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Come and (Re)discover China: Staunchly Patriotic, Sincerely Religious, and Eager to Further Engage with the World

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Who can tell me, who can tell me whether we have changed the world or the world has changed me and you.¹

While elderly women and men are happily singing and dancing on the shores of Hangzhou's famous West Lake, grandparents are taking their grandchildren out for a stroll and a boat trip on the lake. Buddhist monasteries in the vicinity of Ningbo, a coastal city south of Shanghai that has recently been elevated to a 'new first-tier city,'² are teeming with monks who have retreated from every-day life and devote themselves to the word of the Buddha. On a daily basis, tens of thousands of ordinary citizens visit Putuoshan, an insular sanctuary just off the coast of Ningbo, devoted to Avalokiteśvara, the Buddhist god(ess) of compassion. In a small place in the neighborhood of Ningbo, the local monastery has newly built the 'Avalokiteśvara's Dharma-world,' a temple complex in full marble, ornamented with precious stones and gold leaf, venerating the same Buddhist god(ess). Also in early morning Beijing, hundreds of people are queuing up, waiting for the gates of the Lama temple to open, so that they can enter to pay their respect to the Buddhist deities.

Meanwhile, the number of European tourists – despite the extended visa free travel possibilities of up to one month for many European citizens – can be counted on the fingers of one hand. Even in cities such as Shanghai where, judging from the attendance in the breakfast room of an international hotel, the foreign guests are of Indian or Near-Eastern descent, and where shops that have closed down business and commercial spaces for rent in newly built high-rise buildings catch the eye. Also in Hangzhou

(equally a new first-tier city), top-end restaurants and small street stalls alike are waiting for customers. This picture is repeated in Anyang, a provincial town in Henan Province, where waitresses and waiters brave the freezing cold to lure customers into their restaurants.

ECONOMIC WOES, BUT A FRAGILE LIGHT LOOMING ON THE ECONOMIC HORIZON

All this corroborates the observation made in an earlier Egmont Policy Brief that, "it is clear that the end of the zero-Covid policies in late 2022 has not brought about the economic jumpstart of the Chinese economy that Beijing had hoped for," and that "a perfume of economic crisis is palpable".³ The Spring Festival, ushering in the Year of the Snake that traditionally stands for prosperity and positive transformation, may have brought some of the usual hustle and bustle back to the Chinese cities, but the above observations made when traveling through Shanghai, Ningbo, Hangzhou, Changsha, Anyang, and Beijing during the last week of 2024 and the first ten days of 2025 show an altogether sobering picture of the Chinese economy. However, a fragile light looms on the economic horizon. A study by McKinsey & Company of September 2024 reveals that overall consumer confidence in China remains at an all-time low, but that in some lower-tier cities consumer confidence has remained high, and that some sectors, such as services and tourism, are experiencing a robust growth. Sectors such as sportswear, urban outdoor apparel, and consumer health have even seen double-digit growth.⁴ After, on January 2, 2025, the Chinese stocks had their worst start to the year in nearly a decade,⁵ stock markets went up again. On February 17, 2025, Xi Jinping met with private enterprises for the first

time since 2018. In the year the ‘Made in China 2025’⁶ program will be completed, Xi Jinping remarkably stated that “we must unwaveringly consolidate and develop the public sector of the economy and unwaveringly encourage, support and guide the development of the non-public sector of the economy.”⁷ This was a policy line put forward in 2002 by Jiang Zemin. That also China’s disgraced Jack Ma was present at the meeting, reportedly at the request by Chinese Premier Li Qiang, adds to the likelihood of a possible change of mood.⁸ The urgent need to stimulate domestic spending was also acknowledged in Li Qiang’s report to the National People’s Congress on March 5. He mentioned ‘consumption’ 32 times as compared to 26 times in 2009, when China tried to revive spending in the aftermath of the global financial crisis. Moreover, he stated that the target for this year’s headline budget deficit will rise from 3% of GDP last year to 4% this year. This shows that China is, for the sake of rescuing its economy, willing to abandon strict fiscal policies that have traditionally tried to keep the deficit at 3% of GDP.⁹

Mixed economic signals are also reflected in the street scene. Some large billboards on Changsha’s (a new first-tier city just as Ningbo and Hangzhou) thoroughfares are appealing to the citizens to arduously maintain keeping up the banner of the open-door policies,¹⁰ i.e., a continuation of the policies that were introduced by Deng Xiaoping in the late 1970s. Other billboards appeal to diligently study ‘Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era,’¹¹ i.e., the policies that have been identified with the ‘Dual Circulation Strategy’ (DCS)¹²: a strategy to enhance domestic consumption and domestic innovation growth, so as to make the country more self-reliant and reduce its dependence on foreign markets (domestic circulation), while at the same time remaining open to the outside world so as to be able to import the necessary resources and technology and to continue its export of (in some sectors overcapacity) manufactured goods.¹³ The latter testifies to China’s inward turn since the Xi Jinping era: the current Chinese government has, for the time being, opted for a form of hedged integration into the world economic system. In order to allow interaction with the

global community on its own terms – keeping the country open to the world as a sales market for its manufactured products and as a source of raw materials, energy, and technology, while at the same time trying to avoid to become overdependent on foreign countries – the concepts ‘new qualitative productive forces’¹⁴ and ‘new national system’¹⁵ figure prominently in the ‘Resolution of the Third Plenum of the Twentieth Party Congress’¹⁶ of July 2024. As such, these concepts are a logical continuation of the above-mentioned DCS.¹⁷ It can be noted in this respect that Deng Xiaoping’s ‘reform and opening-up’,¹⁸ which was intended as a policy to attract foreign investment, has now increasingly become a policy to secure export markets.

STRATEGIC NARRATIVES OF THE XI ERA

In the same line, China’s foreign policy has transitioned from a professionalization-oriented approach in the Deng Xiaoping, Jiang Zemin and Hu Jintao eras, to a security-driven and ideology-centric model, focusing on national security¹⁹ and the country’s ‘core interests’.²⁰ Indeed, in face of a sluggish economy, the feeling within the Chinese leadership that the West is trying to contain the country is leading to an increasingly assertive stance, not only domestically in the form of a top-down inculcated nationalism, but also in its foreign policy. Xi Jinping’s ‘strategic autonomy’ and the urge to become more innovative and resilient are illustrative of this, as is his change of Deng Xiaoping’s famous 24-character formula “to observe calmly; secure our position; cope with affairs; calmly hide our capacities and bide our time; be good at maintaining a low profile; and, never claim leadership”²¹ into “Be calm; maintain [strategic] determination; seek progress and stability; be proactive and achieve things; unite [under the banner of the Party]; and dare to fight”.²² This new approach has also become evident in such slogans as ‘*Jianghao Zhongguo gushi*’²³ – commonly translated as ‘Telling China’s Story Well’. The domestic effect of the, in itself, international objective of this slogan, can be discerned in an enhanced feeling of patriotism and nationalism. The origin of this inculcated feeling of pride can be traced back to April 14, 2014 when Xi Jinping as first sitting General Secretary of the CCP visited Qufu,

the birthplace of Confucius. On the occasion of this visit, which stands in stark contrast to the period of ‘smashing the four olds’²⁴ (old ideas, old culture, old customs, and old habits) that characterized the Cultural Revolution, he stated:

“My coming to Qufu and the Institute of Confucianism illustrates the promotion of traditional culture by the Central Committee of the Communist Party of China. [...] My visit to Qufu this time is to send out a message: We must vigorously promote Chinese traditional culture. [...] Many viewpoints and methods of Confucius and Confucianism have made great contributions to the intellectual treasure house of human civilization. They have put forward many basic concepts. Some are consistent with the thoughts of other countries in the world, and some are unique contributions, such as ‘Benevolence’ and ‘Do not do to others what you do not want others to do to you.’ [...] We should not cut off history. From Confucius to Sun Yat-sen, we should summarize and inherit this precious legacy. [...] In his speeches, Comrade Mao Zedong quoted many thoughts of Confucius, Confucianism, and the thoughts of various schools of thought. I also quote many words of Confucius in my speeches. [...] To bring China’s affairs to a good end, we must use methods that are consistent with China’s national conditions”.²⁵

“To bring China’s affairs to a good end” in the above quotation shows that the phrase ‘Telling China’s Story Well’ is actually a mission-statement, and should, therefore, rather be translated as ‘Bringing China’s Story to a Good End’ – a translation that, different from the common translation, would conform to the rules of Chinese grammar. This makes clear that the slogan is part of a narrative-building strategy, supporting China’s global clout that is rooted in an enhanced patriotism. This strategy aligns with Beijing’s broader efforts to shape international perceptions and counter Western criticisms of China’s governance model and global ambitions.²⁶

STAUNCHLY PATRIOTIC AND SINCERELY RELIGIOUS

Indeed, entering the year 2025 and the Year of the Snake, ordinary Chinese citizens of all ages and of all walks of life are savoring historical and national grandeur, and feel supported in that by government propaganda. Witness the number of locals and Chinese tourists that are queuing up to visit the city of Changsha’s Hunan Provincial Museum²⁷ that is almost entirely dedicated to the famous excavations of the Mawangdui²⁸ tombs that date back to the era of the Han Dynasty (206 BCE–220 CE). Whereas the Chu culture to which the Mawangdui tombs belong, is described as having contributed to the multicultural identity of ‘China,’ in the already mentioned Anyang, an apparently different message is brought. In the museum adjacent to the 2009 excavations of what is allegedly the tomb of Cao Cao (a Chinese statesman who rose to power during the end of the Han Dynasty (c. 184–220) and who, having ultimately taken control of the central government of the Han Dynasty, established the state of Cao Wei (220–265)), Cao Cao is portrayed as a great unifier of the ‘Chinese realm’ (*tianxia*)²⁹. Even more explicitly, in Yuhuang, some thirty-odd kilometers away from Hangzhou, a map accompanying the temporary exhibition of jades of the Han Dynasty in the museum adjacent to the site where, in 2007, the remainders of the capital city of the Liangzhu culture that dates back to 5000 years ago were excavated, Han cultural influence is suggested as expanding into the complete region of contemporary Xinjiang, the whole of Manchuria and the Korean peninsula, up to the eastern and southeastern coasts of contemporary mainland China, and into the South China Sea, complete with the 10 dash line.³⁰

Nonetheless, at a time when Beijing can ill afford to lose the foreign capital and know-how it needs to keep developing, there also is an awareness within the Chinese leadership that its current techno-nationalist approach risks further exacerbating tensions with the West, precisely at a moment that economic reality necessitates a (re)balancing with the West, viz. arduously deepening the open-door policies as intended by Deng Xiaoping.³¹ It is here that a struggle within Chinese governmental bodies between economic pragmatism and ideological

fervor comes to the surface, and it is also here that opportunities lie for the EU.

COME AND (RE)DISCOVER CHINA

Admittedly, low-hanging fruits for lucrative economic collaboration of the EU with China are no longer there, but the economic pragmatism that tries to break through the ideological wall is visible, and plenty of opportunities for EU-China collaboration remain. The EU not taking the opportunities to revive economic relations with the PRC could not only convince Beijing that more profit is to be gained from aligning with other partners, but would, in a context of US-China tensions, also potentially reduce the EU's leverage on the global scene. Reinvigorating the relations Beijing badly requires to re-ignite its economy is therefore also in the interest of the EU. Moreover, in the context of talks between the United States and Russia on the Russian war against Ukraine that show a disrespect for the European Union, are more about an entente between the United States and Russia, and do therefore have the potential to at least make the 'friendship' between Russia and China cool down – it is as if, as much as the rapprochement between the United States and China in the 1970s had to counter the Soviet Union,³² now the rapprochement between the United States and Russia has to counter China.³³ Therefore, a rapprochement between the European Union and China also has gained new potential. It should be noted that the so-called famous 'unlimited/limitless Chinese-Russian friendship' was, from the outset, an interpretation of the phrase 'Sino-Russian strategic cooperation has no limits, no restricted domains, and no upper bounds,' stated by Wang Yi, China's Minister of Foreign Affairs, in an interview with *Xinhua* on the occasion of the 75th birthday of the establishment of the United Nations in 2020.³⁴ Upon closer analysis, the phrase at the outset referred to a Sino-Russian 'potential' for the future, rather than that it would be a reference to a rosy *status quo*. Having figured prominently in Chinese diplomatic discourse in 2021 and 2022, the phrase remarkably disappeared from official statements after Xi Jinping's visit to Moscow from 20 to 22 March 2023.³⁵ That China is already grasping the possibility to realign with the European Union is clear

from Beijing's support of European involvement in the peace process for Ukraine.³⁶ Indeed, also in China there is the realization that the European Union remains an indispensable market for its manufactured consumption goods and that access to this market is, ultimately, also dependent on the country's relation with Russia.

(Re)connecting with China would also give a new impetus to people-to-people contacts, and would, in the above context, give oxygen to the desire of the well-educated and cosmopolitan Chinese youth and middle class to further engage with the world. This could provide important momentum for a development away from a rightist nationalism, and in the direction of a leftist nationalism that recognizes one's own sovereignty without getting bogged down in a hierarchical view of peoples and communities.³⁷ Now that this economic, geostrategic, and people-to-people window of opportunity is slowly opening, and fully taking account the fact that China may have become staunchly patriotic and sincerely religious, but also that it is eager to engage with the world, it is time for the EU to ask itself when 'securitizing' risks going too far.

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Endnotes

- 1 “誰能告訴我誰能告訴我是我們改變了世界還是世界改變了我和你”. Popsong lyrics: Wu Nianzhen / Luo Dayou, 1983.
- 2 The Chinese city tier system (中国城市等级别) is an unofficial hierarchical classification of cities in the People’s Republic of China. The new ranking of 2017 assessed 338 cities on the following criteria: concentration of commercial resources, extent to which a city serves as a commercial hub, vitality of urban residents, diversity of lifestyle, and future dynamism. Using these criteria, tier 1, new tier 1, tier 2, and tier 3 cities were categorized.
- 3 Jasper Roctus and Bart Dessein, “China, the West, and the Rest: Who is enjoying the shadow of whom”, *Egmont Policy Brief* # 333, February 2024, p.2.
- 4 Daniel Zipser, “China Brief: The Truth About Chinese Consumption”, McKinsey & Company, 26 September 2024. <https://www.mckinsey.com/cn/our-insights/our-insights/the-truth-about-chinese-consumption> (accessed on January 3, 2025).
- 5 See <https://finance.yahoo.com/news/chinese-stocks-just-had-worst-002651773.html>. Accessed on January 3, 2025.
- 6 ‘中国制造2025’.
- 7 “毫不动摇巩固和发展公有制经济，毫不动摇鼓励，支持，引导非公有制经济发展” Original in: “观察习近平时隔六年多再晤民企，除了马云过关还有哪些关注点”, BBC News 中文, <https://www.bbc.com/zhongwen/articles/cj3e3l3r2exo/trad> (accessed on February 20, 2025).
- 8 On Li Qiang: see See Jasper Roctus and Bart Dessein, “China’s 14th National People’s Congress: No Ordinary Cups of Tea”, *Egmont Policy Brief* # 300, March 2023, p.2.
- 9 See “The road ahead”, *The Economist*, March 8, 2025, pp.55-56.
- 10 坚持高举改革开放旗帜.
- 11 习近平新时代中国特色社会主义思想.
- 12 国内国际双循环.
- 13 See Jin Keyu, *The New China Playbook*. New York: Viking, 2023, pp.250-251.
- 14 新质生产力. ‘New Quality Productive Forces’ refers to the need for the Chinese economy to excel in innovation and high-end technologies.
- 15 国家创新体系. ‘New National System’ refers to the distribution of national resources with an even stronger centralized control, allocating capital to sectors with strategic significance.
- 16 中共中央关于进一步全面深化改革 推进中国式现代化的决定.
- 17 See “China’s ‘dual-circulation’ strategy means relying less on foreigners”. *The Economist*, 5 May 2020. <https://www.economist.com/China/2020/11/05/chinas-dual-circulation-strategy-means-relying-less-on-foreigners> (accessed on January 2, 2025); “Understanding New Quality Productive Forces and Accelerating Their Development”. *Qiushi*, March-April 2024. http://en.qstheory.cn/2024-05/11/c_985265.htm (accessed on December 13, 2024).
- 18 改革开放.
- 19 国家安全.
- 20 核心利益. Avery Goldstein, ‘China’s Grand Strategy under Xi Jinping. Reassurance, Reform, and Resistance’, *International Security*, 45 (1), 2020: 168-179, has discerned the issues of the East and South China Seas, Taiwan, and Tibet as ‘core interests’.
- 21 冷静观察; 稳住阵脚; 沉着应付; 韬光养晦; 善于守拙; 决不当头.
- 22 沉着冷静; 保持定力; 稳中求进; 积极作为; 团结一致; 敢于斗争. See Jasper Roctus and Bart Dessein, “China’s 14th National People’s Congress: No Ordinary Cups of Tea”, *Egmont Policy Brief* # 300, March 2023, p.2.
- 23 讲好中国故事.
- 24 破四旧.
- 25 Original text: “我来到曲阜，来到儒学研究院，说明了中共中央对传统文化的弘扬。[...] 我这次来曲阜就是要发出一个信息：要大力弘扬中国传统文化 [...] 孔子和儒家思想的很多观点方法，对人类文明思想宝库有很大的贡献，提出了很多基本观念，有些是和世界其他国家思想一致的，不约而同的，有些是独自的贡献。如“仁” “己所不欲，勿施于人”。[...] 我们不当割断历史。从孔夫子到孙中山，我们应当给以总结，承继这一份珍贵的遗产。[...] 毛泽东同志在讲话中引用了很多孔夫子的思想、儒家的思想、诸子百家的思想。我在讲话中也引用了很多孔子的话。[...] 办好中国的事情，要用符合中国国情的方法。” See: “习近平主席到曲阜孔子儒学研究院参观并演讲” (President Xi Jinping visited the Confucius Institute of Qufu and Gave an Important Speech) Available at <http://www.hytxe.com/info/361.html> (accessed on February 19, 2025).
- 26 See Mohamad Zreik, “Chinese Soft Power”. *Journal of Global Politics and Current Diplomacy*, 10(1), 2022: 19-37.
- 27 湖南省博物馆.
- 28 马王堆.
- 29 天下.
- 30 In Han times, Chinese cultural influence reached into the so-called Gansu corridor and the southern coastal area of contemporary Liaoning Province, but the southern and southeastern coastal areas of mainland China were only part of the Chinese empire in the Tang Dynasty (618–907), contemporary Yunnan Province only was part of the empire in the Yuan Dynasty (1279–1368), Taiwan was included in the empire only in the last imperial dynasty of the Qing (1644–1912), and it was only on 1 December 1947, that the Republic of China (1912–) for the first time published a map with a U-shaped eleven-dash line. In 1952, under warming ties with North Vietnam, Mao Zedong decided to remove two dashes, however, the Republic of China continued to use the eleven-dash line. In 1984, a new ten-dash line was introduced by the PRC. The added tenth dash is drawn to the East of Taiwan. It is only in recent years that this new ten-dash’ line became the official version. This ‘ten-dash line’ is internationally contested. It can be noted that also the ‘5000 years of unbroken history’ is very much a nationalist narrative.
- 31 Camille Boullenois, Agatha Kratz, and Laura Gormley, “Spread Thin: China’s Science and Technology Spending in an Economic Slowdown” Rhodium Group, 13 December 2023. <https://rhg.com/research/spread-thin-chinas-science-and-technology-spending-in-an-economic-slowdown> (accessed on January 3, 2025).

- 32 Note that even Mao Zedong did not intend the 1950s alliance with the Soviet Union to exclude the possibility of decent relations with the United States. As Sulmaan Wasif Khan, *The Struggle for Taiwan. A History*. Allen Lane, 2024, p.53 observes, “Mao was investigating the possibility of trade relations with the United States,” despite the fact that no diplomatic relations existed between the US and China.
- 33 As noted in “China and Ukraine. Watching and waiting”, *The Economist* March 1, 2025, p.47, some commenters on Chinese social media have expressed worries about a “reverse Nixon” moment.
- 34 “中俄战略合作没有止境，没有禁区，没有上限” See: “王毅：中俄战略合作没有止境，没有禁区，没有上限”，*Xinhua* 新华网 January 2, 2021. http://www.xinhuanet.com/world/2021-01/02/c_1126937927.htm (accessed on February 19, 2025).
- 35 For an official report on the visit: see Ministry of Foreign Affairs – The People’s Republic of China: “President Xi Jinping Meets with Russian President Vladimir Putin”, March 21, 2023. https://www.mfa.gov.cn/eng/zy/jj/xjpdelsjxgfw/202303/t20230321_11045496.html (accessed on February 19, 2025).
- 36 See, e.g., “Trade and Ukraine top Irish agenda as China steps up engagement with Europe”, *Orange Wang*, 18 February 2025. <https://www.scmp.com/news/china/diplomacy/article/3299178/trade-and-ukraine-top-irish-agenda-china-steps-engagement-europe> (accessed on February 19, 2025).
- 37 On the notions of ‘rightist’ and ‘leftist’ nationalism: see Jaap Kruithof. *Het neoliberalisme*. Berchem: Epo, 2000, p.243.





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