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**China's Strategic Approach to Development:
The Changing Landscape of International
Cooperation**

Dissertação de Mestrado

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Abstract

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China provided the bases for its meteoric rise in the 1970s, but it was during the 1990s and particularly the 2000s that it really called the world's attention. Now, the country holds an extremely relevant place in international relations, and the growing interest in it is inevitable, especially in its development and in its international cooperation initiatives. This dissertation aims to check China's recent rise as a global power and to compare Western traditional approach to international cooperation and Chinese foreign policy related to this agenda in order to discuss China's strategy during Xi Jinping's presidency in the field of development cooperation and how the Asian country may change its operation. In this regard, firstly, it will briefly analyse China's economic reforms and developmental trajectory, as well as more recent political, economic and diplomatic transformations. Afterwards, it will examine Western and Chinese similarities and differences regarding international cooperation. Finally, it will inspect the changing landscape of international development cooperation, based on China's rhetoric and practice and on the experimental nature of its initiatives, such as the Belt and Road Initiative, which, if successful, might favour China in the global stage.

Keywords

China; development; international cooperation; Chinese diplomacy; Belt and Road Initiative.

Resumo

Steenhagen, Pedro Henrique Vigné Alvarez de; Esteves, Paulo Luiz Moreaux Lavigne; Ortiz, Maria Elena Rodriguez. **A Abordagem Estratégica da China para o Desenvolvimento: As Mudanças de Conjuntura na Cooperação Internacional**. Rio de Janeiro, 2019. 42p. Dissertação de Mestrado - Instituto de Relações Internacionais, Pontifícia Universidade Católica do Rio de Janeiro.

A China estabeleceu as bases para sua ascensão meteórica na década de 1970, porém foi durante os anos 1990 e particularmente 2000 que ela chamou a atenção do mundo. Atualmente, o país tem uma posição extremamente relevante nas relações internacionais, e o crescente interesse nele é inevitável, especialmente em seu desenvolvimento e em suas iniciativas de cooperação internacional. Esta dissertação objetiva verificar a ascensão recente da China à categoria de potência global e comparar a abordagem ocidental e tradicional de cooperação internacional e a política externa chinesa relacionada a essa agenda, de forma a discutir sobre a estratégia da China de Xi Jinping no campo da cooperação internacional e sobre como o país asiático poderá modificar sua operação. Nesse sentido, primeiramente, ela analisará brevemente as reformas econômicas da China e sua trajetória desenvolvimentista, bem como recentes transformações políticas, econômicas e diplomáticas. Posteriormente, examinará similaridades e diferenças entre a cooperação internacional ocidental e chinesa. Finalmente, inspecionará as mudanças de conjuntura da cooperação internacional para o desenvolvimento, baseando-se na retórica e na prática chinesas e na natureza experimental de suas iniciativas, como Um Cinturão, Uma Rota, que, se bem-sucedida, pode favorecer a China na arena global.

Palavras-chave

China; desenvolvimento; cooperação internacional; diplomacia chinesa; Um Cinturão, Uma Rota.

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*To study and at due times practice what one has studied,
is this not a pleasure?*

Confucius.

1. Introduction

China is a very interesting and diverse country, full of convergences and contrasts between the old and the new, the traditional and the modern. It could be argued that Shanghai, for example, boasts one of the most beautiful and modern urban landscapes in the world, while also not letting go of its past. Classic Chinese architecture can be found everywhere, from a Buddha temple beside a huge skyscraper to a Mao Zedong statue in the middle of a customary garden. It is difficult not to be impressed by China, especially considering it changed so much (and yet so little in its cultural essence) in a brief space of time.

China did not become a global economy powerhouse out of nothing. Since 1949, when the People's Republic of China was founded based on a socialist revolution, the country has gone through an atypical development process, aligning socialist and capitalist characteristics from the late 1970s onward to create a system of its own. It is remarkable how China was able to improve its living standards, social conditions, political weight in the international stage and global economic status in such a relatively short period.

The Communist Party of China's approach to development and the rather flexible, but hierarchical relation between central and local governments are two aspects that should be taken into consideration when one analyses the country's political and economic history. While encouraging investments abroad and international cooperation, domestically, China was implementing preliminary and experimental policies that, if successful, could be applied nationally afterwards. The experimental process of policy-making and the acceptance of some risks inherent to it are one of the most important aspects of the Chinese development.

This dissertation's objective is not to discuss all the details of China's economic reform and political ascension in the international stage, but to use such analysis to substantiate further discussions. Therefore, its aim is to question if China will export its experimental approach to development and use it in international cooperation, including in its Belt and Road Initiative, and succeeding

in that, if it might change how cooperation is undertaken by the West. First of all, though, it is necessary to check some aspects of China's developmental trajectory.

2. The Rise of China in a New Era

2.1. China's Strategy on Development

The concept of development has been historically connected to the notion of economic growth and a step-by-step procedure a State has to follow in order to achieve it.¹ There are countless economic, political, social and cultural variables that could be considered to classify a State as a developed or developing country, but, undoubtedly, still today, the importance of economic growth is irrefutable.² Without it, investments, trade, consumption and public policies are directly affected, a situation which may undermine social and political progress.

At the same time, economic growth does not necessarily result in a trickle-down effect and thus in the development of a society and a State. Additionally, while there can be “successful” examples of development, such as the United States of America, one country should not follow a given path uncritically. Societies are complex and diverse, each with its own set of characteristics that may lead to different pathways and timeframes to reach similar goals, particularly in this globalised world where societies may live with “developed” and “developing” aspects in a simultaneous and contradictory way. There is no straight line to achieve the status of a developed nation, even though most developing countries adopt rigid and universal models and solutions, usually made by established powers, for their unique realities.

The very division between developing and developed countries itself is highly problematic, as it contemplates a specific perception of development that not only may be judged as a modern strategy of dominance, but also carries the

¹ Rostow (1959) argues States have to go through a set of pre-determined stages of growth to achieve development. However, this rigid notion does not consider the fluidity inherent to the pursuit of development, including social and cultural aspects of a society. After all, in the real world, there is no unique or static path to development.

² According to the Development Policy and Analysis Division of the Department of Economic and Social Affairs of the United Nations Secretariat, countries may be classified as developed economies, economies in transition or developing economies (United Nations, 2018). The term “emerging economies” is not considered a formal definition, but, when used, it refers to mainly middle-income developing and transition countries that are integrated into the global financial system (United Nations, 2018). This classification reflects basic economic country conditions, confirming the still-widespread notion that development is almost synonym to economic growth.

notion of absolute disparity between the two groups, instead of recognizing relative distinctions and comparative advantages.³ In this respect, each State may find itself developed or not in specific sectors or in varied ways, and each society must find its own path of development. This does not mean there can be no models to follow or at least similarities between countries, but instead that development is not a straightforward process. According to Rodrik (2011, p. xviii):

Replacing our economic world on a safer footing requires a better understanding of the fragile balance between markets and governance. [...] First, markets and governments are complements, not substitutes. If you want more and better markets, you have to have more (and better) governance. Markets work best not where states are weakest, but where they are strong. Second, capitalism does not come with a unique model. Economic prosperity and stability can be achieved through different combinations of institutional arrangements in labor markets, finance, corporate governance, social welfare, and other areas. Nations are likely to – and indeed are entitled to – make varying choices among these arrangements depending on their needs and values.

The Chinese seem to have learnt with this perspective. While, in a generalised global process that saw the weakening of the State and the strengthening of the market, many nations liberalised its economies and welcomed investors through extensive privatisation processes, China continued in a development trajectory in which the State remained as the central actor and the private capital served the government's interests in a controlled and ordered manner. After successfully implementing its economic reforms, China entered the new millennium with a strong and consolidated position in the global arena with a system of its own and the status of a great and rising power.⁴

Of course, China did not transform itself out of the blue. Also, it did not follow a specific development model, in part because it does not believe in one, advocating instead for the idea that each society must find its own path to

³ Even the United Nations recognises “several countries (in particular the economies in transition) have characteristics that could place them in more than one category” (United Nations, 2018). In this respect, one additional reference may be Sen (1999), who, instead of focusing on pure economic growth, embraces a more human-oriented perspective, based on people's capabilities, potentials, conditions and freedoms.

⁴ Many authors discuss China's rising power and its status as a great power. Among them is Larson (2015, p. 347), who states “China is still trying to forge a new identity and role consistent with its rising power. [...] China has emphasized throughout its morality and distinctive path to great power status by domestic development, creative diplomacy, and proposals for world order”.

development.⁵ Consequently, China had a quite experimental and dynamic development trajectory, in which not all plans were thoroughly prepared, not all policies were perfectly implemented and not all results were previously expected, diverging from the West's general perspective on the subject.

Until modern times, China did not pursue a traditional development trajectory. Inspired and legitimised by Confucianism today, though using it in an ambivalent and selective way, the Communist Party had different ideals when it first rose to power, as it tried to depart from Confucius' traditional ideas and concentrate in nationalist and Marxist-Leninist ideologies (Domingues, 2010, p. 356). Revolutionary leader Mao Zedong, resentful about the oppression and exploitation suffered by China in light of Western imperialism, wanted to make the Chinese people rise again in the world (Kissinger, 2011, p. 109) and, in his vision, this would demand some drastic departures from the old ways. Although he did accomplish many targets he had stipulated, especially in the social agenda, he generated a series of domestic contradictions, such as the Great Leap Forward and the Cultural Revolution (Kissinger, 2011, p. 118).

After Mao's passing in 1976 and failed isolationist experiences since the birth of the People's Republic of China, a period in which the government, aiming to accelerate the industrialisation process in order to minimally catch up with other economies and to achieve a certain level of autonomy by investing in heavy industries and accumulating capital, ended up causing disastrous socioeconomic effects, such as the Great Famine and the death of more than 15 million people, the Party, under the leadership of Deng Xiaoping, initiated an economic reform and a process of opening up, promoting important institutional changes in the country (Zhu, 2012, p. 109-110).

First came price reform, an important step to make the transition from a planned economy to a market-oriented one. The government had to deregulate its price system in order to lift price controls on a wide range of goods, particularly agricultural and consumer ones. Then followed the reform of state-owned

⁵ According to The State Council of the People's Republic of China (2014), China adheres to various principles in the international arena, such as non-interfering in internal affairs and respecting countries' rights to independently choose their own paths and models of development.

companies, which decreased in number and increased in competitiveness, though not achieving the same level of success as non-state companies. While valuable state-owned companies remained highly relevant for the Chinese economy, receiving investments and becoming internationally recognised, they went through a restructuring in the 1980s and 1990s (Zhu, 2012, p. 115-117).

Moreover, the central government loosened its grip on the economy, initiating a process of opening up that led to a gradual increase of market-oriented forces and non-state companies in sectors previously closed to private capital as well as allowing local governments to have more autonomy with their policies. In this respect, an ordered privatisation process took place in those public companies that were not considered so strategic and were not able to keep up with the growing productivity and efficiency rates, along with an increasing flexibility to allow joint-ventures and private companies to actively participate in the Chinese economy.

Curiously, and notably different from general Western economies, “there was no grand design of systematic reform policies; instead, economic reforms have taken place in a gradual, experimental, and decentralized fashion” (Zhu, 2012, p. 110). Indeed, since the start, from the household responsibility system and township and village enterprises in rural areas to the creation of special economic zones and revision of the private sector’s participation in the Chinese economy, it is possible to attest that “‘crossing the river by feeling the stones’ became China’s mode of economic reform, implementing partial reforms in an experimental manner, often starting in a few regions and expanding them on proven success” (Hofman, 2018, p. 56). This, can be argued, is one of the main reasons for China’s booming development trajectory.

Additionally, despite some mistakes and misunderstandings, industrial, technological, political, economic and social transformations during Mao’s era cannot be neglected, as they helped to create a relevant foundation for economic dynamism in the post-reform period. At the same time, it is inevitable to verify a change in China’s development strategy: the country moved from the catching-up strategy, which refers to the government’s approach to develop industries that defy its comparative advantages, to the comparative advantage strategy, which

conforms to the nation's comparative advantages (Yao, 2018, p. 77). Of course, this would not be possible if China remained isolated from the outside world, in which case it would have to continue to pursue complete autonomy instead of focusing on comparative advantages.

At the centre of this gradual and experimental search for China's comparative advantages as well as of the country's success in its economic reforms are three pillars: the maintenance of an autonomous government, the implementation of an economic decentralisation and the creation of a merit-based promotion system, as explained by Yao (2018, p. 89):

The rationale behind this explanation is that an autonomous government can adopt long-term pro-growth institutions and policies to benefit the economy; economic decentralisation strongly motivates local officials to take the initiative and a meritocratic promotion system guides these initiatives towards the development of the entire nation.

When the new millennium arrived, China had achieved a lot and become an upper-middle income country, but still had many challenges ahead, including the need to deepen its open-up strategy. In 2001, after 15 years of negotiations, the country became a member of the World Trade Organisation (WTO), abiding to many international rules and treaties and thus entering a new era for its economy. Indeed, over the following years, China continued to have an incredible economic growth of approximately 10% per year, the fastest sustained expansion by a major economy in history, lifted more than 800 million people out of poverty in a country with 1.3 billion and turned into the second largest economy in the world (World Bank, 2018), all while also becoming the main foreign direct investment (FDI) receiver and promoter in the globe as well as the main trade partner of many countries, as was the case with Brazil in 2009.

Domestically, changes continued to affect the Chinese society; for example, the country had more people living in urban environments than in the countryside for the first time in 2012, and rising incomes accompanied by a better living standard made consumerism explode in the country (Business Insider, 2016), making it a new drive, alongside investments in infrastructure, for the unstoppable growing economy. Simultaneously, in the international stage, China rose to the occasion during the 2000s, especially after the 2008 subprime crisis,

when developed countries' economies slowed down and emerging ones began to play a major role, with China assuming the leading instance as the second global economy.

Contradicting most developed countries' expectations, in the last forty years (1978-2018), China went from a 2% share of global gross domestic product (GDP) in terms of purchasing-power parity to more than 18% (The Economist, 2018). Although some choose to credit the central government and some choose to credit the market, the reality is that both government policies and market forces have been important in China's development trajectory, and "Dani Rodrik of Harvard University emphasised China's constant experimentation [...]. When policies worked well in one place, they were copied. When they did not, they were discarded" (The Economist, 2018).

Truly, Chinese policy-makers are patient enough to adapt and test new strategies. As Brown (2018) explains, "from 1978, therefore, dogmatism and adherence to preconceived ideas disappeared and China looked at ideas from within the country and the wider world, seeing how they might be learned and applied", adding that "one of the most striking aspects of the reforms is the way they allowed China to look and learn from the world outside, with delegations going to practically every developed country for study" (Brown, 2018). This was one of the strategies used to develop not only policies and initiatives, but also innovation with new technologies and investments to help project itself in the international stage as a global powerhouse.

Today, China is the second major source of international patent applications filed via the World Intellectual Property Organisation (WIPO) and, if it maintains its current trend, is projected to overtake the United States within three years as the largest source of applications filed under WIPO's Patent Cooperation treaty (WIPO, 2018). Furthermore, many of the top companies in the world are Chinese, as over the years they have become leaders or at least references in their respective areas, such as Alibaba in e-commerce, Industrial and Commercial Bank of China and China Construction Bank in the banking sector, Huawei in telecommunications and technology, Sinopec and State Grid

Corporation in energy, and China State Construction Engineering and China Railway Group in infrastructure.

As put by Pan (2018), “the West was sure the Chinese approach would not work. It just had to wait. It’s still waiting”, and now, “an isolated, impoverished backwater has evolved into the most significant rival to the United States since the fall of the Soviet Union” (Pan, 2018). In this regard, according to Maurício Santoro, in light of the rise of protectionism in some countries, “the BRICS partners and the international community are all paying close attention to China’s proposition of safeguarding an open global economy” (Xinhua, 2018), a situation that only confirms China’s current international position. China defied those who claimed it would fail and surprised those who believed in its success, surpassing expectations and achieving an unseen level of economic growth and rapid development, though it also experienced some drawbacks, such as environmental degradation.

By not following the West’s playbook, China developed a new way to interact with its society and the world and its rules. On the one hand, the economy adopted a unique take via a “socialism with Chinese characteristics” with the opening-up process and the adoption of market forces related to capitalism. On the other, the Party adjusted the political system and created a hybrid, an “autocracy with democratic characteristics”, as put by Ang (2018), who explains that:

Most Western observers have long believed that democracy and capitalism go hand in hand, that economic liberalization both requires and propels political liberalization. China’s apparent defiance of this logic has led to two opposite conclusions. One camp insists that China represents a temporary aberration and that liberalization will come soon. But this is mostly speculation; these analysts have been incorrectly predicting the imminent collapse of the Chinese Communist Party (CCP) for decades. The other camp sees China’s success as proof that autocracies are just as good as democracies at promoting growth – if not better. [...] But not all autocracies deliver economic success. In fact, some are utterly disastrous, including China under Mao.

Both of these explanations overlook a crucial reality: since opening its markets in 1978, China has in fact pursued significant political reforms – just not in the manner that Western observers expected. Instead of instituting multiparty elections, establishing formal protections for individual rights, or allowing free expression, the CCP has made changes below the surface, reforming its vast bureaucracy to realize many of the benefits of democratization – in particular,

accountability, competition, and partial limits on power – without giving up single-party control.

In spite of the achievements conquered so far, if China wants to continue its path of success, as the limits of the bureaucratic reform seem to show their constraints, it should embrace social transformation and democratization, not necessarily, in respect of its existing institutions and cultural traditions, by transplanting and emulating the Western experience. In this regard, Ang (2018) adds that:

To achieve this kind of growth, the government must release and channel the immense creative potential of civil society, which would necessitate greater freedom of expression, more public participation, and less state intervention. [...]

Further liberalization is both inevitable and necessary for China's continued prosperity and its desire to partake in global leadership [...] If the party loosens its grip on society and directs, rather than commands, bottom-up improvisation, this could be enough to drive innovation and growth for at least another generation.

With that being said, it is imperative to recognise that, undoubtedly, the West, or in general “the world thought it could change China, and in many ways it has. But China's success has been so spectacular that it has just as often changed the world – and the American understanding of how the world works” (Pan, 2018). Such dramatic changes both domestically and internationally, including the rebalancing of power, the rise of emerging States in world politics and economy and the continuous transformations in the established world order, ended up resulting in a revision of the previous Chinese foreign policy.

2.2. A Strong Leap Forward: Chinese Diplomacy Under Xi Jinping

Until the beginning of this decade, Chinese diplomacy was guided by many general principles, and, whilst most of them continue to inspire the country's international insertion, there is one that has been particularly revised: “hide your strength and bide your time”, as would teach Deng Xiaoping to his companions in 1990 (Clover, 2017). It is true that change was already on the way in the 1990s and also under Hu Jintao, but, since Xi Jinping rose to power in 2012, assumed all three main political positions in the government as General-Secretary of the Communist Party, President of the People's Republic of China and Chairman of the Central Military Commission, and removed the two-term

limit on the presidency, Chinese domestic and foreign policies became more assertive, marking a new era for China.

Long gone is China's diplomatic low-profile, replaced by the explicit pursuit of the so-called "Chinese dream". China has had a window of opportunity in recent years to try to assume a certain leadership in many areas in the international stage, including globalisation, global governance, multilateral relations, free trade and investment, environmental protection and international cooperation, especially after Donald Trump's United States began isolating itself through the slogan "America first" and leaving a power vacuum in world politics.

Nevertheless, that is not to say China abandoned its core guidelines. Peaceful coexistence, sovereignty and territorial integrity, non-interference in internal affairs, common development, cooperation, mutual trust and benefit and win-win strategy are still very much used in Chinese rhetoric (Jinping, 2014). At the same time China seeks a peaceful ascension with a globalist vision, it does not seem to seek world hegemony and continues to position itself as an emerging country; it increasingly invests in its army in accordance to its growth, but does not engage in any warfare or military operation in this sense; it maintains generally positive relations and cooperation with other countries, particularly from the global South, but without directly interfering in domestic issues.

If, on the one hand, China preserved many of its diplomatic guidelines, on the other, departures made were far from minor and unimpactful. In 2017, China enshrined in its constitution the "Xi Jinping Thought for the New Era of Socialism with Chinese Special Characteristics", elevating its leader to Mao Zedong and Deng Xiaoping's status (Buckley, 2017). In his report to the congress at that time, "Mr. Xi suggested that if Mao made China independent, and Deng made it prosperous, he would make it strong again – propelling the country into its 'new era'" (Buckley, 2017). By the end of last year, in a speech to mark 40 years of economic reforms, Xi assured that:

China will never pursue its development at the cost of other interests, nor will China ever give up its legitimate rights and interests. China pursues a national defence policy that is defensive in nature. China's development poses no threat to any country. No matter what stage of development it reaches, China will never seek hegemony. [...] We must support an open, transparent, inclusive and non-

discriminative multilateral trade system. We must promote trade, investment liberalisation and facilitation. We must make economic globalisation more open, inclusive, balanced and beneficial to all. [...] A country with five thousand years of history, civilization and with a population of more than 1.3 billion people, there is no textbook of rules to follow for the reforms and opening of China. No one is in a position to dictate to the Chinese people what should or should not be done. (Wang, 2018)

Truly, China was a great power in past centuries, so the current foreign policy could be seen as nothing more than a search for a fair restoration of Chinese centrality in the world. Notwithstanding, in Western perspective, a Chinese world order might be a danger to liberal democracies and therefore should be contained.⁶ As specifically for the United States, who sees China as a rising power and possible threat to its hegemony, at least rhetorically, China seems to be doing its part to avoid the so-called “Thucydides trap”, which basically considers military conflict is unavoidable when significant shifts happen in the balance of power.

Before Xi Jinping, the United States was seen as a key to guarantee stability and positive relations with other countries in the world. Moreover, neighbouring countries were considered as the primary focus of Chinese diplomacy, alongside the developing world as a whole, and multilateral arrangements served as a platform for global insertion. Under Xi, the logic changed, and stable relations with other countries became the key to guarantee peace and stability with the United States. Further, China focused even more on the promotion of a good-neighbouring policy, challenged by land border issues and long-time maritime disputes.

In this context, while China is definitely more pro-active in multilateral organisations, participating in rule-making processes and contributing to global governance, it could be argued that it is the country’s quest for tighter ties with other States that is more relevant for its global ambitions. Of course, multilateral arrangements are essential to help it shape global governance according to its own interests, but it may be through the strengthening of positive bilateral relations and

⁶ Designed by the United States and its Western allies, the global liberal order has been leading world affairs since 1945. While a complete abandoning of international liberalism seems implausible, some Western countries and researchers have been showing some discomfort with China’s rise, saying the United States failed to stop it and, in the face of the current liberal crisis, wondering if liberalism is somewhat endangered (Farley, 2018).

specific platforms, such as the BRICS (Brazil, Russia, India, China and South Africa), that China may better increase its power and influence in the world.

As explained by Wang and Rosenau, “the development of China’s economy has enormous implications for how the world is governed. The sheer size of the country means the effect of its activities inevitably spills over its borders” (Rosenau; Wang, 2009, p. 6). They also add “there is evidence that the Chinese government has taken an active role in a number of policy areas to defend China’s expanding national interest and to strengthen its influence in the world” (Rosenau; Wang, 2009, p. 6). In the multilateral field, China may be faced with allegations of contradicting rhetoric and practice.⁷ For instance, a common claim is that, while it advocates for the maintenance of international institutions and economic order, it constantly bends rules in its favour and seeks benefits from its economic practices. However, this rhetoric-practice divergence is not exclusive to China.

Western countries’ hypocrisy towards the defence of liberal practices throughout the years may prove this point. In a recent article, Stephen Walt affirmed “the world needs new institutions for a new era – and nostalgia for a past that never existed won’t help” (Walt, 2018), mentioning the supposed liberal international order had many illiberal behaviour by countries, such as the United States, that constantly proclaimed liberal values, but never hesitated to break the rules of the liberal order whenever they saw fit (Walt, 2018). If, multilaterally, it may be more difficult for a country to stick with its rhetoric, as it involves an amplitude of factors, focusing on bilateral relations and specific platforms may be more fruitful for a country to sprawl its influence, and there may be no better way for China to do this, it is argued here, than through international cooperation.

⁷ Indeed, to an external observer, China may seem a country that lives with constant opposing ideas. It advocates for the maintenance of the current international order while it promotes some uncompetitive practises. Its developmental trajectory has much to do with capitalism, but it stays firm in its “socialist characteristics”. It defends some liberal values internationally, but lacks a democratic system domestically, at least under a Western perspective. In the end, one can only accept that China is a unique country with its own set of political, economic, social and cultural traditions, ideas and practises that impact how it projects itself both in the national and international stages, as well as that maybe it is not more contradictory than any other country in the global stage. In this respect, it is not this author’s intention to build a specific image of China, but rather to, respecting its history and culture, seek a growing understanding of it by analysing its trajectory.

3. International Cooperation and Development: Made in the West, Updated in China

3.1. Cooperation in the International Stage

By all means, international cooperation is directly connected with Western international regimes and world politics and economy. In an environment in which conflict and anarchy may reign, it is interesting, though not surprising, to note the continuous strengthening of international organisations, multilateral arrangements and rule-making procedures during the last three decades, even amid current tensions and drawbacks in favour of nationalism and isolationism in some countries, including in Trump's United States of America.

Under risky and conflictive scenarios, actors may operate in a kind of "self-help system", as explained by Kenneth Waltz, and in this regard, international regimes "facilitate the making of mutually beneficial agreements among governments, so that the structural condition of anarchy does not lead to a complete 'war of all against all'" (Keohane, 1982, p. 332). It could be argued that, in some circumstances, the more uncertain a condition is, the more it may coordinate or at least create an opportunity of coordination for a group of actors; for instance, the United States' abandoning of the Paris Agreement seems to have bolstered its remaining members' will to combat climate change, similarly to what happened to the Trans-Pacific Partnership (TPP), which was renegotiated under another name without America and entered into force by the end of last year, or even Brexit, which may have served to reunite the European Union under a common issue.

Notwithstanding, while international regimes and multilateral organisations are fundamental to help produce relevant and binding principles, rules and procedures that promote policy coordination in many levels and reduce conflict of interests and potential uncertainties, their bureaucracies and inherent characteristics do not necessarily favour the enhancement of intergovernmental relations and transgovernmental networks, which also "increase opportunities for cooperation in world politics by providing policy makers with high-quality

information [...] and help to generate demand for international regimes” (Keohane, 1982, p. 349). Certainly, transparency and open diplomacy are a tendency in international politics and should effectively be pursued, but the existence of coalitions, friendship relations and exchange of bilateral information in the real world cannot be denied.

In this context, cooperation may be attained through multilateral arrangements, but also through bilateral proximity, even when it is related to a third party. In the international stage, cooperation is not easily achieved, and the more players there are in the arrangement, the more difficult it may be to overcome difficulties and conflicts of interests, which may generate contradictions between expected and given results, as well as between rhetoric and practice from the States. Likewise, the bigger the bureaucracy to pursue cooperation, the longer it may take to achieve it, affecting not only its quality, but also its efficiency, though, certainly, everything comes with a price, which, in this case, may take the form of transparency. Nevertheless, as Axelrod and Keohane (1985, p. 226) explain:

Cooperation is not equivalent to harmony. Harmony requires complete identity of interests, but cooperation can only take place in situations that contain a mixture of conflicting and complementary interests. In such situations, cooperation occurs when actors adjust their behaviour to the actual or anticipated preferences of others. Cooperation, thus defined, is not necessarily good from a moral point of view.

Whereas morality, a subjective matter, may vary from society to society, from diverse perceptions and expectations, the adoption of a more objective criteria, reciprocity and mutual benefit, combined with an alleviation of constraints and direct conditionalities as guidelines to promote international cooperation may well attract parties to the negotiation table without raising many eyebrows, even if it is with a relatively new and unknown player in the game. Under Xi Jinping, China has been promoting trade and investments through multilateral arrangements and, particularly, the strengthening of bilateral relations,

seeking to achieve closer cooperation and to align its practise with the appealing rhetoric of development.⁸

3.2. Cooperation, Development and New Paradigms

Through the years, China has focused on economic growth and the elevation of the living standard of its population, and one of the bases of its trajectory was the investment on infrastructure companies and projects. Indeed, infrastructure has consistently been a key focus for the Party in domestic development initiatives (Hommel, 2018), and Shanghai, among many other Chinese cities, is a good example of this, as it was greatly modernised to serve as the country's financial centre. Besides public investments, both Chinese and foreign investors have also found China a land of opportunity in this area, especially from the 1990s onward, when not only privatisation and private companies began to gain momentum in the Western world, but also when the private sector expanded and had more space to develop in the Chinese economy.

In the end, China obtained an important comparative advantage when it comes to infrastructure, making it stand out in sectors such as construction and energy. Coincidentally or not, the world has an immense infrastructure deficit,⁹ which poses a wide range of obstacles not only to provide billions of people with access to decent basic services, but also to promote global development in a more general way that encompasses trade and investment. Simultaneously, it gives China an opportunity to step up as a global power.

Verily, the relation between infrastructure and development is far from new. In fact, based on a 1994 Report from the World Bank, it is possible to state that “good infrastructure raises productivity and lowers production costs [...] The precise linkages between infrastructure and development are still open to debate.

⁸ The alignment mentioned here usually results in the practise of international development cooperation. It is important to note there are theoretical and empirical differences between international cooperation and international development cooperation, notions which will be further explored. For now, it is enough to indicate the former is a broader concept than the latter.

⁹ According to the Global Infrastructure Outlook, a G20 initiative developed by the Global Infrastructure Hub with Oxford Economics, the world has an investment gap of \$15 trillion and needs a total of \$94 trillion (Global Infrastructure Outlook, 2019). Furthermore, over half of global infrastructure investment needs are in Asia, and the majority of the global infrastructure investment gap is in the road and electricity sectors (World Bank, 2017).

However, infrastructure capacity grows step for step with economic output” (World Bank, 1994, p. 2). And it goes even further:

Infrastructure can deliver major benefits in economic growth, poverty alleviation, and environmental sustainability – but only when it provides services that respond to effective demand and does so efficiently. To ensure efficient, responsive delivery of infrastructure services, incentives need to be changed through the application of three instruments – commercial management, competition, and stakeholder involvement. The roles of government and the private sector must be transformed as well. [...] Private sector involvement in management, financing, or ownership will in most cases be needed to ensure a commercial orientation in infrastructure. [...] Public-private partnerships in financing have promise. Private sector involvement in the financing of new capacity is growing. [...] Governments are also responsible for developing legal and regulatory frameworks to support private involvement in the provision of infrastructure services. (World Bank, 1994, p. 2)

Today, financing for infrastructure still is a big thing within China, but, given the economy’s expected slowdown and the need to expand its business into new markets, China began to export its public and private companies to the world under the slogan of promoting common development. Moreover, its banks and investors have been providing governments and companies from all continents with a good amount of money.

The concept of common development is not exactly precise. However, it usually brings the idea of a “common community with a shared future”. In this respect, Chinese leaders are rhetorically emphatic that their country seeks no hegemony, but, instead, a peaceful development based on mutual benefit and a win-win cooperation that may lead the international society to a better world. Additionally, the concept is associated with the idea that China’s interests are aligned with the world’s in many areas, such as sustainable development.

In some way, the Chinese approach to common development is in accordance with the international order. In this context, the United Nations (UN) launched eight Millennium Development Goals (MDGs) in the beginning of the century and, afterwards, in 2015, replaced them with 17 Sustainable Development Goals, which include the elimination of poverty, the improvement of gender equality and the environment, the promotion of industry, innovation and infrastructure, the reduction of inequalities and the establishment of a global

partnership to achieve all goals.¹⁰ More than ever, international cooperation and development are connected and bound to play an even bigger role in years to come, but maybe not in the established way.

Traditionally, international development cooperation was very linked to North-South, or donor-recipient relations, and thus practiced in a very verticalized and conditional manner, with developed countries applying their pre-conceived projects and policies in relatively passive developing societies. This system was usually associated with the Organisation for Economic Cooperation and Development (OECD) and its Official Development Assistance (ODA), defined by the Development Assistance Committee (DAC) as:

Resource flows to countries and territories on the *DAC List of ODA Recipients* and to multilateral development institutions that are:

- i. Provided by official agencies, including state and local governments, or by their executive agencies; and
- ii. Concessional (i.e. grants and soft loans) and administered with the promotion of the economic development and welfare of developing countries as the main objective. (Development Cooperation Directorate, 2018)

Through time, bilateral and multilateral foreign aid were considered almost as a synonym of development cooperation, a trend that continued in the 2000s. Accompanying the increasing participation and assumption of responsibilities of emerging countries in world politics and economy during this decade, the international society experienced a great surge of South-South cooperation, as well as the complementary triangular one, as a means to reform the established order and the global economic system, taking into consideration aspects related to SDGs.

Truly, top-down and conditional aid continued to be the general norm, but bottom-up, demand-driven, mutually beneficial and non-conditional aid promoted by the global South influenced so much the cooperation practice that national ownership and mutual accountability had to be more discussed and considered in all circles. After all, as put by Paolo de Renzio, donors “recognise the importance

¹⁰ According to the United Nations Conference on Trade and Development (UNCTAD), achieving the SDGs will require \$5 trillion to \$7 trillion in annual investment, and that is why Goal 17 (Partnerships for the Goals) is so important: the SDGs can only be realized with a strong commitment to international cooperation, an improved policy coordination and a better promotion of trade and investments (United Nations Development Programme, 2019).

of promoting recipient country ownership but their priorities are often driven by domestic pressures” (Renzi, 2016, p. 8), adding that “they say they want to promote sustainable solutions and long-term development but often choose to focus on pursuing politically important short-term targets” (Renzi, 2016, p. 8), a situation which, as will be further mentioned, may favour the surge of new mechanisms of cooperation.

Among South-South cooperation’s vast field of practice, there are two general modalities that should be highlighted: project-type contributions, in which partners exchange knowledge and technology as well as provide goods and services for development-related initiatives, including technical cooperation and scientific projects; and public-private partnerships, in which the private sector may participate, alongside the State, in the provision of projects and services, such as infrastructure activity, concessional finance and loans. China has been quite active in both of these modalities. According to its last white paper on foreign aid:

When providing foreign assistance, China adheres to the principles of not imposing any political conditions, not interfering in the internal affairs of the recipient countries and fully respecting their right to independently choosing their own paths and models of development. The basic principles China upholds in providing foreign assistance are mutual respect, equality, keeping promise, mutual benefits and win-win. [...]

From 2010 to 2012, China appropriated in total 89.34 billion yuan (14.41 billion U.S. dollars) for foreign assistance in three types: grant (aid gratis), interest-free loan and concessional loan. [...]

From 2010 to 2012, China provided assistance to 121 countries, including 30 in Asia, 51 in Africa, nine in Oceania, 19 in Latin America and the Caribbean and 12 in Europe. [...]

From 2010 to 2012, China provided foreign assistance mainly in the following forms: undertaking complete projects, providing goods and materials, conducting technical cooperation and human resources development cooperation, dispatching medical teams and volunteers, offering emergency humanitarian aid, and reducing or exempting the debts of the recipient countries. [...]

In total, China undertook the construction of 580 such projects in 80 countries, with infrastructure and agriculture as the focus. (The State Council of the People’s Republic of China, 2014)

Indeed, China works with the term “foreign aid” in its structure of international cooperation, but not necessarily it restricts itself to what DAC considers as aid. Instead, it expands the concept to include a broader and updated

notion of development cooperation,¹¹ more associated with the global South perspectives and aspirations. In this context, last year, the Party launched a new organisation, the China International Development Cooperation Agency (CIDCA), which “has been set up to ‘strengthen the strategic planning and overall coordination of foreign aid’” (Mardell, 2018) and “institutionalizes a ‘mutually beneficial win-win’ concept of ‘development coordination’ that is strongly associated with Xi Jinping’s ubiquitous Belt and Road Initiative (BRI)” (Mardell, 2018).

In his speech during the inauguration ceremony, State Councillor Wang Yi stated that “we should fulfil our due international obligations, continue to increase foreign aid, and play an active part in international development cooperation” (CIDCA, 2018a). Additionally, his colleague, Yang Jiechi, affirmed that China has developed a “foreign aid model with Chinese characteristics, set an example for ‘South-South Cooperation’, and won high praise from the international community” (CIDCA, 2018b), as well as that “the agency’s founding will have significant and far-reaching effects in advancing China’s overall diplomacy agenda and boosting international cooperation under the Belt and Road Initiative” (CIDCA, 2018b). Besides linking Chinese diplomacy, which involves the pursuit of national interest and influence around the world, to cooperation, it is interesting to note how Chinese authorities highlight the “Chinese characteristics” of its initiatives.

In fact, by mixing the terms “foreign aid” and “development cooperation” and mentioning a “foreign aid model with Chinese characteristics”, Chinese leaders may want to indicate they will not restrict themselves to Western traditional institutions and practices when it comes to international cooperation.

¹¹ While Chinese foreign aid and development cooperation policies may be considered quite innovative in some ways, one might refer to previous East Asian experiences and identify similarities with China today. For instance, Meibo Huang (2016, p. 135-136) mentions Japan’s ODA motivations have changed over the years, from being economic-oriented and focused on achieving domestic goals via aid, trade and investment before the 1990s to one that became more strategic and security-oriented in the new century, and compares them to China’s, which changed from one in which political and ideological goals were foremost to one more focused on economic objectives at the end of the 1970s and particularly after the reform of the foreign aid system in 1995. As a result, “the underpinnings of China’s aid became more like Japan’s had been before the 1990s, where economic factors were put at the core of national interests and these became the starting point of foreign policies” (Huang, p. 136).

After all, ODA, for example, may be considered as nothing more than a “product of very particular historical debates, interests and contingent politics among the dominantly Western nations that constitute the DAC” (Mawdsley, 2012, p. 82). However, despite their similarities, a distinction must be made between these terms, as international development cooperation may go beyond foreign aid. In this respect, Mawdsley (2012, p. 81-82) explains:

Different actors use the term in a range of ways, and there is no agreed or single definition. It usually includes whatever individual partners define as ‘foreign aid’ and/or aid-like activities (as outlined above), but also a range of other official funding flows and relationships. These can include various forms of joint ventures, support for foreign direct investment, non-concessional loans and export credits [...] Diplomatic events and cultural exchanges are a recognized and valued part of such relationships. The key point is this: judging (re-)emerging foreign aid and development cooperation on ‘mainstream’ terms often leads to problematic expectations, conclusions and comparisons with ODA. Rather, they should be judged on their own terms – what they claim to be, to promote and to achieve.

[...] China, for example, makes a distinction between its foreign aid (which is similar, but not identical, to DAC ODA), and official support for economic and development cooperation, much of which blurs with more commercial decision-making and agendas, and which it does not call or claim to be ‘aid’.

Based on what has been discussed until now, it is possible to note that international development cooperation cannot (and should not) be disassociated with foreign policy and the quest for expanding a country’s influence through hard and soft power. There is no doubt foreign aid, in its traditional sense, is also highly subject to national interests, but this reality is even more present in the development cooperation field, as it is broader and has more intricacies with political, economic, social and cultural matters, especially after the very concept of development was expanded. The Chinese practice is not an exception, and in this scenario, international cooperation may serve as great opportunity for China to increase its soft power and global influence.

4. The Changing Landscape of International Cooperation

4.1. The Chinese Vision of Development Cooperation

Based on the discussions held so far, it is possible to recognise that domestic experiences inevitably impact a country's international insertion, and, in this case, the Chinese development trajectory is considerably unique. Because of its particular take on both socialism and capitalism throughout its history, the People's Republic of China was able to experience an unparalleled economic growth, fuelled by various factors, but driven by the experimental approach to its policy-making process, which resonates in its diplomacy and international cooperation.

In addition, China usually does not restrict itself to general Western institutions, promoting a kind of self-regulation of its own policies in complementarity to established rules and notions. In this context, one may wonder if China's growing participation in development cooperation will gradually change its common practice, generally based on a risk-avoidance, model-structured strategy and averse to experimentation, or at least generate some kind of reaction from the DAC and traditional donor countries, which might end up absorbing some development cooperation policies and initiatives from China.

Although Chinese cooperation may be largely similar to the one practised by the global South, China has two particularities, originated from its own domestic experiences and from which partners may benefit: relative freedom from Western development standards and usual pathways; and experimental patterns in policy-making, instead of adoption of pre-conceived rigid models. Both of them are complementary. If there are no strings attached to Chinese cooperation because, according to Chinese rhetoric, each country must discover its own path of development, then there is no way to achieve a successful trajectory except by experimentation. In this regard, Lin and Wang (2015, p. 9) attest that:

Learning can happen only by taking tiny steps, ‘one step at a time’ which is commensurate to a country’s natural endowment or accumulated factor endowment. Since China has conducted partial reforms via experimental approach, it can help others using the same partial reforms through Special Economic Zones and experimentation.

An analogy is that China and other developing countries are teammates in climbing the same mountain, one cannot climb to the top alone without the help from the others. In a globalized world, one country’s success depends heavily on the wellbeing of its many partners.

One of the characteristics of the domestic economic reforms, as previously explained, was that the central governmental provided more freedom to local governments to formulate policies and solve problems. After some years, the net of successful policies would be analysed by the central government, which would choose to adopt any of them or formulate a new one based on the evidence collected during the experimental period. In this regard, the focal point is the idea of “*experimentation under hierarchy*, that is, the volatile yet productive combination of decentralized experimentation with ad hoc central interference, resulting in the selective integration of local experiences into national policy-making” (Heilmann, 2008, p. 29).

The question, then, is if it would be possible for China to replicate its domestic structure in the international stage. In this respect, it could be argued the above-mentioned general domestic scheme may be transplanted to the international stage if one considers China as the “central government” and other countries as “local governments”.¹² When China promotes international development cooperation, it does so, according to its guidelines, with no conditionalities and respecting each country’s own development choices. On this matter, these countries may have the opportunity to experiment, to try new policies out, to design bold and innovative solutions to their own set of problems, whereas China gets the learning curve to hone its own practice, aiming at

¹² The author is aware of possible implications of this comparison, such as inciting the idea of an imperialist China. Indeed, there are those who, still today, stress China’s history and its imperialistic attitudes towards neighbouring societies to alert countries narrowing relations with the Chinese. For instance, Rex Tillerson, former United States Secretary of State, accused China of predatory loan practises; Hillary Clinton, when holding the same post, warned of China’s new colonialism; and some organisations, such as the Centre for Global Development, have been appointing some countries receiving Chinese financing are highly vulnerable to debt distress from the loans (Mead, 2018). While recognising the relevance of these claims, this dissertation will not address such matters, as they are beyond its scope. Instead, it will stick to China’s official position that it does not seek hegemony and focus on the discussion regarding international development cooperation.

improving efficiency and mutual benefits. It can be, indeed, a win-win situation, if both parties strive for positive and collective goals. This experimental and potential win-win situation could make international development cooperation practice go into unknown grounds, take new routes to achieve its goals and expand possibilities.

It is not an easy feat. Actually, it is a long-shot, considering all types of political, economic, social and cultural obstacles that may be involved in such an architecture of experimental development cooperation. If it were to work, it would definitely change how international cooperation is promoted today, with its risk-avoidance models based on supposed efficacy. Before facing this practical challenge, however, China has to deal with international scepticism and prejudice:

Among its neighbors, China's rise provokes fears [...]

Beijing now confronts accusations that it is directing investments to ensnare partners in debt traps as a means of seizing their assets. Last year, Sri Lanka handed control of a port to a Chinese venture after failing to pay back Chinese loans. Malaysia recently cancelled a pair of projects involving Chinese financing. Faced with pushback abroad and concerns about mounting debts at home, China is reassessing the breadth and cost of its global ventures, although the scope remains vast.

For the Western powers whose order has prevailed since the end of World War II, China poses a foundational challenge. [...]

China's challenge to the Western-dominated order is amplified by the reality that its primary architect, the United States, is now led by an avowed nationalist. As President Trump wages a trade war and derides international cooperation, he has generated doubts about the perseverance of the liberal democratic philosophy the United States has long championed.

Mr. Xi has sought to fill the vacuum. (Goodman; Perlez, 2018)

The analysis offered so far, particularly the one suggesting there could be more experimentation in international cooperation as an innovative mechanism for its practise, may seem naïve. However, not only it recognises China, just like any other nation in the world, acts on behalf of its own interests (it is worth remembering here that the very decision to reform its economy and expand its activities overseas was grounded on domestic needs, not on altruism), but also notes that acting in accordance to its rhetoric of mutual benefit and win-win strategy may bring future advantages to itself in terms of influence.

There is no denying the immense hard power China has today, with the intense constant strengthening of its political, economic and military fronts, but its soft power, “which occurs when one country gets other countries to *want* what it wants [...] in contrast with [...] *ordering* others to do what it wants” (Nye Jr., 1990, p. 166), in comparison, lags way behind, even though it is just as important. After all, soft power resources, such as cultural attraction, ideology and institutions (Nye Jr., 1990, p. 167), may serve in situations in which hard power will not.

A quick reminder of United States’ diplomatic history will do the job: where Theodore Roosevelt’s Big Stick Diplomacy generated fear and suspicion, shoving away Latin American countries from America’s influence in the beginning of the 20th century, Franklin Roosevelt’s Good Neighbour Policy, praising non-intervention, penetrated Latin America in so many other ways, particularly in a cultural level, that it expanded the American way of life and created straighter ties with the region, leaving permanent effects and influences until today. If China will have the ability to follow a similar path in a different time and with different tools remains to be seen, but it certainly has the capability, especially considering its current leverage and the window of opportunity it has had in recent years under the United States’ retreat from the international agenda.

In this respect, Xi Jinping’s assertive foreign policy may be an important asset for China. Although the “go global” strategy to promote better overseas engagement, both in the public and private spheres, began as early as in the 1990s, he was the one who “encouraged Chinese enterprises to ‘go global’ with bigger steps. [...] As a result, China has achieved great progress in implementing the ‘go global’ strategy” (Shixue, 2016, p. 508-511). Indeed, “according to official statistics, by the end of 2014 the total stock of Chinese investment in 186 countries and regions had reached US\$ 882.6 billion, almost 30 times higher than that achieved by 2002” (Shixue, 2016, p. 512).

China’s trade and investments skyrocketed in relatively few years, prompting other countries to pay attention to its diplomatic ambitions, and they should maintain this course over time, especially if Xi is to succeed in his

initiatives related to international cooperation and development. Until now, the outflow of capital from China has taken two main forms:

These are direct investment, which consists of greenfield investments plus mergers and acquisitions, and lending by China's policy banks, which are the Export-Import Bank of China (China EXIM Bank) and China Development Bank (CDB). China's Ministry of Commerce (MOFCOM) reports the allocation of China's overseas direct investment (ODI) among recipient countries. Specifically, MOFCOM reports the annual flow of ODI and the accumulating stock of China's outward investment. In recent years, China's ODI has amounted to somewhat more than \$100 billion per year, accelerating to above \$200 billion in 2014. [...]

In addition to direct investment, China also provides significant overseas lending, primarily through China EXIM Bank and China Development Bank. This lending will show up as portfolio investment in the balance of payments. In recent years, each bank has been lending about \$100 billion overseas. Some of China's overseas investment takes place under the rubric of the 'One Belt, One Road' initiative (OBOR). OBOR is Xi Jinping's vision for expanding infrastructure and other investment along the traditional Silk Road through Central Asia, as well as along the maritime route that goes south from China through Southeast Asia to South Asia and on to East Africa and Europe. (Dollar, 2017, p. 1-3)

China has been participating in many platforms to bolster its international role in cooperation, such as the BRICS and its New Development Bank, but the Belt and Road Initiative (BRI) is, indeed, the country and Xi Jinping's most bold and ambitious effort in the international arena. The initiative still is in its first stages of implementation, based on Chinese perspectives and long-term targets, but has the potential to put into practice all the rhetorical aspects previously mentioned, such as experimentation, common development and win-win cooperation, that may change the international development cooperation's landscape.

4.2. The Belt and Road Initiative: China's Challenge and Opportunity

Conceived in 2013 and officially launched in 2015, the BRI, based on the "Silk Road Spirit", characterized by peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit, should be a systematic project to integrate the development strategies of the countries along it, embracing the trend toward a multipolar world and economic globalisation (The State Council of the People's Republic of China, 2015). Following market operation and abiding to its rules, but also advocating for win-win cooperation that bolsters common development and prosperity, it has five main goals: policy coordination, facilities

connectivity, unimpeded trade, financial integration and people-to-people bond (The State Council of the People's Republic of China, 2015).

Following China's own expertise and development strategy, it is pretty clear the BRI focus, at least in a first moment, on infrastructure associated with construction and energy, though it certainly englobes other sectors, such as technology, trade, finance and culture. In this respect, the initiative, driven by China's vision on development, has the potential to help fill in the gap of the world's infrastructure deficit via cooperation, particularly in developing countries. However, the BRI is so vast that it will demand financing from multiple sources, expanding from the China EximBank, Asian Infrastructure and Investment Bank (AIIB) and the Silk Road Fund.

While China and its institutions, including banks as well as state-owned and private companies, have been the main players to invest in the BRI until now, the initiative tends to grow even further with the participation of other foreign governments, multilateral banks and sources of private capital. In 2017, Chinese private companies pledged to play a more important role in the support of the initiative, signing contracts that reached \$126 billion (Liubing, 2017), and, this year, Peking University announced the launch of three projects in support of BRI (Peking University, 2019). Additionally, other governments are joining the effort; for example, the United Kingdom has already stated that its "financial and professional services communities will play a critical role in ensuring the China-proposed Belt and Road Initiative meets its objectives" (McNeice, 2018), which involve upwards of \$1 trillion of investment.

Besides Africa, Asia and Europe, Latin America has recently entered into China's radar for the initiative, as, during the first Belt and Road Forum for International Cooperation in 2017, "the Chinese government said Latin America and the Caribbean are the natural extension of the 21st Century Maritime Silk Road" (Zhimin, 2018).¹³ This demonstrates the amplitude and global approach of

¹³ Although the BRI encompasses Europe and Latin America, African and Asian countries currently are the main recipients of both ODA and other investments flows (Aid Data, 2019). Indeed, most of these countries, particularly in the African continent, overwhelmingly welcome China's cooperation, but even there some fear the establishment of a neo-colonial relation (Jauch, 2011).

the initiative, while posing a serious challenge to China. As the country continues to endure a trade war with the United States and its growth rate slows down, reaching 6.6% last year (The Economist, 2019), there is preoccupation its investments in the BRI will also decrease, as they did in the United States, Canada and Europe, falling from \$111 billion in 2017 to \$30 billion in 2018 (Groll; Johnson, 2019). Furthermore, China may still face some stiff wariness regarding its international ambitions from major Western economies.

Notwithstanding, China has a great opportunity to tackle developmental issues around the globe and benefit from it via the BRI. Not only it may promote long-term impact projects and investments, instead of short-term ones commonly offered by most developed countries, but it also may essentially be a pilot and innovative initiative that may change how development cooperation is conducted, focusing on effective ownership and on an experimental approach that may potentially deliver better results in the long run, if accountability is considered.

The BRI is the very chance China has to put into practise its rhetoric and its domestic policy-making experience, coordinating in a collaborative way, similarly to its central government, the initiative and all the investments it receives and applies. In addition to fulfilling its commitments regarding common development and win-win cooperation, China may just come across an increase in its soft power and global influence, assets it might benefit from in the future.

5. Conclusion

This dissertation aimed to examine if China's strategy towards development and its view of international cooperation, based on its domestic policy-making experience and its experimental approach to the implementation of projects and investments, could somehow impact current cooperation practises and ultimately change how development cooperation is conducted by Western nations.

It began by analysing China's developmental trajectory, focusing on its political and economic reforms and on its diplomacy under Xi Jinping, to argue that China has strengthened its global position as a rising and great power and has been able to play a major role in international politics with a more assertive foreign policy. Successively, it compared traditional or Western cooperation with Chinese guidelines and *modus operandi*, stating that international cooperation might be connected with foreign policy objectives, and thus China may have the opportunity to increase its soft power through a successful take on development cooperation.

Finally, it argued China, based on its domestic experience, could change international development's cooperation landscape if it promotes an experimental approach to development strategies and international cooperation mechanisms. To support this argument, the BRI was briefly used in a kind of case study to show that it is both a challenge and an opportunity for China to apply its rhetoric and experience, as well as that its success could result in a win-win situation that not only would benefit the world and its infrastructure gap, but also Chinese ambitions related to global influence.

The author ventured out to try to bring a new perspective in a discussion that has yet to be further expanded and thoroughly researched. There is no way to predict the future, as many factors are at play when it comes to international politics. However, if China is successful in promoting some level of long-term common development and win-win cooperation through accumulated experience, based on a similar policy-making process used domestically and applied in the

BRI under an experimental approach, it might change or at least influence current international cooperation patterns, policies and structures in its favour, while also breathing new air into an agenda that is still stuck with rigid models and conditionalities.

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