relations even in scenarios of regime change. In recent years, the CPC has attached

great importance to the emergence of new political parties in Europe and has increased its contact with them, enhancing the mutual friendship and achieving positive results. The emerging political parties in some southern European countries such as Italy and Greece, after their coming into power, enhanced their cooperation with the CPC, regarded China as and haven been more active and enthusiastic in the Belt and Road cooperation.

Third, playing the role of a major political party of a major country to provide public goods with Chinese characteristics for the international community. As the governing party of a major socialist country and the biggest developing country, the CPC has always been given high attention and anticipation by the international community. For example, many developing countries hope to learn from China’s measures to realize modernization and draw from the CPC’s experiences of party building as well as to develop the international order towards greater justice and fairness together with the CPC. In the 21st century, especially since the outbreak of international financial crisis in 2008, the international community has given greater hope to China for its greater contribution to advancing development, safeguarding world peace and promoting global governance. The high anticipation and expectation is undoubtedly an important driving force for the innovations on theories of political party diplomacy. In different periods of history, the CPC has always paid great attention to responding to the call of the international community and has provided effective international public good in a timely

manner. Since the 18th CPC National Congress, the CPC has been active in contributing Chinese wisdom and Chinese solutions to the international community, pulling extensive consensus through in-depth exchanges and dialogues, guiding the international public opinion and thus enhancing the international soft power of the CPC.

After 70 years of ups and downs, political party diplomacy with Chinese characteristics is now in a new era of innovation, exploration and vigorous

development. Standing at the new historical starting point, the international work of the CPC will, under the centralized and unified leadership of the CPC Central Committee, have more scientific planning on the basis of its own and duties, give full play its institutional advantages of “great synergy”, open new prospects and break new grounds for political party diplomacy so as to make new and greater contributions for realizing the two centenary goals and the Chinese dream of national rejuvenation.



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Diplomatic Transformation and Developing a New Type of International Relations: A Perspective to Observe and Understand New China's Diplomacy

Summary: Since 1949, diplomacy of the People's Republic of China has successively undergone transformation for three times, namely diplomacy of establishing the PRC, diplomacy of enriching the country and major-country diplomacy. Developing a new type of international relations is an effective way to achieve diplomatic transformation of New China, but its connotations vary with different periods of history.

During the two turnarounds from 1949 to 2012, New China's diplomacy, which holds up the Principle of Independence and Five Principles of Peaceful Coexistence, took shape in the practice of developing a new type of international relations. The former principle have played an important role in safeguarding China's sovereignty and dignity, protecting national security and promoting the country's development. The latter became basic norm of international relations and basic principle of international law due to its openness and inclusiveness.

Since the 18th CPC National Congress, in face of profound changes unseen in a century and a new posture for China to increasingly move toward the center of the world arena, President Xi Jinping made great endeavors to promote major country diplomacy with Chinese characteristics, and actively touched upon building a new type of international relations featuring mutual respect, fairness, justice, and win-win cooperation, which innovates on and develops the Principle of Independence and Five Principles of Peaceful Coexistence, as well as pushes forward the world multi-polarization process and the building of a community with a shared future for mankind.

Keywords: A new type of international relations, diplomatic transformation, China's diplomacy

The founding of the People's Republic of China in 1949 marked the greatest turning point in Chinese political history and Chinese diplomatic history of the 20th century. The Communist Party of China

(CPC) seizing the political power of a major country in the East with a 5000-year history of continued civilization gave rise to the necessity and possibility for China's diplomacy to open a new situation and

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write a new chapter. In the past 70 years, under the firm leadership of the CPC, China's diplomacy has undergone three rounds of transformation against an international situation amidst winds of change^[2], and eventually been engaged in developing a new type of international relations, as a result in achieving the said transformation.

Three Rounds of New China's Diplomatic Transformation: Diplomacy for Establishing the PRC, Diplomacy for Enriching it, and Major-Country Diplomacy

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The first round of New China's diplomatic transformation took place in 1949 and came to basic fruition in the middle of the 1950s, whose core was to turn the diplomacy of humiliation to that of establishing the PRC. Through the transformation, New China changed for good the embarrassing posture of "kneeling on the ground to run diplomacy" that had lasted for nearly a century, and established a foreign policy with independence as its base-color that combined patriotism with internationalism, aiming to achieve a truly equal status in international relations and effectively safeguard the country's sovereignty, dignity and security. The diplomatic transformation enabled China to set up normal diplomatic relations immediately with socialist countries, and gradually with countries of national

independence in Asia, Africa and Latin America and some of the capitalist countries in Nordic area, which signified that the basic framework of New China's foreign relations took initial shape. Between the middle of 1960s and early 1970s, China once adopted a foreign policy for "world revolution", presenting a diplomatic posture of "fighting with two fists and attacking in all directions", by which for the time being the country found itself in a very stern international situation (Yang, 2000, pp.45-50). However, as China regained its lawful seat in the United Nations and all legitimate rights, and as China-US relations thawed and China-Japan relations was normalized, the vision and conduct of "revolutionary diplomacy" was gradually phased out, and a new round of diplomacy transformation was ready to hit the ground running.

The second round of New China's diplomatic transformation happened between the end of 1970s and the beginning of 1980s, with the normalization of China-Soviet relations in 1989 marking its conclusion, the core of which was to turn from diplomacy of establishing the PRC to that of enriching the country. The 3rd Plenum of the 11th CPC Central Committee made a major strategic decision of shifting the focus of energy of the Party and the country to socialist modernization drive, accompanied by a corresponding major change in the main task and objective of China's diplomacy. In his opening speech at the 12th CPC National

[2] The academic community has reached no agreement on the concept of diplomatic transformation. This article holds that it refers to the act of a country to make some critical changes in the components, levels and contents of its diplomatic affairs. Regarding the components, diplomatic transformation contains diplomatic concept, principle, goal, strategy, policy, system and way of external action, etc. For the levels, three basic ones are involved, namely global, regional and bilateral level. In terms of contents, economic, political, security fields are included.

Congress, Deng Xiaoping made it clear that “While the Chinese people value their friendship and cooperation with other countries and other peoples, they value even more their hard-won independence and sovereign rights. No foreign country should expect China to be its vassal or to accept anything that is damaging to China’s own interests”. He also announced that to accelerate socialist modernization, to strive for China’s reunification, and to oppose hegemonism and work to safeguard world peace were the three major tasks of the Chinese people in the 1980s, the core being economic development (Deng, 1993, p.3). Centering on the above three tasks and based on assessment of the main theme of the times and on systemic summarization of historical experience and lessons, China made major readjustments on ideological guidance of diplomacy and on concrete foreign policy, establishing a diplomatic guideline that no longer made similarity or difference in social system and ideology a condition for good relations, and firmly pursuing a policy of refraining from entering into alliance or setting up strategic relationship with any major country or any bloc of countries. From then on, China’s diplomacy took an increasingly active posture. Between 1978 to the end of 1980s, the country established relatively stable relations with all major countries of the world, set up diplomatic ties with most of the neighboring countries, maintained friendly relations with overwhelming majority of the Third World countries, and joined many important international organizations and global and regional multilateral mechanisms, its framework of foreign relations being further perfected. From the early 1990s to the first decade of the 21st century, in face of a new posture of the

international pattern induced by the end of the Cold War, China continued to go by Deng Xiaoping’s foreign policy principle, to “observe calmly, secure our position, cope with affairs calmly, be good at keeping a low profile, never claim leadership, hide brightness and nourish obscurity, and strive for some accomplishments”, to unswervingly take the road of peaceful development, and to firmly pursue an independent foreign policy of peace. It continued to make positive progress in its relations with major countries, with neighboring countries, and with other developing countries, to be active in multilateral diplomacy, and to further enhance its representation and say in international affairs.

The third round of New China’s diplomatic transformation occurred after the 18th CPC National Congress, whose core is to turn from “diplomacy of enriching the country” to “major-country diplomacy”. The extraordinary performance of the country in the international financial crisis of 2008 and its becoming the world’s second largest economy foretold the necessity of China’s diplomatic transformation this time around. The 18th National Congress held in November 2012 set the goal of completing the building of a moderately prosperous society in all respects and deepening reform and opening up in an all-round way, emphasizing that China would continue to hold high the banner of peace, development, cooperation and mutual benefit and strive to uphold world peace and promote common development. In the same month, Xi Jinping put forward for the first time the important proposition that “National rejuvenation has been the greatest dream of the Chinese people since modern times began”. In October 2013, Xi Jinping

put forward the new thinking of conducting the neighborhood foreign policy in an “enterprising and pioneering way” and made overall arrangements for it. The term of “enterprising and pioneering” was in so sharp a contrast with that of “hiding brightness and nurturing obscurity” that had been in place for a long time that it instantly attracted broad attention of the international community. At the Central Conference on Work Relating to Foreign Affairs held in November 2014, Xi Jinping stressed that “China must pursue a major country diplomacy with its own characteristics”, and it was necessary to “on the basis of summing up our past practice and experience, enrich and further develop principles guiding our diplomatic work, and conduct diplomacy with distinctive Chinese vision, style and way of doing things” (Xi, 2018, p.200). In October 2017, Xi Jinping made it clear in his report to the 19th CPC National Congress that major country diplomacy with Chinese characteristics for a new era aimed to foster a new type of international relations and build a community with a shared future for humanity. The Central Conference on Work Relating to Foreign Affairs held in June 2018 underlined the formulation of Thought on Diplomacy of Socialism with Chinese Characteristics for a New Era, signifying an important initial progress of the third round of New China’s diplomatic transformation.

In the process of diplomatic transformation this time around, the guiding position of Xi Jinping Thought on Diplomacy has been established and promoting the construction of a community with a shared future of humanity, become a salient standard for China to guide the trend of the times and the orientation of human progress; a diplomatic

layout featuring comprehensive, diverse, and multi-dimensional has been deepened and improved; on the premise of strengthening the Party’s centralized and unified leadership over diplomatic work, reform on diplomatic system and mechanisms has steadily moved forward, bringing about a situation of greater coordination of work relating to foreign affairs where the Party always provides overall leadership and coordinates the efforts of all involved; and China’s diplomatic posture has become more enterprising, emphasizing on taking the initiative to make overall planning and top-level design, launching and pursuing the “Belt and Road” Initiative, deeply participating in reforming and developing the global governance system, and taking an active part in the process toward political settlement of international hotspot and difficult issues.

The three rounds of New China’s diplomatic transformation stand for development and progress of Chinese diplomacy, demonstrating its capacity of innovation. Not only does Chinese diplomacy work for a favorable external environment for security, development and prosperity of a socialist China, it has also made significant contributions to peace and development of mankind.

Continued Commitment of New China’s Diplomacy to Developing a New Type of International Relations

In the spring of 1949, Mao Zedong put forward a foreign policy principle for a soon to be New China to pursue, called “making a fresh start”, which included two connotations: first, to reconstruct China’s international relations, and second, to

reconstruct its diplomatic system and diplomatic contingent. The principle of “making a fresh start” achieved remarkable and positive results, and as the outstanding founder and great practitioner of New China's diplomacy Zhou Enlai observed, thanks to the principle, “China is no longer a semi-colonial country and has established independent diplomatic relations with other countries” (Zhou, 1990, p.49). Therefrom, the objective of New China's first diplomatic transformation was achieved.

In fact, back in the early years of New China, the CPC put forward the important concept of “a new type of international relations”, the base color however being proletarian internationalism, which was originally limited to designate relations between socialist countries only. Later on, as the Five Principles of Peaceful Coexistence were put forward, changes happened to both its connotations and denotations. Having put forth and held up the Five Principles of Peaceful Coexistence is a successful practice of New China in constructing a new type of international relations.^[3] The Five Principles have evolved into basic norms for international relations and basic principles of international law. The Ten Principles adopted by the Bandung Conference of 1955 were its extension and development; the Non-Aligned Movement that came to the fore in the 1960s took the Five Principles for its guiding principles; and relevant declarations of the general assemblies of the United Nations 1970 and 1974 unequivocally adopted the Five Principles of Peaceful Coexistence respectively.

In the late 1970s and early 1980s, as New China's second round of diplomatic transformation began, readjustment of “the new type of international relations” in cognition and practice was underway. It was within the framework of constructing a new international order that Deng Xiaoping considered the issue of “a new type of international relations”. In his view, “Hegemonism, bloc politics and treaty organizations no longer work.” As for what principle should be applied to guide the new international relations, Deng Xiaoping called for continuing to use the Five Principles of Peaceful Coexistence, as they are very clear and simple, of greatest vitality and withstanding all tests; they can serve countries different in social system and level of development; and they can serve China's neighbors (Deng, 1993, pp.282-283). Jiang Zemin and Hu Jintao inherited and carried forward Deng Xiaoping's aforesaid thinking. Jiang Zemin called for “observing norms of international relations whose core is equality of sovereignty and non-interference into each other's internal affairs”, and proposed “to develop a new type of international economic relations featuring mutual benefit, complementarity and common development” (Jiang, 2006, pp. 478-479). In his view, the Five Principles of Peaceful Coexistence were consistent with the purpose of the UN Charter and reflected the essential features of a new type of international relations (Jiang, 1997). In expounding on the new type of international relations, Jiang Zemin underscored respecting and upholding the world's diversity, pointing out that all countries

[3] In June 2014, Xi Jinping, on the 60th anniversary of the signing of the Five Principles of Peaceful Coexistence, said “these Five Principles, as an integrated, interconnected and indivisible concept, capture the essence of today's international relations, and can apply to relations among all countries regardless of their social system, stage of development or size”.

42 | had the right to choose their own social system, development model, and path to development. Hu Jintao agreed with the proposition of “a new type of international relations” and further proposed to “advance mutually beneficial cooperation and develop a new type of major country relations” (Hu, 2016, p.583). No doubt, a new type of major country relations was concretization of a new type of international relations. In sum, between the 1980s and the first decade of the 21st century, the Government and leaders of China emphasized time and again the necessity to construct a new type of international relations, reiterating that the Five Principles of Peaceful Coexistence were consistent with the purpose of the UN Charter, conducive to advancing the process toward a multipolar world and promoting the development of democracy in international relations.

Since the 18th CPC National Congress, in face of profound changes unseen in a century and a new posture for China to increasingly move toward the center of the world arena, the third round of New China’s diplomatic transformation has been gradually unfolded, innovation on diplomatic theory and practice continuing to achieve new results, of which an important area is to promote the construction of a new type of international relations for a new era. Xi Jinping has on several international and domestic occasions repeatedly touched upon the concept of “a new type of international relations”, and in his report to the 19th CPC National Congress systematically expounded on his proposition of building a new type of international relations featuring mutual respect, fairness, justice, and win-win cooperation. Among the three qualifications of a new type of international relations, mutual respect is the basic premise, which

means all countries in their interaction should take one another for equal partners, be willing to resolve their disputes and differences by consultation and peaceful settlement, and oppose the willful use or threat of force, and hence it is in fundamental opposition to hegemonism and power politics. Fairness and justice are the basic principle, which means all countries in their interaction should abide by universal international norms and be ready to realize justice in essence through justice in form, and therefore it is in fundamental opposition to trampling upon rules and being partial and evil. Win-win cooperation is the basic objective, which means all countries in their interaction must reject the means of antagonism and achieve their own goal through mutual coordination, and as such it is in fundamental opposition to unilateralism and the idea of winner-takes-all.

Xi Jinping’s thinking on a new type of international relations deeply embeds in valuable experience and theoretical results of New China’s foreign policy, and especially it innovates on and develops the Five Principles of Peaceful Coexistence; it reflects salient features of the new era and, by integrating the essence of Chinese traditional culture, embodies the idealistic stature of “don’t do unto others what you don’t want others do unto you” and “to achieve success, one should let others succeed as well” and the open mindedness of “harmony in diversity” and “all nations to live in harmony”; it gives new connotations to the purpose and principles of the UN Charter that are visible, practical and followable; it completely fits in with the development trend of human civilization and will lay a solid foundation for a better life for the people all over the world and for constructing a community with a shared future for humanity.

China has already made fruitful endeavors to develop a new type of international relations for a new era. First of all, China persists with developing relations with emerging economies and developing countries as a breaching point for constructing a new type of international relations. As an emerging economy that rises rapidly on the international arena and the most influential member of the family of developing countries, China endeavoring to promote the construction of a new type of international relations is directive, and the fact that China-Russia comprehensive strategic partnership of coordination that has continued to develop at a high level for more than twenty years leads the way for various countries to construct a new type of international relations. Secondly, China persists with taking its relations with European countries as a focal point of constructing a new type of international relations. Europe is the birth place of traditional international relations, but Europe's international relations today have changed essentially comparing to what they were centuries ago. Between China and Europe, there are quite a few common interests, both sides holding shared or similar views on some of the major international issues. As such, there is practical foundation for China and Europe to build and keep long-term, stable relations. On top of setting great store by developing relations with the EU countries as contemporary Chinese leaders have done all along, Xi Jinping has made a major initiative of building China-EU partnership for peace, growth, reform and civilization (Xi, 2018, pp.102-103).

In a larger sense, the long-term practice of New China to construct a new type of international relations transcends the lastingness and historicalness of the paradigm of traditional international relations.

In traditional international relations, strategic game based on the precautionary mindset is a most typical form; antagonism, conflict and even war are most common means of handling relations between concerned parties, and it is the anticipation of concerned parties to international relations between them to attain equilibrium. The reason why traditional international relations came into being and has continued to exist, according to theorists of the realist school of international relations, rests with the state of international anarchy. With its existence and evolution, the state of international anarchy "makes the international system a ruthless and dangerous arena in which countries for survival have no other options but compete with each other for power. Even those countries content with living in peace are accused of participating in a ruthless competition for power" (Mearsheimer, 2003, p.38). Obviously, mankind will not tolerate repeated performances of such a tragedy of great destruction and must search for a new solution and a new way out. It is to this end that China has made continued efforts to construct a new type of international relations.

Historical Experience and Future Prospect of New China's Diplomatic Transformation and a New Type of International Relations

The three rounds of transformation are important practice in New China's diplomatic history, resulting from comprehensive effects of multiple factors such as the firm leadership of the CPC, continued changes in New China's relations with the rest of the world, continued renewal of Chinese leaders'

cognition of the main theme of the times, and major readjustments of China's national development strategy. The endeavors to construct a new type of international relations are necessary implications and an effective focal point of New China's diplomatic transformation. Diplomatic transformation creates the premise to construct a new type of international relations, and charts the latter course forward; whereas endeavors of the latter embody and enrich the concrete content of the former.

44 | In concrete practice, each round of New China's diplomatic transformation and every effort to construct a new type of international relations on top of shaping a favorable external environment for the country will help continue to increase China's comprehensive national strength, world competitiveness and international influence. As a major country, China's diplomatic transformation and particularly its efforts to construct a new type of international relations have transcended bilateral, regional levels and any single realm, producing global and multifaceted effects.

Looking into the future, in face of increasing instability and uncertainty in the international situation of a world in transformative transition, and in face of a more turbulent external environment during the period in which the timeframes of China's two centenary goals converge, all efforts, be it for steady advance of a new round of diplomatic transformation or for active construction of a new type of international relations, require more innovative thinking, vision and measures. Conditioned that the leadership of the CPC is always upheld, and that the main line of serving national rejuvenation and promoting human progress remains solidly in place, China's foreign policy will surely better benefit the people of all countries the world over as well as the Chinese people by more firmly upholding the interests of sovereignty, security and development of the country, more effectively safeguarding world peace and promoting common development, and more forcefully promoting the construction of a community with a shared future for humanity.

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BRI Cooperation System: General Framework and Development Path

Summary: Since the Belt and Road Initiative was brought up in 2013, a wide variety of mechanisms and platforms under its framework have sprung up, which actively led the initiative to a deeper and more practical fashion. OECD, WEF and other mechanisms and platforms with long-accumulated experience can inspire the initiative in building its cooperation system. In order to promote the system, we need to highlight the leading, professional, practical, popularity and justice-based characteristics of those mechanisms and platforms, to connect with which advanced ideas and institutions should be integrated dynamically into the process.

Keywords: Belt and Road, cooperation system, cooperation mechanism, global governance

As a major country with systematic influence, China proposed and is promoting cooperation within the framework of the Belt and Road Initiative (BRI). Such cooperation will surely exert important effects over the international order and governance. As BRI cooperation has entered a new era with high quality, it is necessary to reflect on the development of relevant mechanisms and platforms while drawing on experience from cooperation system of various forms, so as to realize better BRI cooperation outcomes.

General Framework of the BRI Cooperation System

Since the BRI was proposed 8 years ago, relevant cooperation mechanisms and platforms have been mushrooming. Some came into being as a result of top-level design, while some others were “added

bonus” thanks to active participation of cooperation partners. The combination of top-level design and partner actions is basically the framework of the BRI cooperation system.

First, the success of the first and the second Belt and Road Forum for International Cooperation (BRF) has created a concrete “core” for the BRI cooperation system. In particular, the second BRF was more representative, of larger scale, and with richer content. As stipulated by various participants in the Joint Communique of the Leaders’ Roundtable, “We welcome the efforts to further promote bilateral and international cooperation with China under the Belt and Road Initiative. We envisage the Belt and Road Forum on regular basis with possible follow-up events,” and “We look forward to the 3rd Forum” (International cooperation, 2019). A regularly-hosted BRF will

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better play a guiding role in BRI cooperation and offer the most authoritative platform to forge consensus, steer the course and promote cooperation, thus nurturing a strong “core” for the BRI cooperation system.

Second, the signing of more than 200 bilateral and multilateral inter-governmental documents has laid an important institutional foundation for the BRI cooperation system. By the end of January 2020, 200 documents on BRI cooperation have been signed by 138 countries and 30 international organizations with China. These documents are an important part in the BRI cooperation system. In addition, the BRI and its concept of cooperation has also been written into outcome documents of such major international mechanisms as the UN, G20, APEC and SCO. The signing and releasing of these cooperation documents have provided critical institutional guarantee at the international arena for the BRI cooperation system.

Third, the establishment of a series of mechanisms has provided platforms for practice. With the development of “six corridors and six channels serving multiple countries and ports”, various cooperation platforms with the title of “BRI” have also emerged: the CPEC Joint Cooperation Committee was launched by China and Pakistan, the parliamentary committee on CPEC was established in Pakistan, the BRI federal association was opened in Germany,

the BRI research center was jointly launched by the Cambridge University and the Lancaster University, the Japan Research Center on BRI was opened in Japan. Other platforms, including the Silk Road Think Tank Association and the Silk Road NGO Cooperation Network, were also established. They have been promoting BRI cooperation from different aspects, and are increasingly professional and specialized.

Fourth, the on-going improvement of China’s national policies keeps injecting impetus to the BRI cooperation system. The BRI leadership group serves as the major coordinator for BRI development by convening conferences in response to various issues related to BRI cooperation. Departments of the CPC Central Committee and the State Council are developing a coordination mechanism for connectivity in 5 major areas (policy coordination, infrastructure connectivity, unimpeded trade, financial integration and closer people-to-people ties) as well as the building of the digital silk road, the clean silk road and the green silk road. These departments have been strengthening coordination and introducing new strategic planning and innovative measures. Various localities in China also take part in the BRI development based on their own strengths, with increasingly scientific and precise goals for themselves. In general, a BRI policy coordination system is being shaped in China in top-down and bottom-up ways with innovative measures.

Basic Framework of Belt and Road Cooperation System

Belt and Road Forum for International Cooperation	May 14-15, 2017, the First Belt and Road Forum for International Cooperation; April 25-27, 2019, the Second Belt and Road Forum for International Cooperation
Intergovernmental cooperation mechanisms	As of January 2021, China has signed 205 documents on Belt and Road cooperation with 171 countries and international organizations. China has developed cooperation mechanisms with governments of related countries.
Functional mechanism	Political Parties Belt and Road Consultation Mechanism Silk Road NGO Cooperation Network The Silk Road Think Tank Association The Belt and Road News Network The Alliance of International Science Organizations
China's domestic policy-supporting system	Leading group for promoting the Belt and Road Initiative at the national level; Related coordinating mechanisms established by agencies of the CPC Central Committee and central government; Leading group for promoting the Belt and Road Initiative at provincial, autonomous regions and municipality level

Experience of Multilateral Cooperation Mechanisms in History

For something as innovative as the BRI cooperation system, there are no well-developed models or experience. Yet, inspirations could be drawn by analyzing the experience of representative mechanisms and platforms in history.

The first example is the OECD, whose precursor is the OEEC (founded in 1948) and was renamed OECD in 1961. By April 2020, the OECD has developed 37 members and established partnership with such countries as China, Brazil, India, Indonesia and South Africa (Organization for Economic Cooperation and Development). The OECD promotes objectiveness, openness, innovation, exploration and justice as its values. Apart from annual reports, it releases OECD Economic Outlook and economic surveys on a regular basis. OECD reports have become important reference for the international community to evaluate the global economic evolvments, and the industrial standards set by the OECD in company governance, education, agriculture and taxation have also become international standards. There are several reasons behind OECD's international influence. First, it has a focus. Almost all activities of the OECD are about economic cooperation, without much reference to politics and security. Second, it enjoys professional proficiency. The OECD demonstrates its professional knowledge by publishing quality research reports, which has improved its voice in the field of development. Third, it works on promotion. The OECD strives to introduce various rules and standards to the international community and tries to make them internationally acceptable.

48 | The second example is the World Economic Forum, (World Economic Forum) whose precursor is the European Management Forum (founded by the German professor Klaus Schwab on 8 February 1971). Professor Schwab wanted to build a forum to discuss company management and encourage European companies to learn American management ways. He proposed and promoted the concept of “stakeholder”, urging company managers to take into consideration the interests and concerns of various stakeholders including shareholders, clients, customers, employees, communities and local governments. Later, due to the decoupling of gold from the dollar, professor Schwab extended the theme from management to economy and society, paying more attention to critical topics such as the trend of the world economy. Since 1979, the forum has been releasing regularly the Global Competitiveness Report and research reports of various fields, gradually becoming a center of knowledge. In 1987, the European Management Forum was renamed the World Economic Forum (WEF). At present, the WEF strives to serve as an international organization for public-private cooperation, rallying political and business leaders to jointly make global, regional and industrial agendas. The massive international influence of the WEF is mainly thanks to the following: First, it has been focusing on hot-spot issues in world economy that are systematically important, whether as the European Management Forum or as the WEF. Second, it has nurtured a professional image. In addition to the regular publication of quality reports, the WEF also introduces at conferences such milestone reports as Limits to Growth, which has been leading the international discussions. Third, the WEF champions an objective and

inclusive attitude and encourages to see the world in a rigorous, systematic and objective way. It invites various participants to share their point of view, and rallies members of the international community to cooperate to confront international challenges.

Future Development of the BRI Cooperation System

The above-mentioned international mechanisms and platforms differ remarkably from the BRI in historic background, functions, positioning, concept, principles and characteristics. Still, their development experience can be inspirational for the development of the BRI cooperation system.

First, the BRI cooperation system should focus on blazing trails. It should strive to innovate systems, explore to establish multinational management systems for major projects, promote liberalization and facilitation in international investment rules and contribute to the building of new international systems of financial rules, so as to lead international cooperation in economy. Meanwhile, it should further tap cooperation potential and encourage the participation and actions of companies, media, think-tanks and NGOs through BRI mechanisms and platforms.

Second, the BRI cooperation system should keep professional. It can focus on the key role of a “platform for cooperation and development”, and facilitate cooperation on projects by collecting and releasing information. Meanwhile, it should publish professional research reports in a regular basis on the economic situation, investment risks, technological advance, security risks and connectivity in policy, trade, finance, infrastructure and people-to-people exchanges. It should promote communication

and exchanges among various partners, translate consensus into systems and rules, and gradually promote advanced ideas, rules and standards to the international arena.

Third, the BRI cooperation system should be practical. It should keep in line with the development of relevant BRI projects to secure its own resilience. Hence, the BRI cooperation system should bear in mind practical needs and problems, promote the building of knowledge centers including the BRI big data base. It should live up to its role of forging consensus and encouraging cooperation, tap the potential of cooperation, avoid unnecessary conflicts, and address disputes, so as to ensure ongoing improvement of BRI development.

Fourth, the BRI cooperation system should uphold justice. The BRI observes the principle of achieving shared growth through discussion and collaboration. To share development benefits is not only the goal of the BRI, but also an important guarantee for sustained development of the BRI. This principle, and the people-centered approach, represent China's stance of upholding justice over interests and outlook of development. The building of the BRI cooperation system should play a unique role in benefiting ordinary people and ensuring sound interaction between projects and local economic and social development.

Potential Practices for the BRI Cooperation System

Whether to better serve the relevant projects, or to promote innovative development of global governance, “interconnectivity” should be a priority in promoting the BRI cooperation system. “Interconnectivity” should be realized between

concepts, institutions and in practice. In this way, the BRI cooperation system will grow to be more comprehensive and coherent, more compatible with the global governance system and will keep its own quality and resilience.

First, “interconnectivity” can help promote innovation in the concept of global governance. The BRI cooperation system aims at “increase in quantity” based on current global governance system. Hence, it should uphold the UN charter and relevant principles, inject fresh impetus into world economy through BRI development, and increase positive energy for the innovation of global governance. Meanwhile, the BRI cooperation system should call on various parties to innovate, explore new concepts, new modes and new paths for international cooperation and global governance. It should uphold openness and inclusiveness, enhance fairness and justice, and strive to address the negative impacts of protectionism, conservatism, unilateralism and populism.

Second, “interconnectivity” can help to enhance internal coordination of the BRI cooperation system. For various mechanisms and platforms within the framework of the BRI, some lack communication with others, some are redundant, and some are not well-coordinated with others. To make sure that the BRI cooperation system can serve its due role, coordination among these mechanisms and platforms should be enhanced to ensure smooth internal operation of the BRI cooperation system. In detail, interconnectivity and coordination should be improved through top-down guidance and bottom-up exploration to make the cooperation system more professional and efficient. Meanwhile, regulated management should be applied base on the development of the BRI to make relevant work neat, well-organized and efficient.

50 | Third, “interconnectivity” can help promote integrated development of the BRI cooperation system and other cooperation systems. The BRI has already been widely aligned with various cooperation systems at global and regional levels (International Cooperation Summit Forum, 2019). Government departments of China are also carrying out increasing cooperation with their counterparts in partner countries (Belt and Road Forum, 2019). Looking ahead, the BRI cooperation system can further strengthen alignment with such global and regional cooperation mechanisms as the UN, ASEAN, AU, EU and the Eurasian Economic Union. The areas will involve development concept, development planning, economic and social system, cultural values, customs and practices and projects, promoting comprehensive development for all.

Fourth, “interconnectivity” can help to ensure that the BRI cooperation system evolves with the changing times. As this system keeps going forward, it should stay open and flexible to make sure there

is enough room for future reforms. For instance, as the BRI proceeds, some countries will raise new development plans, some others will introduce new development strategies, therefore the cooperation system should leave enough “windows” for these new cooperation plans. The new round of scientific and industrial revolution will change people’s lifestyle in a remarkable way, it will even disrupt some traditional areas and give birth to new models of business. Therefore, the BRI cooperation system should respond to such changes. Moreover, the raging of COVID-19 has illustrated the need for countries to cooperate and coordinate, for which the BRI cooperation system should be prepared.

To conclude, the BRI cooperation system is a significant historic practice that calls for concerted efforts. Let’s keep innovating cooperation ideas, improving cooperation efficiency and sharing cooperation benefits, so as to jointly bring about an even brighter prospect for a community with a shared future for mankind.

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World Economic Situation and China's New Development Pattern Against Background of COVID-19

Summary: The COVID pandemic has devastated the world economy, which has also caused serious slumps in Western developed countries. Although they have adopted “ultra-easy” monetary policy, the real economy did not emerge from recessions because of it and a global “liquidity bubble” was caused instead. The economic recession caused by the pandemic in developed countries may last for years. The governments of some countries in the United States and Europe have adopted strong state intervention methods to control the investment and trade behaviors of enterprises, then force them to „decouple” from China. Based on an objective analysis of the current international situation, China has actively taken countermeasures: on the one hand, it emphasizes mainly relying on the “domestic economic cycle” to maintain growth momentum. And on the other hand, it develops an “international economic cycle” that focus on China`s economy. Establishing a “dual circulation” new development pattern, in which domestic economic cycle plays a leading role while international economic cycle remains its extension and supplement, is a major strategic choice for achieving high-quality economic development.

Keywords: World economy; COVID pandemic; dual circulation; Belt and Road Initiative; new development pattern

COVID-19 pandemic has severely impacted world economy. The US, EU and other developed economies have embraced “super-easing” monetary and financial policies, but unconventional economic policies like those cannot support a medium and long term recovery. Meanwhile, thanks to scientific and rigorous prevention and control, China succeeds in curbing the pandemic fast and resumes work and production soon to represent the major momentum for growth against the atmosphere of global recession caused by the pandemic. However, out of anxiety, jealousy or other complex, some western developed

countries continue to call for “decoupling” with China. Faced with this situation, China must clarify its own needs, adhere to its own international development strategy and avoid external disturbance.

Reoriented Economic Policies of Western Economies Due to Covid-19

In front of the pandemic, neo-liberalism which was once a guideline for western countries' economic policies was questioned while state interventionism has quietly returned.

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52 | Firstly, western economy academic circle are departing from neo-liberalism and justifying state interventionism. Since the international financial crisis in 2008, voices in favor of state interventionism and industrial policies have been growing amongst western economy academic circle. Back to 1980s when neo-liberalism was on the rise, some western economists were criticizing the same industrial policies taken by emergent economies and even accredited them for developing countries' corruption and inefficiency of production. Ironically, in the international financial crisis of 2008, German economy performed quite well and maintained robust growth exactly because it relied on industrial policies which renewed its advantage in manufacturing.

Secondly, the US and European countries are manipulating laws to reinforce protectionism. On one hand, they exercise strict investigation upon foreign direct investments in the so called name of "national security"; on the other hand, they directly enact certain laws to prevent foreign enterprises from acquisition and merger of domestic companies which meet market norms. Western countries abuse legal means, especially the substantial increase in tariffs and other protectionist policies, which may cause global trade war between the blocs and finally lead to global economic depression.

Thirdly, they are putting government financial resources into supporting their enterprises. Although the US and European countries' financial incomes are insufficient to fund their enterprises facing drained liquidity and insolvency, debt monetization allows their central banks to buy government debt so that the latter have money to subsidize the enterprises. What's more, some European media even instigate nationalizing some enterprises to better protect certain industries in case the crucial industries fall into foreign hands.

Developed Countries Used the Pandemic to Accelerate their "Decoupling" with China

Since the pandemic outbreak, China has been the first to resume work and production and has provided the international community including the US and European countries with a plenty of medical supplies on the basis of its first-stage success of pandemic prevention and control. However, some politicians of the US and European countries kept using the pandemic to stigmatize China and even groundlessly accuse China of using "mask diplomacy" to expand its geopolitical influence. Those right-wing politicians connect economic dependence on China with so-called "national security" to maintain and clamor for "decoupling" with China on economy as soon as possible. Meanwhile, the pandemic reminds the US and European countries of their dependence on China's medical equipment and medicine supplies. In order to lower the risk of supply disruption, related countries are continuously accelerating investment in domestic manufacturers, lessening the dependence on import from China.

As is shown by present international situation, the US has not only abandoned the principles of respecting market economy and protecting private property, but begins to uphold big government doctrines featured with state power intervention in market and bullying in international trade based on its dollar hegemony. Although the US and China have reached the first stage economic and trade agreement, the US government refuses to put aside the Cold War mentality and try to keep American enterprises and those rely on American technologies from exporting technologies to China

by long arm jurisdiction so as to suppress on China. Nevertheless, China and the US are still each other's most important partners of trade and investment, which means the so-called "New Cold War" waged by the US on China is impossible. In the process which the US stubbornly pushes forward "decoupling" with China, the opportunities for the US to acquire cheap industrial products are decreasing, the costs to establish new supply chain are rising, and the US economy is likely to be stagnant again.

As is pointed out by British magazine *The Economist*, due to the pandemic, flattened supply chain of global economy is evolving to regional integrated ones. Supply chains are forming in North America with Mexico as the manufacturing base, in Europe with East European countries as the manufacturing base, in East Asia with Southeast Asia China as the manufacturing base. In these circumstances, transnational corporations have to reconsider their investment strategies and supply chain arrangements. However, related enterprises can neither ignore Chinese industries' superiority in the global supply chain, nor give up mature Chinese market. It deserves notice that global transnational investment decreased by 40% in 2020, but foreign direct investment to China increased. Data show that China is still an attractive destination for investment in world market although some transnational corporations hope to resist risks by cutting investments to China.

Constant Growing of China in Economic Globalization

China's opening and reform coincides with economic globalization led by western developed countries under neo-liberalism, which allows

China to participate in globalization quickly and tremendously improve the speed and quality of China's industrialization. It is safe to say that the opening of world economy and globalization have greatly promoted China's industrialization and growing exterior demands have supported China's constant economic growth.

However, the international financial crisis in 2008 led to a striking drop of exterior demands for China. But China turned to rely on its tremendous interior market to maintain economic growth. With relevant stimulus packages including domestic infrastructure investment and consumption market, China realized sustained economic development.

Economic globalization indeed largely boosted China's rapid development of industrialization, making it the economy with the most complete industrial categories in the world. According to statistics of the United Nations Conference on Trade and Development, China has become the only country that equipped with all industrial categories listed in the United Nations International Standard Industrial Classification (ISIC). During the pandemic, only China is able to timely provide the world with most needed medical supplies and daily necessities. In 2018, China's value of industrial output surpassed the sum of that of the US, Japan and Germany, undoubtedly becoming the greatest industrial good producer in the world. That's why western transnational corporation's withdrawal will not impede China's development, but make room and spare market for China's domestic enterprises. Besides, the perseverance, organization ability and resilience China has performed since the outbreak are unparalleled by any other country. So western transnational corporations did not leave China, but enlarged the scale of investment.

“Dual Circulations” of China to Convoy Future Development

54 | Taking it into consideration that China’s traditional export market, the US and European countries are unlikely to control the pandemic and their economy will stay around low level, China needs to change its economic structure including export structure. In order to adjust to today’s international landscape, the Fifth Plenary Session of the 19th National Congress of the Communist Party of China has emphasized on accelerated construction of a new development paradigm with domestic circulation as the mainstay and domestic and international circulations reinforcing each other. For domestic circulation, on one hand, China needs to improve its low-income people’s skills and income to boost consumption within the domestic market; on the other hand, China needs to pay attention to self-reliant industrial ecology in case of adversity due to other countries’ containment. As is pointed out by President Xi Jinping, “The world is experiencing profound shifts unseen in a century, science and technology innovation being a crucial factor of it. To foster opportunities in the midst of crisis and shape a new situation among shifts, we must resort to science and technology innovation.”

To renew international circulation in the new situation is another important link for China’s future development. China not only needs to maintain the important position in global industrial chain, but also needs to climb to a higher position. In the new era, international circulation is about both how to efficiently “bring in” enterprises from developed countries like the US, European countries and Japan,

and how to facilitate Chinese enterprises “going out”. It should be noticed that the Belt and Road Initiative China put forward in 2013 was not only in order to cope with the problems of the slowed global economic growth caused by the international financial crisis, but a “come-in-hand” arrangement for anti-globalization. To some extent, China’s BRI and cooperation agreements with foreign governments represent China-style new-type globalization. Projects of BRI are those of centenary benefits and include high-level participation from both market and authority. As is shown by China’s experience in economic development, for most of the developing countries, a government is obligated to foster market for its country.

Today, China’s BRI has received active response from many countries and has become an important engine for global economic recovery after crisis. But a handful of politicians of the US and some other western countries try every means to offset China’s rising influence by selling African and Middle Asian countries on the possibility of funds and human resources investments, directly contesting with BRI constructions, or even by using propaganda machines to smear fruits of BRI constructions and instigate related countries’ people to sabotage BRI projects. During the pandemic, ASEAN became China’s biggest trade partner for the first time, China’s development mode of international circulation is bursting with vitality. With larger “circle of friends”, China’s industrial capacity can be fully released, which can not only improve China’s investment efficiency, but also enlarge market and facilitate more balanced world economic development.



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The International Economic System in the Historical Process and China's Role

Summary: The history of the construction and development of the international economic system can be traced back to the establishment of the Bretton Woods system at the end of World War II. After more than 70 years, the international economic system in different economic fields such as trade, finance and investment, as well as at the global and regional levels, has been continuously built, reformed and evolved, forming a scene of variety of current international economic system. During this period, China's role in the international economic system has also experienced gradual changes, and has generally undergone a transformation from a bystander to a part trying to fit in, then to a participant, and finally a leader. The evolution of China's role is not only the cause of the institutional changes in the international economic system, but also the outcome. They are complementary and closely related to each other. In the development of the international economic system, China has gradually moved from the periphery to the center, which is both an opportunity and a challenge for China.

Keywords: International economic system; institutional change; institutional strategy; China's Role

The international economic system is an important platform for China to conduct economic diplomacy and participate in global economic governance. Since the end of World War II, the construction of the international system has primarily been focused on the economic sector. The establishment of the World Bank, the International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT) officially kicked off the historical process

of the construction of the international economic system and laid foundation for institutional changes thereafter. As the international economic system continues to develop, the role that China plays in has also been changing. This is not only a strategic choice that China has made based on its judgment of its own power and international situation, but also an objective requirement and necessary condition for the changing international economic system.

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Rise of the International Economic System and China's By-standing Role

From the end of World War II to the 1970s, it was the period when international economic system was taking shape. During this period, China did not have a strong initiative to get involved in the institutional construction and mainly played the role of a “bystander”.

The Bretton Woods System established by the end of World War II was the first global economic system in the real sense. It identified capital liberalization, foreign exchange liberalization and trade liberalization as the principles for post-war global economic governance. Supported by the World Bank and the IMF, and supplemented by the GATT, this system played an important role in maintaining the post-war global financial and trade order. During this period, the US, with its unparalleled strength, became the core of entire international economic system and maintained absolute dominance in the aspects of system-building and rule-making. The most typical example was the dollar-centered “double pegged” principle (i.e., dollar is pegged to gold and the currencies of other nations are pegged to dollar) based on the Bretton Woods System and the fixed exchange rate system. In contrast, China “was busy restoring its domestic development” during this period, and its self-reliant and state-planning economic development model spared it the urgent need to get engaged in international economic system building and global economic governance. Meanwhile, due to the influence of the “Cold War”,

most countries were classified into the clearly-defined and mutually-opposed Eastern Camp and Western Camp. The room for China's participation in international economic system was extremely small and its economic diplomacy was limited to establishing mutual-help economic relations with socialist countries in Eastern Europe and providing economic aid to developing countries in Asia and Africa. The ideological difference highlighted by the cold war also triggered a repulsive mood in China against the US-dominated international system.

Therefore, over the three decades from the 1940s to the 1970s, China did not have a strong initiative to participate in international economic institutions and stayed adrift from them as a bystander. Only until the 1970s to 1980s when the tense international situation was alleviated and after identifying the importance of the institutions for its external economic development did China start to take the initiative to resume its legal seats in these institutions through diplomatic efforts.

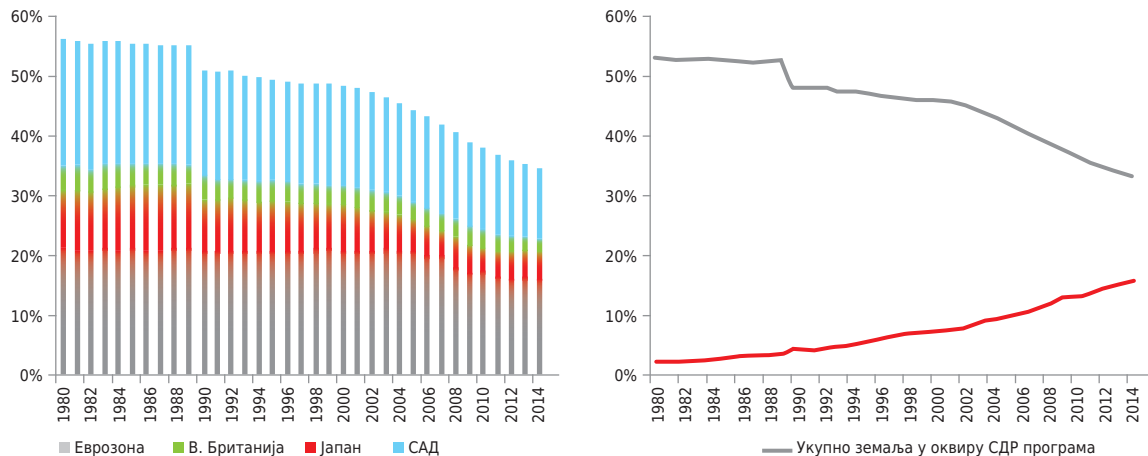
Development of the International Economic System and China's Integrating Role

Since the end of the 1970s, as the IMF, the World Bank and the GATT continued to mature, and new international economic institutions at regional level sprang up, China started to reveal great enthusiasm in participating in international economic systems, and took the initiative to integrate into the existing international systems, starting to apply or reapplying for joining international economic organizations of all kinds.

The year 1980 was a turning point for China. In that year, China successively resumed its seats in the IMF, the World Bank and their subordinating agencies, kicking off a new chapter in its financial diplomacy. As shown in figure 1, The IMF adopted a resolution to increase China's SDR shares from 550 million to 1.2 billion upon China's re-accession; from 1981, the World Bank also started to provide loans to China, and gradually advanced cooperation with China on infrastructure and talent cultivation. Afterwards, China's participation in economic diplomacy under the international economic system framework grew day by day in terms of both width

and depth. For example, in the financial sector, China's participation in the international system started to extend from global level to regional level. In 1986, China became a member state of the Asia Development Bank (ADB) and was elected as board member state and acquired an independent board member seat during the re-election of the ADB the next year. In the trade sector, China officially submitted its application to re-enter the GATT and started a prolonged negotiation for re-accession to the GATT and the subsequent accession to the World Trade Organization. In addition, China also broke away with the limits of its past economic

Графикон 1: Важност СДР економије у свету постепено опада, у поређењу са кинеском, која расте



Извор података: Wind

diplomacy and started the construction of bilateral economic mechanisms. Against the backdrop that the US fully relaxed its technology control to China in the 1980s and its technological export and transfer to China increased sharply, the Joint Commission on Commerce and Trade was established in 1983. This system was one of the earliest diplomatic mechanisms for dialogue in the economic and trade sector between the two countries, and became an effective model for China to follow in its subsequent bilateral institutional construction with the US. As China was limited in economic strength and wasn't yet familiar with international economic rules, its participation in the international economic system was mainly about "regulating itself and trying to integrate". After a series of economic diplomacy activities, though, China further knew about the operation rules of various international economic systems, and preliminarily developed the awareness and ability to wield institutional strategies in economic diplomacy.

In the 1990s, China sought to integrate into the existing international economic system in a more resolute and active way. It took the initiative to study the existing international economic rules and started to integrate into the international division of labor. On the one hand, China participated in international economic systems at regional level. In 1991, China joined the Asia Pacific Economic Cooperation (APEC) upon invitation and participated in its summit for the first time in 1993, kicking off its international economic cooperation at all levels under the APEC framework. The APEC then became an important platform for China to conduct economic diplomacy in the Asia Pacific

Region. In 1997, the ASEAN-China, Japan, ROK (10+3) Cooperation Mechanism came into being against the backdrop of economic globalization and the post financial crisis era. China actively participated in the dialogues and other activities under this mechanism and pushed the mechanism towards maturity and perfection. On the other hand, China successfully entered the WTO through negotiation. Starting from the 1990s, China spent 13 years in the negotiation on re-accession to the GATT and accession to the WTO, and the most major negotiation was with the United States. Finally, China officially became a member state of the WTO in November, 2001, kicking off a new era for China's participation in the international economic system. The "accession-to-WTO" negotiation was an invaluable opportunity for China to study and adapt to international rules on trade. It also helped China form the basic positions and principles of free trade it had adhered to thereafter on the international stage. In general, the key word for China's participation in the international economic system during this period was "study", that is, to keep studying the rules for fully integrating into the international economic system. This has laid a solid foundation for China's further participation in the making of international economic rules.

Expansion of International Economic System and China's Participatory Role

In the 2000s, marked by its accession to the WTO, China started to become an official member of the international economic system and an active

participant on the stage of international economic diplomacy. The position of participating in international economic system construction and global economic governance has risen in China's overall diplomacy. On the one hand, China became more familiar with the game rules of international economy, raised its participation level in the international economic system, and improved its ability to use the international economic system strategy. On the other hand, the expectation of the rest of the world about China playing a constructive role in building the international economic system was also on the rise. During this period, China's integrating role in the international economic system gradually changed to innovating and participatory roles.

First, China actively participated in the construction of international economic systems at global level. As the largest developing country in the world, the ever-rising international position required China to quickly shift from "the state of adaptation" to "the state of active participation" after joining the WTO, so as to push for the creation of more fair and more reasonable rules and regulations in the international economic system. At the Doha round negotiation, China revealed an image of a resolute guard and practitioner of the multilateral trade system. In global financial governance, after the international financial crisis broke out in 2008, China actively pushed the G20 Ministerial Meeting to be upgraded to the G20 Summit and played a constructive role in the process.

Second, China pushed for the construction of free trade areas (FTA) at regional level, and actively pushed for the construction of a financial order in

the East Asia region. In 2000, China for the first time proposed the conception of China-ASEAN Free Trade Area (CAFTA); in 2010, this FTA was officially established and is now the third largest FTA in the world, and the largest FTA made up with developing countries. In the negotiation and preparation process for the FTA, China's role was irreplaceable. The most notable example was its strong support to the ASEAN countries after they were severely hit by the Asian Financial Crisis, which enabled the ASEAN countries to develop confidence in regional cooperation thereafter, and greatly sped up the construction process of the CAFTA. In addition, from 2003 to 2004, China proposed the conception of constructing a free trade area in East Asia at many occasions during a series of summits of East Asia. This was an important driver for the decision to implement the "Regional Comprehensive Economic Partnership" at the 19th Summit of the ASEAN in 2011. This free trade agreement is also the most notable regional-level international economic mechanism in East Asia and even in the Asia Pacific Region.

In the area of regional financial system construction, China actively participated in the Chiang Mai Initiative under the "10+3" Mechanism. This agreement on the establishment of a regional currency exchange network has substantially promoted the formation of regional financial assistance mechanisms and become the most important institutional achievement in the financial and monetary sector of East Asia and even the entire Asia. Taking regional cooperation as the starting point, along with the strengthening of economic strength and the accumulation of

financial management experience, China gradually surpassed the participatory role in the international economic system and began to exert more economic leadership that matched with its strength.

Changes in the International Economic System and China's Leading Role

60 | With the 2008 international financial crisis and China becoming the world's second largest economy in 2010 as the symbol, China has become one of the leaders in international economic diplomacy. Affected by the financial crisis and the debt crisis, the traditional leadership of the United States and the European Union has been weakened. Due to its huge economic volume and the impact on the world economy, China became one of the three leaders alongside the US and Europe in the international economic and diplomatic arena. This leadership position grew more notable after 2013, and was mainly manifested by the increasingly prominent role of China in the construction of international economic institutions.

First, leading the creation of new systems and reform of the old ones. In recent years, the willingness of the United States and other Western powers to construct international systems has declined. China has taken the initiative to assume responsibility of promoting global economic governance and has actively led the creation of many international economic mechanisms. In its neighboring regions, China has proposed regional economic cooperation initiatives such as the “China-Pakistan Economic Corridor”, the “Bangladesh-China-India-Myanmar Economic Corridor” and the Lancang-Mekong

Cooperation. Since its establishment in 2016, the Lancang-Mekong Cooperation has developed into one of the most influential and effective sub-regional economic cooperation mechanisms on the Central South Peninsula and even in Southeast Asia in a short period of time. At the global or Asia-Pacific level, China advocated the establishment of international financial institutions such as the New Development Bank, the SCO Inter-bank Association and the Asian Infrastructure Investment Bank, which have shaken the monopoly position of existing international financial organizations such as the IMF, the World Bank and the ADB in global and regional financial governance. Another major achievement of China's establishment of new systems was the holding of the “Belt and Road Forum” and the decision of turning it into a permanent international conference mechanism. The success and continuous development of the forum marked the Belt and Road Initiative as a new model of global economic governance, which has been recognized, supported and joined by more and more countries in the world.

In addition, China has also played an active role in promoting the reform of the existing international economic system. In the reform of the International Monetary Fund, China joined forces with other emerging market countries and developing countries to urge the IMF executive board to increase the shares and voting rights of these countries. At the same time, through various means such as diplomatic negotiations, the IMF board of directors also agreed to expand the SDR currency basket by including the RMB. In promoting the reform of the World Bank, China has striven for more rights for emerging market

countries and developing countries as well as countries in transition. On the more complicated issue of reforming the WTO, China adheres to the principle that reform-related decisions must be made based on consensus, holds fast to the traditional WTO attitude of "ownership neutrality", and asserts the core position of development. All these are in line with the principles of most developing countries or countries in transition. In terms of dispute settlement, it advocates breaking the deadlock in the selection of Appellate Body members as soon as possible, and providing necessary clarifications to and restrictions on the authority of the Appellate Body, which is in line with the ideas of most WTO member states except for the US. Based on the above position, China submitted the "China's Proposal on WTO Reform" to the World Trade Organization, and conducted active communication and joint operations with WTO members such as the European Union. In general, however, due to the serious differences in the positions of member states, the WTO reform is still in a deadlock.

Second, taking the initiative to launch issues on the platforms of the international economic system. On the eve of the G20 Summit in London in 2009, Zhou Xiaochuan, then Governor of the People's Bank of China, proposed to create a "above-sovereignty international reserve currency" to replace the current "single international reserve currency" and proposed that special drawing rights should be promoted as an international currency and that the reform of the international financial system should be actively promoted. At the G20 Summit in Hangzhou in 2016, China officially proposed the "China Program" for global economic

governance. In the economic diplomacy with the US, China raised the issues of "foreign exchange asset security" and "protectionism in investment" in the US. The introduction of these reforms and cooperation initiatives marks the beginning that China has become an issue leader in the international economic system.

Third, actively sending talents to international economic organizations. In the field of trade, China's former Permanent Representative to the WTO, Yi Xiaozhun, became the first Deputy Director-General of the World Trade Organization from China. In the financial field, Chinese economist Justin Yifu Lin was appointed as Senior Vice President and Chief Economist of the World Bank, which was the first time that a person from developing countries had taken up this important position; Zhu Min, Deputy Governor of the People's Bank of China, became the first Chinese to be the Vice President of the IMF. In the agricultural sector, Qu Dongyu, former Vice Minister of the Ministry of Agriculture and Rural Affairs of China, was elected as the Director-General of the Food and Agriculture Organization of the United Nations (FAO) in 2019, becoming the first Chinese Director-General of the FAO. Chinese faces have appeared in several important international economic organizations, breaking the monopoly of European and American countries on the leadership of major international economic organizations. This change also meets with the recognition and expectation of the international community that China should play a leading role in the international economic system.

Fourth, participating in and leading the formulation of international economic rules. China's principle of "common but differentiated



View of Guangzhou city in Guangdong province

responsibilities" in environmental and climate diplomacy has been recognized by many countries in the world and has become an important principle in international climate negotiations. After the outbreak of the international financial crisis in 2008, China proposed to strengthen supervision of the financial sector and oppose to American-style laissez-faire freedom. This proposal later became the common base tone in the field of international financial governance. In addition, the numerous international economic systems that China has led to the creation, such as the New Development Bank, the AIIB, and the Belt and Road Forum, also manifest innovation in the international rules. These mechanisms have, in effect, broken the current global financial and economic governance pattern dominated by the west, and established a new set of international financial and economic

rules led by emerging market countries represented by China, and formed the current situation in which two systems of rules coexist.

Judging from its historical development trends, the changes in the international economic system are getting increasingly diversified and complicated, and will continue to play an irreplaceable role in the future construction of the global economic order. In the evolution of the international economic system, China's role has gradually moved from the edge to the center. For China, this is both an opportunity and a challenge. The former is represented by its rising influence and voice in global economic governance. The latter is mainly reflected in the fact that the international responsibility of China and the strategic competition pressure from other major countries on China are both on the rise.



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The Global Significance of China's Achievements in Poverty Alleviation

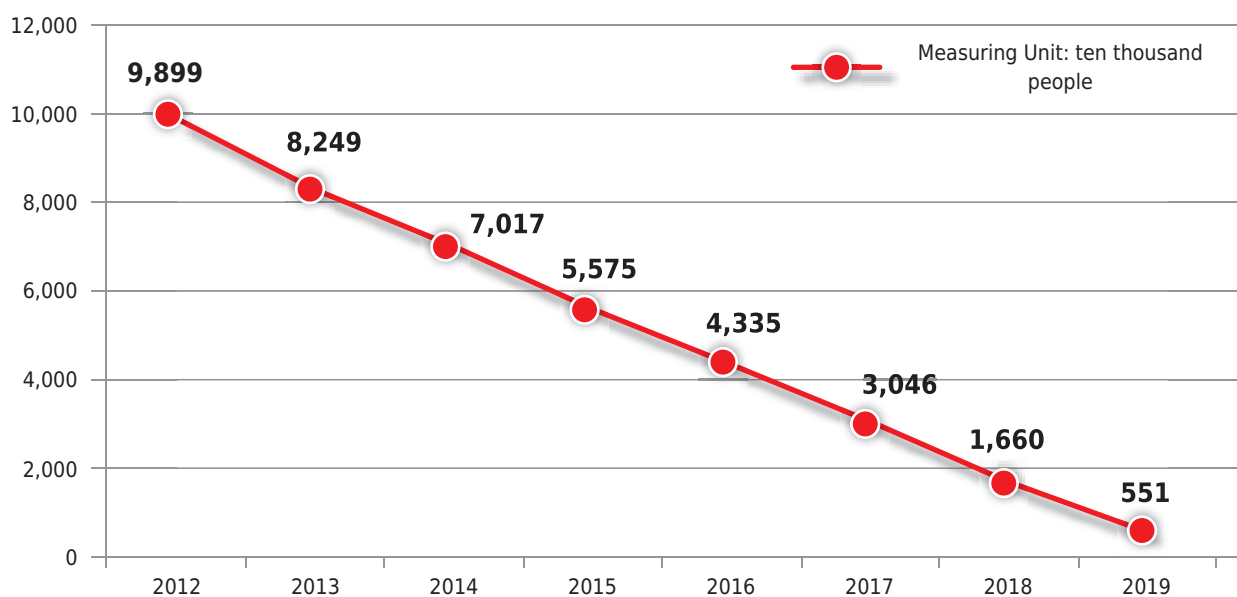
On February 25, 2021, General Secretary Xi Jinping delivered an important speech at the National Summary and Commendation Conference for Poverty Alleviation and pointed out that China has won a complete victory in poverty alleviation at the crucial moment of welcoming the 100th anniversary of the founding of the Communist Party of China. This great victory and glory is not only a miracle never seen in China, but also a monument to the cause of global poverty reduction, which is of great value of the times as well as of great significance to the world.

We are ready to contribute to the world poverty alleviation by sharing China's experience. The Communist Party of China is a political party that seeks happiness for the Chinese people and also a party striving for the cause of human progress. Since the 18th National Congress of the CPC, General Secretary Xi Jinping has made a series of important expositions, which have enriched and developed the anti-poverty theory of Marxism, innovated and expanded the poverty alleviation path with Chinese characteristics, as well as provided a guiding principle for action in winning the fight against poverty. At the National Summary and

Commendation Conference for Poverty Alleviation, General Secretary Xi further summarized China's experience and understanding as "seven stick-tos", which not only are of practical significance to China's building of long-term mechanism for sustained poverty alleviation and realization of common prosperity, but also have greatly enriched the theory of poverty reduction of mankind, contributing to the world poverty reduction governance and cause. It is a general belief among foreign political parties, think tanks and media that China has built effective policy system, working system and institutional system for poverty alleviation, which is a valuable treasure of human poverty reduction experience and can provide useful reference for countries in the world to get rid of poverty. According to leaders of the African Union and African countries, China's experience in poverty alleviation is very important to Africa, and China is not only a friend but also a role model. UN Secretary General Guterres said that the targeted poverty alleviation strategy is the only way to help the poor people and achieve the grand goal set in the 2030 agenda for sustainable development, and China's experience can provide useful reference for other developing countries.

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Graph 1: **The Trend of the Poor Population in China**
(Measuring Unit: ten thousand people)



Source: China's National Bureau of Rural Revitalization. <http://www.cpad.gov.cn/col/col2355/index.html>

We are ready to provide China's solutions for global poverty reduction. Getting rid of poverty has been a prominent problem in global development and governance. China always adheres to the people-centered development concept, adheres to eliminating the root causes of poverty by means of development, and adheres to regarding the rights to subsistence and development as the primary and basic human rights. These ideas have not only played a guiding role in China's elimination of abject poverty, but also provided China's solutions for tackling the world-wide poverty problem at the practical level. While committed to its own

poverty alleviation undertaking domestically, China actively participates in global poverty reduction governance and shares China's ideas and practices through multi-level mechanisms for exchange and cooperation, such as China International Forum on Poverty Alleviation, China-ASEAN Forum on Social Development and Poverty Reduction, East Asia Poverty Reduction Demonstration and Cooperation Project, etc. The concept and practice of targeted poverty alleviation advocated by China was included in a resolution on eliminating rural poverty adopted by the UN General Assembly during its 73rd session in 2018. At the International

Seminar on Poverty Eradication and Responsibility of Political Parties held in 2020, the participants from different countries unanimously expressed that China's wisdom and solutions have made significant contributions to the progress of world poverty reduction and global poverty reduction governance.

We are ready to contribute China's strength to world poverty reduction undertaking. China has created a poverty alleviation miracle in the history of human poverty reduction. Since the beginning of the reform and opening up, China has lifted 770 million rural people out of poverty according to the current poverty line, and contributed over 70% to the world's poverty reduction according to the World Bank international poverty standard. Against the background of the still serious global poverty situation and increasing gap between the rich and poor in some countries, China has achieved the goal of ending poverty in the UN 2030 Agenda for Sustainable Development 10 years ahead of schedule, which has undoubtedly boosted the confidence of the cause of human poverty reduction. China has always been engaging in international poverty reduction cooperation and contributed to the global poverty reduction. China has provided assistance to other developing countries to the best of its capacity through material aid, debt relief, expanding

imports and other means. China actively promotes the Belt and Road Initiative, aiming at exploring common development and shared prosperity with all countries in the world. According to a report released by the World Bank, the Belt and Road development will help to lift 7.6 million people out of extreme poverty and 32 million people out of moderate poverty. ECLAC Executive Secretary Bárcena said that in the past 70 years, China has always been committed to eradicating poverty by itself and has actively engaged in South-South cooperation. China's poverty alleviation efforts have greatly accelerated the development of world poverty reduction.

A single flower does not make spring, while many flowers in full blossom bring spring to the garden. Standing at the historical intersection of the Two Centenary Goals, China will always carry forward the spirit of poverty alleviation and international cooperation. Amid the great changes of the century, China will uphold the correct historical, overall and role view, firmly promote the building of a community with a shared future for mankind, and firmly act as the active advocator and powerful promoter of the world poverty reduction undertaking, and make new and greater contribution to building the world into a prosperous one without poverty.



Photo: Xinhua

The Yangtze River



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Elements of Global Superiority of the People's Republic of China in the 21st Century

Summary: The Chinese state has existed for more than five thousand years and in the history of human society it has always presented its own specific civilizational attainment, which exerted a considerable influence on the Asian region. In the years since its creation on October 1, 1949, and especially in the last decade, New China has stepped out beyond the region of Asia onto the global scene. With its economic power and international development projects (amongst which the Belt and Road projects stands out), China has become a leader of development and the promoter of the idea of international cooperation in the interests of peace and security in the world and the protection of the future of mankind. This paper will attempt to delineate the elements of the development of the People's Republic of China in the 21st century, placing a special focus on the realization of the Belt and Road initiative and the results of the struggle against the Covid-19 pandemic, all of which have made China an essential factor in the power relations between great global forces and the resultant change of attitude of the United States of America and the European Union towards China. Namely, China has always been a large country in terms of the size of its territory and population, but it is in the 21st century that the PR of China has become a strong state with the status of a global power. Such results in the organization of society and the state, the promotion of new development ideas and the achievement of set goals, would not have been possible without the Communist Party of China, as the main ideological, integrative and organizational factor within Chinese society. In its activities, the Chinese state sublimates the experiences of China's past with an understanding of the present moment in the international community and the need of Chinese citizens to improve the quality of life and to ensure stable development of the country. The United States and the European Union are taking various measures to oppose the strengthening of the People's Republic of China. These include looking after their interests and preserving their position in the international community, while simultaneously trying, if possible, to avoid jeopardizing their economic cooperation with China.

Keywords: China, global power, Belt and Road, United States of America, European Union, international relations

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Introduction

In modern history of the development of human society there has never been a country which has made such a giant leap in its social and economic development in such a short period as China has done. From 1949, when it was founded, to this day, China has in multiple ways improved the lives of its citizens and their standard of living, it has developed the infrastructure of the country (a network of highways, railways, and air routes) and technology and has become one of the leading powerhouses of the world, a country with a strong economy, powerful military and great political influence. Almost all innovation in the past decade has come from China. Besides all the new things that have become part of modern China's identity, the country has not forgotten its past, its traditions, and its history. China has succeeded in binding its history with the present, its ancient customs and its new aspirations, the philosophy of Confucius and modern life. In other words, modern China has succeeded to change many things in its society, to become one of the most powerful countries in the world and yet remain part of the centuries-old Chinese state, whose values and traditions have survived for five thousand years. At the international level, the People's Republic of China has emerged as the leader of regional and global development through numerous multilateral development projects, amongst which the Belt and Road project stands out. As the originator of these projects, China advocates the cooperation of states, primarily in the United Nations, but also in other international organizations, while preserving peace and security and promoting

mutual agreements between countries facing global challenges and problems, all in the interest of the future of mankind.

The Strengths of the People's Republic of China

The People's Republic of China is the first country in the world in terms of population. According to the United Nations, in 2020 the People's Republic of China had a population of 1.443 billion, or 18.34% of the world's total population of 7.868 billion. After China, India has the largest population with 1.392 billion inhabitants, followed by the United States with 327 million people, Indonesia, Pakistan, Nigeria, Brazil, Bangladesh, Russia and Mexico, all countries with a far smaller population compared to China (United Nations, 2019). In terms of area, with 9,569,901 km², China is the third country in the world (after the Russian Federation and Canada, and ahead of the United States of America), and it is the largest country in Asia. China is politically one of the most influential countries in the world. The People's Republic of China has been a permanent member of the Security Council of the United Nations (one of five) since the inception of this most important of international multilateral organization (1945). With the strengthening of the economic power of the People's Republic of China, its political importance and influence has also increased. The views of the People's Republic of China on various global issues are carefully monitored, analyzed and respected by other countries. For its part, the People's Republic of China supports the work of the United Nations as "the most universal, most representative and

most important international organization, the multilateral arena for the promotion of peace and the solving of regional and global problems” (“Multilateralism is important”, 2020). For this reason, the People’s Republic of China insists that all important questions regarding for peace and security in the world, as well as other issues that impact the future of mankind (environmental protection, climate change, modern security challenges, etc.) need to be considered by and agreed about within the United Nations.

In the sphere of economy, the People’s Republic of China is among the leading countries in the world, with good prospects of becoming the first economy in the world very soon. China’s gross domestic product in 2020 was \$14.720 billion. Two decades earlier, China’s GDP was 1.210 billion dollars, which means that the country’s GDP rose more than 12 times in two decades.^[2] Ahead of China are the United States, whose GDP in 2020 amounted to 20.930 billion dollars. The growth of the US’s GDP in the past two decades did not experience such marked step changes as in the case of China, as in 2000 it amounted to 10.250 billion dollars, presenting a mere twofold increase. According to experts, the differences in the strength of the

economy between the United States and China will shrink rapidly and this process has been accelerated during the Covid-19 pandemic. Amongst the 10 leading economies in the world, besides the US, China and Japan are Germany, Great Britain, India, France, Italy, Canada and South Korea.

The accelerated rise of China’s economic power in the 21st century and its ability to actively participate in the process of linking the world economically are confirmed by the figures regarding the representation of Chinese companies in the list of the largest (most successful) companies in the world compiled by to *Fortune* magazine. In 2000, among the top 200 largest multinationals in the world, only two companies were from the People’s Republic of China: China Petrochemical Corp. in 58th position and the State Power Corporation of China in 83rd position (*Fortune*, 2000), while, as expected, the greatest number of companies were from the United States, Japan and Germany.^[3] Ten years later, among the 200 largest companies there were 14 from the PRC, 60 from the United States, 26 from Japan and 16 from Germany, while the remaining 84 companies were based in other countries (*Fortune*, 2010). A year ago, in 2020, out of the total of 200 largest companies in the

[2] Cited from <https://www.inf.org/en/Countries/USA#Countrydata> (taken from the International Monetary Fund website, accessed May 26, 2021. According to the National Bureau of Statistics of China, the country’s real annual economic growth (in %) averaged 9.57% per year from 1993 to 2003. Economic growth averaged 10.15% per year from 2003 to 2010. The growth of China’s GDP in the following years was somewhat lower (in 2011 - 9.2%, in 2012 and 2013 - 7.7%, in 2014 - 7.4%, 2015 - 6.9%, in 2016 the target growth rate was between 6.5% and 7%, while in 2017 it was 7.1%). Cited according to Janković 2017, pp. 48–54; Manchang, 2018, pp. 10.

[3] For more information see: *Ibid.* Proof of the global dominance of the economies of the US, Japan and Germany (i.e., the strength of multinational companies from these countries) at the end of the 20th century is found in the fact that in 1999 142 of the largest multinationals had their headquarters in these three countries. Cited after Steger, 2005, p. 45; Kilibarda, 2008, p. 208.

world, a quarter (50 companies) were from the People's Republic of China, while the United States maintained the same level of representation (60 companies), 22 companies were from Japan, 10 were from Germany, while the remainder (58) were from other countries (Fortune, 2020). The increase in the number of companies from the PRC in the first decade of the 21st century (from only 2 companies to 50), most clearly demonstrates the strength, variety, technological, organizational and developmental potentials of the companies coming from China and thus the Chinese economy as a whole.

70 | China's economic development and political influence are accompanied by the strengthening of its military power. According to the Global Firepower website, which has been publishing annual reports and ranking lists of national armed forces since 2006, at the beginning of 2021, the People's Republic of China was the third strongest military power in the world among 139 countries on the ranking list. The military strength of each country is calculated on the basis of an index that includes more than 50 factors (not only the number of soldiers and the type and number of different types of weapons, but also financing, logistical capabilities, geographical surroundings, etc.) (New world military rankings, 2021). The United States

is still in the leading position, with a Power Index of 0.0718 (the closer the index is to zero, the higher the military strength of the state). In second place is the Russian Federation (Power Index of 0.0791), and in third place is the People's Republic of China with a Power Index of 0.0854.^[4] The military power of the People's Republic of China is undoubtedly many times greater than two decades ago or earlier, which is a consequence of the overall development of China and investments in the development of its military power. That all other countries lag behind the world's leading military forces is demonstrated by the Power Index of India, which is in fourth position (Index 0.1207), then Japan, which is in fifth (Power Index 0.1599) and others.

The Belt and Road Initiative

China's global Belt and Road development initiative, which aims to connect Asia with Africa and Europe by different territorial and maritime routes (as epitomized by the former Silk Road), was promoted by Xi Jinping, President of the People's Republic of China, during visits to Kazakhstan^[5] in September and Indonesia^[6] in October 2013. years. The Belt and Road represents China's new development strategy on a global scale, with far-reaching positive

[4] The military budget of the People's Republic of China (178 billion dollars) is smaller than the budget of the United States, but larger than the budget of Russia. China has the largest number of active members in the armed forces (with 2.185 million members), as well as 3,260 military aircraft, 35,000 armored vehicles (including 3,205 tanks) and 770 warships, including two aircraft carriers (New world military rankings, 2021).

[5] In his address at the University of Azerbaijan in Astana (Kazakhstan) on September 7, 2013, President Xi pointed to the fact that 2100 years ago, during the Han Dynasty, peace and friendship missions established contact between China and Central Asian countries and started the Silk Road that connects East and West, Asia and Europe. For more see: Jinping, 2014, p. 315–319.

[6] One month later, during a visit to Indonesia on October 3, 2013, President Xi emphasized China's intention to develop a maritime partnership with other countries in a joint effort to build the 21st Century Silk Road. For more see: *Ibid*, p. 320–324.

economic and political implications, both for the participating countries and for the growth of the international community, peace and security in the world. The call for cooperation in the implementation of the Belt and Road strategy has been sent to all countries that are on the territorial and maritime routes of this large project.^[7] The range of cooperation and connection between states, both at the unilateral and at the regional level, is broad. In addition to the joint construction of various infrastructure projects (construction of railways and highways), the Belt and Road initiative also includes the construction of ports, projects in the field of energy (gas, oil and energy infrastructure), the construction of information and telecommunications facilities, a network of free trade zones, the facilitation of mutual trade, investments, financial cooperation, cooperation in the fields of environmental protection, education, science, information, culture, health, tourism,

human exchange, etc. (Office of the Heading Group for the Belt and Road Initiative, 2017, pp. 18–48). The outstanding feature of the Belt and Road initiative is among other things its inclusiveness – it is open to any country with the desire to participate in the process of cooperation and implementation of projects (no one, that is, no country, is obliged to join the Initiative). Cooperation in the realization of this initiative provides various benefits for all those involved, participating states and their citizens.

The huge importance of the Belt and Road initiative is confirmed by the number of countries participating in this project. At the time of its promotion, it included 64 countries, in addition to China, situated on the routes (terrestrial and maritime) that connect the three continents: Asia, Africa and Europe.^[8] The Belt and Road participating countries (65 member states at the Initiative's start) covered an area of 51,491,201 km², inhabited by more than 4,400,000,000 people (World Bank,

[7] Taking into account the old routes of the terrestrial and maritime Silk Road, China has established five directions within the Belt and Road - three „terrestrial” and two „maritime”. One route starts from northwestern and northeastern China, goes through Central Asia and Russia, to Europe and the Baltic Sea. The second, from northwestern China to the Persian Gulf and the Mediterranean Sea, passing through Central and Western Asia, and the third route connects southwestern China with the region of Indochina, ending on the coast of the Indian Ocean. The Maritime Silk Road has two routes: one route, which starts from China's coastal ports, passes through the South China Sea to the Indian Ocean and extends to Europe, and the other, which also starts from China's coastal ports, passes through the South China Sea and extends to the South Pacific. Cited from: Office of the Heading Group for the Belt and Road Initiative, 2017, p. 18–19.

[8] At the time the Belt and Road initiative was promoted, in addition to China, it included another 64 countries in the area between Asia (China) and Europe, including parts of Africa. From Central Asia, in addition to Russia and Mongolia, the member states of the Belt and Road were Kazakhstan, Tajikistan, Kyrgyzstan, Uzbekistan and Turkmenistan. Southeast Asian countries involved in the project are Indonesia, Cambodia, East Timor, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos and Myanmar. From South Asia, the members are Nepal, Bhutan, Maldives, Afghanistan, Pakistan, India, Bangladesh, and Sri Lanka. In Europe, the Belt and Road included 16 countries (members of the process of China's cooperation with Central and Eastern European countries): Poland, Montenegro, Macedonia, Bosnia and Herzegovina, Albania, Lithuania, Latvia, Estonia, the Czech Republic, the Slovak Republic, Hungary, Slovenia, Croatia, Romania, Bulgaria and Serbia. From West Asia and North Africa, the members of the Belt and Road are Iran, Syria, Jordan, Israel, Iraq, Lebanon, Palestine, Egypt, Turkey, Saudi Arabia, the United Arab Emirates, Oman, Kuwait, Qatar, Bahrain and Yemen. Georgia, Belarus, Ukraine, Azerbaijan, Moldova and Armenia were also included from Central and Eastern Europe (Wang, 2018, p. 76).

2021),^[9] that is, more than half of the total world population. The number of countries interested in participating in the Belt and Road initiative has increased in the meantime. The (first) Belt and Road Forum, held in May 2017 in Beijing, was attended, as participants or observers, by representatives of about 100 countries, as well as representatives of 70 international organizations (Obradović, 2018, p. 159). The second forum, held in April 2019, also in Beijing, was attended by about 140 heads of state and participating governments (Brkić, 2019). The breadth and importance of the Belt and Road initiative, both on the bilateral and global level, is confirmed by the data published by the National Development and Reform Commission in November 2020, according to which China signed 201 documents on cooperation within the Belt and Road initiative with 138 countries and 31 international organizations, despite the negative impact of the Covid-19 pandemic (Beta, 2020).

Many countries and regional organizations which have embraced cooperation in the realization of goals (projects) that are part of the Belt and Road initiative, have accepted the harmonization of

infrastructure development plans of the signatory states with the content of this project (Obradović, 2016, p. 84). The importance of the Belt and Road initiative on a global level was also recognized by the United Nations, which endorsed this project.

By promoting the great global development project „One Belt, One Road”, in 2013, Chinese President Xi Jinping essentially announced new steps which the People’s Republic of China would take with the goal of strengthening Chinese society and state, but this time with a marked international dimension. Namely, the Belt and Road initiative could not be realized without the ability of the People’s Republic of China to join international economic flows, that is, economic globalization. This position of China was clearly presented by Xi Jinping at the World Economic Forum held in Davos, in January 2017.^[10] At the end of the year, in his speech at the 19th Congress of the Communist Party of China in October, President Xi Jinping took a “step forward” in affirming the development plans and goals of the Chinese state in the period preceding the celebration of the 100th anniversary of the proclamation of the

[9] For more see Obradović, 2018.

[10] In his address, President Xi Jinping emphasized that “China has taken a bold step and accepted the global market” and that this „has proven to be a good strategic choice.” In order for China’s economy to develop, according to the President, the country “must have the strength to swim in the vast ocean of the global market” and therefore needs to adapt to economic globalization and direct it, soften its negative impact and make sure that “its benefits reach all countries and peoples”. By explaining the way in which the People’s Republic of China acts in the process of economic globalization, President Xi actually promoted China’s economic strength and its position as a country with great global influence and its intention to strengthen that position even more. Xi believes that China should act “proactively” and manage the process of economic globalization in an “appropriate way in order to achieve its positive development [since economic globalization also has negative consequences – author’s remark] and balance its course.” China’s intention is to follow the “general trend, taking into consideration specific national conditions” of the country and to go down the route of integration in the process of economic globalization at an “appropriate pace”. The ultimate goal that China wants to achieve in this way is to strike a balance “between efficiency and justice” to ensure that “different countries, different social strata and different groups of people benefit from economic globalization.” Cited from: Jinping, Belgrade, 2019, p. 71.

People's Republic of China. He outlined the elements of the country's "two-step development plan" from 2020 to the middle of the 21st century, and at the end of this phase of development, in addition to many other goals to be achieved, China is projected to become a global leader in terms of national strength and international influence (Jinping, 2017, p. 25).

China's struggle against Covid-19

In the fight against Covid-19, which has become a global health phenomenon and threat, China has proven itself to be a responsible, well-organized, and efficient country. It was the first country to bring the new virus under control and the first to restart economic development and establish cooperation with other states. In that way, on a global level, the unstoppable process of the "transition of economic power" from the USA to China has essentially begun.

The secret of China's success in the fight against Covid-19 can be seen in the approach of the Chinese state, which included a wide range of measures aimed at stopping the spread of infection, protecting the health of citizens, but also creating opportunities for people to move and work. The People's Republic of China introduced a sophisticated system of health codes which

help track the movement of people. The system enabled the country to introduce lockdowns in the regions and cities where the coronavirus was found, regardless of their size or population.^[11] The spread of the virus also was also curbed by the high degree of discipline of China's citizens, who diligently wore masks and respected epidemiological measures, as well as the authorities' strict supervision of the population's adherence to compulsory measures.

Along with stopping the spread of the new virus, that is, putting Covid-19 under control, the People's Republic of China adopted economic measures aimed at resuming production and encouraging exports,^[12] which yielded results. The resumption of domestic production was also a sign for foreign companies that produce or do business in China to continue working and investing in the Chinese economy (for more see Obradović, 2020a). Thanks to this, China has renewed production and restarted development. This was confirmed by the International Monetary Fund, which singled out China as the only country among the world's leading economies whose economic growth in 2020 would be positive at 1% (Vujic, 2020). China's economic growth in 2020 was higher than the IMF forecast and amounted to 2.3%. For 2021, China's GDP growth has been forecast to be even higher, at 6%, while the World Bank believes that

[11] China's ability to react quickly in preventing the spread of Covid-19 and lock down certain areas is confirmed by the case in the city of Qingdao city in east China, where 12 cases of virus transmission among the local population were recorded, resulting in more than 10 million tests administered in about seven days. (M. A., 2020).

[12] The measures of the Government of the People's Republic of China were focused on foreign trade policy and were aimed at "deepening the opening and international cooperation". The advantage in resuming production was given to companies "that have an important influence in the global supply chain" and help maintain its stability. To that end, the government has supported key export companies by securing "export credits". Cited from: China is trying its best to achieve a double victory - both in the prevention and control of the epidemic and in the resumption of work and production, 2020, p. 8.

China's economic growth will reach 8.1%.^[13] Such developments, the growth of the Chinese economy in the conditions of the Covid-19 pandemic, when placed in relation to the decline of the economies of other countries, especially the United States, have provoked numerous predictions of changes in the economic relations between the US and China on a global level and the limitations of the liberal model of society and economy. Numerous experts have concluded that "the idea of a world economy presided over by America ... is falling apart, and the factors are China's rise and the United States' turn to nationalism" (This is the end of the economy as we know it, 2020, p. 9). The French newspaper *Le Monde* assessed that "the international order built under the leadership of the USA after the Second World War is no longer attuned to the reality of the balance of power in the 21st century" and that "China's power shook the whole system" (China's power shook the whole system, 2020). The respected scholar F. Fukuyama (otherwise a supporter of the concept of liberal democracy) believes that "the period in which we find ourselves represents the death knell of the era of neoliberalism that began with Reagan and Thatcher in the 1980s" (Lalić, 2020, p. 8). The High Commissioner for Foreign Affairs and Security Policy of the European Union, J. Borell, also gave his assessment of the changes in power relations at the global level under the influence of the pandemic. Borell pointed out that "there are indications that Asia is taking over the role of the center of

global power from the United States" and that the pandemic "can be seen as a point where the transfer of power from East to West took place" (World rulers changing before our eyes, 2020; Power shifts happening before our eyes, 2020). The changes on the global economic scene were also acknowledged by A. Merkel, Chancellor of the Federal Republic of Germany, who stated that "China has become the chief economic power" (Mitrinović, 2020). At the same time, Merkel expressed reservations about the future of the liberal model of economic relations and thus indirectly pointed to the advantages of the Chinese model of economic organization of society, calling on European countries to assume a "common position in relation to China" and to develop policies that reflect "our interests and values" (Mitrinović, 2020).

By resuming production and increasing exports, in addition to stabilizing the supply chain of various companies (and countries), and thus a significant part of the world economy by providing the required raw goods and materials, China managed to deliver large quantities of medical equipment to other countries to help combat Covid-19. Chinese doctors, via video conferencing and direct visits to other countries, shared their experiences in the fight against Covid-19, helping other countries to take the necessary measures to combat the pandemic and treat the infected. For many countries, this significantly aided their fight against the pandemic. Serbia was among the countries that received medical assistance and was visited by Chinese doctors.

[13] Cited from: Speech by HE Ambassador of the PRC Mrs Chen Bo given at the meeting of the Friendship Group of the National Parliament of the Republic of Serbia with the National People's Congress of the People's Republic of China, Belgrade April, 27, 2021.

The results achieved in the economic development and reconstruction of Chinese society and the new role of China in the international community would not have been objectively possible without the active role of the leading and ruling party - the Communist Party of China. In the 100 years of its existence, the Communist Party has travelled down a long and thorny road, from being the opposition party to the ruling party, yet it has managed to resist the numerous temptations presented before the Chinese people and state, and thus the party. Today, the CPC of China has become the largest, strongest and foremost party of the left not only in China but also in the world. With its ideas and projects for the development of Chinese society, constant commitment to making China whole and strong, to improving the quality of life of China's citizens, the search for new, better solutions compared to existing solutions, through the innovation, pragmatism and determination that accompany its work, through good organization, a constant referring back to set goals and with quality personnel solutions in the party and state bodies and institutions, the Communist Party of China has completely transformed the People's Republic of China, and has made it a developed, strong and powerful state.

Among the numerous personalities and events that are part of the identity of the Party, but also of the People's Republic of China, Mao Zedong stands out as the person who led the party in difficult times of opposition, the Chinese people's struggle for liberation from the occupiers in World War II and who was the first creator and developer of the new China - the People's Republic of China. The second was Deng Xiaoping, who in the 1980s

was the ideological creator of economic reforms and the opening of China to foreign investments. This move changed China for the better, and socially and economically helped it develop and become a powerful state. With the arrival of Xi Jinping at the head of the Chinese party and state, the country's further strengthening continued, but measures were also taken to include China, more than ever before, in the world's global economic and social flows. President Xi promoted the Belt and Road initiative, a major development, economic, infrastructural and civilizational project, thanks to which the People's Republic of China has become not only the locomotive of global growth but also a country that impacts numerous global events and processes. Led by Xi Jinping, the People's Republic of China has become a country with global reach – a truly powerful state.

USA/EU – China relations

The growth of the power of the People's Republic of China at the international level could not remain without the reaction of the United States of America and the European Union. During the proclamation of the National Security Strategy of the USA, in December 2017 (several months after the First Belt and Road Forum was held in Beijing), the then President of the USA, D. Trump assessed that “China (besides Russia) is a revisionist force and a competitor that seeks to challenge the power of America and undermine its security and prosperity” (Obradović, Stanojević, Jeftić, 2019, p. 84). That the United States considers China a strategic rival was confirmed by the US Department of Defense in January 2018, which in its new military strategy identified China

(alongside Russia) as America's main adversary (Obradović et al., 2019, p. 84). The Belt and Road initiative is also negatively perceived because in the opinion of leading representatives of the US administration that it "represents the breakdown of the international liberal establishment which the USA created following WWII" (Obradović et al., 2019, p. 84). By various measures, the United States very quickly moved from words to deeds and showed its attitude towards China. America imposed tariffs on a number of Chinese products, starting a trade war with China. At the same time, there was an intensification in accusations directed at China concerning the militarization of the islands in the South China Sea, which are part of China's territory, for its role in the situation in Hong Kong and Taiwan, human rights violations in Xinjiang. All of these allegations are used as a basis for imposing sanctions on Chinese institutions and individuals. A technological war is also being waged against Chinese telecommunications companies. In 2019, a law was passed to "protect American communications networks", under which the Federal Communications Commission banned US companies from purchasing equipment from Chinese telecommunications companies Huawei and ZTE because they "pose an unacceptable risk to US national security" (Americans have decided, 2021). The Federal Commission later expanded the list of Chinese companies that are seen as a threat to "national security, communication networks". In addition to Huawei and ZTE, the expanded list includes Hytera Communicative Corp., Haugzhou Hikvision Digital Technology and Dachau Technology (Americans have decided, 2021). During the Covid-19 pandemic, the United States (US President D. Trump and Secretary of State M.

Pompeo) repeatedly publicly accused China of the creation and spread of the new disease, claiming that the Sars-CoV-2 virus originated from a laboratory in Wuhan without offering any evidence to support this claim (Kavaja, 2020, pp. 1–3). The United States did not stop there, nor did the accusations against China cease with the new administration, led by President J. Biden. At the beginning of this year, President Biden held a video summit with the leaders of the Quad (Quadrilaterals Security Dialogue) - a loose alliance of the United States, Japan, India and Australia. Although the summit participants did not mention China in name, the intention of the four countries led by the US to establish an alliance that would oppose the interests of the People's Republic of China in the Indo-Pacific was made clear (Biden creates alliance, 2021; Slap to Beijing, Chinese angry, 2021). The inter-parliamentary alliance of representatives of eight countries (United States, Great Britain, Japan, Canada, Norway, Sweden, Germany and Australia) is also part of the front against China. The goal of this alliance is to "create appropriate and coordinated responses and to offer help by providing a proactive and strategic response to issues concerning the People's Republic of China" (Inter-Parliamentary Alliance, 2020), that is, to counter China's growing influence. Unlike the United States of America, which during the administration of D. Trump assumed a sharp stance towards China (the introduction of customs duties on goods from China, bans on certain Chinese companies, various types of accusations of Chinese official policy, etc.), the European Union's approach to the People's Republic of China is more sophisticated and softer, but indisputably negative, with increasingly critical tones and practical measures being taken against

China. Such an attitude of the EU towards the People's Republic of China is understandable because the EU "follows" the policy of its most important strategic, security, political and economic partner - the United States, while at the same time seeking to minimize the negative impact such a position might have on the achieved level of economic cooperation with the People's Republic of China, characterized as a "comprehensive strategic partnership" since 2007 (Babić, 2010). Economic cooperation between the EU and China has been constantly improving for decades, and in 2020, China became the most important trade partner of the EU (surpassing the United States). Part of the EU's cooperation with the People's Republic of China is the Cooperation Process with 17 Central and Eastern European countries (the 17 + 1 Cooperation Process), which has existed since 2012 and in which 12 European Union members participate.^[14] In recent years, these countries, led by Poland, the Czech Republic and Hungary, have started (and realized) a large number of projects in various fields in cooperation with China (Zuokui, 2016). Several summits of the Cooperation Process (17 + 1) were held in the EU member states, such as in Bucharest, Dubrovnik, Riga, Sofia and others. This cooperation is not only part of China's relations with the European Union, but also part of the implementation of the Belt and Road initiative, as that the 17 + 1 Cooperation

Process (the territory of EU member states) lies on the western route of the Chinese initiative.^[15] The EU and China have signed several documents which have created the possibility for the infrastructure projects relating to the European section of the Belt and Road initiative to be integrated into the infrastructure development plans of EU member states. It should be noted that the leading EU countries (Germany, France, Italy, and Great Britain, while still a member) are trying to extend the scope and content of economic cooperation with China, which includes mutual visits at the highest level (Xi Jinping UK 2015, E. Macron China 2018, etc.) and the signing a large number of economically significant contracts. Along with the development of economic relations, there were periods of cooling of political relations between the EU and China, primarily due to the assessments of the European Union regarding certain internal issues in China, such as "human rights". In recent years, criticism of Chinese state policy by the EU (regarding Hong Kong, Taiwan, Xinjiang, etc.) has become more frequent. On the other hand, through various administrative measures, the EU seeks to control and slow down the activities of Chinese companies throughout Europe, including the Balkans (Brussels is troubled by China and Russia in the Western Balkans, 2021, p. 2), as well as the implementation of certain infrastructure projects.^[16] In addition, at the EU level, an initiative was launched

[14] The members of the European Union participating in the 17 + 1 Cooperation Process are: Poland, Lithuania, Latvia, Estonia, the Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bulgaria, Romania and Greece (Lithuania has meanwhile expressed its intention to leave the 17 + 1 Process).

[15] For more on the cooperation between China and the countries of Central and Eastern Europe within the Cooperation Process see Obradović, 2018.

[16] The realization Hungarian section of the Budapest-Belgrade Railway Reconstruction and Construction Project is late

78 | to pass a law that would enable a ban on “the takeover of companies from the European Union by state-subsidized companies from third countries” (Avakumović, 2021; Is a law being prepared against Chinese companies?, 2021). Although Chinese companies are not explicitly mentioned, it is very clear that this ban applies to them, especially since some EU member states have criticized the takeover of domestic companies by Chinese companies (e.g. Germany) (Obradović, 2018, p. 165). Some EU members, e.g., Poland and Romania (under the influence of the USA or independently) have decided to halt Huawei’s business in those countries by introducing “new 5G security rules” (I. Š. M., 2020). In addition, the governments of France, Denmark, the Netherlands and Belgium have taken measures to reduce Huawei’s presence in 5G networks, and Sweden has introduced a ban on Chinese equipment for parts of its networks (I. Š. M., 2020). That the pressure to end cooperation with Chinese companies has a broader dimension is confirmed by the case of the Romanian company Nuclear Electric, which the Romanian government, following pressure from the US and EU, sent a request to suspend negotiations with a Chinese partner on the construction of two new nuclear reactors (America halts the Chinese Belt and Road through Romania, 2020; Obradović, 2020b). During the Covid-19 pandemic, European leaders did not hesitate to accuse China of concealing information about the new virus. In fact, E. Macron, the President of France, said that “Beijing was not completely open about the scale of the epidemic” (Kavaja, 2020).

It is clear that the European Union is abiding by the policy of the United States regarding China, while also taking care (up until this point) that the level of criticism and measures taken against the Chinese state and Chinese companies do not “cross the line” that would jeopardize economic cooperation with China, from which the EU undoubtedly benefits.

Conclusion

Thanks to comprehensive economic and social growth it has experienced in the last two decades, the People’s Republic of China has become a global power with a great impact on all developments in the international community. Infrastructure projects, the effort to bring together states in different areas of human enterprise, economic cooperation, advocating for peace and security in the world and the sponsoring of shared care of the future of humanity, etc. are the principles that China applies and promotes in international relations. The Belt and Road initiative embodies all these values in the best possible way. Therefore, China appears in many third countries not only as an alternative partner for cooperation but also as a country that in relation to Western countries offers a new concept of relations between states and peoples in the international community, a new system of development values of human society. In the last decade, the United States has identified China as its global adversary and is taking various measures to diminish the reputation and influence of the People’s Republic of

because the EU asked Hungary to respect EU regulations when announcing a public tender for the selection of companies which will implement the railway construction project.

China in the world. The American trade war against China, the ban on the use of telecommunication equipment by the Chinese company Huawei in the USA, as well as the campaign among other countries to stop cooperation with said company, are just some examples of how the USA views its relations with China. The European Union, i.e., its member states, are increasingly criticizing China (e.g., the human rights situation in Xinjiang, the situation around Hong Kong, Taiwan, etc.) and implementing administrative and other obstacles to cooperation with China, while at the same time taking care not to jeopardize the achieved level of mutual economic cooperation. The European Union has also criticized EU accession candidate countries which cooperate with China within the 17 + 1 Cooperation Process. These criticisms, of course, aim to reduce the level of cooperation and

friendly relations between those countries and China. Essentially, American-led Western countries want to eliminate China as a global rival and its presence in parts of the world they consider zones of their influence. However, this is not possible. China's demographic potentials, the achieved level of technical and technological development, its strong economy, mighty army and influential diplomacy, make China not only a powerful state but also a global power, whose influence on events in the international community cannot be ignored. The future of the world depends on the extent to which other global powers, primarily the United States, will find the will to agree with China on reforming the global system of governance and participate in joint cooperation, with the aim of resolving all open issues in the interest of peace and security in the world and the future of humanity.

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Photo: Xinhua

A number of technologically advanced automated float glass production lines built by an enterprise in Hebei province



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PR China as a “Responsible Great Power” – The Chinese Model of Foreign Investment and Assistance

Summary: Shortly after its establishment, the People’s Republic of China began to implement a policy of providing investments and assistance abroad. Although the motives for this were different in the decades that followed, the Chinese leadership never gave up on the decision to make foreign investment and assistance a central part of Chinese foreign policy. The author employs a structural-functional analysis and comparative analysis to prove the basic hypothesis that the main reason for the development of the Chinese model of foreign investment and assistance is the intention of the Chinese leadership to show that the People’s Republic of China is a “responsible great power”, one which contributes to the solving important global problems, while simultaneously working to achieve its most important goal, the “Chinese dream”, by 2049.

Keywords: China, responsible great power, Chinese dream, investments, assistance

Introduction

A hundred years has passed since July 1, 1921, when the Communist Party of China was founded at a secret meeting in Shanghai. After its victory in the civil war, the Party established the People’s Republic of China in 1949. In the decades that came, following the Cultural Revolution, the leadership of the Party managed to transform the economically and internationally isolated country into a powerful and influential member of the international community. Regardless of the changes in the leadership of the Party and the state and the frequent shifts that

took place in the country’s environment, the goals established after the creation of the People’s Republic of China have remained the same: providing enough food and energy for the population, the unification of all Chinese territories and the continuation of the rule of the Communist Party (Arežina, 2018, p. 15). Therefore, it is possible to say that the foundational Chinese standard for national strength and self-respect can be summarized in two words: unity and stability.

In accordance with these goals, shortly after the creation of the PR of China, the country initiated the policy of foreign investments and assistance.

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84 | Although the motives for the implementation of this policy went through changes in the decades that ensued, the Chinese leadership never gave up on the goal to make foreign investments and aid the central element of Chinese foreign policy. During the 1950s and 1960s, Beijing allocated considerable funds to pursuing this policy. With the inception of the policy of “reform and opening to the world” in 1978, the Chinese leadership started reducing the funds intended for foreign investments because of the need to modernize the country (Selden, 1978).^[2] Only at the start of the 21st century, thanks to great economic growth and a considerable amount financial resources being made available, did PR China once again start assigning greater funds to this purpose, both at the bilateral and the multilateral level.

Although some Western scholars have voiced suspicion at the motives of the Chinese policy of foreign investments and assistance, the author of this paper gives the hypothesis that the Chinese leadership has developed this model with the intention of presenting China as a “responsible great power” (*fuzuren de Daguo*), one which contributes to the solving of important global problems (Zoellick, 2005), while simultaneously working on achieving its most important goal – the “Chinese Dream” – by 2049 (Gong, 2013).^[3]

During the most recent period, studies of the Chinese model of foreign investments and assistance were mostly focused on general information and the aid that PR China sends abroad. The research mostly provided information on the structure, scope and method of foreign investments and the institutions which implemented the policy^[4]. For this research, the author mostly focused on the factors that influenced the Chinese leadership to develop the model of foreign investments and assistance on the basis of the Beijing Consensus. In order to prove her hypothesis, the author utilizes a structural-functional analysis to shed light on the Chinese model of foreign investments and assistance as well as the influence this policy has on neighboring states and the wider international community. The author also performs a comparative analysis of the Chinese model and the Western model, which is based on the Washington Consensus, and the OECD system, favored by Western states. In this research, the author used relevant academic literature and political documents, the statements of officials and news reports from international media outlets. For the sake of authenticity, to the research the author has added details from informal conversations she has had with officials, analysts, scholars and journalists, who were directly involved in the various aspects of Chinese foreign investments and assistance.

[2] During this time, PR China was one of the 20 least developed countries in the world, whose GDP was \$208.

[3] President Xi Jinping first talked about the vision of the “Chinese Dream” at the Third Plenum of the 18th Congress of the CPC in November 2012. It was later elaborated as the realization of numerous internal reforms through which China would become a land of prosperity.

[4] This includes the following research: Wolf, C. J., Wang, X., Warner, E. (2013). *China's Foreign Aid and Government Sponsored Investment Activities – Scale, Content, Destinations and Implications*. Washington D. C.: RAND Corporation; Brautigam, D. (2009). *The Dragon's Gift*. New York: Oxford University Press; Arežina, S. (2018), *China in Europe*, Belgrade: Institute of European Studies, and others.

This paper consists of five parts. In the Introduction, the author presents the context of the research, its essential subject, and the main hypothesis. The second part of the paper provides a historical outline of Chinese foreign investment and assistance. In the third part of the paper, the author presents the factors which influenced PR China to develop this foreign policy model. This is followed by an explanation of the kinds of investments China makes and the methods it employs. The final part of the paper provides a summary of the research and the conclusions reached, as well as the author’s projection of the directions that the Chinese policy of foreign investments and assistance will take in the future.

The History of Chinese Foreign Investments and Assistance

Following its creation in 1949 and the blockade and embargo from the West, the People’s Republic of China launched its foreign investment and assistance policy. The funds that Beijing apportioned to this aim in the 1950s and 1960s were considerable and were mostly intended as support for countries struggling to achieve national independence and develop their economies. During the 1970s, PR China continued this foreign policy in an effort to counterbalance the influence of the Soviet Union. The aid was mostly given to socialist states with which China had solid Party-based

relationships, Marxist-Leninist movements, and some neighboring states (Brautigam, 2009, p. 32).^[5]

After PR China took over the seat of Taiwan in the United Nations in 1971, Beijing started to reduce the funds for foreign investment and assistance. The reason for this is that following the economic and social devastation of the Cultural Revolution, the Great Leap Forward and the One Hundred Flowers Campaign, the state had very little to offer its own population, let alone the world. For this reason, China had to focus on its own development, reforms and the modernization of the country. For this, the country needed a peaceful environment. Nevertheless, the great architect of reform, Deng Xiaoping, remained consistently dedicated to the belief that “foreign aid was the right thing to do in the past, that it remains the right thing to do in the present and will continue to be the right thing to do once China develops”. In the decades that followed, Deng Xiaoping would pave the way for changes in foreign and economic policy with the introduction of the policy of “reform and opening up to the world”, “smile diplomacy” and the doctrine of “24 characters” (the policy of “patience”; Kissinger, 2011, p. 539)^[6], which in the following 35 years would transform PR China from an internationally isolated and economically and socially devastated state to a powerful and influential member of the international community.

Thanks to the successful strategy of economic modernization, whose first step was the “welcome

[5] The states in question were Albania, Romania, Vietnam, North Korea, and Cambodia.

[6] In 1991 Deng Xiaoping formulated this political doctrine which became the foundation of Chinese foreign behavior: “Listen carefully, secure our position; calmly come to grips with the issues; do not reveal our assets and wait for a favorable opportunity; successfully stand aside and never assume a position of leadership.”

greeting” (*yin yinlai*) for foreign investment, PR China overcame without much difficulty the financial crisis of 1997-1998 and in the final years of the 20th century and at the start of the 21st century acquired a considerable amount of savings and foreign exchange reserves (Cheng, 2014, p. 1433; Trading Economics, 2017).^[7] Following the country’s induction in the World Trade Organization in 2001, the second phase of economic modernization, the so-called *going out* policy (*zou chuqu*) was initiated. During this phase, excess capital was sent out of the country in order to penetrate foreign markets and obtain natural resources and advanced technologies, which would bring further growth and stability. This policy was included in the 10th Five-Year Plan (2001-2005), which formalized it as one of the “four modernizations” and the primary goal of economic development (Arežina, 2016, p. 14). With this, Beijing once again started allocating significant funds to foreign investment and assistance.

During the 11th Five-Year plan (2006-2010), the government encouraged companies to “go forth further” (*jinyibu zouchuqu*), so as to redirect capital from speculative investments in real estate and stock exchanges, and for the purposes of easing pressure on the Chinese currency, the yuan. The State Council issued a directive that further reforms of the investment system must be implemented. The Commission for National Development and Reform created a list of natural resources and technologies which should be the focus of Chinese direct investments. Chinese attention shifted from Hong Kong and Macau, North America and

Western Europe to the Asia-Pacific region, Africa, Latin America and Central and Eastern Europe (16+1, 2016).

Following the publication of this document, the Chinese government passed the 12th Five-Year plan (2011-2015), which focused on the application of the *going out* policy. Emphasis was placed on “inclusive growth”, that is, the strengthening of distribution networks and brand recognition, as well as the use of advanced technologies and the possibility of research and development (Sagers, 2012). In April 2011, the State Council published the first White Book on foreign aid, which outlined the following principles: “In foreign aid, China does its utmost to help beneficiary countries [...] to create a foundation for future development and progress on the road to autonomy and independent growth [...] China does not use foreign aid as a means to interfere in the internal affairs of the beneficiary state or to seek political privileges for itself.” (The State Council of the PR China, 2011).

Uncertain economic development, continued instability in global financial markets, and a slowdown in the economic growth of developed countries have prompted many developing countries to adopt policies where external direct investment is accepted as a way to achieve economic growth and create a better investment environment. This has had a positive impact on China’s plans, paving the way for Beijing to invest in countries and regions around the world. (16 + 1, 2016).

The 13th Five-Year plan (2016-2020) placed focus on a reform of Chinese society, which it

[7] In 2001, China’s foreign exchange reserves were 200 billion dollars. These reserves grew quickly and in 2020 they were 3.2 trillion dollars.

has linked to advanced technologies. China's leadership believes the era of cheap labor which produces cheap products for third markets is over. The global economic slowdown has led to a reduction in demand for Chinese exports. China's competitiveness has declined, and the prices of Chinese products have grown due to an increase in workers' wages, which resulted from a reduction of the active workforce and an ageing society (stemming from the „one child” policy), as well as the investment Chinese companies have had to make amid mounting environmental demands. Therefore, it is necessary to restructure the economy of PR China from an investment model based on cheap labor that produces cheap products for third markets, towards a consumer model, based on the production of advanced technologies which will be purchased by the Chinese population (Zapoljskis, 2016). Accordingly, in 2015 the Chinese leadership issued the strategy „Made in China” (Zhongguo Zhizao 2025; Lemton - 2015, p. 38)^[8], only to introduce restrictive regulations, as early as August 2017, which strengthened control over funds leaving the country. This was done to boost the economy and reduce investment in sectors that are not of strategic interest to the government or in line with the state's long-term goals and directives (Hsu, 2017).

The new 14th Five-Year Plan (2021-2025) takes into account current international circumstances and the emergence of the Covid-19 pandemic and accordingly places the focus on „double circulation”, which should enable the use of all the benefits of

globalization while simultaneously relying China's own capacities. This means that some of the funding which was in the previous period sent abroad through investments and assistance will be somewhat reduced and redirected at boosting the Chinese economy. The ultimate goal is for Chinese society to become self-sufficient and independent of the European, American, or African markets and to create a „middle class society”, whose standard of living will be sufficiently high to be able to purchase high-tech products from Chinese companies (Arežina, 2018, p. 17).

In accordance with these plans, initiatives and projects started by the Chinese leadership in the meantime have had to be adapted. China's largest and globally famous „One Belt, One Road” (Yidai Yilu) initiative was launched in 2013 with the aim of connecting the two economically developed ends of Eurasia (Western Europe and the eastern part of PR China), as well as other continents – Africa, South America, and Australia. The project is expected to include about 4.4 billion people (64% of the world's population) and countries that make up about 40% of the world's GDP. In a statement in 2017, the President of PR China, Xi Jinping announced that the value of this project is expected to surpass \$1000 billion, creating employment for several million people and generating more than \$100 billion in tax revenue. That is why the initiative was named the “Project of the Century”, one which would benefit all the countries along the “New Silk Road” (Kynge, Wheatley, 2020, December 11).

[8] The aim of the strategy is to strengthen the Chinese advanced technologies industry and to place these products around the world.

Factors Influencing the Chinese Model of Foreign Investments and Assistance

Over the decades, numerous factors have influenced the Chinese leadership in its pursuit of foreign investment and assistance policies. Certain factors dominated for a period of time, only to be eclipsed by others coming to the fore, while some influencing factors remained unchanged. What follows is an enumeration of the most important of these factors.

88 | The first factor is the Chinese leadership's desire for PR China to be seen as a partner that countries, especially those with which Beijing maintains good relations, can rely on. This factor was current in the 1950s and 1960s, when China struggled under the blockade and embargo due to the loss of support from the West. The Chinese leadership felt it necessary to support all countries that wanted to achieve independence and develop their economies and through cooperation with these countries to break the economic blockade imposed on China by the West. Following the end of the cold war, in a desire to create an alternative to the Washington Consensus of the West, PR China developed its own „market-Leninist” model of providing economic assistance called the Beijing Consensus (Cooper Ramo, 2004, p. 39).

Another significant factor that influenced China's desire to invest and provide foreign aid is the necessity of meeting the demands of the internal

market for key resources and overseas markets required for the distribution and sale of domestic products. In order to achieve this foreign policy goal, for two decades PR China worked to create an investment model of development, placing the focus on the *going out* policy and highlighting the need for win-win cooperation with countries around the world (Zha, Breslin, 2010, p. 67).^[9]

Another significant factor is the Chinese government's need to free itself from foreign currency reserves, especially those in dollars, due to fears of the dollar's drop in value, and to transfer these reserves to gold and other currencies (so-called de-dollarization). Dissatisfaction with the dollar as a reserve currency is growing in the world due to the continued emission of the currency caused by increased US government spending. This creates fear amongst countries with dollar reserves that the dollar will lose its value (Arežina, 2018, p. 94).

The fourth important factor is the need for internationalization of Chinese companies and the national currency, the yuan. To that end, Chinese leadership has allowed Chinese state-owned and medium-sized private companies to enter foreign markets. Based on various business strategies, these companies received monetary assistance from Chinese financial institutions, which in turn they invested in other countries and companies around the world. At the same time, they increased their visibility by creating an international portfolio, acquiring well-known brands and advanced

[9] The export sector employs as many as 45 million Chinese workers, or about 6% of the active workforce in the continental part of the country.

technologies needed to develop the domestic economy (Hong, Hou, 2017, p. 55).

The fifth important factor is PR China's need to increase its „soft power.“ Namely, foreign investment and assistance helps internationalize Chinese culture and serves as a form of cultural diplomacy. To this are added the 1000 Confucius Institutes around the world and Chinese cultural centers that promote the „Chinese Dream“ at the international level (modelled after *Alliance Française*, *British Council* and *Goethe-Institut*; Arežina - 2018, p. 98).

The sixth factor is the need to strengthen China's position in international organizations. PR China worked on this in the 1950s and 1960s, in order to gain a seat in the United Nations (instead of Taiwan), the UN's specialized agencies and other international organizations (Miljanic, 1996, p. 30). To that end, as far back as the 1950s, NR China established its own system of multilateral foreign assistance without participating in the OECD assistance framework, unique to Western states. A relatively close partnership has been developed with global and regional multilateral development organizations, such as the United Nations Development Programme, the World Bank, the Asian Development Bank, etc. In the recent past, the forms of multilateral aid that PR China provides have diversified, and the amount of money allocated for these purposes has increased significantly. Meanwhile, Beijing has also developed its own multilateral development institutions, such as the Asian Infrastructure and Investment Bank (Hong, Hou, 2017, p. 11).

At the same time, by developing a model of foreign investment and assistance, PR China

wanted to positively influence Western states and international organizations to increase foreign investment and assistance for the development of infrastructure and to reduce political provisos (Milanovic, 2021, May 21). That is how in 2017 the US was able to start „silent discussions“ with its partners on how to create funding mechanisms for countries in need of capital as an alternative to the „One Belt, One Road“ initiative. In this regard, memoranda have been signed with the Bank of Japan for International Cooperation and the Association of European Development Financing Institutions, which aim to encourage cooperation on „sustainable investments“ in developing countries and promote „democratic values, self-sustaining societies and best practices“ (Smith, 2018). Two years later, in late March 2021, US President Joe Biden proposed to UK Prime Minister Boris Johnson the creation of a multibillion-dollar infrastructure plan that would be an alternative to the aforementioned Chinese initiative in developing countries (Aljazeera, 2021, March 26). In April 2021, similar cooperation in the Indo-Pacific region, was proposed by President Biden to Japanese Prime Minister Yoshihide Suga (Miki, 2021, April 6).

But perhaps the most important factor is preserving territorial integrity and unification with all the Chinese territories that China lost during the „Century of Humiliation.“ China's Constitution states that the „sacred goal“ of reunification of the country is the task of every Chinese person and an historical inevitability (Medeiros, 2009). By strengthening partnerships with countries around the world, PR China is working to realize this goal, while at the same time bringing benefits to other countries.

Chinese Foreign Investment and Assistance

Ever since PR China attained economic stability in the early 21st century, the amount of China's direct foreign investment has grown. Namely, unlike the period 1982-1989, when foreign direct investments amounted to less than \$500 million, in 1990-1999, foreign direct investment was just over \$2 billion, while in 2000, foreign investments stood at a little under \$2.3 billion. Most of the investments took the form of mergers or acquisitions of existing companies or the establishing of joint ventures. Thus, in 2005, Chinese investments abroad reached \$72.4 billion and continued to grow every year, reaching \$135.6 billion in 2015 (Blanchard, 2017, April 14). It is estimated that from the beginning of the „reform and opening up to the world” policy, by 2020, China's direct foreign investments reached \$1500 billion (World Economic Forum, 2017; EY, 2021). This surpassed the predictions of Daniel Rosen and Thilo Haneman, who in 2010 claimed that the value of Chinese direct investments “will in 2020 exceed considerably \$1000 billion, and that a significant amount of these investments will be in developed markets” (Rosen, 2009).

Since there was no planned and rational strategy of investment of Chinese capital abroad, in August 2017 China's leadership passed certain restrictive regulations with the aim of consolidating control over funds leaving the country, thereby strengthening the Chinese economy and reducing investment in sectors that are not of key interest to

the government or in line with the state's long-term goals and directives. In this regard, the State Council and the National Commission for Development and Reform have aligned direct investments abroad with state policy priorities by establishing three categories of direct investment: prohibited, limited and encouraged. As a result, in 2017 Chinese direct investment abroad fell by 46%, as the government's recommendations drastically reduced investment in real estate, hotels, cinemas and entertainment facilities abroad, and increased investment centered around the „One Belt, One Road” initiative (Hsu, 2017, August 28).

Regarding foreign assistance, Beijing has developed its own model – aid with Chinese characteristics – based on the Beijing Consensus which does not use a „stick and carrot” policy, typical of the Western model that originated in the ideas of Margaret Thatcher and Ronald Reagan, that is, the Washington Consensus, which is based on a set of conditions that the beneficiary country should meet, such as consolidation of the state budget, fiscal discipline, etc., also known as “shock therapy”. In accordance with Chinese pragmatism and idealism, this model is founded on the five the rules of peaceful co-existence established in 1954, the eight principles of Chinese foreign aid, announced by Zhou Enlai on a tour of Africa in 1964, the four principles of economic and technical co-operation announced by Zhao Ziyang during a visit to Africa in early 1983,^[10] and the *going out* policy (Bernasconi-Osterwalder et al., 2013, p. 1-2). At the same time, China's assistance model is based on

[10] These principles meant that offering technical and managerial cooperation does not involve meddling in the internal affairs of states, but helping to build confidence.

three principles: innovation and adaptability to local conditions (engaging advanced technology rather than expanding inferior technologies), sustainability and stability (investment in infrastructure and natural resources) and preserving independence (non-interference in the domestic politics of states as one of the five principles of peaceful co-existence; Jurišić, 1999, p. 38).

Chinese foreign assistance can be divided into bilateral and multilateral aid. There are at least nine types of bilateral aid that PR China provides to foreign states: medical teams, training and scholarships, humanitarian aid, young volunteers, debt write-offs, budgetary support, turnkey projects (infrastructure, factories, etc.), in-kind assistance and technical assistance. Some of these types of assistance have been in use for a longer periods of time, while others are brand new (Bernasconi-Osterwalder et al., 2013, p. 105).^[11] However, the most common are three ways of giving financial assistance: grants,^[12] interest-free loans and preferential loans.

When it comes to multilateral aid, PR China established its own system of foreign assistance, outside the OECD aid framework employed by the West, in the 1950s. The reason for this is that PR China continues to declare itself as a developing country so the aid coming from Beijing has a smaller percentage of grants than the assistance received through the OECD system. This is why Western

institutions often qualify Chinese foreign assistance as official development financing (ODF) and not official development assistance (ODA; Hong - Hou, 2017, p. 51).

PR China has established a relatively close partnership with global and regional multilateral development organizations, such as the United Nations Development Programme, the World Bank, the Asian Development Bank, etc. (Hong, Hou, 2017, p. 51). Initially, China’s multilateral foreign assistance assumed only two forms: donations and payment of membership in international organizations. With the development of the system of multilateral assistance abroad there has been diversification, and it can be said that presently Chinese assistance includes donations and the payment of membership fees in international organizations, capital financing and loans and project cooperation with international organizations (Jurišić, 1999, p. 38).

Chinese sources claim that from 1950 to 1960, PR China provided more than 400 billion yuan in foreign aid, that more than 5000 projects have been started, nearly 3000 of which have been completed, and that over 11000 training programs have been held in PR China for more than 260.000 professionals from other developing countries (World Economic Forum, 2017). According to data from the State Council of PR China, in the period between 2013 and 2018, Chinese financial institutions allocated 270.2 billion yuan to foreign

[11] About 42% of the projects being financed are natural resource development projects, 40% relate to infrastructure projects and mining, minerals and metals, and 18% involve projects to build ports, schools, power plants, as well as grants, humanitarian and technical assistance.

[12] The distinction should be made between grants mainly in the Chinese currency, the yuan, and cash donations, given as a quick response to emergencies or disasters and is issued in dollars.

aid, divided into three categories - grants, interest-free loans and preferential loans (The State Council of the PR China, 2021). A significant portion of this type of assistance goes to 2600 projects, worth \$3700 billion, launched under the „One Belt, One Road” initiative (Aljazeera, 2021, March 26).

As a result of the emergence of the Covid-19 pandemic, there has been a reduction in China’s economic growth from 6% in 2019 to 2.3% in 2020 (Cheng, 2021). This has resulted in the introduction of a „double circulation” policy, under which Chinese financial institutions will divert some of the funds to the domestic market, while the rest will continue to be channeled abroad (Kynge, Wheatley, 2020, December 11).

Although the emergence of the Covid-19 pandemic led to a significant decrease in Chinese foreign aid, from \$75 billion at its peak in 2016 to \$4 billion in 2020 (Kynge, Wheatley, 2020, December 11), aware of its role as a „responsible great power”, in 2020 PR China started developing a new component of the „One Belt, One Road” initiative – the Health Silk Road. As part of this initiative, Beijing has sent aid to support foreign states’ response to the Covid-19 pandemic and \$2 billion to assist the economic and social recovery of developing countries. The Chinese leadership provided 300 million doses of Covid-19 vaccines, of which aid in the form of free vaccines was sent to more than 80 developing countries in urgent need, while vaccines were exported to 43 countries. Additionally, PR China has sent aid in the form of medical equipment to more than 150 countries and 13 international organizations, providing more than 280 billion masks, 3.4 billion units of PPE and four billion Covid-19 tests. It has established health

cooperation mechanisms between Chinese health care institutions and health institutions in various regions, and partner states have been sent medical teams with the goal of providing advice on how to improve health systems for a more successful response to the Covid-19 pandemic (Xinhua, 2021, May 21). In response to the difficult financial situation the poorest countries have found themselves, PR China has also written off their debts, worth \$2.1 billion, and has agreed to refinance the debts of 23 countries worth \$1.3 billion (Qiu, Woo, 2020, November 20). To help in the upcoming period, at the Global Health Summit held on 21 May, 2021, Chinese President Xi Jinping announced a new \$3 billion economic and social recovery package for developing countries (over the next three years) and the transfer of technology for the production of Covid-19 vaccines to developing countries with the goal of establishing joint production (Xinhua, 2021, May 21).

Conclusion

The starting point of this research is the long-term policy of foreign investment and assistance, which the Chinese leadership began implementing after the founding of the People’s Republic of China in 1949. Although the size of funds allocated for this purpose has changed in accordance with circumstances, the Chinese leadership has never abandoned this kind of cooperation with neighboring states and the international community, not even at a time when the People’s Republic of China was just as poor as the countries that it sent aid to or when China’s priority was to direct all its financial capacities into its own economic development.

Even though the most important factor for proving the author's hypothesis are the activities of the Chinese leadership regarding the solving of crucial global problems, while simultaneously working on the attainment of the government's most important goal – the Chinese Dream – by 2049, underlined in this research were the factors that influenced China to create a special model of foreign investments and assistance, founded on the Beijing Consensus. During the study, the author concluded that some factors were dominant during a certain period, that later their influence weakened, strengthening the influence of other factors, while certain factors were constant throughout the entire period. All factors have acted positively on the Chinese leadership to find win-win solutions and continue to provide foreign investment and aid, despite changes in China's priorities during the implementation of the „reform and opening up to the world” policy and the Covid-19 pandemic.

At the same time, the author came to the conclusion that the Chinese model of foreign investment and assistance differs significantly from the Western model based on the Washington consensus. Namely, the Chinese system of giving multilateral aid abroad differs from the assistance received through the OECD system unique to Western countries as China's model contributes significantly to increased investment and assistance abroad (especially to developing countries). It is also evident that although the methods and size of funds provided by the Chinese leadership for the purpose of foreign investment and assistance has changed through the decades, the basic model has remained a focal point of Chinese foreign policy throughout the years.

In this regard, the author points out that over the decades, the Chinese leadership has sought to control and direct the development of this model in line with plans for rational investment of Chinese capital abroad. Consequently, in August 2017 the government enacted restrictive regulations aimed at strengthening control over funds leaving the country, healing the Chinese economy, and reducing investment in sectors that are not of key interest to the Chinese government and are not in line with the state's long-term goals and directives. In accordance with these regulations, the amount of funds the People's Republic of China placed abroad has dropped in recent years (in 2017 the reduction was 46%).

The change in the amount of funds coming out of PR China followed the emergence of the Covid-19 pandemic and a significant economic slowdown. Despite the need to divert some of the funds from abroad to the development of the domestic market and the long-term plans of achieving the „Chinese Dream,” the author establishes that the Chinese leadership has not given up its intention that PR China continue to be present abroad. In this regard, Beijing launched a new component of the „One Belt, One Road” initiative – the Health Silk Road – thanks to which, the international community was provided with considerable assistance in the fight against the Covid-19 pandemic.

Finally, taking into account the results of the research, the author concludes that China's model of foreign investment and assistance has greatly helped neighboring countries and the international community feel the benefits of its economic development. At the same time, PR China became the highest ranking country in the volume

of trade, the second-largest economic power, the largest foreign exchange reserve owner, the largest manpower donor for United Nations peacekeeping missions, and poverty has been eradicated entirely. Following the emergence of the Covid-19 pandemic in 2020, the 13th generation of Chinese leadership acted responsibly, calling for cooperation, the fair distribution of Covid-19 vaccines, the waiver of intellectual property rights over vaccines, at the same time writing off debts to the poorest countries worth \$2.1 billion and agreeing to refinance debts from 23 countries worth \$1.3 billion (Xinhua, 2021). All of the above is evidence that the People's Republic

of China behaves as a „responsible great power“, contributing to the solution of global problems, while at the same time working to achieve its most important goal – the „Chinese Dream“ – by 2049.

In the following period, in accordance with the new White Book on International Development Co-operation (in which the word „assistance“ was replaced by the word „development“), published on 10 January 2021, the author expects Beijing to continue to support global growth with its economic growth, with inevitable adjustments to the new circumstances that will occur during and after the end of the Covid-19 pandemic.

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China's Ecological Path^[2]

Summary: or almost two decades, the People's Republic of China has been on the path of complete environmental transformation and redesign of its image in the international community. China is becoming not only an active but also a dominant participant in the global fight against climate change. In addition, China is firmly determined to change its internal environmental situation and its policy of further industrial progress, harmonizing its own political goals with the generally accepted environmental goals of humanity. The paper presents the basic facts concerning certain historical and political circumstances, which caused flawed attitudes towards the environment in China. It also describes the radical ecological and political distancing from the previous disregard of ecological problems and the recent formulation of ten new goals, i.e., policies, which are contained in the new ideology of "ecological civilization". A special review is given of the ecological elements of the *Belt and Road* initiative and previous Chinese achievements in ecological and technological development. The conclusion also proposes the directions for possible cooperation between China and Serbia in the field of ecological and technological development.

Keywords: People's Republic of China, environmental civilization, environmental policy, „Belt and Road” initiative, Xi Jinping

As a specific ecological paradigm, the People's Republic of China has shown more than one face over 70 years of its existence. China, which was created in specific circumstances and has always trod routes of development aligned with its ideological goals, has had a complex relationship to environmental issues. Traditional Chinese culture, based on Confucianism, which espouses

the principles of obedience, has had prominent role in the promotion of overly ambitious development projects, often with the willing participation of the population. Always present where three very clear goals: the first, to maintain the socialist system and to pursue a distinctly Chinese vision of communism, alongside a clearly defined ideology; the second, to strengthen the country economically

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[2] This paper contains excerpts from an unpublished lecture which the author gave in October 2019 at the Second USPIR Dean's Forum on Belt and Road and Euro-Asia Connectivity: Perspectives and Prospects conference, held at the School of International Relations and Public Affairs, Fudan University in Shanghai, organized under the auspices of the Dean of the School, Mr. Su Changhe.

and industrially; and the third, to move towards the realization of the idea that China deserves to be on an equal footing with other global leaders. These three goals represent in fact the three phases of the relationship of China and Chinese politics towards the environment. The first phase encompasses the period of the rule of Mao Zedong.

Maoist ideology mobilized society, forcing people into conflict with nature. Mass mobilizations of people in political campaigns were often promoted with the use of military terminology; nature was to be “conquered”; the gathering of the harvest was compared to an “offensive”; “armed forces” were sent to subdue the wilderness; floods and droughts were “vanquished”; insects, rodents and sparrows were to be “obliterated”. In the three decades of Mao’s rule, to varying degrees, four key themes dominated social relations and caused dramatic changes to the natural environment. These were: first, a specific form of political repression, not only of intellectuals, scientist and officials, but also of ordinary people who did not conform to the leader’s vision of the relationship between nature and society; second, a utopian hustle and bustle, which the leader of the Party promoted and which was adopted by local leaders and peasants, and directed at reshaping the environment and achieving socialism; third, a dogmatic uniformity which ignored regional particularities and local traditions regarding nature; fourth, forced migration which meant that people were sent to wastelands as part of a concerted effort to transform wild country into arable land, to strengthen military defenses and increase national security, etc. (Shapiro, 2001, p. 208). Although at first glance these statements seem forceful, they do not differ much from the

description that could have been given for any other socialist state, all of which approached nature and society in the same way. This relationship was embodied in the complete disregard of natural laws and political and ideological propaganda which placed man above nature. The purpose of this ideological push was to strengthen the economy and industry, to increase the standard of living of society, but its ultimate goal was to “catch up with and overtake capitalism”, in order to demonstrate the superiority and dominance of one political and economic system over the other. As Prof. Danilo Ž. Marković rightly stated “socialist countries are thought to have viewed the idea of progress uncritically, purely as the rapid development of production output and economic growth. Realizing this idea has resulted in the destruction of nature (as well as the workforce). At the same time, this understanding of the idea of progress did not allow for the possibility that its realization could lead to unintended consequences, as well as inadvertent environmental outcomes that can be catastrophic” (Marković, 2004, p. 241).

The second goal of the Chinese states was to achieve self-sufficiency despite international isolation and to improve China’s position in the world, as the country did not lack natural resources but modern technologies. At the time, what served to replace the lack of technology was physical labor, which was employed during mass actions directed at reshaping nature or increasing the exploitation of natural resources. Perhaps the best example of mass subjugation of the environment is seen in the story of the Yellow River, which was taken as an inspirational example of the victory of the socialist man over nature. The taming and exploitation

of great rivers has been the central point of the Chinese relationship with nature ever since the time of emperor Yu the Great, who, following nine years of devastating floods, successfully controlled the rivers. This task was eagerly embraced by the Communist Party which deemed that ambitious projects, for which planning had been started even before the CP assumed power, and mass mobilizations would increase its standing amongst the populace. Of all Chinese rivers, the Yellow River is the most prone to flooding. This waterway is considered the cradle of Chinese civilization but also “China’s Sorrow” due to its frequent overflowing. As in previous cases, this aggressive reshaping of nature, the shifting of riverbeds and moving of mountains, was not invented by China. The famed Hoover Dam in California, USA, was also constructed thanks to an aggressive redesigning of the environment: the riverbed was partially shifted and a large number of laborers, left unemployed by the Great Depression in the 1930s, were mobilized. Nevertheless, many environmental challenges that China is facing today and the country’s reckoning with the negative impact of industrialization can be linked to the years of Mao’s rule. The second and third cycle in the development of China, in the context of the environment, is represented by the birth of the idea that China should create its own technology and that its global position is one of equality with other powers. Following the death of Mao Zedong, a political thawing ensued, and the country slowly opened up to the world. This meant that China’s “doors and windows” were opened for foreign technologies and investment. But there was also the danger that China now enter the undesirable relationship of neo-technological

dependency and fall into the trap of ecological colonialism. Because, in fact, China opened up to the world in the most inopportune moment, when Europe and the entire Western civilization became aware of the environmental dangers it was harboring and sought to move its outdated technology somewhere where there were no impediments in the form of environmental awareness. In the 1980 this ecological colonialism showed that capital no longer moved to places where only profits would be greater, but to countries where the political subjects lacked ecological awareness and where environmental laws, which could prevent this new form of colonialism, were inadequate or non-existent. However, in China’s case, this phase was the launch pad for the upgrading of already existing technologies and for adopting and improving on Western technologies. Understandably, the price of this move was not small. At one point, China not only became the leader in manufacturing and trade but the largest polluter and a vast waste dump for the West. It suffices to watch the 2016 documentary *Plastic China* (directed by Yuilang Wang) to understand all the social and economic dimensions (tragedy might be a better word) of burying China with European and global waste. However, a policy introduced in 2018 banned the import of dangerous recyclable waste. This policy on waste demonstrated three things. The first one was that China experienced an ecological, political, and economic awakening. As far back as 1998, the State Environmental Protection Administration was raised to the level of Ministry, in an effort to increase the body’s authority. In the period, there was also an increase in the power environmental agencies were given to enforce environmental

regulations, which up until that point had existed only on paper. Although at the time the resources to enforce policies remained limited and violations were widespread, the Chinese government was determined to change the country's reputation as one of the world's most polluted (for more see Shapiro, 2001, p. 208-210).

“Environmental problems have truly become a central concern of the Chinese government, not only because policymakers have recognized the high cost to them of health and cleaning, but also because of increased erosion, flooding, desertification and sandstorms. Many leaders are aware of studies which show that the cost of environmental degradation is expressed in illnesses, the loss of productivity and through increasing cleaning costs, which effectively erased China's rapid economic growth; they eagerly embrace green technologies if they have a low cost and contribute to economic development” (Shapiro, 2001, p. 208). This meant that China almost completely abandoned the exploitation of so-called dangerous resources and industrial and economic reliance on them. This sent a political message that the rest of the world had to turn back to its own capabilities regarding the recycling industry, which is not environmentally friendly. Early indications pointed to the fact that the closure of China's market for global waste caused a crisis in the recycling policies of the US and Australia in particular. This first step (the ecological and political awakening of China), which I would venture to call a “great environmental

leap” (paraphrasing the “Great Leap Forward” from 1958), started with the “National Sword” policy. This, however, is not the only environmental policy or environmental shift.

One year later, in 2019, on the initiative of General Secretary of the Communist Party, Xi Jinping, China set forth on the path to become not only an industrial, economic, trade, military and political global leader, but to keep in step with modern trends, in this case, the environmental protection trend. As Xi Jinping stated: “a good ecological environment is the most equitable common good and the most inclusive and beneficial contentment of the People. Environment means the People itself, green hills mean beauty and a blue sky means happiness. In fact, what is emphasized here is the need to focus on the improvement of the livelihood and the happiness of the people, in order to enhance environmental protection”. To this end, ten environmental policies, that is, ten goals of environmental improvement, were introduced in China.^[3]

The first policy is that the Ministry of Finance and the Ministry of Agricultural and Rural Affairs have promised rewards and supplements from the Central Public Finance to promote the “Toilet Revolution” and to encourage a conscious improvement of the rural human habitat. In other words, the aim is to make sanitary waste disposable and recyclable, in view of a conscious improvement of the rural human habitat.^[4] The second policy involves the establishing of strict accountability of

[3] <https://chinadevelopmentbrief.cn/reports/chinas-top-ten-environmental-policies-of-2019/> (viewed 15. 5. 2021).

[4] <https://chinadevelopmentbrief.cn/reports/chinas-top-ten-environmental-policies-of-2019/> (viewed 15. 5. 2021).

state authorities for environmental conditions. This involves the adoption of environmental concerns as a key political problem.^[5] The third policy involves the publication of a list of “Waste-free Cities” by the Ministry of Ecology and Environment (amongst the cities are Shenzhen, Baotou, Tongling, Weihai, etc.). The fourth policy involves the creation of a Green Action Plan 2019-2020 by the Ministry of Transport, the National Development and Reform Commission, the Ministry of Ecology and Environment and twelve other agencies.^[6] The fifth policy is the publication of the *Nuclear Safety in China* white paper by the State Council Information Office.^[7] The sixth initiative is the creation of the Environmental Protection and Poverty Alleviation Forum, which believes that “the thread of ecological and environmental protection should run through all efforts toward poverty alleviation and rural revitalization, and the results of the fight against poverty should be used to reinforce the foundation of green and sustainable development for rural

revitalization.” The seventh policy is aimed at the protection of water. To this end, the Ministry of Ecology and Environment and the Ministry of Housing and Urban-Rural Development jointly published the *Administrative Provisions for Major Scientific Projects in Water Pollution Control and Treatment*. The eighth policy includes publication of data through the release of the *Blue Paper on Ecological Governance: Report on China's Development of Ecological Governance (2019-2020)*.^[8] The ninth policy involves the active participation of China in the fight against climate change. This political goal was put into practice at the Leader's Climate Summit held on April 22, 2021 (in the midst of the Covid-19 pandemic), where Xi Jinping made a radical political step forward, braking away from the traditional socialist-communist understanding of the relationship between society and nature:

We must be committed to harmony between man and Nature. “All things that grow live in harmony and benefit from the nourishment of

[5] On April 21, 2019, the tenth meeting of the Thirteenth Standing Committee of the National People's Congress heard to the State Council's 2018 report on the state of the environment and on the advances of environmental protection submitted by Minister of Ecology and Environment, Li Ganjie.

[6] <https://chinadevelopmentbrief.cn/reports/chinas-top-ten-environmental-policies-of-2019/> (viewed 15. 5. 2021).

[7] “The white paper states that the discovery of the atom and the development of the use of nuclear energy have brought a new motivation to human development and have greatly enhanced the human ability to understand and transform the world. At the same time, the development of nuclear energy is also associated with safety risks and challenges. If humanity wants to make better use of nuclear energy and achieve greater development, it must respond well to various nuclear safety challenges and ensure nuclear safety.” <https://chinadevelopmentbrief.cn/reports/chinas-top-ten-environmental-policies-of-2019/> (viewed 15. 5. 2021).

[8] The report points out that there are four problems in China's environmental management. First of all, the long-term nature of the goal of comprehensively combating land degradation; second, the urgency to break the conflict between environmental protection priorities and the industrialization process; third, difficulties in sharing the fruits of economic growth and social development in nature reserves; and fourth, the basic nature of improving monitoring capabilities and building a modern monitoring system. <https://chinadevelopmentbrief.cn/reports/chinas-top-ten-environmental-policies-of-2019/> (viewed 15. 5. 2021).

Nature.” Mother Nature is the cradle of all living beings, including humans. It provides everything essential for humanity to survive and thrive. Mother Nature has nourished us, and we must treat Nature as our root, respect it, protect it, and follow its laws. Failure to respect Nature or follow its laws will only invite its revenge. Systemic spoil of Nature will take away the foundation of human survival and development and will leave us human beings like a river without a source and a tree without its roots. We should protect Nature and preserve the environment like we protect our eyes, and endeavor to foster a new relationship where man and Nature can both prosper and live in harmony.^[9]

At the Summit, Xi Jinping made another break, this time with China’s previous understanding of economic development:

We must be committed to green development. Green mountains are gold mountains. To protect the environment is to protect productivity, and to improve the environment is to boost productivity — the truth is as simple as that. We must abandon development models that

harm or undermine the environment and must say no to shortsighted approaches of going after near-term development gains at the expense of the environment. Much to the contrary, we need to ride the trend of technological revolution and industrial transformation, seize the enormous opportunity in green transition, and let the power of innovation drive us to upgrade our economic, energy and industrial structures, and make sure that a sound environment is there to buttress sustainable economic and social development worldwide.^[10]

These are crucial elements of Chinese environmental enlightenment. At the same summit, in his message to other world leaders, Xi Jinping also established three key principles, where the issue of ecology becomes the dominant political question. The first is the commitment to “systemic governance”;^[11] the second principle is the way “quality of life” is understood, which, besides the eradication of poverty, economic development and social equality must include the question of the natural environment;^[12] the third includes the

[9] http://www.xinhuanet.com/english/2021-04/22/c_139899289.htm (viewed 23.5.2021.)

[10] Ibid.

[11] “Mountains, rivers, forests as well as farmlands, lakes, grasslands and deserts all make indivisible parts of the ecosystem. Protecting the ecosystem requires more than a simplistic, palliative approach. We need to follow the innate laws of the ecosystem and properly balance all elements and aspects of Nature. This is a way that may take us where we want to be, an ecosystem in sound circulation and overall balance.” (http://www.xinhuanet.com/english/2021-04/22/c_139899289.htm, viewed 20.5.2021)

[12] “**We must be committed to a people-centered approach.** The environment concerns the well-being of people in all countries. We need to take into full account people’s longing for a better life and a good environment as well as our responsibility for future generations. We need to look for ways to protect the environment, grow the economy, create jobs and remove poverty all at the same time, so as to deliver social equity and justice in the course of green transition and increase people’s sense of benefit, happiness and security.” (http://www.xinhuanet.com/english/2021-04/22/c_139899289.htm, viewed 20.5.2021)

political ideas linked with the fight against climate change, which profoundly impact the future of political negotiation, not only on the subject of the future of the climate but of the world as a whole. These are embodied in multilateralism and the principle of joint but differentiated responsibilities. Namely, Xi Jinping pointed out that we are all responsible for the state of the environment, but that developed countries, nevertheless, have the task of helping underdeveloped countries in the struggle for a healthier climate as these countries, in line with their economic and industrial development and economic and industrial capacities, are not as responsible for the state of the world climate as developed countries. With this, in the spirit of the socialist tradition, China placed itself on the side of the marginalized, unprotected, and underdeveloped countries of the world. At the same conference, Xi Jinping also established Chinese environmental goals, the most important one being that China reach the maximum level of CO₂ emissions by 2030 and achieve carbon neutrality by 2060.

And, finally, the tenth environmental policy, i.e., the tenth goal in China's environmental policy, is the further development of the *Belt and Road* policy. In September 2019, the International Coalition for Green Development of the *Belt and Road* Initiative and the Bo'ao Forum for Asia jointly published the Report of the Green *Belt and Road* Development Study in Beijing. „Deputy Minister in the Ministry of Ecology and Environment and Commissioner of the Coalition Advisory Board, Zhao Yingmin, attended a press conference and gave a speech. The

Belt and Road Green Development Study Report is the first important research report related to the joint construction of the national *Belt and Road* green development since the coalition was formally launched in April 2019. Also, this is the first time that the Bo'ao Forum for Asia has published a special report on „green development” issues. The *Belt and Road* Green Development Report selected 13 cases of green development in different industries in ten countries for sharing. These cases were selected on productivity principles, the recognition they gained and their potential to be popularized and replicated, and they included six aspects of green development (pollution control, ecosystem management and conservation, green energy, green production, green life and green finance).^[13]

From the ecological standpoint, the *Belt and Road* initiative has so far had a controversial reception, and the nature of this paper inevitably requires additional explanations. I would start first with the limiting factors by which the *Belt and Road* initiative was presented, to be more precise, how this initiative is interpreted in the world, high politics, high economy, and even in some academic communities.

The first thesis spread by the media, which is even accepted in academic circles, is that the *Belt and Road* is a new form of China's quest for hegemony, a new kind of imposition of political influence through the economy, especially through investment, which masks the creation and spread of political influence and domination. This thesis is a form of direct prejudice. First, the *Belt and the*

[13] http://www.xinhuanet.com/english/2021-04/22/c_139899289.htm (viewed 20.5.2021)

Road is a plan that is undergoing something that the world has not experienced before: the process of open and public global debate, an exchange of opinions, amendments and additions. We do not know that the project of “globalization” passed through such democratic and academic filters in the 1980s. This was done only following the appearance of its first negative outcomes. On the other hand, the end product of this “one-way globalization” in the 20th century is global warming, renamed “climate change” in the 21st century for the sake of political correctness. The *Belt and Road* represent “two-way globalization” and, I would add, ecologically acceptable “two-way globalization” (I will explain this concept later). This is where we come to prejudice. Many still consider China a fertile ground for economic and ecological colonization, not accepting the fact that China has reached, and perhaps even surpassed, Western civilization in technological, and especially green technological innovations. The selfishness of Western civilization is based on expansionism, today it is only sophisticated, sometimes politically disguised, but the essence and its consequences are absolutely the same. It often uses a racially charged language, not just a nationally intolerant one. Its essence is a sense of false superiority. “The first (one-way) globalization” was unsuccessful and done in the spirit of colonialism, not only in the economic but also in the environmental sense.

That is why the *Belt and Road* initiative is an example of “two-way globalization” and, as such, it unsettles conservative circles. I would not like to sound like Greta Thunberg, but I must point to two key statements by former US President Donald Trump that illustrate the relationship with modern

China: “The concept of global warming was created by the Chinese and for the Chinese, in order to make American manufacturing uncompetitive”, and another, “China, India, Russia, many other nations, do not have very good air, do not have very good water in terms of pollution and cleanliness. They are not behaving responsibly.” Another source of prejudice is again based on the narcissistic foundations of Western civilization. The propaganda machine speaks in favor of “Western products”, appraising Chinese products as cheap and, of course, short-lived. But this is the background of the economic war in “two-way globalization”. A third source is the untruth, for example, that most coal-fired power plants built abroad and financed by China use low-efficiency subcritical coal technology, which produces some of the highest emissions of any form of electricity generation. The message that is being sent is that China is not only destroying its own environment, but that it also intends to do the same in the places where it invests. Hence, the idea of a new Silk Road is actually to “clean” China and pollute the world.

Let us be honest, this is a typical, vindictively formulated idea, stemming from the fact that China today refuses to be the garbage dump for Europe and America. In international relations, if we leave the sphere of “economic war”, the situation is as follows. China is slowly becoming a leader in international efforts to keep global warming below 2°C, playing a key role in negotiations on the Paris Agreement, promising that carbon emissions will peak by 2030 and will decline rapidly thereafter. China has quickly become one of the world’s largest investors in renewable energy, investing in solar and wind projects, hydropower, and electric vehicles.

Chinese President Xi Jinping described a new era in Chinese development, defining it as “ecological civilization”. I do not recall that any world leader has spoken in this way so far, expressing the desire that a country become an “ecological civilization”. Xi Jinping very precisely defined the *Belt and the Road* as the “New Silk Road”, which will be “green, healthy, intelligent and peaceful”. It is obvious that President Xi Jinping does not speak the language of “one-way” globalization and does not use the terminology of economic colonization such as “free movement of capital, people, goods, ideas, information, etc.”, but speaks the language of “two-way” globalization, where the key words are “green, healthy and peaceful”. As he pointed out at the first *Belt and Road* Forum in May 2017: “*Belt and Road* is a vision of green development and a way of life and work that is green, low-carbon, circular and sustainable.”

“Ecological civilization” can be found as a concept in the ideology of the Chinese Communist Party since 2007. Between 2007 and 2017, more than 4000 published Chinese articles and books included the phrase “environmental civilization” as one of their key words (Cuhn, 2019). The concept of “ecological civilization” (*shentai wenming*) recognizes that nature is a part of life, and not something that can be exploited without restrictions. It serves as a reference framework for Chinese political leadership to develop visions of contemporary environmental socialism,^[14] which will be able to reconcile the environmental, economic, and social components of social development (Cuhn,

2019). This vision of modern ecological socialism is contained in the aforementioned 10 environmental (goals) policies, but as such it leaves room for an in-depth political and ecological discussion and analysis of whether China is on the path from “liberal environmentalism” to “authoritarian environmentalism” (Wang- Kaeding, 2018).

These were the prejudices and their refutations. Where is the truth? China is the world's leading country in the production of electricity from renewable energy sources, with more than twice the output of the second-ranked country, the United States. By the end of 2018, the country had a total capacity of 728 GW (gigawatts) of renewable energy, mostly from hydropower and wind. China's renewable energy sector is growing faster than the fossil fuel sector and its nuclear power capacity. China is a world leader in wind energy production, with the greatest capacities in the world and continuous rapid growth of new wind farms. With a large land mass and a long coastline, China has exceptional sources of wind energy, estimated at about 2,380 GW of exploitable capacity on land and 200 GW at sea. China is the world's largest market for both photovoltaic systems and solar thermal energy. Since 2013, China has been the world's leading installer of solar photovoltaic systems (PV). In 2015, China became the world's largest producer of photovoltaic power plants, closely surpassing Germany. In 2017, it was the first country to exceed 100 GW of cumulative installed PV capacity, and by the end of 2018 it had 174 GW of cumulative installed solar capacity. As of May 2018, China holds

[14] More on the concept of modern ecological socialism through the prism of its historical development, from Hans Magnus Enzensberger through Andre Gorz to David Pepper, see Nadić, 2012.

the record in the largest operational solar project of 1,547 MW in Tenger. There is also the issue of transport and especially electric vehicles. By 2015, sales of electric vehicles in China exceeded US levels. In 2018, Chinese sales exceeded 1.1 million cars, representing more than 55% of all electric vehicles sold in the world and three times more than Chinese buyers bought two years earlier. That year, sales of American electric vehicles amounted to only 358,000. The government is also aware that electric vehicles could help solve some of China's most pressing energy and environmental problems: first, massive air pollution is suffocating its major cities, and second, China has so far contributed the most to global emissions which cause climate change.

My personal experience of staying in Shanghai in 2019 also contributed to the disappearance of some of my own environmental prejudices regarding China. Namely, although Shanghai, as a kind of showcase city, may not be a true example of the path of China's ecological transformation, I was impressed by certain things. Shanghai is a city of greenery, landscaped and maintained parks, not just incredibly tall business and residential buildings. The air is not as polluted as I expected, and my comment on this matter caused positive surprise and satisfaction among my Chinese colleagues at Fudan University, keeping in mind the concentration of traffic on the streets of Shanghai. Here I should emphasize the existence of a special system of registration plates by which traditional, polluting cars and new electric and hybrid cars and buses are differentiated. Electric cars have green license plates, which makes them symbolically stand out from other vehicles in traffic. It should be added

that the state itself provides tax and other financial incentives for the purchase of electric vehicles. And, finally, in the hotel room where I stayed in Shanghai, in order to implement the national policy of sustainable development, environmental protection and the preservation of resources, as explained in the leaflet and at the instigation of the Communist Party, there was no shoe cream and brush. This is considered not only an economic but also an environmentally unacceptable cost. China's special strength in this ecological transformation lies in its youth. Although consumer-oriented, the system of formal and non-formal environmental education directs children and youths, especially the student population, not only to be familiar with environmental issues, both domestic and global, but also to be better informed in some segments than their peers in other parts of the world.

Conclusion. China and Serbia

The People's Republic of China is definitely changing its ecological character both within its borders and globally. Inherited environmental problems, expressed through long-standing anti-environmental policies, still exist in China today and will take a long time to overcome and resolve. However, the general political goal of China and the environmental intentions of the current Chinese leadership are that in the near future China will be an example, if not a leader, in the field of implementing environmentally responsible state policies at home and abroad. Many will doubt the sincerity of China's new environmental policy, but I do not think there should be any doubt about the feature of Chinese modern statehood

commonly known as “commitment” to an idea and the implementation of that idea. And this current ecological commitment is visible in the growing use of the saying: “Harmony between Heaven and Humanity”, which has definitely replaced Mao’s motto: “Man must conquer nature”.

Unlike the People’s Republic of China, the Republic of Serbia is technologically, i.e. ecologically and technologically lagging in relation to Western civilization, but also in relation to China. Namely, the process of developing environmentally friendly innovations in Serbia has slowed down due to a lack of understanding of the importance of the previously mentioned key words: green and healthy. Serbia is in a kind of specific gap. On the one hand, there is the political desire to become an EU member state, which means absolute acceptance of environmental standards and, of course, technology that comes from EU countries, that is, countries that are pioneers of “one-way” globalization. Furthermore, the budget of the Ministry of Environmental Protection of the Republic of Serbia for this year, taking into account the existing increase of four billion Serbian dinars, amounts to 12.3 billion dinars. This is no longer as modest as it used to be, but it is still insufficient to repair the long-term impact of ignoring of environmental problems and to align the country with European standards. I want to say that our financial possibilities for ecological transformation are extremely modest and limited, and what unites us with China is the similar burden of a bad ecological past, which requires large investments in environmental protection.

Given the “steel friendship” and full political understanding between China and Serbia, as well as Serbia’s interest in environmental modernization, cooperation between Serbia and China within the *Belt and Road* initiative should not begin and end with investments in railways, the purchase of steel and the modernization of thermal power plants. The real danger of these Chinese investment cycles in Serbia lies in the fact that some Chinese companies still do not behave in an environmentally friendly way and often fail to meet domestic environmental standards, especially when it comes to “dangerous” industries such as the heavy and metal processing industries. This creates a negative response from the public, which justifiably expects respect for environmental laws and standards, as China is perceived as a friend. Of course, even when such situations arise, we must be realistic. The nature of capital and profit is such that it wants to increase at any cost, be it green, red or black.

Therefore, the *Belt and Road* initiative in Serbia should include Chinese investments in ecology, that is, renewable energy sources: wind energy and solar energy. I have to be honest, apart from mobile phones made in China (which are very good, cheap and last a long time), Belgrade is full of electric Xiaomi scooters “Made in China”. However, the batteries of these scooters also require electricity, so we once again return to the problem of renewable and politically non-conflicting energy sources and the challenges of climate change, because the sources of our electricity and the air quality we leave behind are not an insignificant matter.

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Photo: Xinhua

Wind power facilities in PR China

Book Reviews

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Overview of those to come: Chinese “bricks” in the global economy



Li Peilin, MK Gorshakov, Celi Scalon,
 KL Sharma (eds.), *Handbook on Social
 Stratification in the BRIC Countries: Change
 and Perspective*, Zavod za udžbenike, Beograd,
 2014, 846 pages [in Serbian]

In a very short time period, the acronym BRIC has become recognizable to the extent that it is no longer necessary to further explain its meaning. The term was coined by the British economist Jim O’Neill, who playing with the English word “bricks”, entitled his 2001 report for the Goldman Sachs investment bank *The World Needs Better Economic BRICs*. The author wished to emphasize that the “world needs better economic bricks” by connecting on a global scale countries with growing economic potential – Brazil, Russia, India and China – countries which, as O’Neill predicted in later papers, could considerably alter the global economic order by the middle of the century.

It is precisely these better “bricks” which have attracted such great interest on the global

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level. The report directed the attention of other countries and investors towards regions which were known respectively as “the global factory” (China), the “global raw material base” (Brazil), the “global gas station” (Russia), and the “global office” (India). Not only that, the economic potential of these countries elevated their cooperation to a higher level resulting in the first BRIC summit held in 2009 in Ekaterinburg. The second summit was attended by South Africa.

Although they share economic interests, which are recognizable on the global level as well, other segments of these societies remained in the background and are less known to the general public. This problem was addressed by a team of sociologists, who published the comprehensive study *Social Handbook on Social Stratification in the BRIC Countries: Change and Perspective*, edited by Li Peilin, M. K. Gorshakov, Celi Scalon and K. L. Sharma, who was the author of all nine studies relating to India. This handbook was the result of the agreement on cooperation, signed in 2009 by the Chinese Academy of Social Sciences (CASS) and the Russian Foundation for Humanities (RFH), and later extended to include sociologists from Brazil and India. The handbook contains 36 articles, divided into nine thematic units, with extensive data, graphs and tables, as well as a rich bibliography, which helps future researchers. The handbook was translated and published in Serbia by the Zavod za udžbenike in 2014, one year after the first edition (translated by Miljana Protić).

From first pages one is able to see that by filling in the gaps in existing literature this “comparative study helps us achieve a better

understanding of the economic and social growth in these countries but also lead us to unveil the mystery of how these emerging powers, with dramatic differences in history, geography, culture, language, religion and politics could share a common will and take joint action”. Li Peilin addresses this question in the introduction, where he stresses that “it is the profound social structural changes in these countries that determine their future, and to a large extent, will shape the socio-economic landscape of the future world”. The significance of the effort is proved by the list of 28 associates, whose brief biographies are presented in the pages following the introduction.

The first part of this comparative study titled “Changes in social stratification” contains the following analyses: “Social stratification and its transformation in Brazil” (C. Scalon), “Changes in social stratification of Russian society within a period of transformation” (Z. T. Golenkova and M. K. Gorshakov), “Social stratification and change in contemporary India” (K. L. Sharma), “Changes in China’s social stratification since 1978” (Li Peilin).

The second part of the handbook is dedicated to studies of the working class: “Labor, workers, and politics in contemporary Brazil: 1980-2010” (M. A. Santana), “The working class in a transitional society: from the Soviet Union to the Russian Republic” (Z. T. Golenkova and E. D. Igitkhanian), “The urban industrial working class and the rural peasant working class in India” (K. L. Sharma), “The status quo and change in the working class in contemporary China” (Li Wei and Tian Feng).

The peasantry of these countries is analyzed in the third part of the book: “Brazilian peasantry: a history of resistance” (M. de Nazareth Baudel Wanderley), “The transformation of the social structure in modern Russia” (A. A. Hagurov), “The differentiation of the peasantry in India since Independence” (K. L. Sharma), “Rural society and peasants in China” (Fang Ping).

The fourth section of the *Handbook* focuses on business enterprises and entrepreneurship: “Innovative entrepreneurship in Brazil” (S. K. Guimarães), “The development of entrepreneurship in Russia: main trends and the status quo” (A. Chepurenskiy), “Tradition and entrepreneurship of Indian private entrepreneurs” (K. L. Sharma), “China’s fledgling private entrepreneurs in a transitional economy” (Chen Guangjin).

The fifth part of the book presents studies of the middle class, both from the historical and the contemporary perspective: “The formation of the middle class in Brazil. History and prospects” (A. Salata and C. Scalón), “The middle class in Russian society: homogeneity or heterogeneity?” (N. E. Tichonova and S. V. Mareyeva), “The rise of the middle class in India since Independence” (K. L. Sharma), “The heterogeneous composition and multiple identities of China’s middle class” (Li Chunling).

The question of income inequality is addressed in the articles given in the sixth part of the *Handbook*: “Income inequality and social stratification in Brazil: key determining factors and changes in the first decade of the 21st century” (L. G. Costa and C. Scalón), “Income

inequality in Russia” (Y. Epikhina), “Poverty and income inequality in India’s urban and rural areas” (K. L. Sharma), “Structural characteristics and trends of income inequality in China” (Chen Guangjin).

The seventh section is dedicated to the problem of education inequality: “Education inequality and social stratification in Brazil” (M. da Costa, M. C. Koslinski and L. G. Costa), “Inequality in education: the case of Russia” (D. L. Konstantinovskiy), “Education and social stratification in India: systematic inequality” (K. L. Sharma), “Educational inequality and educational expansion in China” (Li Chunling).

Consumer practices in the BRIC countries are examined in the eighth section: “Beyond social stratification: a new angle on consumer practices in contemporary Brazil” (M. Castañeda), “Consumption and lifestyle in Russia” (P. M. Kozyreva, A. E. Nizamova and A. I. Smirnov), “The new emerging consumption class and their lifestyles” (K. L. Sharma), “The stratification of consumption among social classes, occupational groups, and identity groups in China” (Tian Feng).

The ninth and final section of the book is entitled “Class awareness and values” and includes the following articles: “Working class formation in Brazil: from unions to state power” (A. Cardoso), “The research of class and group consciousness in contemporary Russian society” (F. M. Chernysh), “Social-class connection and class identity in urban and rural areas” (K. L. Sharma), “Stratum consciousness and stratum identification in China” (Li Wei).

The work of Chinese authors presented in this book contributes to a deeper understanding of societal relations in China, which have brought about the increasing importance of Chinese “bricks” in the global economic structure and the ever more active role the country has in other segments of global relations. The predictions given in the book, observed from a time distance since the period when the analysis was performed, can now be clearly outlined in practice. Among others, one of the predictions that should be mentioned is that of Li Peilin from the first part of the book in which the author states that “the transformation that the social structure of China has experienced after the reform and opening up to the world is truly profound and the trend which this transformation creates will determine the directions and future of China”. In his article, Peilin mentions that “as urbanization gradually continues in China, due to an aging population and changes in labor supply, the era of Chinese cheap labor will gradually pass”. A prediction that is now reality is also made, namely “China’s future economic growth will have to shift from ‘made in China’ goods to ‘Chinese own brand’ goods, so the comparative advantage of Chinese labor will increasingly be reflected in the quality of its work”.

On the topic of relations within Chinese society, the final article in the book by Li Wei addresses class consciousness and identification in China, reminding the reader at the very start that “in the thirty years since the beginning of the reform and opening to the world, China has undergone a transformation from an agricultural

society to a modern industrial society and has moved from a planned economic system to a market economic system”. Because of this, the author explains “its social strata also experienced a great stratification of interest, with each social stratum experiencing self-identification and the formation of group consciousness, which, in turn, influenced the emergence of discord and a fragmentation of the identity of the strata.” Li Wei defines class consciousness and social stratum consciousness as well as the consciousness of social stratification, which involves the public perception of social differences. Further on the author analyses the consciousness of stratum identity, examining whether the individual perceives the boundaries of the social stratum they belong to and whether they recognize the interests they share with other members of their stratum, as well as the consciousness of conflict between social strata, which further points to the public perception of the relations between social groups. It is in this section that the author explains how such societal stratification based on interests took place and the resultant conflict of interests, claiming that the cause of this is that “from members of work units connected with the state, citizens have become more independent ‘social persons’, while labor relations, which were once ruled by the state, have become market-conditioned.” On the basis of this analysis the author makes several conclusions: that the majority of Chinese society feels that there is a conflict between social strata, that awareness of conflicts of interest between social groups is most pronounced among civil servants and

those who classify themselves within lower social strata, while conflicts of interest between social groups are mainly manifested in the division between the wealthy and the poor, in an industrial conflict and strained relations between managers and the people. One of the examples that Li Wei offers as an illustration of the particularities of the emergence of social strata in China is that “with a more sensitive classification of strata, private business owners would rather be classified as ‘middle class’ or even ‘working’ and ‘rural’ than to describe themselves as members of the ‘business owner class’”. The author points out that this is a “specific phenomenon that has never been noticed in the Western theory of class analysis”.

Because of the examples we have given and many others relating to the four countries,

the *Handbook on Social Stratification in the BRIC Countries: Change and Perspective* is a valuable comparative study for all those who in the current global balance of power are working together to secure not only their “place under the sun” but also assume an active role on the international stage through the identification of common economic as well as political and security interests. The book also provides a wider context for the understanding of international relations during the period of globalization. Regardless of the time distance since its publication and the fact that more than a decade has passed since the idea was first born, the value of this book is that it is still fresh enough to help its readers understand current events, analyze what has been achieved in the meantime and predict future processes.

