China’s “Asia Dream”: The Belt Road Initiative and the new regional order

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Abstract
Since Xi Jinping became leader in 2012, he has redirected Chinese foreign policy. This article examines the role of peripheral diplomacy in Xi’s emerging grand strategy. While it is popular to look to theories of the international system – offensive realism and liberal institutionalism – to explore this issue, this article follows constructivism to take seriously the role of ideas and domestic politics in foreign policy-making. Through an analysis of official and unofficial sources, it traces linkages between ideas, institutions, and behavior in Chinese foreign policy. In particular, it argues that Beijing is combining new ideas (China Dream, Asia Dream), new policies (comprehensive diplomacy and security), new institutions (AIIB) and new projects (BRI) to build what Xi calls the ‘community of shared destiny.’ The goal is to weave neighboring countries into a Sinocentric network of economic, political, cultural, and security relations. Beijing’s grand strategy thus is to re-constitute the regional order – and eventually global order – with new governance ideas, norms, and rules. Hence while the Asian region is an important focus of Chinese foreign policy, Beijing’s peripheral diplomacy is about more than win-win cooperation in the neighborhood. It also acts as the means to the much larger end of promoting China’s new vision of global governance. Theoretically, the article shows how ‘connectivity’ is more than an issue of the ‘hardware’ of physical infrastructure; it is also a ‘software’ issue of the connectivity of ideas, institutions, and behavior in diplomacy itself.

Keywords
Chinese foreign policy, order, peripheral diplomacy, security

Beijing’s new ‘peripheral diplomacy’ (zhoubian waijiao) has been the focus of much debate both inside and outside the People’s Republic of China (PRC) since 2013. Some argue that this trend signifies a shift in Chinese foreign policy towards its immediate neighbors in Asia (and away from

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its previous focus on the United States and Europe), while others understand it as a new direction that (re)balances China’s relations with Asia, Europe, and Africa, as well as with the US (see Swaine, 2014; Wang, 2012; Zheng, 2015). In addition to a geographic shift, there is much discussion about whether Xi Jinping’s new ‘pro-active’ (gengjia jiji, gengjia zhudong) foreign policy that ‘strives for achievement’ (fenfa youwei) marks the end of the era of Deng Xiaoping’s ‘bide and hide’ (taoguang yanghui) strategy (see Huang, 2016; Liu, 2015; Xu and Du, 2015; Yan, 2014b). While many voices in the PRC, including Xi Jinping, state that China will not fall into the ‘Thucydides trap’ where the rising power challenges the existing world order, many others argue that Beijing has the moral duty to recast global institutions to better represent the interests of emerging powers and the non-West (see He, 2015; Huang, 2016; Jin, 2015; Lin, 2015; Wang, 2012; Xue and Xu, 2015; Yan, 2014a; Zhang, 2014; Zhao, 2015, 2016; Zheng, 2015; Zhou, 2014).

This discussion of the direction of Chinese foreign policy broadly follows the international relations theory debate about the future of global order. It is taken for granted that America’s unipolar moment has passed, and that we are in the midst of a grand shift of power from the West to the East. The main debate is between offensive realists who argue that as a rising power China is structurally-determined to challenge the current American-led international system, and liberal internationalists who suggest that while global authority may pass from Washington to Beijing, the liberal capitalist international system will not only survive this transition but will be strengthened by it (see Callahan, 2015a; Ikenberry, 2012; Mearsheimer, 2014).

These arguments are generally made at the level of states working in the international system as rational actors: either China is structurally determined to challenge the United States, or China is being socialized into the liberal international order. This article, however, argues that we need to appreciate how Chinese elites view international politics, often in terms of domestic ideational debates. Realists object to this approach because they feel that ideas generally are epiphenomenal to power politics (see Wang, 2011). Liberals, on other hand, argue that China simply ‘does not have the ideas, capacities, or incentives to tear down the existing international order and build a new one’ (Ikenberry, 2012: 55). Against these arguments, some constructivists suggest that due to its different history and unique civilization, China presents a model—often glossed as Confucian pacifism—that will allow the PRC to peacefully rise in ways that challenge the current system, thus providing an alternative world order that will be attractive to many states (see Jacques, 2009; Kang, 2007). Beyond the historical inaccuracy of this argument—according to the PRC’s Academy of Military Science, China’s imperial history averaged 1.4 wars per year (Fu et al, 2002)—this fascination with the ‘exotic’ ideas of Chinese tradition means that the identity dynamic of China’s 20th century experience of war, revolution, and socialism is largely ignored.

My argument also takes ideas and domestic politics seriously, but has a more modest aim: rather than place recent Chinese foreign policy trends in the context of thousands of years of civilization, it will probe how Chinese foreign policy concepts and strategies are emerging out of current ideational debates in the PRC (see Jakobson, 2016; Johnston, 2013; Qin, 2006). As Qin Yaqing (2006: 13) puts it, the heart of Chinese foreign policy is not a realist security dilemma, but a critical constructivist ‘identity dilemma’: who is China, and how does it see the world? As this article will show, Xi (and many public intellectuals) sees China as a normative power whose values should inform global governance in a world that is a ‘community of shared destiny’ (gongtong mingyun ti). But the article will argue that ideas are not enough: its goal is to chart how ideas, institutions, and behavior are interlinked in China’s new grand strategy. Hence, while discussions of ‘connectivity’ in peripheral diplomacy typically refer to the hard power of infrastructure, this article
examines the soft power connectivity of ideas, institutions, and behavior in diplomacy itself (see Cho, 2012; Qin, 2006).

In particular, this article examines China’s big foreign policy questions through an analysis of debates surrounding key diplomatic events (the Work Forum on Chinese Diplomacy Towards the Periphery (2013) and the Central Conference on Work Relating to Foreign Affairs (2014)), new ideas (China Dream, Asia Dream, World Dream), new policies (comprehensive diplomacy and security), new institutions (Asia Infrastructure Investment Bank (AIIB) and the Silk Road Fund), and new projects (New Silk Road Economic Belt, 21st Century Maritime Silk Road, and Belt Road Initiative (BRI)). It argues that Beijing looks at its neighborhood as more than simply a space for win-win economic opportunities. Rather, it seeks to leverage China’s economic power to build a network of new institutions, inspired by new ideas, to pursue new projects that will knit Eurasia, the South Pacific, and Eastern Africa into a tight network of economic, cultural, political, and strategic relations. The grand strategy is ambitious: to use economic leverage to build a Sino-centric ‘community of shared destiny’ in Asia, which in turn will make China a normative power that sets the rules of the game for global governance.

The US is rarely mentioned in these plans—but it haunts China’s aspirations as a ghost that is both attractive (China likewise wants to be the global hegemonic power) and repellant (China insists that it will be a benevolently superior global power). BRI, the AIIB, and a Sino-centric regional order are part of Beijing’s medium- and long-term plans. But as these plans are still quite vague, and depend upon an enthusiastic acceptance by China’s neighbors, it is still too early to tell how successful they will be. As many Chinese commentators write, the ‘risks’ are more numerous than the ‘opportunities’ (Wang, 2012; Wang, 2015: 85–158; Xue, 2014; Zheng, 2015: 167–211).

To explore these issues, it is helpful to start with an examination of the ideas and strategies promoted in Xi Jinping’s speeches at two meetings that addressed China’s foreign policy strategy. Unfortunately, information on these and other key speeches on China’s foreign and domestic policy is characteristically scarce. A pared down version of Xi’s speech at the Work Forum on Periphery Diplomacy (October, 2013) was only published one year later (Xi, 2014b: 325–329), and we are still waiting for the full text of Xi’s speech at the Central Conference on Foreign Affairs (November 2014). Hence for key texts scholars need to rely on summaries published in the PRC’s authoritative media (Xi, 2014c; Xinhua, 2013). Official Chinese discourse is often very vague, repetitious, and unwieldy. Although it is easy to dismiss official slogans (tifa) as propaganda, they are crucial in organizing thought and action in Chinese politics (Buckley, 2015; Jakobson, 2016; Johnston, 2013: 36). Rather than simply search the texts for ‘facts,’ it is imperative to actively interpret Chinese foreign policy documents by paying close attention to how existing official slogans are employed, how new ones emerge, and how the usage of both old and new slogans changes over time (Callahan, 2013; Swaine, 2012: 1–2; Xu and Du, 2015). This article thus takes a hermeneutic approach that seeks to trace patterns of signification, and thus show ‘how the text can be understood in terms of the hidden content it discloses’ (Shapiro, 2013: 29–30). Indeed, this is how Chinese colleagues engage with official discourse: they look for patterns in order to add meaning to vague official declarations (see Jakobson, 2016; Xu and Du, 2015).

Peripheral diplomacy: Process

The Work Forum on Peripheral Diplomacy (2013) and the Central Conference on Foreign Affairs (2014) are key events because they defined the grand diplomatic strategy of China’s 5th generation leadership. Indeed, the previous Central Conference was held in 2006 as Hu Jintao was
consolidating the diplomatic strategy of the 4th generation leadership. The current Work Forum and Central Conference aimed to give direction to Chinese foreign policy over 5–10 years: i.e. the tenure of Xi Jinping (Xi, 2014b: 325–329; Xinhua, 2013; also see Xu and Du, 2015).

The stated purpose of the October 2013 Work Forum on Peripheral Diplomacy was ‘to establish the strategic objectives, basic principles, and overall setup of the peripheral diplomatic work in the next five-to-ten years, and define the line of thinking on work and the implementation plans for resolving major issues facing peripheral diplomacy’ (Xinhua, 2013). An overriding theme of Xi Jinping’s speech was ‘comprehensiveness’ (quanmian), which mirrors his ‘Four Comprehensives’ slogan for domestic politics (see Buckley, 2015). This theme was explained in terms of both the ‘process’ and ‘content’ of China’s foreign policy.

For ‘process’ there was a new stress on the ‘coordination’ of a ‘comprehensive’ foreign policy. Here Xi was responding to what he saw as the problems of the Hu-Wen era: weak leadership that led to infighting among different bureaucratic actors, with each pursuing their own narrow interests. Xi’s goal is to coordinate diplomacy according to a grand strategy that is informed by China’s national interest. To get a sense of the coordination challenges, we can look at who was invited to this meeting: alongside the usual suspects of party leaders, the military, the Ministry of Foreign Affairs, and the Ministry of Commerce, there were stakeholders from the Ministry of Culture (for soft power diplomacy), various levels of government (key cities and provinces, especially along China’s borders), financial institutions (including the People’s Bank of China), and even State-Owned Enterprises (SOEs) (Xinhua, 2013). Chinese foreign policy thus needs to be understood as much more than ‘diplomacy.’ It now encompasses economic, cultural, and security issues as well: i.e. a comprehensive foreign policy.

The stress on the coordination of a comprehensive policy is needed, according to Xi, to deal with the complexity of foreign policy-making in China. The breadth and depth of Chinese diplomacy has expanded dramatically: before 1970, only 53 countries recognized the PRC, and in 2015 it was recognized by all but 22 countries in the world. The guest list at the two meetings also shows how foreign policy-making is opening up to a much broader range of actors. Shambaugh (2013: 45–120) thus argues that we need to understand policy-making in terms of five nested rings of different actors: starting with the senior decision-making leaders at the center, who are informed by a series of actors fanning out from ministries to intelligence organs, localities and corporations, and finally to society. Jakobson and Knox (2010) generally agree, but stress that due to China’s ‘fractured authority’—a more pluralized domestic society, and a growing interdependence with other countries and international organizations—policy-making has been forced to open up to new actors. For example, one of Beijing’s peculiar institutions—Politburo collective study sessions, where outsiders are invited to give topical presentations to the top leadership—illustrates how academics can directly influence policy-making. Indeed, this is a way that new ideas can gain traction: the ‘China Dream’ was discussed in Summer 2012, just before Xi Jinping made it his official slogan (Anonymous, 2014); Xi Jinping’s speech on peripheral diplomacy in 2013 drew on two study sessions (Heath, 2013); and in October 2015, Professor Qin Yaqing, the president of China’s Foreign Affairs University, spoke about global governance (Xinhua, 2015), which is relevant to the international rule-making activities of BRI and the AIIB.

On the other hand, Xi Jinping has addressed the party-state’s ‘fractured authority’ by centralizing power around his leadership. The diplomatic strategy employs a new concept, ‘top-level design-dingceng sheji,’ which Xi’s speech borrows from systems engineering and which was prominent in China’s 12th Five Year Plan (Caixin, 2015; Heath, 2013). The goal is to plan policies and reforms in a scientific, top-down, and comprehensive manner that is informed by an
understanding of China’s broader strategic picture. A good example of the centralizing trend of coordination in foreign policy-making is China’s new National Security Commission, which held its first meeting in April 2014. As Lampton (2015) describes, the bureaucratic structures of security in China are quite confusing, with many overlapping institutional responsibilities, leading to a confusing complexity. Xi Jinping thus used the NSC to centralize decision-making, as well as to assert more robust party control over the military and the security apparatus (at the expense of the ‘bureaucrats’ in the Ministry of Foreign Affairs). As Xi’s many speeches affirm, the goal is to change China’s foreign policy to make the PRC more ‘pro-active’ to ‘strive for achievement’ on the world stage.

Here Xi is promoting a more comprehensive view of national security: not just military security, but economic, regime, and cultural security; not just international security but also domestic security, internal cohesion, and stability maintenance (Lampton, 2015: 769). China’s peripheral diplomacy thus needs to be understood in similar terms: it integrates domestic and international goals, and is comprehensively expanding from economic engagement to foster closer political, cultural, and security networks.

**Peripheral diplomacy: Content**

The new content of Chinese foreign policy involves innovative ideas about how China can become pre-eminent in Asia in the medium- to long-term. At the risk of oversimplification, the recent history of Chinese foreign policy follows a set of themes: the goal of foreign policy under Mao Zedong was national liberation and world revolution. The goal under Deng Xiaoping was national liberation and world revolution. The goal under Deng Xiaoping was to foster China’s domestic economic development, and thus guarantee the survival of communist party leadership. Deng’s slogan, ‘hide your brightness, bide your time, and do some things,’ characterized a pragmatic ‘peace and development’ foreign policy that stressed economic cooperation rather than security competition. It specifically enjoined China’s leaders to ‘not take the lead’ in world affairs, an approach that both Jiang Zemin and Hu Jintao followed.

The Work Forum also generally follows Deng’s diplomatic strategy that sees foreign policy in the service of domestic policy. Xi Jinping’s speech specifically links peripheral diplomacy with ‘realizing the China dream of the great rejuvenation of the Chinese nation,’ which will be fulfilled according to the goals of his ‘two centennials’ project (Xi, 2014b: 325). The ‘first century’ will be the centennial of the founding of the CCP in 2021: the goal is for China to ‘complete the building of a moderately prosperous society’ (xiaokang shehui), which includes doubling the 2010 GDP per capita income by 2020. The ‘second century’ is the centennial of the founding of the PRC in 2049; its vaguer long-term goal is for China to be ‘a modern socialist country that is prosperous, strong, democratic, civilized and harmonious’ by mid-century (Xinhua, 2013).

While Jiang Zemin and Hu Jintao focused more on the PRC’s relations with the West and with China going global (Shambaugh, 2013), the 2013 Work Forum focused on peripheral diplomacy. This was not simply an exercise in celebrating China’s achievements in its region: rather, Beijing needed a new strategy to improve its ‘management of relations on its periphery’ because it was encountering ‘increasing tensions with neighboring states:’ most notably in maritime disputes in the East and South China Seas (Swaine, 2014: 1). Xi thus argued that China needs to build its relations with neighbors according to the principles of ‘friendship, sincerity, reciprocity and inclusiveness’ (Xi, 2014b: 326).

According to Xi, it is necessary for Beijing to deepen friendly relations with neighboring countries first through economic cooperation: in September 2013 China offered to set up the
AIIB to finance regional ‘connectivity’ projects, including ‘corridors’ (China-Pakistan Economic Corridor and Bangladesh-China-India-Myanmar Economic Corridor), and to fund the twin Silk Road projects (New Silk Road Economic Belt and 21st Century Maritime Silk Road) that would connect China with its neighbors, and also with the rest of the world (NDRC, 2015; Xi, 2014b: 315–24; Xi, 2016). Beijing seemed to have learned the lesson that its ‘charm offensive’ of the mid-2000s had worked better than its more aggressive foreign policy in 2009–2010. Indeed, some call the new peripheral diplomacy project Beijing’s ‘second charm offensive’ (Glaser and Pal, 2014).

Interestingly, in the Work Forum speech, Xi went beyond this economic strategy to suggest that China also needs to build closer security ties with its neighbors. Here Xi was building on China’s successful cultivation of a security community in Central Asia through the Shanghai Cooperation Organization. Beijing already has joint military activities in East Asia with Russia and South Korea, and in Southeast Asia with Malaysia, Singapore, and Thailand. Beijing thus is expanding from the current regional system where countries have close economic ties with China and close security ties with the United States to have Beijing be both the economic center and the security guarantor for Asia. Indeed, Chinese diplomats recently explained to their Australian counterparts that since trade and security are linked, ‘it was time let go of the outmoded Cold War alliance with the U.S.’ (Fitzgerald, 2014).

This focus on using periphery diplomacy to develop closer security ties spoke to Beijing’s frustration at the increasing sovereignty challenges it felt it faces along its periphery in the East China Sea with Japan over the Senkaku/Diaoyu islands, and in the South China Sea with Vietnam and the Philippines. In addition to the charm offensive, Xi (2014b: 326) described the benefits of connectivity with the necessity of safeguarding Beijing’s core interests of state sovereignty, territorial integrity, and access to natural resources. Chinese commentators increasingly describe this stress on safeguarding core national interests as China’s ‘bottom line principle’ (dixian yuanze) (see Swaine, 2014: 6).

Most interestingly, Xi (2014b: 327) proclaimed that regional cooperation must expand from mutual benefit to ‘shared beliefs and norms of conduct for the whole region.’ In other words, we need to think beyond the material measures of hard power—military might and economic ties—to consider how China sees its rejuvenation in terms of soft power: Beijing is on a moral mission to improve the world through its ideas, aspirations, and norms (Huang, 2016; Wang, 2015; Zhao, 2016; Zheng, 2015; Zhou, 2014). Xi thus stressed that China seeks to socialize regional countries by developing shared beliefs and norms that will build the ‘community of shared destiny’ of the Sino-centric regional order (Heath, 2013; Xinhua, 2013).

These shared beliefs are familiar to students of Chinese foreign policy: mutual respect, mutual trust, reciprocity, equality, and win-win cooperation. But they also include traditional Chinese ideas of a hierarchical Sino-centric regional system: peripheral diplomacy (zhoubian waijiao) assumes a ‘center,’ and thus shows how Beijing sees China at the center of the new regional order, while neighboring countries are at the margins. Although Chinese leaders often stress that they see small and large countries as equal on the world stage, Foreign Minister Yang Jiechi underlined a hierarchical notion of regional order when he told Southeast Asian leaders in 2010 that ‘China is a big country and other countries are small countries, and that’s just a fact’ (Pomfret, 2010). The PRC’s diplomats and scholars often invoke China’s historical (and hierarchical) ‘tributary system’ to their neighbors as a benevolent model of regional order for the 21st century (Anonymous, 2016; Zhao, 2011, 2016; Zheng, 2015: 172–174, 197–200).
Xi’s ‘magnanimous’ offers of aid to ASEAN countries likewise can come off as paternalistic: Beijing expects loyalty in return, and ‘international friendship’ generally means that other countries cannot criticize China. Or when they do criticize China, neighboring countries are seen as pawns in American geopolitical games, rather than sovereign governments expressing legitimate national interests (see Xue and Xu, 2015; Zheng, 2015). As one well-placed Chinese scholar reasons, peripheral diplomacy entails a mix of carrots and sticks: ‘In the future, China will decisively favor those who side with it with economic benefits and even security protections. On the contrary, those who are hostile to China will face much more sustained policies of sanctions and isolation’ (Yan, 2014a).

This moralized notion of peripheral diplomacy also indicates where the United States enters Chinese discussions of peripheral diplomacy (see Huang, 2016). The problem, Chinese leaders and academics explain, is the security architecture in Asia that is built around bilateral security treaties between the US and its allies. When China hosted the Conference on Interaction and Confidence Building Measures in Asia (CICA) in 2014, Xi Jinping (2014a) criticized such alliances, and proposed a ‘New Asian Security Concept’:

One cannot live in the 21st century with the outdated thinking from the age of the Cold War and zero-sum game. We believe it is necessary to advocate common, comprehensive, cooperative and sustainable security in Asia. We need to innovate our security concept, establish a new regional security cooperation architecture, and jointly build a road for security of Asia that is shared by and win-win to all.

China’s comprehensive view of national security here informs a comprehensive view of Asian security.

Xi (2014a) didn’t just criticize the alliance system, but also employed an ‘Asia-for-Asians’ argument (also see Jakobson, 2016):

In the final analysis, it is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia. The people of Asia have the capability and wisdom to achieve peace and stability in the region through enhanced cooperation.

Although Xi follows this argument with the declaration that ‘Asia is open to the world,’ Asia-for-Asians recalls the ‘sphere of influence’ logic that informed both the US’s Monroe Doctrine for the Americas and imperial Japan’s Greater East Asia Co-Prosperity Sphere—neither of which was very popular with its targeted countries. As Indian politician Shashi Tharoor (2015: 21) explains, ‘Many Asians still remember Japanese efforts before and during World War II to create a “Greater East Asia Co-Prosperity Sphere” ... through conquest. Might China be on a similar—albeit less openly aggressive—path?’ More importantly, Asia-for-Asians recalls the hierarchy of China’s pre-modern tributary system, which, again, was not popular in East and Southeast Asia (see Reid and Zheng, 2010; Tharoor, 2015; Zheng, 2015: 198–200).

The goal of peripheral diplomacy then is not simply to aid China’s domestic political stability and economic development. It is to provide an alternative notion of regional order: the ‘community of shared destiny.’ Indeed, Xi (2014a) concluded his CICA address by underlining that ‘the Chinese people, in their pursuit of the Chinese dream of great national rejuvenation, stand ready to support and help other peoples in Asia to realize their own great dreams. Let us work together for realizing the Asian dream.’
Central Conference on Foreign Affairs (2014)

Xi Jinping’s speech at the Central Conference on Foreign Affairs in November 2014 confirmed the need for greater attention to process and content in Chinese diplomacy, and reaffirmed the importance of the periphery in Beijing’s foreign policy (Xi, 2014c). Once again, the objectives were to:

- gain a full understanding of the changing international developments and China’s external environment, lay down the guidelines, basic principles, strategic goals and major mission of China’s diplomacy in the new era and endeavor to make new advances in China’s foreign relations. (Xi, 2014c)

Once again, the meeting included a broad spectrum of stakeholders: party leaders, ambassadors, ministers, soldiers, provincial and local government officials, presidents of banks and SOEs, and representatives from Xinjiang, Hong Kong, and Macao. Once again, foreign policy goals were framed in terms of realizing the China Dream of the great rejuvenation of the Chinese nation, through the achievement of the two centennial goals (Xi, 2014c).

What was striking, however, was the stress on three new themes: interdependence, development and security, and China’s distinctive style of diplomacy (see Swaine 2015a). Whereas Beijing has recognized the benefits of the interconnectivity of economic globalization for some time, it has been suspicious of political and cultural globalization. It criticized the ‘Color Revolutions’ as western imperialist interventions into the internal affairs of sovereign states, and reacted quite harshly in 2011 at the prospect of a pro-democracy ‘Jasmine Revolution’ in the PRC. Since 2012, there has been a crackdown on liberal lawyers, academics, and activists, which has led to a chill in civil society throughout China (Leibold, 2015).

Even so, Xi Jinping’s speech shows a less suspicious attitude towards interdependence: unlike Jakobson and Knox (2010), he does not understand it in terms the problems of ‘fractured authority.’ Rather Xi (2014c) sees interdependence as an opportunity: China’s ‘interactions with the international community have become closer than ever before. China’s dependence on the world and its involvement in international affairs are deepening, so is the world’s dependence on China and its impact on China.’ Rather than seeing the outside world simply as a political threat, here Beijing thinks that it can benefit from a more nuanced notion of globalization. Rather than the West simply socializing China with liberal values, China can also socialize its region and the world with Chinese values (also see Wang, 2015: 29; Zhao, 2016; Zheng, 2015: 197–200). The stress here is not simply on economic exchange, but how Beijing can use the connection of domestic and international markets, resources, and rules in a ‘coordinated way’ (Xi, 2014c). Xi is going beyond seeing connectivity simply as the hardware of infrastructure projects to consider how China can use connectivity to influence the ‘software’ of global governance’s ideas, norms, and rules: ‘We should advance multilateral diplomacy, work to reform the international system and global governance, and increase the representation and say of China and other developing countries’ (Xi, 2014c). Importantly, the stress on ‘multilateral’ diplomacy shows that Beijing figures interdependence in terms of state-to-state relations, rather than a robust global civil society.

The second main theme of Xi’s speech is ‘development and security,’ which declares the limits of win-win cooperation offered by an interdependent and interconnected world. This is a development of themes raised in the 2013 Work Forum speech, which stressed the ‘bottom line principle’ of safeguarding Chinese sovereignty. While Deng Xiaoping focused on ‘peace and development,’ Xi Jinping (2014c) seeks to ‘pursue China’s overall domestic and international interests and its development and security priorities in a balanced way, focusing on the overriding
goal of peaceful development and national rejuvenation, upholding China’s sovereignty, security and development interests.’ To make sure that there is no ambiguity about the right balance between development and security, Xi (2014c) underlined that ‘while we pursue peaceful development, we will never relinquish our legitimate rights and interests, or allow China’s core interests to be undermined.’

The third theme, ‘China’s distinctive style of diplomacy,’ emerges from this uneasy mix of often conflicting factors—international/domestic, development/security, China/world: in this context Xi (2014c) feels that ‘China should develop a distinctive diplomatic approach befitting its role of a great power.’ The distinctive style certainly expands upon Beijing’s call to discard the Cold War mentality of zero sum relations, and build a ‘new type of international relations underpinned by win-win cooperation,’ which is an elaboration of both China’s ‘new model of major-country relations’ and its peripheral diplomacy. Rather than seek security through a collection of military alliances (like the US), Xi (2014c) argues that China should ‘build a global network of partnerships’ that ‘abides by the principle of non-alignment.’

Although there are significant continuities, Xi’s distinctive diplomatic approach departs from that of his predecessors. Deng Xiaoping and his successor Jiang Zemin spoke of China’s grand strategy in terms of ‘Socialism with Chinese Characteristics’ and ‘Peace and Development’ in the 1980s, and the ‘hide your strength, bide your time, never take the lead’ strategy after 1989; Hu Jintao spoke in terms of China’s Harmonious Society at home, and its Peaceful Rise in a Harmonious World abroad. Xi Jinping’s (2014c) distinctive diplomatic approach demands ‘salient Chinese features and a Chinese vision’ to pursue the China Dream at home and abroad.

In terms of grand strategy, then, there is a marked shift from the universal ideologies of socialism, developmentalism, and internationalism to the more parochial concept of nationalism: ‘China’ is the referent in most of Xi’s slogans. Yet Xi’s (2014c) appeal to ‘cultural tradition and values’ is not evidence of a shift from socialism to nationalism, but signifies a new combination of 20th century socialism and pre-modern Chinese culture, both of which are seen as ‘traditions’ of China as a civilization-state in the 21st century (Callahan, 2015b; Hu, 2013; Yang, 2015; Zhang, 2014). Indeed, Chinese intellectuals commonly say that in order to solve the PRC’s current problems they need to appeal to three traditions: Reform, Revolution, and Chinese civilization (see Hu, 2013; Qin, 2006). The strategy is not just for domestic politics, but now includes spreading the China Dream and the China Model abroad as global ideas, if not universalist ideologies. As Xi (2014c) explains: ‘We should increase China’s soft power, give a good Chinese narrative, and better communicate China’s message to the world’ in order to ‘highlight the global significance of the China dream.’

In line with Xi’s (2014c) new robust view of a Chinese-led interdependence, one of the goals of Beijing’s distinct diplomacy is to ‘seek other countries’ understanding of and support for the China dream, which advocates peace, development, cooperation and win-win outcomes.’ The sentence that follows shows how the proper understanding of the China Dream entails not only win-win development opportunities, but respecting China’s maritime sovereignty claims: ‘What we pursue is the well-being of both the Chinese people and the people of all other countries. We should firmly uphold China’s territorial sovereignty, maritime rights and interests and national unity, and properly handle territorial and island disputes’ (Xi, 2014c).

Here we get back to the interconnectivity of China and the world, which includes the interrelation of domestic and foreign policy in the PRC, which is an enduring theme in China (Foot, 2013; Zhang and Chen, 2013). Hu Jintao’s Harmonious World foreign policy strategy, which inspires China’s World Dream (Xi, 2014c; Zhou, 2014), grew out of his domestic policy of Harmonious
Society (see Callahan, 2013; Nordin, 2016). Harmonious Society described a detailed set of interventionist state policies that sought to rebalance China’s economic and social polarization. When this logic is scaled up to the global level, authoritative sources are vague about whether Harmonious World likewise requires a strong state to ‘rebalance’ the world. Public intellectuals, however, have been much more robust in their call for China to ‘harmonize’ the world according to Chinese values, including martial values (Liu, 2010: 184, 245; Zhao, 2011, 2016).

The China Dream/Asian Dream/World Dream dynamic follows much the same logic, and encounters many of the same challenges. There is considerable debate within China about whether ‘China Dream’ refers to individual, collective, and/or national dreams (Liu, 2013; Wang, 2013). Xi Jinping certainly recognized that ‘everyone has their own ideals and aspirations, and all have their own dream’ (Zhonggong zhongyang wenxian yanjiushi, 2013: 3), and explained that the China Dream is ‘the people’s dream, and must closely rely on the people for its achievement, and must constantly be for benefit of the people’ (Zhonggong zhongyang wenxian yanjiushi, 2013: 14). But after much discussion, the collective national dream trumped individual dreams: as I have argued at length elsewhere, Xi Jinping’s China Dream is for the PRC to be an authoritarian capitalist civilization-state that has international influence backed up by a strong military (Callahan, 2015b). In other words, individual dreams are important, but are only acceptable when they support the national dream (Zhonggong zhongyang wenxian yanjiushi, 2013: 3–4, 6).

How does this work for China’s Asia Dream? According to Xi’s many speeches, each country and region is entitled to its own ‘beautiful dream’: the Korean Dream, the Latin American Dream, the African Dream, the Arab Dream, and even the American Dream (see Xi, 2014b, 2015b; Zhonggong zhongyang wenxian yanjiushi, 2013). If individual China dreams must be submissive to the state’s national China Dream in domestic space, then perhaps individual Asian countries’ dreams are acceptable so long as they do not contradict Beijing’s China Dream and Asian Dream.

The logic of the ‘community of shared destiny’ slogan is similar. When Xi Jinping (2014b: 323) used this phrase in a speech at the Indonesian parliament in September 2013, he dreamed of building the ‘China-ASEAN community of shared destiny.’ While this could mean that China aims for a harmoniously egalitarian community of different nations, the phrase has a strange pedigree. It actually was popularized in the 1990s by Taiwanese president Lee Teng-hui as a way of differentiating Taiwan from mainland China. As Hughes (2014) explains, at the time officials and the media in the PRC harshly criticized Lee’s use of ‘community of shared destiny’ as a betrayal of the Chinese nation (also see Hughes 1997: 95–100). But the strangeness does not stop there: ‘Lee took it from Peng Ming-min, the intellectual father of the pro-independence movement in Taiwan in the 1960s, who had taken it from Ernst Renan’s theory of the nation’ (Hughes, 2014; also see Peng 1972: 243–245). Given that the meaning of the phrase—both in Chinese language texts, and in European political theory—is ‘nationalism,’ one can conclude that Xi thinks of the regional community as an extension of the Chinese nation, or at least as informed by the values of Chinese civilization. Once again, Xi’s defining ideas, structures, and projects seek to construct a Sinocentric regional and world order.

In more concrete terms, this is how Xi Jinping can eat his cake and have it too. Previous leaders pursued contradictory policies in succession: diplomatic charm offensives, followed by assertive military actions, and then back to charm offensives. Xi is different because he is integrating development and security goals into a single pro-active strategy to ‘strive for achievement.’ This dual ‘development-security’ strategy was exemplified in 2015 by two high-profile activities: 1) China’s founding of the AIIB, which included 57 founding members (with the notable exceptions of the US and Japan), and 2) Beijing’s massive land reclamation projects in the South China Sea.
The AIIB’s institution-building signified that China is a new player in global governance, while its island-building in the South China Sea provoked security competition with its Southeast Asian neighbors—and the US (Jin, 2015; Xi, 2016; Zheng, 2015: 171). Rather than understand these two actions as contradictory, we should understand them as a complementary pair. The diplomatic strategy is to enmesh neighbors into a web of win-win opportunities that raises the cost of confrontation. The hope is that Beijing will be so successful that it will be able to unilaterally define security issues in the South China Sea, because other states won’t be in a position to protest (Glaser and Pal, 2014).

**BRI/AIIB: Building China’s Asia Dream**

The China Dream is clear about the PRC’s aspirations, and the diplomatic strategy meetings in 2013 and 2014 set out important themes and goals, especially Beijing building a ‘community of shared destiny’ first in the periphery, and then for the world. But how will China achieve such ambitious goals? The ‘Belt Road Initiative’ project, which will be funded largely by the AIIB and Silk Road Fund, knits together ideas and institutions to integrate Eurasia, the South Pacific, and Eastern Africa into a Sino-centric ‘community of shared interests, destiny and responsibility’ (Caixin, 2015; NDRC, 2015).

The idea for BRI was first mooted by Wang Jisi (2012), a well-connected IR scholar, in a *Global Times* article in October 2012, just as the 5th generation was assuming leadership in China. Wang argued that since the US was boxing in the PRC to the maritime East with its ‘Asian pivot,’ China should ‘march West’ to expand economic and security ties with neighbors in Central Asia. The idea, however, was not to challenge the US in the East and South China Seas; rather, China’s ‘New Silk Road’ would work to build strategic mutual trust because the US and China actually have many shared interests in continental Eurasia.

Xi Jinping, however, decided to pursue both the continental and maritime strategies. Rather than pursue strategic trust with the US, the starting point for BRI, the AIIB, and the Silk Road Fund is more geo-economic than geopolitical. According to the Asia Development Bank, there is an $8 trillion funding gap for infrastructure in Asia. One of China’s signature economic successes has been in infrastructure construction (Lin, 2015: 6). The logic behind BRI is that China can use this comparative advantage not only to help other countries, but also to deal with overcapacity problems that daunt its own infrastructure construction industry, as can be seen in the country’s ghost towns, shuttered factories, and highways and railroads to nowhere. The AIIB ($100 billion) and Silk Road Fund ($50 billion) are part of this dynamic as they are designed to fund many of BRI’s infrastructure projects, as well as to allow China to diversify the investment of its foreign exchange reserves (Jin, 2015; Lin, 2015; NDRC, 2015; Xi, 2016). As Xi (2015a) declared at the 2015 Boao conference, BRI ‘is not meant as rhetoric. It represents real work that could be seen and felt to bring real benefits to countries in the region.’ BRI thus is seen as a concrete project that will help the PRC to realize its China Dream and Asia Dream by ‘promot[ing] win-win outcomes through results-oriented cooperation’ with its neighbors (Xi, 2014c).

BRI integrates the New Silk Road Economic Belt project and the 21st Century Maritime Silk Road project that Xi announced with great fanfare in Autumn, 2013 (2014b: 315–324). The goal of the ‘belt’ is to build a network of overland road and rail routes, oil and natural gas pipelines, and power grids that will connect Xi’an, Xinjiang, Central Asia, Moscow, Rotterdam, and Venice. The goal of the ‘road’ is to construct a network of ports and other coastal infrastructure projects that will connect China with Southeast Asia, South Asia, East Africa, and the Mediterranean (NDRC,
The geographic space of BRI starts with peripheral diplomacy, but goes far beyond this to encompass most of the world (NDRC, 2015; Swaine, 2015b: 4–6; Wang, 2015: 22). For example, the UK government even sees BRI as an opportunity to develop the North of England (China-Britain Business Council, 2015; Hornby, 2015).

The values of BRI are much like those of peripheral diplomacy: open, inclusive, and win-win for balanced economic cooperation (NDRC, 2015; Xi, 2015a). Its goals likewise mirror those of peripheral diplomacy: policy coordination, facilities connectivity, unimpeded trade, financial integration, and people-to-people bonds (NDRC, 2015; Xi, 2015a). BRI thus seeks to leverage China’s economic power to address a series of economic, political, and security challenges in both domestic and foreign policy. It is built into China’s 13th Five Year Plan to support further economic reform and rebalance economic growth towards the interior (Xi, 2016). It addresses security issues in Xinjiang, while at the same time seeking to use economic cooperation to reduce political and economic tensions with China’s Central Asian neighbors. The Maritime Silk Road likewise aims to use economic opportunities to deal with security challenges in the South China Sea. (Glaser and Pal, 2014; NDRC, 2015).

Chinese foreign minister Wang Yi stressed that China would be ‘sensitive to the comfort level’ of its neighbors (Swaine, 2015b: 6). After the National Development and Reform Commission (2015) published its ‘Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road’ document in March 2015, delegations of Chinese diplomats and academics were dispatched to prospective BRI countries to explain the project (e.g. in early 2016, I met with two delegations in London). Likewise, Xi stressed that BRI is a collaborative project: ‘The programs of development will be . . . a real chorus comprising all countries along the routes, not a solo for China itself’ (Xi, 2015a; also see Swaine, 2015b: 6).

However, many public intellectuals in China have a more robust view of BRI as a cultural and moral alternative to what is seen as the US-led world order. According to many, the two Silk Roads will not just join economies, but ‘civilizations.’ Public intellectuals like Zhao Lei, Zheng Yongnian, and Wang Yiwei, for example, weave cultural issues into their understanding of the BRI project. Zhao (2015) stresses the importance of culture-economy in what he sees as BRI’s key role in ‘China’s civilizational rise.’ Zheng sees BRI as an opportunity for China to use its culturalization ideas to guide the values of the post-American global ‘zeitgeist’ (shidai jingshen) (Zheng, 2015: 197–200). Wang Yiwei likewise sees BRI as the key to Chinese normative power in the 21st century. He celebrates BRI as a ‘revival’ of ancient civilizational links from the Tang dynasty, which is described as a ‘Golden Age’ (shengshi) that was only severed by the rise of the Ottoman Empire (Wang, 2015: 34). As opposed to the globalization of ‘Western imperialism,’ Wang (2015: 2) argues that the ‘Silk road was a road of friendship and prosperity, a road of exchange and mutual respect’ that offers a superior model of globalization. BRI thus will help to spread around the globe the benefits of traditional Chinese civilization and the China model of development. China’s ‘superior’ culture, therefore, is seen as a resource that will reshape the rules and norms of international institutions: the success of BRI will show how China no longer ‘submits’ to globalization, but is pro-active in ‘creating new standards of globalization’ (Wang, 2015:29). Others likewise see BRI and the AIIB as a means of exporting the China model to the world as new rules for global governance (Caixin, 2015; He Yafei, 2015; Perlez, 2015; Swaine, 2015b; Zhou, 2014). As Wang (2015: 40) explains: BRI ‘uses the Silk Road Dream to realize the China Dream, which will lead to the World Dream.’ This goal may sound far-fetched, but it is not that different from Xi Jinping’s various statements about the
necessity to use China’s traditional civilization and socialist model to change the norms and rules of global governance (see Xi, 2014b: 310, 315; Xi, 2015a; Xinhua 2015).

**Conclusion**

The various documents that outline China’s diplomatic ideas, goals, strategies, institutions, and projects over the next 5–10 years are quite repetitive. To understand how policy is developing, then, we need to not just look at the meaning of the words. We also need to follow Xi Jinping’s musical metaphor (i.e. solo/chorus), and pay attention to the ‘chorus’ that keeps being repeated in the different documents. With each repetition, the key phrases gain new meaning, often signifying shifts in Chinese foreign policy strategy. For example, the documents make it pretty clear that Xi’s ‘pro-active’ foreign policy to ‘strive for achievement’ is a significant shift from Deng’s reactive ‘bide and hide’ diplomacy. There has also been a shift to peripheral diplomacy from Jiang Zemin’s and Hu Jintao’s focus on the West.

But this is not a complete shift. Rather, Beijing is integrating diplomacy with neighboring countries, great powers, and developing countries into a more comprehensive ‘new type of international relations underpinned by win-win cooperation.’ Likewise with Southeast Asia, there has not been a shift from aggressive foreign policy, to economic engagement, and then back again to aggressive foreign policy. Xi has integrated development and security, and institution-building and island-building, in order to forge a new network that is centered on China, organized according to Chinese interests, and guided by Chinese values. While BRI is marketed as an ‘inclusive’ project, the US and Japan are glaringly absent from this plan. This is part of Xi’s gambit to rework the norms, rules, and institutions of global governance. Hence, there is the aspiration for a shift from what is seen as the US-led global liberal order to Chinese-style globalization.

Realist and liberal IR theory have a hard time making sense of ‘development-security’ policy’s combination of engagement and coercion—each theory demands that one aspect the development-security dynamic actually defines the other. Yet a critical constructivist (Cho, 2012) analysis of Chinese texts shows how they are linked in a productive tension that ‘strives to achieve’ both security and development gains in an integrated way. Hence, while in most discussions of peripheral diplomacy ‘connectivity’ refers to the hard power of building physical infrastructure, this article has examined the soft power connectivity of ideas, institutions, and behavior in diplomacy itself. While most constructivists focus on the civilizational roots of national identity in China, this article shows how attention to more recent domestic ideational debates in foreign policy-making—specifically, Xi’s view of China as a moral power in a global ‘community of shared destiny’—allows us to understand how Beijing has integrated ideas, institutions, and behavior for a new grand strategy as a norm-maker.

Even so, there are various risks with Xi’s grand strategy to forge a ‘community of shared destiny’ in Eurasia (and the world). Economically, China has a mixed track record of investments in developing countries, and the risk is that the AIIB will end up funding projects that could not gain support from less aspirational institutions. The recent slowdown in the Chinese economy also complicates matters. Although BRI is designed to address China’s industrial overcapacity problems, it is not clear how the PRC’s shrinking foreign exchange reverses, which have dramatically declined since mid-2015 (see BBC, 2016), will be able to fund the ambitions of Beijing’s new policy banks: AIIB, Silk Road Fund, and BRICS New Development Bank.

Politically, most participants in BRI are still hedging against Beijing (and with the US) for security matters. Indeed, Taiwan, Japan, and South Korea’s experiences all serve to disprove the
predictions of liberal institutionalism: their deepening economic ties with China have not spilled over into closer political and security relations. In reaction to Xi Jinping’s successful state visit to the UK in 2015, one commentator noted, ‘It will not have escaped the Chinese leaders that they were received not for the brilliance of their civilization but for, and only for, the weight of their gold’ (Ringen, 2015). Therefore the real risk, according to many Chinese commentators, is that countries will take Beijing’s money, but not sign up to the political, cultural, and security requirements of China’s vision of a ‘community of shared destiny’ (Wang, 2012, 2015; Xue, 2014; Zheng, 2015).

Even so, the purely economic gains for China still could be considerable, which then would build up a reservoir of goodwill that Beijing could use as political capital on the world stage. Analysts thus need to take more seriously China’s emerging grand strategy as a rule-maker, rather than just a rule-taker—or a rule-breaker. The Asian region certainly is an important focus in Chinese foreign policy. But Beijing’s peripheral diplomacy is about more than win-win cooperation in Asia; it also serves as the means to the much larger end of promoting China’s new vision of global governance.

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