

China and Global Governance: Being More Active on a Selective Basis

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Abstract

The international community expects China to provide more global public goods in line with its attained international status. Under President Xi Jinping, however, China has generally remained cautious in carrying out this role. This paper argues that under this overall cautious approach, there are signs of China playing a more active role in at least two areas. For one, China appears to be focussed on re-shaping the international economic and financial order to its advantage. In particular, it has been active in pushing for the establishment of new financial institutions to, in its own words, complement existing multilateral development banks. Second, in combating piracy off the coast of Somalia, China has apparently stepped up efforts to play up the softer aspects of its hardware contributions. In these two areas, we see a China that is ready and comfortable in providing the public goods that the international community expects. China has also deftly positioned its role in these two areas as providing something which the world needs.

Keywords: global governance, global economic governance, New Development Bank (NDB), Asian Infrastructure Investment Bank (AIIB), Shanghai Cooperation Organization Development Bank (or SCO Development Bank), international piracy, Gulf of Aden

Introduction

The official principle guiding China's foreign policy is to "keep a low profile" (*tao guang yang hui*) and to "get some things done" (*you suo zuo wei*). Chinese paramount leader Deng Xiaoping reportedly said in 1992 that China will become a big political power if it keeps a low profile and work hard for some years; and it will then have more weight in international affairs.¹ Deng also reportedly said that China should never seek hegemony and never seek leadership.

Since Deng's remarks more than 20 years ago, China has come a long way. Today, China is the world's second largest economy and some analysts have even surmized that it will overtake the United States by 2020.² It has the world's largest foreign reserves at

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¹ Chen Dingding and Wang Jianwei, "Lying Low No More? China's New Thinking on the *Tao Guang Yang Hui* Strategy", *China: an international journal*, vol. 9, no. 2, September 2011, p. 197.

² "China Could Overtake the US by 2020: PWC", *AFP*, 20 January 2010.

US\$3.95 trillion as of the first quarter of 2014.³ At various international and regional platforms, China is seen as a key player when global issues like the health of the world economy, global warming and climate change, aid to developing countries and nuclear non-proliferation are being discussed. In addition, with the European economies still struggling, and with the US economy showing some signs of growth, China has emerged as an indispensable pillar of strength in sustaining the momentum and growth of the world economy. From being an international “pariah” shunned by others following the 1989 Tiananmen crackdown, China is now being courted like a “bride” by various countries and organizations.

As a beneficiary of the existing world order and given its predominance on the world stage, there have been greater calls from the international community for China to play a more active role in global governance. Global governance here generally refers to states and other interested actors coming together to jointly address common concerns or challenges that affect more than one state or region. In particular, the United States (US) has variously called on China to be a “responsible stakeholder”, a “responsible actor” and to “shoulder more international responsibilities” and even to work together to create “international norms that reduce conflict around the world”.⁴ Inherent in these calls is a rising expectation for China to do more to contribute to regional, if not international, peace, stability and prosperity through the provision of global, public goods.

While China under President Xi Jinping is certainly well attuned to these expectations, it has so far resisted pressure to do too much on the world stage. There is still the usual official refrain that China has numerous domestic problems that require urgent attention or that even though China’s GDP in absolute terms is the world’s second largest, it is still very much a developing country.⁵

This paper observes that China has continued its generally cautious tone in terms of addressing global common challenges and issues. But under this overall cautious approach, the paper argues that China is showing signs of playing a more active role in selective areas. The paper highlights the role that China is playing in two specific areas. The first area has to do with China’s active efforts to re-shape the international economic and financial order to its advantage. In particular, China has pressed on with its efforts to

³ “China’s foreign exchange reserves near record \$4tn”, *Financial Times*, 15 April 2014, available at <http://www.ft.com/intl/cms/s/0/4768bd3c-c461-11e3-8dd4-00144feabdc0.html#axzz3Djz7Q4Vq> (accessed 19 September 2014).

⁴ This call to China and the US to work together to create international norms to reduce conflict around the world was made by US President Barack Obama when he visited China in November 2009. See “Remarks by President Barack Obama at Town Hall Meeting with Future Chinese Leaders”, Office of the Press Secretary of the White House, 16 November 2009.

⁵ For instance, during President Xi Jinping’s meeting with Indian Prime Minister Narendra Modi at the sidelines of the BRICS Summit in Brazil in July 2014, President Xi had remarked that China and India were the “two biggest developing countries” that are in a “great historical process of realizing national rejuvenation” and thus what they value most is “peace and development”. See “Xi Jinping Meets with Prime Minister Narendra Modi of India”, China’s Foreign Ministry Website, available at http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1175135.shtml (accessed 16 September 2014).

work with like-minded countries to improve the representation and voice of developing countries (China included) in international financial institutions such as the International Monetary Fund (IMF) and World Bank (WB). Not content with reforming existing multi-lateral development banks, China has even worked with other countries or regional bodies to set up new financial institutions such as the BRICS (Brazil, Russia, India, China and South Africa) Development Bank. It is also working hard to set up other banks in Asia as well as with the Shanghai Cooperation Organization (SCO).

The second area where China appears to be willing to play an active role is in terms of its contribution to global efforts to combat international piracy especially in the Gulf of Aden and off the coast of Somalia. In this fight, China has deliberately highlighted the softer aspects of its military hardware contribution. The emphasis on these softer aspects are intended to enhance China's international image abroad and to assuage concerns that other countries may have on the projection of China's hard power. In other words, China appears to have deftly capitalized on its naval assets as a tool to advance its diplomacy abroad.

In addition, the paper observes that the strong economic slant evident in China's efforts to re-shape the international economic and financial order is a sensible and practical one that deliberately leverages on China's strengths, i.e., its clout as the world's number two economy, and the attendant influence it can bring to bear (as a result of this strength) to re-shape the existing economic and financial order. In addition, the economic arena is one where greater interdependence and win-win outcomes can be found among countries and hence, a higher likelihood by these countries to either support China to do more in this area or at the very least, not to oppose its efforts in this area.

The paper concludes by noting that China's role in re-shaping the international economic and financial order as well as its fight against international piracy can best be described as incremental in nature, which is at a pace that it is comfortable with while it tries to balance other considerations such as issues on its domestic agenda.

The paper is divided into three sections. The first section will provide a brief review of the literature on global governance and its relations to China. The second section will examine the two key dimensions of China's global governance, i.e., China's role in re-shaping the international economic and financial order and China's role in combating international piracy in the Gulf of Aden and off the coast of Somalia. The third section will offer some observations on the role that China is playing in these two areas.

Existing Literature on China and Global Governance

Global governance is a hotly debated term. The term governance was introduced to international relations when James Rosenau attempted to probe how governance can occur in a world where authority is undergoing continuous relocation - both outward toward supranational entities and inward toward subnational groups following the end of

the Cold War.⁶ In Rosenau's view, governance in the global order refers to the "arrangements that prevail in the lacunae between regimes and, perhaps more importantly, to the principles, norms, rules, and procedures that come into play when two or more regimes overlap, conflict, or otherwise require arrangements that facilitate accommodation among the competing interests".⁷

Hedley Bull has proposed the concept of an international society where nation states perceive themselves to be bound by a set of common interests and rules, and share in the working of common institutions in the absence of a core authority or a dominant power over all the states.⁸ Bull suggested, among other possible scenarios, that the international system could evolve into a "neo-medieval form of universal political order" characterized by a system of overlapping authority and multiple loyalties. This scenario would "avoid the concentration of power inherent in a world government".⁹

At the practitioner level, the Commission on Global Governance¹⁰ comprising renowned political and business leaders¹¹ from various countries defined governance (either at the global or local level) in its 1995 report as the "sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated

⁶ James N. Rosenau and Ernst-Otto Czempiel (eds.), *Governance without Government: Order and Change in World Politics* (Cambridge: Cambridge University Press, 1992), pp. 2-3.

⁷ *Ibid.*, p. 4.

⁸ Hedley Bull, *The Anarchical Society: A Study of Order in World Politics*, 3rd ed. (New York: Columbia University Press, c2002), pp. 62-73. The first edition of the above book was published in 1977 while the second edition was published in 1995.

⁹ *Ibid.*, pp. 245-246.

¹⁰ The Commission on Global Governance, comprising 28 renowned individuals, was established in April 1992 to suggest ways where the international community could better cooperate at the multilateral level. The commission was founded in the aftermath of two meetings (one in Königswinter, West Germany in January 1990 and the other in Stockholm, Sweden in April 1991) organized by West German Chancellor Willy Brandt. Brandt invited former Swedish Prime Minister Ingvar Carlsson and former Secretary-General of the Commonwealth of Nations Shridath Ramphal of Guyana to co-chair the commission. The commission published a report titled "Our Global Neighbourhood" in 1995 and presented its findings at the 50th anniversary session of the United Nations General Assembly. See "How the Commission was Formed", available at <http://web.archive.org/web/20020204001556/http://www.cgg.ch/TheCommission.htm> (accessed 14 August 2013).

¹¹ The 28 individuals were Ingvar Carlsson (Sweden), Shridath Ramphal (Guyana), Ali Alatas (Indonesia), Abdlatif AlHamad (Kuwait), Oscar Arias (Costa Rica), Anna Balletbo i Puig (Spain), Kurt Biedenkopf (Germany), Manuel Camacho Solis (Mexico), Bernard Chidzero (Zimbabwe), Barber Conable (United States), Jacques Delors (France), Jiri Dienstbier (Czech Republic), Enrique Iglesias (Uruguay), Frank Judd (United Kingdom), Hongkoo Lee (South Korea), Wangari Maathai (Kenya), Sadako Ogata (Japan), Olara Otunnu (Uganda), I.G. Patel (India), Celina Vargas do Amaral Peixoto (Brazil), Jan Pronk (Netherlands), Qian Jiadong (China), Marie-Angélique Savané (Senegal), Adele Simmons (United States), Maurice Strong (Canada), Brian Urquhart (United Kingdom), Yuli Vorontsov (Russia). More details are available at <http://web.archive.org/web/20020127124028/http://www.cgg.ch/members.htm> (accessed 14 August 2013).

and cooperative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest”.¹² The purpose of the report was to examine how the United Nations (UN) should be revitalized to better respond to the needs of the modern world - a world that has changed in many ways since the UN was formed in 1945.¹³

Elsewhere, John N. Clarke and Geoffrey R. Edwards posit that global governance refers to a “set of normative, social, legal, institutional and other processes and norms, which shape, and in some cases even regulate and control the dialectical interplay of globalization and fragmentation”. In their view, globalizing and fragmenting trends shape global governance and vice versa.¹⁴

In an effort to bring the global governance debate beyond structures, processes or even state-actors, Deborah D. Avant *et al.* have advocated the term “global governors” that includes “international organizations, corporations, professional associations, advocacy groups, and the like that seek to ‘govern’ activity in issue areas they care about”. They argue that governors, and more importantly, it is the “character of the relationships” (through the interactions among these governors to divide labor, delegate, compete and cooperate) among these governors that produce the outcomes we observe.¹⁵

Other authors like James P. Muldoon have identified the core characteristics of global governance. They include: (a) multipolarity of power and decentralization of authority (due to the trend that the traditional hierarchy of power and authority in the world has become more and more flat or horizontal over time); (b) institutions, regimes and organizations (in Muldoon’s view, these structures help to order and regulate relations among the different actors on the global stage); and (c) stability, responsiveness and order (in Muldoon’s view, the governance structure can only survive if they promote stability in the system, if they can effectively and sufficiently respond to the demands made of the system, and if order is achieved within the system).¹⁶ In other words, Oran Young describes a governance system as an “institution that specializes on making collective decisions on matters of common concern to the members of a distinct group”.¹⁷

¹² “Our Global Neighborhood”, Report of the Commission on Global Governance (1995), Chapter 1, p. 1, available at <http://www.gdrc.org/u-gov/global-neighborhood/> (accessed 14 August 2013).

¹³ For writings on how the UN should evolve, please see Albert J. Paolini, Anthony P. Jarvis and Christian Reus-Smit (eds.), *Between Sovereignty and Global Governance: The United Nations, the State and Civil Society* (Ipswich, Suffolk: Ipswich Book Company Ltd., 1998).

¹⁴ John N. Clarke and Geoffrey R. Edwards (eds.), *Global Governance in the Twenty-first Century* Hampshire and New York: Palgrave Macmillan, 2004), p. 6.

¹⁵ Deborah D. Avant, Martha Finnemore and Susan K. Sell, *Who Governs the Globe* (United Kingdom: Cambridge University Press, 2010), pp. 1-3.

¹⁶ James P. Muldoon Jr., *The Architecture of Global Governance* (Boulder, Colorado: Westview Press, 2004), pp. 7-9.

This brief overview shows that even among the experts, they have different ideas and accord different emphasis when discussing global governance. This paper does not intend to arrive at a definitive concept of global governance. But for the purpose of discussion in this paper, the term global governance here generally refers to states and other interested actors coming together to jointly address common concerns or challenges that affect more than one state or region. In doing so, these actors are more likely driven by their national interests and less likely in wanting to fulfil higher supra-national goals such as democracy, human rights or world peace, progress and development. If these actors were to espouse any of above goals in the process of their involvement in global governance, this is because it is in their national interests to do so.

What about China's role in global governance? Most existing literature on China's role in global governance take the line that with China's growing regional and international clout, it is playing or can be expected to play an increasingly bigger role in areas of common concern. Such a line of argument is usually accompanied by caveats (mentioned earlier) including that China's involvement is a gradual and cautious one; that China continues to be preoccupied with its domestic agenda; and, that China does not intend to challenge the pre-eminent position of the US on the world stage.

The United States Council of Foreign Relations has observed that China's aims on the international stage tend to be "modestly revisionist, focused on securing growing weight within international institutions (such as the WB and IMF) and peacefully expanding its economic and political influence, particularly within Asia."¹⁸

In her study of China and global health governance, particularly in efforts to stop the spread of AIDS in Africa, Chan Lai-Ha observes that while China had become more proactive in the World Health Organization (WHO), it has yet to "display any determination to improve the health situation in Africa through structural reform of the WHO".¹⁹ She further notes that in the case of the WTO's TRIPS (Trade Related Aspects of Intellectual Property Rights) agreement on drug patents, China contributes little to the benefit of developing countries. While rhetorically it harbors resentment against the "US-style patent law", its actual policy towards pharmaceutical drugs is not in line with the

¹⁷ Oran Young, *International Governance: Protecting the Environment in a Stateless Society* (Ithaca: Cornell University Press, 1994), p. 26.

¹⁸ "China, the United States, and Global Governance: Shifting Foundations of World Order", Report by the US Council on Foreign Relations from a joint workshop with China Institutes of Contemporary International Relations (CICIR) in Beijing, 15-17 March 2010, available at http://www.cfr.org/content/thinktank/CFR_CICIR_MeetingNote.pdf (accessed 15 August 2013).

¹⁹ An indication of China's pro-activeness can be seen from its nomination and support for a Chinese candidate to the top post in WHO, and its lobbying for her election in 2006. See Chan Lai-Ha, *China Engages Global Health Governance: Responsible Stakeholder or System-Transformer?* (New York: Palgrave Macmillan, 2011), p. 122.

rhetoric. She also points out that China contributes little to the expansion of access to affordable antiretroviral therapy for HIV/AIDS patients living in Africa.²⁰

From a broader perspective, Chan Lai-Ha *et al* found that using “quanqiu zhili” (全球治理 or global governance) as a keyword to search for articles from the Chinese database known as “China Academic Journals Full-text Database: Economics, Politics and Law” (中国期刊全文数据库: 经济、政治与法律专档), the search revealed that between 1979 and 2006, a total of 342 articles were published, of which more than 96% were in 2000 and after.²¹ In other words, the term global governance only entered Chinese discourse from 2000 onwards.

Jan Wouters *et al.* have examined China’s role in the world trading system, world financial and monetary system, climate change and energy, and security and politics. They assert that beginning from 2000, China became “more confident” and “more able to express China’s views on global affairs”. This trend, they observed, was accelerated by the 2008 financial crisis as China “challenged the existing global governance structures designed by the Western powers and the latter’s traditional hegemonic position”.²²

David Shambaugh has outlined four phases in the evolution in Beijing’s behaviour over time: from opposition to this order (from 1950s-1970s), to a generally passive position when it sought membership in international institutions and displayed a willingness to learn the rules of the road (from 1980s-1990s), to a more selective and activist position in international institutions when Beijing became more confident and outspoken (during the early 2000s), to a more recent, moderately revisionist posture that seeks to selectively alter rules, actors and the “balance of influence” largely from within existing institutions while simultaneously trying to establish alternative institutions and norms of global governance and redistribute power and resources within the international system (since 2008).²³ Even then, Shambaugh cautions that this recent tendency should not be overstated as China still remains “very reluctant” to engage on many issues and still displays a distinct “selective multilateralist” posture.²⁴

Others have described China as a “reform-minded status-quo” power, whereby it generally accepts the existing international system but seeks to make changes to what it perceives as “unjust and unreasonable components of the system”.²⁵ Comparing the

²⁰ *Ibid.*, pp. 159-160.

²¹ Chan Lai-Ha, Pak K. Lee and Gerald Chan, “Rethinking Global Governance: A China Model in the Making?”, *Contemporary Politics*, vol. 14, no. 1 (March 2008), pp. 3-19.

²² Jan Wouters, Tanguy de Wilde, Pierre Defraigne and Jean-Christophe Defraigne (eds.), *China, the European Union and Global Governance* (Cheltenham, UK: Edward Elgar Publishing Ltd., 2012), p. 3.

²³ David Shambaugh, *China Goes Global: The Partial Power* (Madison Avenue, New York: Oxford University Press, 2013), p. 125.

²⁴ *Ibid.*, p. 126.

BRIC group (comprising Brazil, Russia, India and China), Wang Hongying and Erik French have made the observation that China has under-participated in global governance in three general categories of global governance, namely, personnel contributions (in terms of the manpower it provides for the UN staff and peacekeeping operations), financial contributions (in terms of the donations to various funds, programs and organizations devoted to key global governance issues areas such as poverty relief and healthcare) and ideational contributions to the types of organizations and frameworks mentioned above.²⁶

This paper seeks to build on the existing literature by examining global governance under President Xi Jinping's leadership. Xi assumed the post of general secretary since November 2012 and became China's president in March 2013. It is therefore timely to do a review. Does this leadership share more continuities or discontinuities with the previous Hu Jintao-Wen Jiabao leadership on China's role in addressing global common challenges and issues? Where are the continuities or discontinuities, if any? What are the reasons behind these continuities or discontinuities? What do they portend in terms of the role China intends to play on the world stage either as a status-quo power, revisionist power or somewhere in between?

The paper will highlight the public statements, speeches and remarks made by Chinese leaders/officials/official bodies and compare it with China's actual actions on global governance. In the interest of having a more focused discussion as well as due to space constraints, the paper will examine two key aspects of China's involvement in global governance, i.e., China's efforts to re-shape the international economic and financial order and its efforts to fight international piracy off the Gulf of Aden. China's efforts in re-shaping the international economic and financial order have been selected as this is regarded as an area where China reportedly first officially mentioned the term global economic governance. This is also an area where China appears to be the most active. As for China's role in contributing to the fight against international piracy off the coast of Aden, this is an area where China appears to have deftly used its military assets as an instrument of diplomacy. In particular, there are several activities which China's navy has carried out outside of its usual anti-piracy operations. These activities will be highlighted here.

Admittedly, these two areas alone are not intended to nor do they represent a comprehensive overview of China's role in global governance. The purpose here is to provide some sense of China's thinking on global governance under the present leadership and where this leadership is likely to take China going forward.

²⁵ "China: a Reform-minded Status-quo Power?", article dated 16 May 2012 by Ren Xiao in the *East Asia Forum*, available at <http://www.eastasiaforum.org/2012/05/16/china-a-reform-minded-status-quo-power/> (accessed 16 August 2013).

²⁶ Wang Hongying and Erik French, "China's Participation in Global Governance from a Comparative Perspective", in *Asia Policy*, no. 15 (January 2013), p. 94.

Dimensions of China's Global Governance

(a) Improving Global Economic Governance

China began to officially talk about global governance in the wake of the 2008 financial crisis that showed up the excesses of unbridled capitalism which in turn lent credibility to calls for greater state intervention in the economy. China's market economy with a strong state presence was touted by some observers as a possible model for others to emulate.

It has been observed that China's first official statement on global governance was contained in a speech which was supposed to be delivered by President Hu Jintao at the 35th G8 outreach session²⁷ with the major developing countries (China, Brazil, India, South Africa, Mexico and Egypt) in L'Aquila, Italy in July 2009. Prior to this session, Chinese policymakers had reportedly made extensive preparations in the crafting of this speech.²⁸ In the event, Chinese State Councillor Dai Bingguo delivered the speech on behalf of President Hu as the latter was compelled to shorten his visit due to the unrest that broke out in Xinjiang at around the same time.²⁹

In his speech, Dai singled out the need to improve and strengthen "global economic governance" to promote the coordinated and sustainable development of the world economy. Although Dai confined his reference to global economic governance (which is a subset of global governance), he identified several key features of global economic governance which appears to be also applicable to global governance. They included elements such as balanced representation; mutual benefits; win-win outcomes; equal representativeness, voice and decision-making rights; the democracy principle including taking on board the interests of all relevant parties; and, the need for appropriate mechanism arrangements. Below is Dai's elaboration of how China viewed global economic governance in terms of its goal, its participants, its method and its mechanism.

1. Goal of governance. The fundamental goal of global economic governance is to push forward the development of the global economy in a balanced, universally beneficial and win-win manner. Balance means taking into account the needs and balancing the concerns of both the developed and the developing countries.

²⁷ This would have been the sixth time that the Chinese president had attended the G8 outreach session. See "Chinese President Arrives in Italy for Visit, G8 Outreach Session", *Xinhuanet*, 5 July 2009, available at http://news.xinhuanet.com/english/2009-07/05/content_11657175.htm (accessed 17 September 2014).

²⁸ Wang Hongying and Erik French, "China's Participation in Global Governance from a Comparative Perspective", p. 100.

²⁹ President Hu Jintao was in Italy to attend the G8 Summit. However, due to the unrest that broke out in Xinjiang in July 2009, Hu was forced to shorten his trip to return home, leaving State Councilor Dai Bingguo to deliver his speech. Earlier, in preparing this speech, the Chinese Ministry of Foreign Affairs had reportedly met with Chinese scholars who were experts in the study of global governance to seek their views.

Universal benefit means maintaining the interests and bringing tangible benefits to all the countries in the world and their people. Win-win means combining the interests and linking the development of one country with all the others.

2. Participants of governance. Global economic governance should involve all the countries around the world. Countries, no matter large or small, strong or weak, rich or poor, are all parts of the global economy and should participate in governance equally and enjoy relevant representativeness, voice and decision-making rights. Equal participation is reflected not only in form but more importantly in substantial content and decision-making. Only in this way can we ensure rationality and justice, and guarantee the reputation and effectiveness of global economic governance.
3. Way of governance. Global economic governance requires countries to solve the difficulties caused by economic globalization through consultations and cooperation. It is important to follow the democracy principle, listen to the opinions of all parties concerned, take care of and reflect the interests and demands of all countries, especially the developing ones. We should respect differences, take into consideration the different national conditions of countries and allow different approaches of the developed and the developing countries. We should insist on and advocate cooperation and encourage countries to strengthen communication and coordination and use their advantages respectively to address common challenges.
4. Mechanisms of governance. Global economic governance requires appropriate mechanism arrangements. The development of the world economy makes it hard for some mechanisms to fully reflect the demands of the international community. Representativeness needs to be expanded to effectively tackle the global challenges. Governance should be targeted at problems in different areas and at various levels. In terms of governance mechanisms, relevant international standards and rules should be formulated on the basis of equal consultations and consensus reached among all the interested parties. Experience and best practices should be disseminated and countries should intensify exchanges and cooperation to jointly build an effective global economic governance structure.³⁰

Following the July 2009 speech, the term “global governance” seemed to have been accorded greater prominence in Chinese official documents. In China’s 12th Five-Year Program for National Economic and Social Development (2011-2015) unveiled in October 2010 and in the Chinese Premier’s Central Government Work Report to the National People’s Congress in March 2011, the term “global economic governance” occupied a prominent place. For instance, in the latter document, Premier Wen Jiabao stated that China will play an “active part in multilateral diplomacy” and ride on the G20 summit and other diplomatic forums to strengthen the “coordination of macroeconomic policies” and “advance the reform of the international economic and financial system”. He further added that China would play a “constructive role” to help resolve “hot issues”

³⁰ “Dai Bingguo Attends the G8 and Developing Countries Dialogue”, China’s Foreign Ministry Website, 9 July 2009, available at <http://www.mfa.gov.cn/eng/zxxx/t572654.htm> (accessed 2 May 2012).

and “global problems”.³¹ Likewise, in the 2012 Central Government Work Report, Wen Jiabao reiterated China’s commitment to participate in “global economic governance and regional cooperation”. He added that China will “actively participate in building mechanisms for global economic governance such as the G20, strengthen coordination with major economies on macroeconomic policy, oppose protectionism in all its forms, and continue to play a constructive role in the Doha round of trade talks and the reform of the international financial system”. In other words, a key emphasis in Wen’s 2011 and 2012 Central Government Work on China’s foreign policy is on improving global economic governance, a subset of global governance.³² Global governance was also alluded to in Wen’s government work report when he mentioned China’s role in addressing hot issues and global problems. More specifically, Foreign Minister Yang Jiechi in a speech at the UN General Assembly in September 2012 made the call to establish a “fair, equitable, flexible, and effective system of global governance” to properly address various global issues and promote the well-being of mankind.³³

Interestingly, in Wen Jiabao’s 2013 Central Government Work Report, just before he stepped down as premier, there was no mention of “global economic governance”. Instead, he made the general statement that China should commit itself to “peace, development, cooperation and mutual benefit; unswervingly pursue peaceful development; adhere to our independent foreign policy of peace; and promote durable peace and common prosperity in the world”.³⁴ This omission, in the author’s view, does not represent any change in China’s foreign policy orientation with regard to global governance. It should be noted that this was Wen’s last government work report and his mention about “peace, development, cooperation and mutual benefit” bear similarity to the line espoused by Xi Jinping since the latter took over as General Secretary in November 2012.

In fact, at the third joint Political Bureau Study Session in January 2013, Xi Jinping had reiterated China’s commitment to peaceful development (a concept popularized by his predecessor Hu Jintao when he used it at the 2004 Boao Forum) and stated that China will never seek hegemony nor embark on expansionism. He further stressed the importance of having a peaceful international environment so that China and the world can enjoy smooth development. He reiterated China’s commitment to expand mutual cooperation with other countries, be more pro-active in participating in

³¹ Premier Wen Jiabao’s Report on the Work of the Government, Beijing, 5 March 2011, available at http://www.gov.cn/english/official/2011-03/15/content_1825268.htm (accessed 17 August 2013).

³² Premier Wen Jiabao’s Report on the Work of the Government, Beijing, 5 March 2012, available at http://english.gov.cn/official/2012-03/15/content_2092737.htm (accessed 17 August 2013).

³³ “Work Together to Achieve Common Security and Development”, Statement by Yang Jiechi at the 67th UN General Assembly”, 27 September 2012, China’s Foreign Ministry Website, available at <http://www.fmprc.gov.cn/eng/topics/diaodao/t975077.htm> (accessed 17 August 2013).

³⁴ Premier Wen Jiabao’s Report on the Work of the Government, Beijing, 5 March 2013, available at http://news.xinhuanet.com/english/china/2013-03/18/c_132242798.htm (accessed 17 August 2013).

international affairs, jointly cooperate to address global challenges and to contribute to global development.³⁵

Xi Jinping again stressed peace, development, cooperation and mutual benefit when he embarked on his first overseas foray (to Russia, Tanzania, South Africa and the Republic of Congo) soon after he became President in March 2013. At his first stop in Moscow, Xi said that “peace, development and win-win cooperation have become the trend of our times”. He called for a new type of international relations defined by win-win cooperation rather than a mindset still caught up in the “old days of colonialism” or “constrained by zero-sum Cold War mentality”.³⁶ While in Tanzania, South Africa and the Republic of Congo, Xi reiterated China’s commitment to Africa’s development on the basis of equality, mutual respect and mutual benefit.

In his address at the BRICS summit, held during his visit to South Africa, Xi Jinping highlighted the BRICS’ countries goal of “common development, and the noble cause of promoting democracy in international relations”. On the evolution of the international architecture, he called on the BRICS’ countries to adhere to the principles of “equality, democracy and inclusiveness” and the right of countries to set their own development paths. Regardless of how the global governance system would evolve, Xi exhorted the BRICS countries to take an “active and constructive” part in the process and make the international order “more just and equitable”.³⁷

At the Boao Forum in April 2013, Xi Jinping called on countries in Asia to steadily advance the “reform of the international economic and financial systems, improve global governance mechanisms” and provide support to ensure sound and stable global economic growth.³⁸ It would appear that Xi Jinping has carried on the task of calling for changes in the global governance mechanisms in the direction of greater democracy, equality and inclusiveness. In addition, Xi has reiterated the need to push

³⁵ “Xi Jinping: Genghao tongchou guonei guoji liangge daju hangshi zou heping fazhan daolu de jichu (Xi Jinping: To better coordinate the domestic and international fronts, reinforce the foundation of peaceful development), *Xinhuanet*, 29 January 2013, available at http://news.xinhuanet.com/politics/2013-01/29/c_114538253.htm (accessed 1 February 2013).

³⁶ “Xi Jinping Calls for the Building of New Type of International Relations with Win-win Cooperation at the Core in a Speech at the Moscow State Institute of International Relations”, China’s Foreign Ministry Website, 23 March 2013, available at <http://www.fmprc.gov.cn/ce/celv/eng/zgyw/t1024781.htm> (accessed 27 March 2013).

³⁷ “Work Hand in Hand for Common Development”, Xi Jinping’s Speech at the Fifth BRICS Leaders’ Meeting, Durban (South Africa), China’s Foreign Ministry Website, 27 March 2013, available at <http://www.fmprc.gov.cn/eng/wjdt/zyjh/t1027968.shtml> (accessed 17 August 2013).

³⁸ At the Boao Forum in April 2014, Chinese Premier Li Keqiang delivered a speech at the opening plenary of the Boao Forum. Although he did not mention global governance in his speech, Li made a call to stick to the “overarching goal of common development” and build an “Asian community of shared interests”, an “Asian community of common destiny”, and an “Asian community of shared responsibilities”. See “Speech by Li Keqiang at the Opening Plenary of the Boao Forum for Asia Annual Conference 2014”, Boao Forum for Asia Website, 10 April 2014, available at <http://english.boaoforum.org/ac2014news/13474.jhtml> (accessed 19 September 2014).

ahead with the reform of the global economic and financial systems. In terms of the official rhetoric, many of the terms used by Xi such as peace, development, democracy in international relations, equality, mutual respect and mutual benefits were also used under Hu Jintao.

Beyond official pronouncements, China's stellar economic growth amidst the slow growth or economic doldrums in the United States and the EU since 2008 has positioned it as a key player in restoring market confidence and maintaining the stable growth of the world economy. This was evident at the G20 Pittsburgh Summit in September 2009 where members agreed that the G20 would become the "premier forum" for international economic cooperation, supplanting the Western-dominated G7 and G8 that have been the primary forums for decades. This was a clear acknowledgement that fast growing economies such as China and India now play a much more important part in world growth.

Beyond words, China has pushed and succeeded to a limited extent in securing an increase in the representation and voice of developing countries (China included) in global financial institutions such as the IMF and WB. On their part, the Board of Governors of these institutions recognize the importance of making the necessary adjustments to better reflect current global realities and, in the process, strengthen the legitimacy and effectiveness of these institutions.

In particular, in April 2010, the WB approved an increase in the voting power of Developing and Transition Countries (DTCs) at the International Bank for Reconstruction and Development (IBRD) to 47.19%, a 3.13 percentage point increase (marking a total shift to DTCs of 4.59 percentage points since 2008). It further approved an increase in the voting power of DTCs at the International Financial Corporation (IFC) to 39.48%, marking a total shift to DTCs of 6.07 percentage points. This was the first time in the history of the WB that voting power was adjusted while successfully securing an increase in its capital. In addition, an agreement was struck among the countries to review IBRD and IFC shareholdings every five years with a commitment to equitable voting power between developed countries and DTCs over time.³⁹

Likewise, the IMF Board of Governors approved in December 2010 a package of reforms on quota and governance in the IMF in favour of emerging market and developing countries. These reforms, when effected, will see China's quota and voting shares in the IMF rise to 6.39% (from the current 4%) and 6.07% (from the current 3.81%) respectively. If so, China will become the third largest member country in the IMF, and there will be four emerging markets and developing countries (Brazil, Russia, India and China) among the 10 largest shareholders in the IMF.⁴⁰ Although the new quota

³⁹ "World Bank Reforms Voting Power", *World Bank*, 25 April 2010, available at <http://www.worldbank.org/en/news/press-release/2010/04/25/world-bank-reforms-voting-power-gets-86-billion-boost> (accessed 17 August 2013).

⁴⁰ "IMF Quotas", *IMF Factsheet*, 31 March 2013, available at <http://www.imf.org/external/np/exr/facts/quotas.htm> (accessed 17 August 2013).

and voting shares distribution was approved almost four years ago, they have not come into effect because it was not ratified by a number of countries, including the US which is the largest shareholder.⁴¹

In January 2014, the US Congress again failed to sign off on IMF funding to complete the 2010 reforms on quota and governance. In March 2014, the Obama administration made another attempt to attach the quota and governance reform to a legislation approving America's bilateral aid to Ukraine. But both the House of Representatives and the Senate refused to include it.⁴² The failure of Congress to sign off on IMF funding in January 2014 prompted China's foreign ministry spokesperson Hong Lei to make a call to "all relevant countries" to "step up efforts to implement the IMF quota and governance reforms, work out a new quota formula that reflects the relative weights of IMF members in the world economy and give greater representation and bigger say to emerging markets and developing countries in international financial institutions".⁴³ Hong Lei made a similar call in March 2014 after the US Congress dropped language outlining reforms of the IMF from a Ukrainian aid bill.⁴⁴ On both occasions, although Hong Lei did not mention the US by name, it was obvious that he was referring to the US.

Going beyond the existing institutions such as the IMF and WB, China has worked closely with emerging economies in the BRICS to set up a new financial institution. While there are doubts whether the BRICS can evolve into a viable political platform given historical and political divergence among these countries, China does not appear to be unduly bothered by these differences. Instead, China seems more eager to strengthen the economic and financial linkages among the BRIC countries. The BRICS platform offers China a means to gradually shift the US-centric international order to one that takes the interests of emerging economies more into account. This was what President Xi Jinping meant when he called on the BRICS countries to make the international order more just and equitable. Also, by working with Brazil, Russia, India and South Africa, China would be less likely to be singled out by the US as the only country bent on changing the international order to its advantage.

At their summit in Durban, South Africa, in March 2013, the BRICS leaders announced a number of initiatives in the offing. These include the setting up of a BRICS

⁴¹ The approval process was originally expected to be completed by the IMF Board of Governors' Annual Meetings in October 2012. But this deadline came and went.

⁴² "Congress' Failure to Support the International Monetary Fund is Shameful and Self-defeating", *The Economist*, 29 March 2014.

⁴³ "Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on 14 January 2014", China's Foreign Ministry Website, available at http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2535_665405/t1118848.shtml (accessed 17 September 2014).

⁴⁴ "Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on 26 March 2014", China's Foreign Ministry Website, available at <http://www.chinaembassy.org.sg/eng//fyrth/t1141211.htm> (accessed 17 September 2014).

Development Bank (to provide funding for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries),⁴⁵ a Contingency Reserve Arrangement (to enable BRICS to forestall short-term liquidity pressures, provide mutual support and further strengthen financial stability), a BRICS Business Council (to strengthen and promote economic, trade, business and investment ties among the business communities in BRICS) and a BRICS Think Tank Council (to brainstorm ideas and initiatives to bring BRICS even closer). In addition, BRICS leaders also held a dialogue with their African counterparts where the focus was on strengthening infrastructure cooperation between Africa and BRICS.

Building on what they had agreed at their Durban meeting, the BRICS countries announced at their meeting before the G20 met in St. Petersburg in September 2013 that they had reached agreement on how much each country would contribute to size of the Contingency Reserve Arrangement set at US\$100. Of this amount, China would be the largest contributor at US\$41 billion, followed by Brazil, Russia and India with each contributing US\$18 billion, and finally, South Africa which would contribute US\$5 billion. Other details such as when and how to draw down on this fund and whether this fund will be part of a common pool or remain just as a pledged commitment by individual countries remain to be sorted out.

At their last summit in Brazil in July 2014, the BRICS' leaders signed an agreement to establish the BRICS Development Bank or what is now known as the New Development Bank (NDB) with an initial authorized capital of US\$100 billion. The initial subscribed capital shall be US\$50 billion to be shared equally among the founding members. The BRICS' leaders further agreed that: (a) the first chair of the NDB's Board of Governors shall be from Russia; (b) the first chair of NDB's Board of Directors shall be from Brazil; (c) the first president of NDB shall be from India; (d) the headquarters of NDB shall be located in Shanghai; and, (e) the NDB Africa Regional Center shall be set up in South Africa.⁴⁶ The above is intended to show that the NDB seeks to promote the principle of joint ownership and responsibility among its members as opposed to the World Bank (which is led by the US) and the IMF (which is led by Europe). However, the modalities for the NDB operationalization remain to be worked out by the BRICS' Finance Ministers.

⁴⁵ The idea to set up a BRICS Development Bank did not just occur at the Durban Summit. At the Fourth BRICS Summit in New Delhi in March 2012, the leaders already started considering the possibility of setting up a new development bank to mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, to supplement the existing efforts of multilateral and regional financial institutions for global growth and development. The leaders further directed their finance ministers to examine the feasibility and viability of such an initiative. See "Fourth BRICS Summit - Delhi Declaration", India's Ministry of Foreign Affairs Website, 29 March 2012, available at <http://mea.gov.in/bilateral-documents.htm?dtl/19158/Fourth+BRICS+Summit++Delhi+Declaration> (accessed 19 September 2014).

⁴⁶ "Sixth BRICS Summit – Fortaleza Declaration", VI BRICS Summit Website, available at <http://brics6.itamaraty.gov.br/media2/press-releases/214-sixth-brics-summit-fortaleza-declaration> (accessed 19 September 2014).

Apart from the NDB, China is pushing ahead with efforts to set up other banks. In Asia, China has proposed the setting up of the Asian Infrastructure Investment Bank (AIIB). This idea for an AIIB was proposed during a visit by President Xi Jinping to Indonesia in October 2013, which was also his first visit to Asia since taking over as president. The stated purpose of the AIIB, quite similar to the NDB, is to meet the infrastructure development and connectivity needs of developing countries in Asia. Among these developing countries, a key priority is on meeting the needs of countries in ASEAN. In their joint statement issued at the 16th ASEAN-China Summit in Brunei in October 2014, the leaders of ASEAN indicated their appreciation for China's proposal on an AIIB that would give priority support to ASEAN connectivity projects. In particular, the ASEAN leaders indicated their expectations for early and substantive progress in the construction of the Pan-Asia Railway.⁴⁷

In justifying the need for an AIIB, various Chinese leaders and officials, have taken pains to stress that the AIIB is intended to complement the work of existing institutions such as the WB and Asian Development Bank (ADB), and not to replace them. A Chinese estimate indicates that the required infrastructure needs of countries in Asia will rise to US\$8 trillion in a decade. At the moment, China has observed that the WB and ADB cannot provide the funding necessary to meet the infrastructure needs of countries in Asia. Hence, the need for an AIIB to fill this funding gap.

In an effort to demonstrate the open and inclusive nature of the AIIB, China has stated that the bank is open to all countries (not just confined to countries in Asia) and that as long as any country is willing or ready to join the AIIB, China will be glad to welcome them. Apparently, 22 countries have so far participated in the third round of multi-lateral negotiations to set up the AIIB. China has also reportedly engaged countries such as the US, Japan, India, Australia and some European countries in bilateral discussions.⁴⁸ While China has stated that the AIIB will complement the work of the WB and ADB, it does appear that the AIIB is unlikely to be modelled on the WB and ADB if it is to meet the huge infrastructure needs of countries in the region. At this juncture, however, details on how the AIIB will be managed and how it will operate remains unclear.

In addition to efforts to set up the AIIB, China is also working with the other members of the Shanghai Cooperation Organization (SCO) to set up a SCO Development Bank. The purpose of a SCO Development Bank is to provide the necessary financial support for interconnectivity (or infrastructure-related) projects and industrial cooperation

⁴⁷ "Joint Statement of the 16th ASEAN-China Summit on Commemoration of the 10th Anniversary of the ASEAN-China Strategic Partnership", ASEAN Secretariat Website, 9 October 2013, available at <http://www.asean.org/images/archive/23rdASEANSummit/7.%20joint%20statement%20of%20the%2016th%20asean-china%20summit%20final.pdf> (accessed 19 September 2014).

⁴⁸ "A Speech on the Establishment Progress of Asian Infrastructure Investment Bank (AIIB)", by Mr Jin Liqun, Head of the Working Group for the Establishment of AIIB, China's Ministry of Finance, Boao Forum for Asia Website, 31 July 2014, available at <http://english.boaoforum.org/mtzxxwz xen/14301.jhtml> (accessed 19 September 2014).

among the SCO member countries. This focus on infrastructure projects among other things is similar to the focus of the NDB of the BRICS as well as the soon-to-be-formed AIIB.

The first mention of a SCO Development Bank was made in the communique of the meeting of the council of the heads of the member states of the SCO in Beijing in June 2012. In that communique, the heads of state commended the work that had been done on setting up the SCO Development Bank and instructed that this work be continued and completed as soon as possible.⁴⁹ Since then, China has actively pushed for the setting up of such a bank. When Premier Li Keqiang attended the 12th Prime Ministers' Meeting of the SCO in Tashkent, Uzbekistan, in November 2013, he made a call for strengthening financial cooperation through the setting up of a SCO Development Bank.⁵⁰

Likewise, when President Xi Jinping attended the 14th Meeting of the Council of the Heads of State of the SCO in Dushanbe, Tajikistan, in September 2014, he called for an early agreement on the establishment of a SCO Development Bank to fund relevant projects among the countries to achieve the goal of common development and prosperity.

(b) Combating International Piracy

On combating international piracy, China has since December 2008, sent its navy to provide armed escort for vessels in the Gulf of Aden and the waters off the coast of Somali. According to China's Ministry of Defence, up till the end of December 2013, its navy has despatched 16 escort task force groups, totalling 42 frigates and destroyers, and more than 15,000 officers and soldiers. These naval personnel and assets have successfully escorted 5,463 Chinese and foreign merchant ships, as well as successfully repelled attacks by pirates 32 times and rescued 42 merchant ships.⁵¹ By September 2014, China has dispatched its 18th escort task force group, two more from the 16th escort task force group reported at the end of December 2013, in its continuing fight against international piracy.⁵²

Over the past five years, China has consistently stated that its contribution to fight international piracy is in line with the relevant UN resolutions calling on states, regional

⁴⁹ "Press Communique of the Meeting of the Council of the Heads of the Member States of the Shanghai Cooperation Organization", The Shanghai Cooperation Organization Website, 7 June 2012, available at <http://www.sectsc.org/EN123/show.asp?id=443> (accessed 19 September 2014).

⁵⁰ "Chinese Premier Makes 6-point Proposal on SCO Cooperation", *Xinhuanet*, 30 November 2013, available at http://news.xinhuanet.com/english/china/2013-11/30/c_132929822.htm (accessed 19 September 2014).

⁵¹ "Navy Lauded for Foiling Pirates", *China Daily*, 26 December 2013, available at http://use.chinadaily.com.cn/china/2013-12/26/content_17197177.htm (accessed 19 September 2014).

⁵² "Chinese Naval Escort Taskforces Complete 600 Escort Missions", *People's Daily Online*, 10 July 2013, available at <http://english.peopledaily.com.cn/90786/8319454.html> (accessed 20 August 2013).

and international organizations to actively take part in the fight against piracy and armed robbery off the coast of Somalia.⁵³ In laying the diplomatic groundwork for this fight more than five years ago, Chinese Vice Foreign Minister He Yafei had highlighted the need to “give full play to the important role of the UN” and to “strictly abide by international law and Security Council resolutions” when he spoke at UN Security Council Ministerial Meeting on Countering Piracy off the coast of Somalia in December 2008.⁵⁴ In other words, China stands ready to work as a responsible member of the UN and for that matter the international community to address the scourge of piracy and armed robbery.

Apart from China carrying out its international commitments, a more important reason for China is to offer protection for its own Chinese vessels which are often the target of such piracy attacks and armed robbery. With China’s growing economic interests around the world, it is important for China to be able to offer protection for its vessels that ply international shipping routes. He Yafei in the same speech in December 2008 had disclosed that in 2008 alone a total of six vessels registered in or rented by China have been hijacked in waters off the coast of Somalia. At the time of his speech, one of these vessels and 17 Chinese nationals were still held captive by the pirates.⁵⁵ Separately, China’s foreign ministry spokesperson Liu Jianchao said that 20 percent of Chinese ships passing through the waters off the coast of Somalia have been attacked by pirates from January to November 2008.⁵⁶ In other words, China had to or had to be seen to do something to protect its growing interests around the world.

In addition, China has extended its escort services to vessels from Hong Kong, Macao and Taiwan. Publicly, to sidestep the sensitive issue of Taiwan that does not recognize Beijing’s sovereignty over it, China has couched the provision of such a service as protecting the safety of “overseas Chinese”. In reality, China regards the provision of such a service as a logical extension of its perception that Taiwan belongs to China.

Under President Xi Jinping, China has continued with its escort missions to protect its overseas interests as well as fulfil its obligations as a responsible member of the international community. This paper does not intend to focus on the operational capabilities of the Chinese navy. Rather, it seeks to highlight the various activities that

⁵³ In 2008, there were three UN resolutions, i.e. Resolution (1838) on 7 October 2008, Resolution 1846 (2008) on 2 December 2008 and Resolution 1851 (2008) on 16 December 2008 that make calls for interested parties to participate in the fight against piracy and armed robbery off the coast of Somalia.

⁵⁴ This was just before China’s formal announcement that it was sending its navy to escort vessels in the Gulf of Aden and off the coast of Somalia. See “Remarks by Vice Minister He Yafei at the UNSC Ministerial Meeting on Countering Piracy off the Coast of Somalia”, China’s Foreign Ministry Website, available at <http://www.fmprc.gov.cn/eng/wjz/zjg/gjs/gjxw/t526519.htm> (accessed 20 August 2013).

⁵⁵ Ibid.

⁵⁶ “China to Send Navy to Fight Somali Pirates”, *Xinhuanet*, 18 December 2008, available at http://news.xinhuanet.com/english/2008-12/18/content_10525310.htm (accessed 20 August 2013).

the Chinese escort task force groups have carried out upon the completion of their escort missions.

It is worth noting that when each escort task force completes its anti-piracy operations in the Gulf of Aden and off the coast of Somalia, it does not immediately head for home. Instead, starting from the second escort task force, the Chinese navy has embarked on goodwill visits or friendly stopovers at the ports of different countries on different continents. Such activities have extended China's reach and made China's presence felt, and are geared towards shaping a positive image of China overseas.

These visits or stopovers have taken the Chinese navy to developing and developed countries spanning Africa, the Middle East, Europe (including Western Europe and the Central and Eastern European states), Central Asia, South Asia, Southeast Asia and the South Pacific (e.g. Australia).

A number of milestones were made in this process. In March 2010, the fourth Chinese naval escort task force group arrived at Port Zayed (United Arab Emirates) for a formal visit, the first Chinese naval contingent to berth at a Persian Gulf port.

Other firsts that were scored included the first Chinese naval visit to Myanmar in August 2010 (by Destroyer *Guangzhou* and Frigate *Chaohu* of the fifth naval escort task force group); the first visit to Saudi Arabia in November 2010 (by the sixth naval escort task force group); the first visit to Qatar in July-August 2011 (by the eighth naval escort task force group); the first visit to Mozambique in April 2012 (by Destroyer *Haikou* and Frigate *Yuncheng* of the 10th naval escort task force group); the first visit to Bulgaria in August 2012 (by Frigate *Yantai* of the 11th naval escort task force group); the first visit to Israel in August 2012 (by the 11th naval escort task force group); the first visit to Senegal, Cameroon, Angola and Namibia in May - June 2014 (by the 16th naval escort task force group); and, the first visit to Jordan (by Destroyer *Changchun* and Frigate *Changzhou* of the 17th naval escort task force group).

In addition, the ninth naval escort task force group participated in its first ever International Fleet Review to celebrate the 50th anniversary of the founding of the Royal Brunei Armed Forces in July 2011 while en-route to Somalia for its anti-piracy operations.

During these visits or stopovers, there would be the usual military exchanges such as official visits and calls, friendly games, sharing of military experiences and open house for a select group of audience to come on board the Chinese vessels. Apart from these arrangements, an equally, if not more important element of such visits is a conscious effort to play up China's soft image such as the allure of its culture, the Chinese naval personnel's concern for the welfare of local communities and the contribution of its female naval personnel.

In terms of the cultural dimension, the Chinese vessels usually have on board naval personnel who are trained to put up performances during their visits or stopovers.

For example, when the 13th Chinese escort task force made a five-day visit to Casablanca (Morocco) in April 2013, its personnel put up a kungfu performance and lion dance for local university students who were reportedly “impressed” by what they saw.⁵⁷

Taking the soft appeal further, the Chinese navy has highlighted the contribution of its female service personnel. *People’s Daily* (China’s Party newspaper) reported that eight female naval personnel were assigned to their first ever combat roles on board Destroyer *Harbin* of the 14th naval escort task force when it left Qingdao for the Gulf of Aden in February 2013. Since December 2008, there have reportedly been several batches of female servicemen participating in escort missions even though they were mainly confined to service and support roles such as medical treatment, translation and cultural work.⁵⁸ This was reportedly the first time they were serving in combat roles such as in navigation, communications, anti-submarine warfare and missile guidance systems. Apart from their professional combat skills, these female sailors apparently awed their audience with a “stunning” cultural performance during a multinational maritime joint exercise in Karachi (Pakistan) in March 2013 while en-route to the Gulf of Aden.⁵⁹

Chinese naval personnel have also made efforts to reach out to local communities during their visits. When the 14th Chinese escort task force berthed at Port Victoria (Seychelles) in June 2013, the Chinese naval personnel reportedly visited an orphanage and donated items such as shirts, paintings, basketballs and footballs. Chinese naval personnel further staged a performance that included folk dances and a magic show for the staff and children at the orphanage.⁶⁰

During the visit of the seventh Chinese escort task force to Tanzania in March 2011, the Chinese naval personnel visited a local primary school (in the capital city of Dar es Salaam) to interact with students and to make a donation that included clothing and television sets.⁶¹

Scoring another first, China deployed its medical ship named *Peace Ark* on “harmonious missions” to provide medical services to its navy personnel as well as foreign counterparts involved in anti-piracy operations off the coast of Somalia. There

⁵⁷ “Chinese Navy Concludes Visit to Morocco”, *People’s Daily*, 15 April 2013, available at <http://english.peopledaily.com.cn/90786/8207294.html> (accessed 19 September 2014).

⁵⁸ “Female Sailors Hold Combat Positions in Escort Mission in Gulf of Aden”, *People’s Daily*, 19 February 2013, available at <http://english.peopledaily.com.cn/90786/8133836.html> (accessed 19 September 2014).

⁵⁹ See “Roses on a Blue Sea: The Women of China’s Navy”, China’s Defense Ministry Website, 19 March 2013, available at http://eng.mod.gov.cn/DefenseNews/2013-03/19/content_4437747.htm (accessed 5 March 2014).

⁶⁰ “Servicemen of the 14th Chinese Naval Escort Taskforce Visit Seychelles Orphanage”, *People’s Daily*, 21 June 2013, available at <http://english.peopledaily.com.cn/90786/8294096.html> (accessed 19 September 2014).

⁶¹ “Chinese Navy Visits Elementary School in Tanzania”, *People’s Daily*, 29 March 2011, available at <http://english.people.com.cn/90001/90783/91300/7333950.html> (accessed 19 September 2014).

were two such missions. The first mission was in 2010 when *Peace Ark* provided medical services to its own navy personnel.⁶² In the second mission in 2013, *Peace Ark* extended its medical services to foreign naval personnel from the NATO 508 Combined Task Force, the US-led 151 Combined Task Force, the EU 465 Combined Task Force and the escort task force of South Korea.⁶³

The Chinese media gave much publicity to *Peace Ark*'s provision of medical services to its foreign counterparts. In July 2013, *Xinhua*, China's government news agency, had a picture of a sailor from the Frigate *Van Speijk* (from the Netherlands) undergoing a minor dental procedure on board *Peace Ark*. Another picture showed other naval personnel from the same vessel observing acupuncture treatment being administered on board *Peace Ark*. At the end of the visit, there was another shot showing several Chinese female medical personnel lined up in a neat row on the deck of *Peace Ark* and waving goodbye in unison to the departing Netherland's naval personnel.⁶⁴

Going beyond its anti-piracy operations, China has also lent its naval assets to help in the escort of vessels transporting Syria's chemical weapons for safe destruction. Like its earlier justification for participating in anti-piracy operations in the Gulf of Aden and off the coast of Somalia, China has extended its support for the destruction of Syria's chemical weapons under the UN framework. China has also expressed support for the role played by the Organization for the Prohibition of Chemical Weapons (OPCW), an organization recognized by the UN as responsible for activities to achieve the comprehensive prohibition of chemical weapons.

More specifically, China supports UN Resolution 2118 passed unanimously on 27 September 2013 which called for the full implementation of the decision of the OPCW on the expeditious and verifiable destruction of Syria's chemical weapons. In the OPCW decision, it is stated that Syria shall complete the elimination of all chemical weapons material and equipment in the first half of 2014.⁶⁵

⁶² "Hospital Ship Peace Ark Successfully Completes Overseas Mission", *People's Daily*, 15 November 2010, available at <http://english.peopledaily.com.cn/90001/90776/90882/7200011.html> (accessed 18 September 2014). In this "Harmonious Mission 2010", besides providing medical services to its naval personnel conducting escort missions, *Peace Ark* also travelled to Djibouti, Kenya, Tanzania, Seychelles and Bangladesh to provide medical services to local residents.

⁶³ "Peace Ark' Hospital Ship Returns to China", *China Military Online*, 15 October 2013, available at <http://english.people.com.cn/90786/8425558.html> (accessed 5 March 2014). In this "Harmonious Mission 2013", besides its stint off the coast of Somalia, *Peace Ark* participated in a joint humanitarian assistance and disaster relief exercise under the ASEAN Defense Ministers' Meeting Plus (ADMM-Plus) in Brunei, took part in a joint medical service tour (involving naval personnel from China, Indonesia and Singapore) in Labuan Bajo (Indonesia) and provided medical services at its other port calls in Jakarta (Indonesia), Maldives, Pakistan, India, Bangladesh, Myanmar and Cambodia.

⁶⁴ "Peace Ark' Provides Medical Treatment for Foreign Soldiers", *Xinhuanet*, 15 July 2013, available at http://news.xinhuanet.com/english/photo/2013-07/15/c_132543214.htm (accessed 19 September 2014).

⁶⁵ This OPCW decision was also passed on 27 September 2013.

In line with the UN resolution and OPCW's decision, China has assigned Frigate *Yancheng* which is part of the 16th escort task force operating off the coast of Somalia to sail to the Mediterranean Sea to help in ensuring the safe delivery of chemical weapons from Latakia Port in Syria to Gioia Tauro Port in Italy.⁶⁶ The first consignment of chemical weapons left Latakia Port on 7 January 2014. For over two months, from January - March 2014, Frigate *Yancheng* completed 7 escort missions.

Thereafter, Frigate *Huangshan*, that had taken part in the second and 13th escort task force group, was assigned to take over the escorting role from Frigate *Yancheng*. Frigate *Huangshan* stayed on in its escorting role from March till the end of June 2014 when the OPCW announced that the last batch of chemical weapons had been shipped out of Syria. In all, Frigate *Huangshan* conducted a total of 13 escort missions.

In all, in addition to providing a frigate throughout the entire duration of the destruction of Syria's chemical weapons, China has sent experts to the OPCW and provided 10 ambulances as well as surveillance cameras to help monitor progress on the ground.⁶⁷

Some Observations of China's Global Involvement

This paper has attempted to highlight the role China is playing in global governance in two key areas, i.e., China's role in reshaping the international economic and financial order and its role in contributing to the fight against international piracy in the Gulf of Aden and off the coast of Somalia.

In reshaping the international economic and financial order, China has actively pushed for reforms in existing financial institutions such as the World Bank and IMF. While there has been progress on the World Bank front, the reforms in the IMF have stalled since 2010. Not content with working through existing institutions, China has even started to build new financial institutions. This momentum appears to have been stepped up under President Xi Jinping. China has successfully formed the NDB with the other BRICS' members. It is most likely that the AIIB will be launched next, followed subsequently by the SCO Development Bank. Each of these banks or banks in the offing appears to have a common thread of boosting economic development through means like strengthening infrastructure connectivity, boosting trade and investment, and fostering greater financial or industrial cooperation.

This should not come as a surprise as the economic arena is where China holds the trump card. And this card is expected to grow even stronger in the years ahead as

⁶⁶ In Italy, the priority chemical agents were loaded onto US Maritime Administration Cargo Ship, *MV Cape Ray*, and destroyed by hydrolysis in international waters on the Mediterranean Sea. The less toxic chemicals were shipped by Norwegian and Danish vessels for disposal at commercial facilities.

⁶⁷ "Syria submits new plan to ship chemical arms by April", *BBC*, 4 March 2014.

China is tipped to displace the US as the world's largest economy in the not too distant future. The economic realm therefore affords China the most logical and appropriate platform to further its interests abroad in a less threatening manner. Economic relationships between countries usually allows for win-win cooperation, where countries are able to gain some economic benefits in the process of collaboration. The importance of this cooperation lies not in delivering an equal distribution of benefits but, more importantly, in allowing for the benefits to be shared.

The economic arena is also a less sensitive area where China's actions need not necessarily be seen as a direct challenge to the existing pre-eminent position that the US still enjoys on the world stage. In this regard, while China may continue to take an overall cautious approach on global governance, it can be expected to focus more of its efforts on shaping the international economic and financial systems to reflect more of current economic realities. It may even come up with new lending processes in the running of such new financial institutions.

In combating international piracy, China has always stressed that it is playing a role in line with relevant UN resolutions. This emphasis on adhering to UN resolutions serves at least two key purposes. For one, it is intended to show that China is behaving as a responsible member of the international community by responding to the call of the UN to fight international piracy.

The emphasis on adhering to UN resolutions is also intended to blunt criticisms that China is on an all-out effort to project its naval power far away from the shores of China. In fact, rather than draw attention to the "hardness" of its naval assets, there is a conscious effort on China's part to play up the "softness" of its hard naval assets. This is evident from the various activities undertaken by the Chinese navy after it completes its tour of duty in fighting piracy in the Gulf of Aden and off the coast of Somalia.

The port calls of the Chinese navy have enabled China to extend a friendly face to not only existing but also new locations in various parts of the world. And, in many of these port calls, there is a deliberate effort by China to highlight the appeal of its culture and China's concern with the well-being of local communities. There is also an emphasis on playing up the contribution of its female naval personnel. On top of that, China's biggest hospital ship, the *Peace Ark*, has also went on two tours off the coast of Somali to offer its medical facilities initially to its own servicemen but also subsequently to the naval personnel of other countries. And going beyond and building on its anti-piracy operations, China has played a role in international efforts to ensure the safe destruction of Syria's chemical weapons.

China is likely to continue to stay engaged in the current process to combat piracy in the Gulf of Aden and off the coast of Somalia until such time when the UN decides that there is no longer such a need. The anti-piracy effort offers China a good platform to show that its military assets, rather than be a force for concern, can actually be a force for peace, stability and development.

China now seems to be on a slightly firmer footing to counter external criticisms that it is not doing enough in the interest of the common good. China will most likely want to look out for other international obligations to take on as long as it is in its interest to do so and at a pace that it is comfortable with.

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