

CAA BRIEF

YANG JIECHI IN SERBIA: THE CHINESE PERSPECTIVE ON THE GLOBAL SOUTH

Bartosz Kowalski

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SUMMARY

Relations between the People's Republic of China (PRC) and Serbia have become increasingly close in the recent decade, with regard to the growing areas of cooperation, including politics, economy, security, military, and, since early 2020, epidemic prevention and control due to the Covid-19 outbreak. Apart from pursuing thriving bilateral cooperation, Serbia is also one of the most active members of the 17+1 format, China's cooperation platform with Central and Eastern Europe (CEE), a region perceived by Chinese policymakers through the perspective of the Global South. Contrary to the majority of the EU-countries of the CEE, bounded by the acquis Communautaire and the rule of law, Serbia has been particularly successful in acquiring Chinese investments and credit lines due to the different financial mechanisms and regulatory practices available to China vis-à-vis the developing world. The Global South agenda has once again been confirmed with the recent visit of PRC's top diplomat Yang Jiechi, whose talks with his country's "steel-like friends" in Belgrade were aimed at securing economic and political position amid Western attempts to contain Chinese influence in Serbia, and in the Balkans.



INTRODUCTION

Between 10-12 October, Yang Jiechi toured four countries: Sri Lanka, the United Arab Emirates, Algeria, and, in the final part of his diplomatic tour, Serbia. Mr. Yang, a former head of PRC's Foreign Ministry and ambassador to the US, is a close aide of Chairman Xi Jinping, a Politburo member and director of the Bureau of the Foreign Affairs Committee of the Central Committee. Therefore, his visit to Belgrade should be considered not only in terms of China's immediate policy goals vis-à-vis Serbia but also through the prism of its regional, if not global, dimension. As such, this analysis examines how the PRC leadership perceives relations with, and the role of, Serbia and the developing world in the context of growing transatlantic consensus on China. It also looks at how China's new economic pattern ("dual circulation") overlaps with its policy designs toward the developing world in terms of the creation of infrastructural ties for Chinese exports, and how China wants to cooperate with the authorities of the developing countries in forging the "will of the people" for the further development of bilateral relations.

YANG JIECHI VISIT TO SERBIA

During a one-day stay in Serbia, Beijing's envoy met with the power echelon of the country: President Aleksander Vučić, Prime Minister Ana Brnabić and Deputy Prime Minister and Minister of Foreign Affairs Ivica Dačić. Yet the official communiques released after the talks by the Serbian side, although traditionally positive towards China, did not yield many specifics. Referring indirectly to Huawei and its possible 5G contract, the Serbian president mentioned the great pressure on his small country exerted by great powers, a situation which he considers the best indicator of the thriving cooperation between Beijing and Belgrade. Moreover, according to Vučić, cooperation with China means improving the living standards of citizens and solving problems that they have been struggling with for decades; the partnership with the PRC is also crucial for Serbia's territorial integrity and independence. In this way, the Serbian leader once again used relations with China for domestic political ends, and to gain support for his increasingly authoritarian rule.

China's contribution to the improvement of the living standards of Serbian citizens was also emphasized by Prime Minister Ana Brnabić, who agreed with Yang Jiechi on developing technological cooperation (including AI) and infrastructure projects, expressing hopes that the construction of the Fruška Gora corridor and the Belgrade metro line will start as soon as possible. However, on the same day, Brnabić and Deputy Prime Minister and Minister of Infrastructure Zorana Mihajlović discussed infrastructural cooperation at a meeting with the director of the Belgrade office of the International Development Corporation (DFC), John Jovanovic. The first overseas branch of this newly founded American development bank was opened in the capital of Serbia as a result of an agreement in Washington achieved only a month earlier, on 4 September. This confirms that the shift in the US policy towards the Western Balkans is real, that it employs concrete financial tools, and that Serbia's multi-vector policy will be increasingly hard to maintain, at least in its current form, especially since the EU has joined the active containment of China in the Western Balkans by recently announcing a EUR 9 billion investment package – these funds are primarily intended to weaken the gravitational pull of Chinese loans.

YANG'S INTERVIEW IN PEOPLE'S DAILY

A broader light on the current trajectory of Chinese foreign policy, including Serbia, is shed by an interview with Yang Jiechi which was <u>published in the *People's Daily*</u> shortly after his return from the diplomatic tour. According to Yang the goals of the visit were achieved. This is certainly true regarding the Corona(crisis) diplomacy – China has been assured of deep gratitude for delivering aid during the pandemic, and the four countries declared that they oppose the politicization and stigmatization of the pandemic: in other words, denying the fact that the virus originated from China. Moreover, in line with Beijing's political agenda, the countries agreed to protect multilateralism, oppose a Cold War mentality and ideological confrontation, and support the protection of the international rule of law. They also reaffirmed their participation in building a "community for the future of humankind", a slogan defining the vision of a Chinese world order promoted by Xi Jinping.

Furthermore, Yang pointed out that China is the first big economy to recover after the outbreak of the pandemic, which confirms "the remarkable efficiency of China's governance system and its institutional advantages". When listing the strong points of the

currently promoted concept of "dual circulation" in the economy (prioritizing the boosting of Chinese export production, unless the balance in the internal market is restored), Yang assured that this new pattern does not mean China closing its door, but rather creating a wider market together with the countries of Southeast and West Asia, North Africa and Central and Eastern Europe. With the growing transatlantic consensus on containing China, and the historically high negative image of China among the developed countries, such a statement implies that Chinese policymakers are now going to coordinate development strategies and the complementarity of economies of China and the

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Global South, thus maintaining its own supply chains. For this reason, according to Yang Jiechi, "dual circulation" is intended to give a new impetus to the Belt and Road Initiative (which brings together mainly developing countries), and continue China's cooperation on main infrastructural projects with Sri Lanka, the UAE, Algeria and Serbia (respectively, the Port of Hambantota, the China-UAE Industrial Cooperation Demonstration Zone and the container terminal at the Khalifa Port, New Central Port of Algiers, and the Belgrade-Budapest railway line and the E763 highway).

In the precise context of Serbia, Yang Jiechi presented two main premises of the Sino-Serbian strategic partnership: firstly, "Serbia is China's important gateway to Central and Eastern Europe", and secondly, bilateral relations conform to the "protection of interests common to developing countries". In other words, the emphasis is placed on the solidarity of actions and joint interests of developing countries, centered around the PRC, in the face of political, economic and normative rules promoted by the West. This is why the four countries visited by Yang Jiechi agreed to further comprehensive cooperation

with the PRC, including "media and think-tanks", and to create "social basis and public will

for the development of bilateral relations". The latter phrase suggests the appropriation of institutions and spaces of civil society by authoritarian regimes. In the case of Serbia, this means a continuation of the joint disinformation campaigns (as in the case of China's "mask diplomacy", actively supported by Serbia's state-apparatus and state-controlled media) and increasing control over public discourse, which is intended to limit the voices criticizing the tightening of cooperation with China at the expense of relations with the EU and the US.



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CONCLUSIONS

The overall effects of Yang Jiechi's visit to Serbia are moderate. When it comes to the current most pressing issue – the 5G contract – China received the same response as the US only a month earlier. Serbia is clearly biding its time, dodging the decision on Huawei, and waiting for the development of the international situation in the coming months; for this reason, the tender for the 5G network has been postponed until next spring (officially due to the Covid-19 pandemic). As Serbia is a key bridgehead for the Chinese telecom giant in the Balkans, it cannot be ruled out that a mixed solution will be put on the table in order to reconcile the interests of China and the West. However, from a broader perspective, Yang Jiechi's diplomatic actions indicate an attempt to synchronize the PRC's activities with the developing countries: primarily in terms of accelerating the construction of transport infrastructure for Chinese exports, sharing the methods of social control, and forging the "will of the people" – naturally in line with Beijing's interests.

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