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The Russia Factor in China's Relations with the West

Klaus W. Larres and Lea Thome

Tension between China and the Western world has been a characteristic of global affairs for the better part of the last decade. Notwithstanding Russia's full-scale invasion of Ukraine in February 2022, the United States continues to view China as its greatest global rival and competitor. In fact, many policy-makers in Washington (though by no means all of them) view China as an existential threat to America's global influence and predominance.

As the European Union and its 27 member states are not among

the world's superpowers, the Europeans have a somewhat more relaxed attitude toward China. Still, according to an important policy statement issued by the EU Commission in 2019, Brussels has come to see Beijing not only as a "partner and competitor" but also as a serious "systemic rival." This refers less to geopolitical concerns but very much to global governance issues and geoeconomic, trade, and investment relations with China. The EU is deeply concerned about the continuing lack of reciprocity of market access, intellectual property theft, and China's

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frequently state-subsidized competition regarding cutting-edge technology products, including solar panels, EV vehicles, and many other products, which may soon swamp the EU market. The EU Commission has launched an investigation into China's production of EV vehicles and also Beijing's shipbuilding industry, which it suspects may well work on the basis of rather unfair and highly subsidized support from the Chinese state.

Still, both the EU and China continue to depend on each other regarding flourishing trade and investment relations. And China's recent economic difficulties and declining domestic consumption have encouraged Beijing to become more conciliatory and to strive to achieve a thaw in relations with both the EU and the United States.

Part of this thaw was the widely publicized meeting between Presidents Joe Biden and Xi Jinping in San Francisco in late November 2023 on the margins of the APEC Summit. The two men's "candid and constructive discussion" by phone on 2 April 2024 regarding

"a range of bilateral, regional, and global issues, including areas of cooperation and areas of difference," as the White House described it, has contributed to the continuation of the thaw in U.S.-China relations. In addition, the visits of U.S. cabinet members to Beijing, including Secretary of State Tony Blinken and Treasury Secretary Janet Yellen, who visited Beijing twice during the past 12 months, and the visit of senior Chinese politicians to the U.S. has eased the tension somewhat.

The two-hour phone call between Xi and Biden on 2 April 2024 was wide-ranging, covering positive developments, such as military-to-military communication channels, which have opened up again, as well as many other areas of concern. According to the White House read-out, Biden referred to "the importance of maintaining peace and stability across the Taiwan Strait and the rule of law and freedom of navigation in the South China Sea." He also "raised continued concerns about the PRC's unfair trade policies and non-market economic practices, which harm American workers and families. The President emphasized

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that the United States would continue to take necessary actions to prevent advanced U.S. technologies from being used to undermine our national security, without unduly limiting trade and investment.”

Not least Biden expressed his great dissatisfaction with “the PRC’s support for Russia’s defense industrial base and its impact on European and transatlantic security.” While all of the above concerns that Biden expressed to Xi are shared by the EU, the Europeans have become particularly worried about China’s support for Russia in the ongoing war in Ukraine. In fact, it seems China’s direct and indirect “material support” for Russia has helped Russia to continue fighting the war in Ukraine while keeping the Russian economy afloat.

In early April 2024, Blinken informed America’s allies in Europe that China was deepening its support for Russia’s military-industrial complex and that it had reached a “concerning scale.” There had been a great shift in China’s attitude and support of Russia, he explained. In particular, Beijing has been helping Russia with the production of optical equipment, propellants, and the space sector.

According to Blinken, it was mostly due to the expanded trade

with China that Russia had been able to keep its economy running, increase the output of its military industries, and produce an increasing amount of artillery shells, missiles, and drones. The same worries were expressed by Yellen when she talked to China’s Vice Premier He Lifeng on 6 April 2024 during her second recent visit to Beijing in the last nine months. Yellen referred to “significant consequences” if Chinese support for Russia’s war machine continued or even increased. She was assured by her Chinese interlocutors, however, that this was not Beijing’s intention.

In fact, at present China’s indirect and direct support of Russia is a major hurdle that stands in the way of a significant improvement of both China-U.S. and in particular China-EU relations. Beijing knows this and it has reached out to the Europeans (and also to the Global South) to overcome its credibility and image problem. In this context, China has recently pursued two major initiatives. Beijing has embarked on a charm offensive toward Europe, and it has attempted to set itself up as a mediator in the Russia-Ukraine war.

This essay will consider the Chinese charm offensive and China’s likely participation in the proposed Swiss peace conference.

China Charm Offensive

Amid multiple sources of conflict around the world, there seems to be one bright spot. Since the November 2023 meeting on the margins of the APEC Summit between Biden and Xi Jinping, the downward spiral in U.S.-China relations has been somewhat halted. Even so, Beijing seems convinced that constructive relations with the U.S. can no longer be maintained beyond a superficial level of engagement. As outlined in its April 2022 Global Security Initiative, Beijing now sees itself as a force for stability and security in a world that has moved beyond the need for the United States.

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This makes relations with the European Union and its 27 member states crucial for China in its search for global partners in an increasingly polarized world. It also goes some way to explaining why the world is witnessing a Chinese charm offensive for the soul of Europe. In addition to meeting European leaders or foreign ministers at the Munich Security Conference, Foreign Minister Wang Yi made visits to France and Spain. While the Conference launched its annual

report in the context of “lose-lose” dynamics, Wang was determined to turn his attendance at the conference into a “win-win” situation.

Despite China’s support for Russia within the framework of a “friendship that has no limits” (the formulation used in a 4 February 2022 Joint Statement on International Relations), the effective failure of its 12-point peace proposal of 2023, and Beijing’s passivity in the Red Sea crisis, Wang highlighted China’s desire to act as a “staunch force for stability” in the world. More importantly, he focused on the future of EU-China cooperation, saying that “China and Europe are the world’s two major forces, markets, and civilizations.”

With an eye on the U.S. and the re-establishment of close transatlantic relations under the Biden Administration, Wang said it was “imperative that China and Europe stay clear of geopolitical and ideological distractions, see each other as partners rather than rivals, and join hands to inject positive energy into a volatile world and point the way for overcoming difficulties together.”

The elephant in the room was the potential return of Donald Trump to the American presidency after the U.S. election takes place in November 2024. A drastic change in Washington's foreign policy could make the EU and its member states forge ahead with a more independent global policy, which would benefit China. Beijing appears to be preparing for the eventual realization of European "strategic autonomy," as long advocated by France's lingering Gaullist foreign policy tendencies.

Wang subsequently met several European policymakers, including the EU's High Representative for External Affairs Josep Borrell, Serbian President Aleksandar Vučić, German Chancellor Olaf Scholz, Ukrainian Foreign Minister Dmytro Kuleba, and Polish Foreign Minister Radek Sikorski. China's message for all these meetings highlighted the need for each side to deepen mutually beneficial cooperation and bilateral development.

Wang's carefully orchestrated meeting agenda at the Munich Security Conference was indicative of China's re-prioritization of Europe in its foreign policy agenda. Although the G20 foreign

ministers meeting took place at the same time, Wang chose to attend the meetings in Europe and sent Vice-Minister Ma Zhaoxu to Brazil instead. After China's harsh "zero-Covid" pandemic policy, it has reinforced its efforts to appear at important international venues and symbolize to the world that China is open again for business.

Next on Wang's schedule was a short trip to Madrid to meet Spain's King Felipe VI, Prime Minister Pedro Sanchez, and Foreign Minister José Manuel Albares. The two sides agreed to "fair, just, and non-discriminatory business relations" and Beijing lifted its 24-year ban on beef imports from Spain.

The last stop of Wang's European tour was in Paris, where he met French President Emmanuel Macron and other officials. Not surprisingly, among the topics discussed were the promotion of free and fair trade as well as deepening strategic coordination. Wang advocated that Paris and the EU need to play an independent and "constructive role" in world affairs, while Macron told him that China needed to put pressure on Russia to "return to the negotiating table" with a credible offer to end the Ukraine war.

The states Wang visited are among the most diplomatically active countries within the EU. Most recently, they have taken a similar route through establishing new strategies toward China and committing to 'de-risking.' Beijing might hope Berlin and Paris will turn towards China in the wake of a potentially isolationist second Trump Administration, but Germany and France abandoning their long-standing ally in favor of China is unlikely.

While the Chinese foreign minister was busy in western Europe, Public Security Minister Wang Xiaohong traveled to Budapest to meet Hungarian Prime Minister Viktor Orbán. While there, he also met Hungarian Interior Minister Sándor Pintér to finalize agreements on law enforcement and security cooperation. Beijing might view this as a successful first step in efforts to forge closer ties with the EU and its member states, though Hungary is something of an outlier among EU countries and has aligned itself more closely with non-Western actors in recent years.

Following the Chinese foreign minister's European tour, Chinese and European officials met in late February 2024 in Brussels to discuss cooperating on matters such as automobiles and critical raw minerals.

Nothing has yet been set in stone for Sino-European relations, though, especially with the EU's decision

to blacklist some Chinese firms for aiding Russia's war effort in Ukraine. Regardless of whether the U.S. remains a dependable ally, the EU must decide how to forge its own path in the coming months.

Whether China's charm offensive has been effective in reversing the growing push in Europe to "de-risk" relations and turning the tide in China's favor remains uncertain.

China as Mediator?

Over the past few weeks, Chinese Special Envoy for Eurasian Affairs Li Hui traveled through Europe in a second attempt at Chinese shuttle diplomacy. This follows Beijing's announcement of its support for and

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participation in a peace conference that neutral Switzerland plans to convene soon, perhaps in the summer of 2024.

After more than two years of fighting, China hopes that both Moscow and Kiev will participate in such a conference to terminate the war. Despite China's attempt at the creation of a peace plan as well as its recent efforts to conduct shuttle diplomacy, Beijing has been unable to position itself as a credible mediator in the resolution of the Russia-Ukraine war. As the Chinese government has continuously supported Russia—both directly and indirectly—in its war efforts, Beijing's advocacy for a peace conference hosted by a neutral state, Switzerland, can be understood as strategic posturing rather than a credible commitment to resolving the war.

As the participation of Russia in the conference is highly unlikely, Beijing's efforts may have ulterior motives: China clearly wishes to develop a benign and constructive image as a peacemaker and global mediator. This initiative appears to resonate particularly well in major non-Western powers like India, South Africa, and Brazil, which have preferred not to join in the West-led sanctions and export restrictions regime

against Russia—the centerpiece of the West's wartime support for Ukraine.

Most Western countries, however, fail to see how China's 'pro-Russian neutrality' and its strong support of Moscow could possibly enable it to mediate in the war. As noted above, in early February 2022, Xi Jinping and Putin declared a "no-limits" friendship between the two countries characterized by "no 'forbidden' areas of cooperation," to which they have stuck ever since. Although Beijing seems not to have delivered lethal weapons to Moscow, China has purchased significant and increasing amounts of oil and gas and delivered urgently required dual-use products to Russia, including drones, semiconductors, and spare parts. As noted above, the U.S. has characterized China's support for Russia's military-industrial complex as being at a "concerning scale."

Despite increasing its share of economic power in the world over the last several decades, traditionally China has been slow to get involved in global security issues. Yet, since the introduction of the Belt and Road Initiative (BRI) in 2013, Beijing has begun to participate actively in multilateral dialogues. During the past decade, China has, in fact, attempted

to act as a mediator in conflict areas on several occasions, such as in Afghanistan, Myanmar, and Ethiopia, but with only very limited success so far. On the other hand, it did achieve success in August 2023 when it helped to broker a renormalization deal between Iran and Saudi Arabia.

A few months before that diplomatic achievement—around the first anniversary of the outbreak of the war—Chinese officials revealed Beijing's vision for how the Russia-Ukraine war could be ended by means of a "12-point-peace plan." While quickly dismissed by the U.S. and most NATO member states as largely siding with Russia, Beijing took its initiative seriously.

As part of this plan, Beijing envisioned not only the cessation of hostilities, but also the large-scale lifting of Western-led sanctions against Russia. China's plan also focused on resolving the devastating humanitarian crisis that has unfolded in Ukraine and launching post-conflict reconstruction efforts. While Putin formally welcomed China's 2023 peace plan, Moscow did not engage with the proposal in any practical way, despite its close ties with Beijing. This, however, did not stop Beijing from trying again in February 2024.

Over time, China has become greatly concerned that the war could further escalate or potentially get "out of control," as Wang Shiting, the Chinese ambassador to Switzerland, expressed it. Particularly, Putin's increasingly frequent threat to deploy nuclear weapons against Ukraine has raised global concerns, with Xi already admonishing Putin to be much more restrained in his use of nuclear threats last year.

On 28 February 2024, the Chinese Foreign Ministry announced that Special Representative Li Hui would visit Europe "for the second round of shuttle diplomacy on seeking a political settlement of the Ukraine crisis." Over the course of March 2024, Li Hui visited Russia, Ukraine, France, Germany, and the EU's headquarters in Brussels. In a press conference held in Beijing on 22 March 2024, Li Hui briefed both diplomats and journalists about his European tour.

Li Hui stated that "as a permanent member of the UN Security Council and a common friend of Russia and Ukraine," China was best suited to embark on "shuttle mediation and convey information between the two countries and all parties." Beijing has urged "all parties to seek common ground

while resolving differences and build consensus, so as to accumulate more favorable conditions for holding peace talks.” While Li Hui’s announcement expressed peaceful sentiments—although these were rather general ones—it does not appear that either of the warring parties and their supporters were impressed with this noncommittal rhetoric.

As far as can be discerned, Li Hui’s shuttle diplomacy in Europe has not led to any direct outcomes as of this writing (early April 2024). China must realize the lack of confidence the Swiss effort enjoys. The Kremlin has remained unconvinced too, it seems: Russia has rejected its own participation in the peace conference proposed by Switzerland. Aware of this sentiment, Beijing’s efforts may well be more concerned with the building of its global image than with an actual commitment to ending the war in Ukraine.

Participating in the envisaged Swiss peace conference would be China’s third attempt to put itself forward as a mediator in the Ukraine war. If China wants to make a credible effort to end the war, Western analysts suggest that Beijing ought to exert pressure on Russia to offer concessions regarding the eastern Ukrainian territories now under Moscow’s control,

including a proposal on Crimea. Be that as it may, Moscow seems to have recently warmed to Beijing’s 12-point peace proposal, nearly a year after its initial announcement, as it has been announced that Russian Foreign Minister Lavrov is preparing to visit China soon.

Beyond Russia, China also needs to work closely with both the United States and NATO’s European members in establishing the necessary conditions for an end to the military action in Ukraine. But most importantly, Beijing will need to reflect on its own assumed ‘neutrality’ in direct contradiction to its partnership and support of Russia—if, that is, it seeks to demonstrate convincingly to the Europeans that its somewhat more relaxed attitude toward China (as compared to that of the United States) is worth pursuing in the time ahead.

However, the Europeans are not convinced that China has gone beyond its non-committal rhetoric of peace to become involved in a more concrete and practical way to help end the devastating war in Ukraine. Li Hui’s shuttle diplomacy in Europe does not yet seem to have persuaded European leaders of China’s ability to act as a mediator to end the Ukraine war.

Outlook

Although a mild thaw has developed in relations between China and the Western world, the underlying tension that has characterized this relationship since the middle of the last decade has not gone away. Undoubtedly, economic and technological issues as well as geopolitical concerns regarding Taiwan and the South China Sea are the main reasons for this tension. But China’s support for Russia and the Ukraine War has increased this tension significantly and has given it an even sharper security-focused edge. Unless the conflict over Ukraine comes to a sudden end, China’s sympathy and support for Russia will continue to sour Beijing’s relations with the Western world.

In particular, the EU and its 27 member states, which are generally still more optimistic about their future relationship with China, will turn away from Beijing. China may well “lose” the EU Commission and most EU member states (with some exceptions such as Hungary and Slovakia) if it does not reassess its policy toward Russia. China’s

support for Russia finds very little support in Brussels and most EU member states, and it threatens to drive them away further from their hitherto mostly constructive economic and political relations with China. From the perspective of Brussels (and many of the EU member states), the future of China-Europe relations is in Beijing’s hands.

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Chinese policy-makers should ask themselves whether or not their continued support of the Russians is worth their while,

if it leads to the loss of good and constructive relations with the Europeans. When exploring the potential impacts of the foregoing on the Silk Road region and its core states, including Azerbaijan—particularly in the context of the connectivity ambitions of the major outside powers—there is more than a minimal chance that these will not be negligible. There is also a possibility that the impact of China’s policy of ‘pro-Russian neutrality’—in the event that it retains its present contours—could spill over into various multilateral negotiation processes and fora, including COP29 over which Azerbaijan will be presiding. **BD**