

INTRODUCTION: CHINA'S PRESENCE IN THE GLOBAL SOUTH



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The third summit of the Belt and Road Initiative (BRI) held in Beijing in October 2023, which coincided with the tenth anniversary of the launch of the project by China, gathered 23 leaders and delegations from over 130 countries. The event was a reflection of the multipolar order being pushed by the Asian giant, its desire to continue boosting the agency of the Global South, and its interest in leading the challenge to the liberal international order. Under a paradigm of South-South cooperation and in a context of mounting geopolitical competition with the West, chiefly the United States, relations between China and the Global South have grown exponentially since the shift from an ideology-based approach during the Maoist era to one that places trade and investments at the heart of its foreign relations, which is the result of the Chinese state transformation and the effect of the internationalisation policies adopted at the end of the last century. The BRI, China's main foreign policy tool since President Xi Jinping came to power, aims to connect China with the Global South and Europe through infrastructure construction. Thus, over the last two decades the Asian country has emerged as one of the main trading partners of more than 100 countries, a major development financier and, in times of crisis, a real alternative to the International Monetary Fund (IMF) and the Bretton Woods economic order.

But what do we mean when we talk about the “Global South”? While there is no clear consensus on which countries form part of this group, we can affirm that it is a neat concept to describe the developing regions that share an economic, political and social history marked by the experience of colonialism and imperialism. It also encompasses their subsequent organisation into what was termed the Third World and the movements of non-aligned countries, people’s liberation or decolonisation during the Cold War period. Today, its definition has evolved to include a shared identity and coordination among developing countries to promote their interests, concerns and collective solutions in the face of the major Western powers, in groupings like the G77 at the United Nations. The Global South, then, is a space of criticism – and of the desire for transformation – of the liberal international order led by the United States and Europe (Alden *et al.*, 2010; Rojas and Rofel, 2023). China, for its part, has built its contemporary national identity around its membership of the Global South, as “**the largest developing country**”, as well as its recent status as a global power. China’s participation in the Bandung Conference in 1955, the starting point of the movement of non-aligned countries during the Cold War, and its support for revolutionary and national liberation processes forged strong and enduring ties that have lasted to this day, even if they are in a state of constant flux.

Indeed, thanks to China’s greater economic clout obtained through modernisation and development, Beijing has devoted extensive diplomatic and financial effort to the Global South in recent decades, including the BRI project, or the proliferation of new regional cooperation fora. Yet Chinese presence has faced strong international pushback, mainly from the West but also from the countries receiving aid and investments from the Asian giant. The relatively low turnout of world leaders at the third BRI summit, compared to the 37 representatives who attended the second one in 2019, is an indication of the decline in global interest in this initiative. Lack of transparency, limited local impact, accusations of extractivism, the poor quality of some infrastructure, multiple shelved or failed projects and, more recently, the slowdown in investment flows and the mounting problems of some countries to service their debts – among other reasons – have tarnished the BRI’s image globally.

Against this backdrop, the *CIDOB Report* n°11 looks at the main geoeconomic and diplomatic instruments China has used to engage with the Global South over the last two decades and explores how the countries grouped into that category perceive the Asian country. A deeper knowledge of this is crucial to understanding the new dynamics that are changing the geopolitical shape of the international order, particularly in the face of growing Western concern that Europe and the United States have “lost” the Global South. The report takes a regional approach to the analysis through

seven case studies: sub-Saharan Africa, the Middle East and North Africa, Latin America, Central Asia, Southeast Asia, South Asia and the Pacific Islands. This allows us to examine the changes and (in)consistencies in Chinese foreign policy over the last two decades, questioning the existence of a coherent global strategy, the scope of its influence and the validity of some criticism of the Chinese development model. It enables a comparative approach to observe the similarities, the particularities and the key features of Chinese outreach to the various regions of the Global South. As we shall see, the results of Chinese policies are often the outcome of relatively vague guidelines issued from the central administration in Beijing and their mass, fragmented and poorly coordinated implementation by a diversity of domestic actors with their own interests and agendas, as well as the action of local agents that shape the Chinese presence in their territories.

It is also worth noting that the current approach of relations between China and the Global South, particularly under the BRI, is nearing its end. Partly in a bid to respond to the failings and criticism of the initiative, Xi Jinping announced a **new phase of investments**, with smaller projects and higher standards, focusing on the green and digital transition, which will allow China to continue to project itself as the champion of globalisation and development into the BRI's second decade. The project, moreover, is no longer so relevant even for China's elites, who have dialled down their pronouncements on the subject at the same time as they have adopted new global governance proposals, like **the Global Development Initiative, the Global Security Initiative** or **the new Global Civilisation Initiative**. From now on, the BRI will be one of several Chinese efforts to coordinate its relations with the Global South in its quest for a greater role in the international system.

How the report is structured

This report comprises eight chapters and an appendix. It takes a regional approach to China's varying strategies and presence – and how they are perceived or criticised – in the different geographical areas that make up the Global South, with the exception of the first chapter, which is more theoretical and general. Thus, it begins with an article by Víctor Burguete, who takes an overall view of how China uses trade, investment and rescue loans as goeconomic tools to increase its geopolitical clout in the Global South.

Entering the regions now, the second chapter by Oscar Mateos explores China's "assertive" and security-focused shift in sub-Saharan Africa, where there are clear signs of the end of the loan era and a new phase of Sino-African relations. For African governments, China's arrival has broadened their options, which previously were constrained by the agendas of the European

Union (EU) and the United States. In the Middle East and North Africa, China's dynamics are marked by its energy concerns, an issue that Moussa Bourekba develops in the third chapter. He charts Beijing's growing role as a regional power in the shadow of waning US influence in the region, despite questions over China's readiness to accept the ramifications and responsibilities that this new status might bring. Turning to Latin America, a region still redefining its role in the world in the face of growing geopolitical competition, Anna Ayuso provides a snapshot of the impact of China's entry into the region. This includes rolling out new cooperation fora and contributing to the "reprimarisation" of its economies - a return to activities associated with the primary sector - by developing economic incentives that capitalise on the region's endemic reliance on foreign funding and huge infrastructure deficit.

Focusing on China's immediate neighbourhood, in the fifth chapter Francisco Olmos zooms in on Central Asia's key role in the Eurasian interconnection projects promoted by Beijing, as well as this geographical area's importance in terms of security and natural resources. Chinese presence here, however, is faced with growing Sinophobia, a dwindling number of remaining infrastructure projects, and concerns about the disturbing level of debt incurred by some countries in the zone. Javier Gil's article, meanwhile, explores Southeast Asia, the main target of Beijing's "neighbourhood diplomacy", analysing how China's outreach in the zone aims to ensure a favourable regional environment for its security and development. However, while relations between China and this region have improved considerably, there is a lingering distrust of the Asian giant arising from its political influence and growing military might, visible in the South China Sea dispute.

Ana Ballesteros tackles South Asia in her contribution, with the emphasis on China's dynamics with India and Pakistan, countries that form the pivot of its strategy in the zone. While Pakistan is the biggest recipient of BRI investment, India has felt compelled to seek alternatives to preserve its leadership in the region, including drawing closer to Washington, in the wake of China's greater assertiveness in its area of influence. These processes permeate the other countries in the zone, which must strike a balance between their own economic and development interests and geostrategic concerns. Lastly, in chapter eight, Inés Arco focuses on the distant region of the South Pacific. She highlights how China's presence in the zone is mostly shaped by its contest for international recognition with Taiwan and a new security dimension. However, a large part of Chinese presence - and of the stories that reach us of its presence in the region - can only be understood by considering the agency of the 14 island nations and their desire to determine the Pacific's future by involving both the Asian country and other powers in the region.

The report ends with an appendix that provides a concise comparison of the different regions' importance to China in terms of trade and the Global South states' dependence on this country, as well the distribution by region and by country of China's investments over the last two decades, before and after the launch of the BRI. It provides a comparative collection of data with which to obtain a more detailed understanding of China's economic presence (and importance) in the different countries of the Global South.

References

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