SECURITY POLICY BRIEF

Remolding China's 'Empty' Belt and Road Initiative: An Opportunity for the EU

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China's controversial Belt and Road Initiative (BRI) has been subject to ample scrutiny since its inception in 2013. Practical results could be said to be severely lacking in contrast to the project's ambitious plans. Chinese engagement abroad has irrefutably intensified since Xi Jinping assumed power in 2012, but whether this can be classified as the fruits of BRI remains unclear. China, in fact, is developing BRI on the go. That gives the EU an opportunity to engage with BRI and remold it into a more desirable form. Because China increasingly sees Europe as BRI's "final destination", the EU has a lot more leverage than it commonly assumes.

"When we whittle away all the things that the Belt and Road is not, there isn't much left to see."¹ Over the years, BRI has grown to encompass a wide – and arguably unconnected – array of Chinese activities abroad, and has even received dubious praise for projects with barely any Chinese involvement at all. The construction of Turkey's Marmaray rail tunnel is an example of this, as the tunnel was allegedly funded by a Turkey-EU-Japan consortium, but was later lauded by the World Bank as a "model BRIinvestment".²

Chinese scholars have done little to dispel outsiders' doubts about the vagueness of the project and the lack of concrete results, especially during its early phase. The 17+1 cooperation framework in Eastern and Central Europe is hailed as "exemplary" for BRI construction, but predated BRI by a year.³ The 2009 purchase of the Piraeus port by COSCO is presented as a crucial link in BRI development, while the start of the lease occurred four years before Chinese president Xi Jinping introduced BRI.⁴

Therefore, the argument that BRI lacks a longterm strategy, or even, "barely exists at all", is to a certain degree understandable. Nevertheless, this paper will argue that while BRI may indeed be lacking in strategic depth at the moment, Chinese policy-makers have been taking a deliberate "adjusting while doing" attitude, especially in regards to cooperation with developed countries. This pragmatic stance provides adjustment opportunities for willing assertive international actors to (re)mold BRI into a more "desirable" form. As the EU has recently been aiming to engage more actively in realpolitik, since in 2016 the Union declared "principled pragmatism" to be the prime guiding principle for its foreign and security policy,⁵ it could step up to the plate and actively engage with BRI in order to change it.

BRI: FROM REINVENTING THE WHEEL TO OLD MULTILATERALISM

The precise content, connotations, and definitions of BRI have been considered to be ambivalent since the project's very inception, even more so by non-Chinese scholars. The initiative was originally assumed to be focused on infrastructure development and investment in countries on the historic Silk Road, but the scope seems to have greatly increased while the content of the initiative appears to have been drastically transformed over the last few years.

When Xi Jinping introduced BRI in late 2013, he mainly spoke of reviving the Old Silk Road through improved connectivity and infrastructure, with the lofty aim of creating winwin projects.6 However, if one compares this speech to more recent discourse by China's paramount leader, great differences can be discerned. At the opening ceremony of the Second BRI forum in 2019, Xi reiterated his support for free market principles and macroeconomic policy coordination, and promised to safeguard intellectual property rights. He also stated that China would increase its imports, and assured the world that the country would keep opening up its economy to foreign investors.7

The BRI-debate among Chinese scholars, who are often predisposed to follow government rhetoric, has also evolved over the last few years. During the early phase of the project, a large quantity of BRI-related treatises showcased an increased sense of self-confidence among Chinese academics. This self-confidence gave rise to an intent to "reinvent the wheel" by proposing BRI as an alternative to the current Westerndominated world system. For example, in 2016 one scholar proposed that from the angle of critical geopolitics, BRI might construct a new, interconnected spatial imagination, which can be understood in the ancient Chinese "yin-yang In the same year another academic schema".8 stated that China's theoretical system of "Socialism with Chinese Characteristics" has proven to be superior to any foreign system. Therefore, by 2049 – the PRC's 100th anniversary - China should dominate the structures of global governance through BRI.9 Ironically, the authors' description of the "old" Western structures is considerably clearer than the priorities and policies of the novel BRI-based model. This is a returning phenomenon in BRIrelated treatises: it seems easier for Chinese authors to meticulously describe the Western system and pinpoint its many faults, than to propose a clear alternative system with BRI at the core.

While the transformation of the debate on BRI in China has been gradual, Xi Jinping's January 2017 speech at the World Economic Forum in Davos can be considered a turning point. Indirectly responding to the election of Donald Trump, Xi positioned himself as a protector of globalization and sustainable development.10 This narrative shift had its due consequences for the discourse on BRI, which started to include themes like multilateralism, green development, and antiprotectionism. Furthermore, the "reinventing the wheel" rhetoric began to be toned down significantly. An article from 2019, for instance, concluded that China's economic rise "merely" mirrors that of Japan during the 1980s and 1990s, i.e. gradually catching up on the US without yet

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being able to create an alternative economic and geopolitical system.¹¹

BRI AND BRUSSELS: FROM BILATERAL NEGLECT TO MULTILATERAL PRIORITY

BRI's goals in relation to the EU have also evolved. While there has recently been a sharp increase in the number of Chinese papers on cooperation with Brussels under BRI, Chinese scholars initially seemed to prefer bilateral cooperation with EU member states. This was an application of the "taking a case or two as an example for the rest to follow" theory originally put forward by Xi Jinping: "examples" of successful cooperation under BRI were expected to attract the attention of third nations. This idea - originally aimed at Sino-Pakistani cooperation - was extrapolated to Europe. An article from 2016, for example, suggested that Hungary, the first EU member state to sign a joint statement on BRI, might play such a pioneering role in Europe and could "set the BRI ball rolling West".12

This bottom-up approach in convincing other countries of BRI's advantages has not been fully successful. Recently, more attention has been given to dual-track and top-down cooperation with both member states and the EU as a whole. Chinese scholars appear to have realized that mechanisms such as 17+1 have not resulted in greater acceptance of BRI, but instead have given rise to fears of "divide and rule" tactics.¹³ A sharp contrast is visible with the aforementioned "reinventing the wheel" discourse, which perceived BRI as a novel structure, with policies, norms, and values that stand apart from, and are bound to supersede, the "inferior" established Western order. Furthermore, while Western Europe and the EU institutions originally were excluded from the BRI, or at least were deemed to be of secondary importance, recent discourse

sees them as the "final destination" of the initiative.

Unlike the eulogization of BRI in the Chinese academic debate, criticism of BRI is often carefully veiled by citing European scholars. A popular method to convey criticism is quoting the discourse of EU-affiliated think tanks on BRI, with the alleged objective of "guiding" the think tanks to "a more objective and fair understanding", while clearing up "misunderstandings" about BRI.14 While indirect, one should not underestimate the significance of such carefully-selected critical quotations, as they show that the EU's gripes with BRI have reached the ears of Chinese academics, and that room for discussion, and potentially even concessions, has increased.

FROM EMPTINESS TO SUBSTANCE: BRI'S PRAGMATIC ROUTE

Even with the recent decline of the "reinventing the wheel" discourse, and more prominently, the inclusion of Brussels in the scope of BRI, opinion on the content and goals of the project remains ambivalent at best. Nevertheless, it is important to bear in mind that Beijing's seemingly "empty" approach to BRI might be deliberate, or even culturally embedded. An argument could be put forward that the cultural differences in long-term approaching strategic thinking collectivistic, between China ("Confucian, inclined to start with constructing a grand narrative") ("Christian, and Europe individualistic, inclined to start with making clear and feasible plans"), have caused certain misunderstandings surrounding BRI's objectives, or lack thereof. 15

To employ a famous allegory, Chinese long-term strategic thinking somewhat resembles the ancient game of *go*, with stones being placed seemingly randomly until a pattern eventually

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appears, a posteriori giving strategic significance to the initial "random" moves. Western strategic thinking might instead resemble chess, with many specific and clear short-term set pieces giving meaning to a predefined long-term result. The aforementioned BRI timetable can be seen as an example of Chinese strategic thinking, in particular the abstract statement that by 2049 a worldwide "community of common destiny" will have been established under the auspices of BRI, without providing specific steps to achieve this grand objective.¹⁶

Even when putting aside possible cultural roots of strategic thinking, there is ample ground to conclude that the "empty" Chinese approach to BRI is deliberate. China's Reform and Openingup campaign (from 1978) is another recent example of an initially "empty" strategy with very grand goals, an ambiguous heading for a hotchpotch of many divergent local experiments ("go-stones"), which seemed to lack overall coherence. Narratives on which reform-types were "right" and "wrong" were only constructed in the latter stages of the campaign. The comparison between BRI and China's domestic reforms was also noted by other scholars. Mao Xinya and Men Jing, for instance, stated that while Brussels would like to see a clear roadmap for BRI with defined geographic boundaries, Beijing has instead taken a pragmatic "adjusting while doing" approach based on domestic economic reforms.17

This paper therefore argues that China's bilateral cooperation under the said "empty" heading of BRI should be seen against this background. Countries like Hungary, Serbia, and Kazakhstan, whose involvement in BRI is the focus of a lot of European scrutiny, are not the final destination for the project, and should instead be viewed as "present-day *go*-stones" to test a wide array of policies that might eventually serve as substance for BRI. However, unlike China's highly successful economic experiments in the 1980s, the "test phase" of BRI has been much less fruitful. The transformation of the BRI-debate from "reinventing the wheel" to "looking at established structures", can therefore be seen as a reflection of the failure of the bilateral experiments in adding substance to BRI's strategic dimension. Chinese policy-makers have become aware that failures abroad are much harder to readjust than the occasional setbacks during the domestic economic reforms.

Therefore, having realized the failure of Xi Jinping's pragmatic "taking a case or two as an example for the rest to follow", Chinese policy-makers are increasingly looking for inspiration to an established multilateral project of the "old order": the EU.

BRI: A SUITABLE TEST-CASE FOR THE **EU'S PRINCIPLED PRAGMATISM**

Realizing both the emptiness of BRI and the current lack of strategic momentum by the Chinese, is a crucial first step in increasing strategic awareness in the EU. BRI should be framed as the defining attempt of Xi Jinping, the first unrivaled "leadership core" of the CCP in decades, to leave a greater mark on history than his predecessors. Therefore, the EU's terms of trade vis-à-vis China are a lot better than most of the Union's policy-makers seem to realize, as the EU has the power "make-or-break" the project. While cooperation with Europe might resemble a small cog, Chinese scholars have emphasized that the continent is BRI's "final destination". From the perspective of the Chinese government, neither the Sino-Pakistani economic corridor nor the proposed corridors in South-East Asia could ever match the potential prestige of a "grand Eurasian cooperation" with the EU. Furthermore, Chinese policy-makers are desperately searching for more stable BRI-

cooperation in the wake of the ambiguity, debt trap allegations, and general failures surrounding most projects in Central Asia, and, to an lesser extent, Central and Eastern Europe. Considering the current economic uncertainty due to COVID-19, one might expect the trend to look for safer BRI-cooperation to continue.

Among all officially listed BRI-partners in Chinese discourse, most of which have questionable economic credibility, only the EU as a whole and its Western European member states can provide BRI with badly needed economic stability and overall legitimacy. The Union consequently can attempt to gain economic benefits by increasing cooperation between its own connectivity strategies and BRI, and remold the project from within by making conforming to EU standards a requirement for joint initiatives. Overall, Chinese scholars have welcomed such initiatives (e.g. the European Silk Road and the 2014 Junker Plan), remarking that they will enable China and Europe to achieve pragmatic win-win results on an equal basis.¹⁸ In this context one should once more take into consideration that Chinese policy-makers are looking to fill the "emptiness" of BRI, and the EU's own connectivity platforms could provide them with inspiration.

Increased Chinese research on the ongoing BRIdebate among European think tanks demonstrates that Chinese scholars are looking for a new way forward. The EU should be aware of the strong position it has towards China. After all, in face of China's worsening relations with most developed countries outside Europe (Japan, South Korea, Australia, Canada, and the US), the Union and its Western European member states are the only potential "developed" partners left for China and its BRI. Therefore, BRI is the perfect opportunity for the EU to implement its "principled pragmatism". The Union must explore the fine line between its non-negotiable principles ("red lines") and the pragmatic reality that China is an authoritarian power that has shown great resilience to democratic reforms. As the CCP will likely continue to rule China for the unforeseeable future, it is important to emphasize that the EU should hold on to the "pragmatic" element of its foreign policy concept. China has shown itself to be resolutely opposed to the EU's previous unilateral focus on "values-based diplomacy". Even Chinese scholars that have an overall positive attitude towards deepening cooperation with the EU seem to dread the memory of Brussels' constant promotion of democratization and human rights over the last few decades, which they have perceived as a direct attempt to overthrow the country's governmental system.¹⁹

While democratization as a topic could be "pragmatically ignored" for the sake of cooperation, excessive human rights violations should still be condemned, however. Another "red line" that should be maintained is the demand for an unconditional end to "divide and rule" tactics against the EU - such as China's "face-mask diplomacy". The EU should remind China that it has committed itself to support European integration and reinforcement of the EU's economic union.20 The EU can take a "transactional" - realpolitik - approach to defend itself against China's "divide and rule" approach by threatening to limit Chinese access to the European market; sanctions and embargos can be considered. Fortunately, such drastic measures probably are not required. In order to achieve its objective of a moderately prosperous society, China also needs more "face" internationally. Thus, Brussels threatening to limit or terminate certain prestigious BRI cooperation initiatives

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should be enough to make the country reconsider most of its "divide and rule" practices.

Convincing EU member states that a unified standpoint towards China also increases their own terms of trade vis-à-vis the country is imperative. This is a tall order, considering the rise of populism - and even authoritarianism - in certain member states. Therefore, Brussels must adopt a pragmatic approach towards the member states that have so far shown themselves to be most open towards bilateral cooperation with China under BRI (Greece, Hungary, and Italy, among others). Greece, for example, could be reminded that in spite of the EU's harsh terms for financial support in the aftermath of the 2008 financial crisis, the Union has at no point required the country to lease one of its ports to it for 35 years in return for this support.

EU policy-makers have to understand that despite China's staunch opposition to the Union's "values-based diplomacy", the country is still very much interested in the EU's supranational and multilateral institutions. This provides the EU with additional leverage. Chinese scholars have, for instance, examined whether the EU's regulations on tax collection,²¹ as well as its dispute settlement mechanisms,²² could be applied to the BRI countries. China seems particularly interested in how the EU's treaties maintain both binding force while still recognizing cross-country cultural and developmental differences. This provides the EU with an opportunity to "transactionally" share this knowledge with China, while pragmatically (re)molding the structures that China wishes to establish into a more desired shape.

CONCLUSION: DON'T YIELD TO PESCO-PESSIMISM

As one of the final international actors of the developed world still enjoying somewhat cordial relations with China, the EU should be aware of its leverage. In the face of the strategic emptiness of BRI, Chinese scholars have lost part of their initial confidence in promoting the initiative as a novel structure that is destined to eventually supersede the "old Western order". Instead, they are looking for multilateral cooperation with the very order they originally dreaded in order to provide substance for BRI. EU policy-makers have to be aware that the "emptiness" of BRI could be deliberate, thereby providing the Union with a unique opportunity to jointly decide the project's future direction.

Said policy-makers should be aware of China's internal narrative shift on BRI, take notice of the EU's improved leverage, highlight their own connectivity platforms to influence BRI, and use creatively "principled pragmatism" so as to remold BRI into a more desirable shape, on its own terms. An end to China's "divide and rule" approach against the EU should be an unconditional red line throughout this process, while at the same time, the Union must pragmatically convince its own member states that a unified approach to China is in the best interests of all.

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