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### In a Fortnight:

### China's Quest For Food Security by 2020

Chinese President Xi Jinping, visiting Hunan province has emphasized food production and achieving food security in a speech this week (Xinhua, March 9). Among the many economic challenges facing China's leaders, food security, though often overlooked, is an important indicator of China's broader assessment of its domestic and foreign security, making it a high priority for the central leadership in recent years.

China has both an immense population and a restricted amount of arable land due to its hilly geography. Furthermore, this total has shrunk in recent years due to the rapid growth of urban areas, and in an overlapping concern with food safety, increasing amounts of pollution accumulating in arable land. This makes building domestic grain production abroad a priority. The 13th Part of the "Guideline for the 13th Five-Year Plan" (2016–2020), for example,

included a push for land-cultivation capacity to boost food security (Xinhua, November 3, 2015).

Similarly, "Central Document Number 1" (中央一号 文件), China's annual statement concerning agricultural policy, further highlights this issue, setting 2020 as a goal to "achieve national food security and ensure effective protection of important food production" (Xinhua, January 27). The date coincides with the end of the 13th Five-Year Plan and other ambitious security goals, including completion of a reorganization of the Chinese military.

In the same manner as China's energy demand is viewed as a key strategic vulnerability for China, due to the immense distance connecting oil in the Persian Gulf, China's demand for imported food represents a lifeline that could be cut. As recent sanctions against Russia have highlighted, countries that import a significant proportion of their total food supply can be punished by the international community through economic sanctions that cut these lifelines. During the Cold War for example, U.S. Presidents Jimmy Carter and Ronald Reagan were able to use grain exports to the Soviet Union to encourage shifts in its

involvement in Afghanistan and nuclear posture. These lessons are not lost on the Chinese Communist Party, and just as China has diversified its energy sources, and the Chinese military has developed weapons to deny easy access of foreign nations to its borders, China is increasingly moving to enhance its overseas food security.

Diversification is one way that China has attempted to address its food security. Chinese firms have bought up large swathes of land for farming, particularly throughout Africa (*China Brief*, May 27, 2009). Closer to China, a series of agreements with Russia signed in December 2015 ensures both local supplies and provides its "strategic partner" with needed cash (<u>SCMP</u>, December 18, 2015).

Externally, demand for food products is driving Chinese competition for resources. In the South China Sea, for example, a contributing factor to tensions is the fact that the areas most hotly contested are prime fishing areas. China's seafood consumption is already the world's highest—Chinese eat 38 percent of the world's fish—and Chinese fishing fleets plough the seas far from home due to competition for local stocks (gdcct.net, November 5, 2013; World Bank, February 6, 2014).

China's security must take these non-traditional aspects into account just as the People's Liberation Army adjusts to a changing strategic environment. Particularly because of its links to important domestic factors, including the large rural population, food security will continue to rate highly among China's strategic priorities.

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### Chinese Submarines Step Up Patrols in the Indian Ocean

China's deployment of surface-to-air missiles to Woody Island (水光岛) continued to attract attention in Western media. A different sort of a military operation on the other side of the Indochinese peninsula, however, gives important insight into China's long-term plans. Indian media sources have reported that Chinese submarines were spotted in the Bay of Ben-

gal, south of Myanmar and is home to India's Andaman Islands earlier this year (<u>The Telegraph</u> [India], January 19). New Delhi views the Andaman's as a platform for exerting control over the western exit of the Strait of Malacca, the narrow passage formed by Singapore and Indonesia, which sees almost one fourth of global trade and is the primary route from the South China Sea to the Indian Ocean.

Roughly 400 miles to the northwest of Woody Island is the large island province of Hainan, home to one of China's largest submarine bases, as well as three large, hardened air bases (including Ledong airbase, home to a large underground facility). Most significant, however, is the hardened submarine pen near Hainan's capital Sanya. The base hosts China's growing ballistic missile submarine capability (SSBN) as well as a variety of nuclear- and conventionally powered submarines. As such, Hainan serves as an important stepping stone for submarines operating beyond China's shores and remote territorial claims. In recent years, Chinese submarines have been pushing out to operate in the Indian Ocean to the southwest and east beyond Japan. [1]

These deployments not only follow Chinese long-distance anti-piracy patrol visits to the Indian Ocean, but also likely have roots in the need to both protect Chinese Sea Lines of Communication (SLOCs) and to confront emerging threats. Regional rival India, for example, is expected this week to test its "K-4" submarine launched ballistic missile, an important step on its way to creating a ballistic missile submarine deterrent (NewIndianExpress, March 4). China's own force of SSBNs has been deploying to Sanya since June 2012, first as a single submarine, and now apparently as a permanent force of three Jin-class SSBNs. [2] This would match unconfirmed reports that China has already begun conducting nuclear deterrence patrols.

As the submarine force's attack and nuclear deterrent components gain significance for China's military posture, they are likely to gain additional patronage from the highest ranks of China's navy. Chinese Deputy Chief of the General Staff Department, Admiral Sun Jianguo, has been tapped to be the head of the Chinese Navy after Admiral Wu Shengli (b. 1945)

retires. Sun, (b. 1952) has a background as a submariner, serving as captain of a Type 091 Han-class nuclear submarine, (403 艇) breaking records for long-distance operations (<u>Baidu</u> [accessed March 3]; Tiexue, January 16, 2009).

As China's submarine forces grow and expand their patrols, it is likely that tensions over flights in the area by U.S. Electronic Intelligence (ELINT) gathering aircraft (the Boeing P-8, which is also used in a more direct submarine-hunting role) will grow. A P-8 surveillance aircraft flying in international airspace roughly 300 kilometers from Sanya, and 150 kilometers from Woody Island, for example, was challenged by J-11 fighters with a full complement of air-to-air missiles in August 2014.

Chinese submarine operations in the Bay of Bengal have also prompted India to purchase several of the Boeing aircraft to enhance its Anti-Submarine Warfare capability, and Indian P-8s were involved in tracking operations after the sighting in January. Chinese Rear Admiral and prolific military commentator Yin Zhuo also commented that India plans to deploy carriers to the region to help monitor the western exit of the Strait of Malacca (People's Daily Online, January 22).

Going forward, China's deployment of submarines, both within the South China Sea as part of China's nuclear deterrent and beyond as a complement to China's power projection, will surely be a driving cause of Chinese attempts to further secure the South China Sea.

#### **Notes:**

- 1. The original report is no longer available on ONI's website, but a searchable copy is hosted on Andrew Erickson's website here: The PLA Navy, New Capabilities and Missions for the 21st Century, Office of Naval Intelligence, 2015. <a href="http://www.andrewerickson.com/wp-content/up-loads/2016/02/ONI\_PLAN\_2015\_Report\_Interactive\_Searchable.pdf">http://www.andrewerickson.com/wp-content/up-loads/2016/02/ONI\_PLAN\_2015\_Report\_Interactive\_Searchable.pdf</a>>.
- 2. Google Earth, Digital Globe; 18°12'38.99"N, 109°41'11.04"E; June 26, 2012. With a few exceptions, a complement of three Type 094

Jin-Class SSBNs are present after February 13, 2015.

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## Will "Core of the Leadership" Xi Jinping Rule for 15 Years Or More?

Willy Lam

In December 2015, Chinese President, Communist Party Secretary and Central Military Commission Chairman Xi Jinping took on the additional title of "Core of the Leadership" ("领导核心"). This is just one of several recent signs indicating that a Maoiststyle personality cult is being built around the 62year-old leader. Within China's party-state apparatus, the President and General Secretary of the Chinese Communist Party (CCP) has issued new instructions on cadres' professing "absolute loyalty" to the leadership. While visiting the party's three most important mouthpieces, Xi called upon journalists to "remain in a high degree of unison with the party central authorities in thought, politics and action." While some of Beijing's observers have wondered whether a new ideological campaign is beginning 50 years after Mao Zedong kicked off the disastrous Cultural Revolution (see China Brief, February 4), others have focused on a question that is of more practical significance for China's overall development: whether Xi's personality cult is geared toward prolonging his rule from the usual 10-15 years. This issue has assumed added importance as preparations for the 19th Party Congress next year—one of whose major tasks is to induct younger-generation leaders to the Politburo and the Politburo Standing Committee (PBSC)—will begin shortly.

Last week, the propaganda apparatus circulated Xi's instructions that all cadres study an article written by Mao Zedong entitled "The Work Methods of Party Committees." In the 1949 piece, the Great Helmsman urged cadres to cleave closely to the *banzhang* (班人) literally "head of the class" or generally speaking, "the boss"—and "don't make [groundless] comments behind his back" (People's Daily, February 26;

Cable TV [Hong Kong], February 26). [1] This echoed Xi's earlier dictums that, at least according to his detractors, were aimed at imposing uniformity of thinking among cadres. Last year several senior officials, including the former Party Secretary of Hebei province Zhou Benshen and former Governor of Sichuan province Wei Hong, were detained for investigations for wangyi (妄议), "making groundless criticisms," and of "being disloyal" to the top leadership (Caixin.com, February 4; News.China.com, January 10). Given Xi's new status as "core of the leadership," these cadres were in effect disciplined for failing to profess fealty to Xi. After all, infractions such as wangyi and disloyalty—which were only recently inserted into the Party's list of disciplinary violations have been interpreted as overly vague and subject to the arbitrary interpretations of the top leadership (Apple Daily [Hong Kong], November 2, 2015; BBC Chinese, October 20, 2015).

During his inspection tour of the People's Daily, Xinhua News Agency and China Central Television (CCTV), Xi seemed to be merely echoing the CCP's traditional propaganda policies when he asked editors and commentators to "love the Party and protect the Party' through "materializing the party's will, reflecting the Party's views, and safeguarding the Party's authority" (People's Daily, February 20). However, in light of the larger-than-life status that Xi has assumed, an equals mark may well have been drawn between the Party and Xi. As respected Beijing-based historian Zhang Lifan noted regarding Xi's tour of the three news institutions, "Xi's message is 'I'm the only big boss, and you must serve me well" (Ming Pao [Hong Kong], February 20). Xi's demigod-like status in the Maoist mold was illustrated by the marvelous qualities now being ascribed to him. A young female journalist on CCTV's staff described shaking Xi's hand, as "full of flesh and particularly warm." The journalist reportedly did not wash her hand for the rest of the day (VOA Chinese, February 28; Eastday.com [Shanghai], February 28).

The most significant political fallout of Xi's one-upmanship is that he could discard the well-established party tradition of a top leader holding power for no more than ten years. [2] As a result of Deng Xiaoping's institutional reforms in the early 1980s, the Chinese Constitution stipulated that a premier or state president cannot serve for more than a decade. The CCP Charter, however, sets no tenure limits for positions such as CCP General Secretary or the heads of powerful organs such as the Central Military Commission, merely stating that no one can enjoy life tenure and that cadres "with age and health issues" should retire. Moreover, the concept of "core of the leadership" seems to imply a special status, meaning Xi would follow a different set of rules and not be bound by fixed terms of office.

Since late 2015 these developments have increased speculation that Xi would serve at least until the 21st Party Congress of 2027, when he will be 74 years old (<u>Ming Pao</u>, February 15; <u>Radio Free Asia</u>, February 8). In a country that respects old age, recent leaders, including Deng and former President Jiang Zemin, have remained influential well into their eighties.

The clearest indication of Xi's desire to stay in power for an additional 15 years or more is whether the supreme leader is eagerly grooming Sixth-Generation officials (a reference to cadres born in the 1960s) for promotion to the PBSC at the 19th Party Congress. At the 18th Party Congress four years ago, only two Sixth-Generation rising stars made it to the ordinary Politburo. They are Guangdong province Party Secretary Hu Chunhua (born 1963) and Chongqing municipality Party Secretary Sun Zhengcai (b. 1963). Hu, a former first secretary of the Communist Youth League (CYL), is a protégé of former President Hu Jintao, who heads the CYL faction in CCP politics. Sun, a former minister of agriculture, is considered close to former Premier Wen Jiabao. If Xi were sticking to traditional norms, he would promote Hu (unrelated to Hu Jintao) and Sun to the PBSC at the 19th Party Congress in preparation for their assuming the top posts of general secretary and premier at the 20th Party Congress slated for 2022.

It is not a secret, however, that Xi wants to buck the tradition of having his predecessor pick the next general secretary. This tradition of the "cross-generation designation of successors" dates back to the 14th Party Congress of 1992, when Deng Xiaoping hand-picked Hu Jintao as the successor of Jiang Zemin. Similarly, Jiang nominated Xi as former President Hu's successor at the 17th Party Congress of 2007. Xi is said to be particularly dead-set against Hu

Chunhua, a standard-bearer of the rival CYL faction, succeeding himself (Chinadigitaltimes.net, January 15; Radio Free Asia, August 17, 2015). Meanwhile, Xi is grooming his own Sixth-Generation cadres for top party slots. The fact that almost all of these neophytes seem to lack the stature and experience to make the PBSC next year does not seem to worry Xi. In fact, this could become a convenient pretext for delaying the leadership turnover process for five years. In other words, the PBSC to be endorsed at the 19th Party Congress will still be dominated by Fifth-Generation leaders (a reference to top cadres born in the 1950s) such as Xi and Premier Li Keqiang. The up-and-coming stars affiliated with Xi may only be inducted to the PBSC at the 20th Party Congress. After training them for five years, the Fifth-Generation "leadership core" may officially hand over the baton in 2027.

So far, most Sixth-Generation cadres close to Xi who have enjoyed the limelight consist of the General Secretary's personal aides and former secretaries. Take, for example, Ding Xuexiang (b. 1962), a capable administrator who was Xi's right-hand man when the latter served as Party Secretary of Shanghai in 2007. Ding, a mechanical engineer by training, became Director of Xi Jinping's Office and Vice-Director of the CCP Central General Office (CCPCGO) in mid-2013. In January 2016, Ding was promoted Executive Vice-Director of the CCPCGO. This was an indication that he might take over the CCPCGO and become a Politburo member at the 19th Party Congress. The incumbent CCPCGO Director, Li Zhanshu, who is also a Politburo member, will likely be inducted into the PBSC next year (Hong Kong Economic Journal, February 15; Chinaelections.com, August 24, 2015).

Equally dramatic has been the rise of Zhong Shaojun (b. 1968), who was a senior cadre in the Organization Department of Zhejiang when Xi was Party Secretary of the province from 2002 to 2007. Zhong moved with Xi to Shanghai—and then to the Zhongnanhai CCP leadership compound when Xi was promoted to the PBSC in 2007—as Xi's personal aide. In 2013, Zhong, who had had no military experience, was parachuted into the People's Liberation Army hierarchy as Director of the Office of the CMC Chairman and Deputy Director of the CMC General Office

(CMCGO). Zhong played a pivotal role in helping his boss chase down "corrupt tigers," particularly cronies of the two disgraced CMC vice-chairmen, Generals Xu Caihou and Guo Boxiong. Zhong is slated to become Director of the CMCGO—an office that has gained influence during the Chinese military's ambitious restructuring during the past few months—at the 19th Party Congress (South China Morning Post, March 11, 2015; Reuters, April 17, 2014).

Other Sixth-Generation officials with rosy promotion prospects include Li Shuli (b. 1964), who was Xi's assistant when the latter was president of the Central Party School from 2007 to 2012. Li, whose current position is Head of the Disciplinary Inspection Bureau of the Beijing municipal party committee, may be given a top post in the ideological and propaganda establishment. Then there are the Party Secretary of Guizhou Chen Min'er (b. 1960) and Governor of Zhejiang Province Li Qiang (b. 1959). Both were troubleshooters for Xi when he was Zhejiang party boss. Chen and Li Qiang have a reasonably good chance of making the ordinary Politburo at the 19th Party Congress (Apple Daily, February 2; Radio Free Asia, September 8, 2015).

Indeed, while former Presidents Jiang Zemin and Hu Jintao both managed to build up huge personal cliques—the Shanghai faction and the CYL faction respectively—the so-called Xi Jinping clique is only at its embryonic stage (*China Brief*, February 15, 2013). This is one more reason why "core leader" Xi finds it necessary to stay for at least three five-year terms so as to build up his own coterie of successors and followers, part of whose job will be to safeguard what most observers predict will be a controversial legacy. That this may constitute a body blow to the institutional reforms that Deng introduced in order to prevent the return of Maoist norms is apparently of little concern to Xi, whose ambition seems to be to become a Mao Zedong of the 21st Century.

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"Chinese Politics in the Xi Jinping Era: Renaissance, Reform, or Retrogression?," which is available for purchase now.

### **Notes:**

1. Mao Zedong, "党委会的工作方法," Mao Zedong's Selected Works, People's Press, 1967, pp. 1330–1334. Available online at <a href="https://www.marxists.org/chi-nese/maozedong/marxist.org-chinese-mao-19490313.htm">https://www.marxists.org/chi-nese/maozedong/marxist.org-chinese-mao-19490313.htm</a>>.

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# Seeking Loyalty Amongst the Four Key Groups – The Tactics of Xi's Domestic Politics

Kerry Brown and Li Linxi

Recent calls for loyalty to the Chinese Communist Party, and particularly its top leadership, have brought renewed attention to this important internal messaging phenomenon. However, insistence on loyalty is not a new phenomenon in the People's Republic of China, and historical context and examination of recent loyalty campaigns provide useful background to understanding Chinese President and Communist Party General Secretary Xi Jinping's recent series of high-profile visits and speeches involving loyalty to the Party. Going back to the previous generation of leaders, for example, during the 2000s, in the era of Hu Jintao, there was the principle of the "Three Supremes"—upholding the Chinese Communist Party's (CCP) cause, the people's interests and the constitution and laws. But under Xi Jinping, the quest for loyalty, the groups targeted in the campaign, and the ways that loyalty has been articulated are different.

Xi Jinping's appearance at the Central Chinese Television station on 16th February was treated as proof of a return to Maoist style politics. An official Xinhua English-language news release simply stating that "[Xi] encouraged them to be more down to earth in

their approach and to report on topics that interest the public" (Xinhuanet, February 19). The Chinese language account of the meeting was more forthcoming, however, stating that the prime message he had conveyed while meeting journalists was to better disseminate "messages of Marxism, the advocacy of the Party, and the reform mission" saying that the state media was "a reflection of the voice of the people" and must "protect Party power and protect Party unity." He finally urged the media to "be truthful" (Xinhuanet, February 19).

Visiting the offices of State media to promote these "requests" to stay on message is only part of a process of negotiation Xi has been engaged in since he became China's top leader. The groups which he has been most assiduous in conveying the various demands for loyalty to are, primarily, Communist Party members, democratic groups, formers of public opinion (including media figures) and then the military. In each case, the approach has been different, the tone variegated, but the underlying basis of the appeal the same: China is in a period of potential crisis, it is facing huge challenges, the international situation is precarious, so supporting, serving and standing by the Party is in China's national interests.

For Party members, particularly high-level party members, this message has been unrelenting. In 2013, speaking at a variety of meetings within the Party, Xi had returned to the theme of his first words as General Secretary in November 2012: the growing gap between the Party and those it was meant to lead. But by April 2013 he was explaining why this had happened—a result of the reforms and marketization, the distractions this had offered, and the ways in which, in marketized and market China, cadres were "buying and selling power" (CCTV.com, April 19, 2013). There needed to be clarity. The market was fine for material goods, not for Party assets—its core power and responsibilities. It was a desecration of the Party's privileged role in society. "The Party," Xi stated, "had to govern itself well." The problem was fundamentally that Party officials, particularly leading Party officials (领导干部) had "problems in faith, thought, and in their work" (CCTV.com, November 23, 2014).

To remedy the Party's failings, Xi demanded, "Party members... must seriously discipline their politics." The attitude held by some cadres was that as long as they thought they were well behaved, then it was alright to ignore what others were up to. Such self-protecting collusion in the administering elite has sowed poison amongst the broader public (CCTV.com, October 23, 2014). Wealth, economic success, and the capitalist looking veneer had gone to some cadre's heads. This arrogance and falling out of touch with people is precisely the symptoms that Chinese elite leaders and analysts have identified as the main cause of the demise of the Communist Party of the Soviet Union.

Party leaders, right at the top of the CCP, needed to know where their best interests were served. They needed to understand, as said Xi during another Politburo meeting in mid-2015, that they could "rise and fall." They had no divine right to occupy the positions they were in. The implication was clear. "Good cadres are close to the people," Xi stated. But they are also being molded by fear and worry, because an era of discipline and an extra layer of judgement are upon them, one not just about delivering sold GDP, but about demonstrating fidelity, loyalty, to the Party cause (Xinhuanet, June 26, 2015).

Democratic groups mark the second constituency being lobbied for loyalty. Tactically, they can only figure once party officials and members have got the message because of their political marginality. With them, Xi's appeal has been more weighted on the idea that a communist Party that is able to govern itself well is in their interests. But also like them, the underlying message is based on worries and anxieties about the crucial stage China is now entering. Addressing a group of Patriotic Democratic Party members, non-Party members, and figures from social groups in July 2015, Xi stated that the prime objective now is to support stability, and to "improve economic quality." This was the party's strategic aim. Supporting it was in the interests of the groups Xi addressed (Xinhuanet, July 30).

For the third group, media figures in particular, and those regarded as having a role to play over formation of public opinion, the February visit to CCTV typifies this approach. Loyalty here is predicated more on the idea of responsibility, of the media "reflecting the voice of the people," and of having a raft of protective duties, primarily through the Party to the people. There was also, in comments made in late 2015 by Xi to media figures, a demand that they act patriotically, and "love their country" (Xinhuanet, December 31, 2015). So while media figures and those who have influence are not being railed at for material malfeasance, simple misuse of ideas and betrayal of core values, as they are now being articulated by the Party, is a kind of corruption.

For the fourth group, the military, the line is simpler. Loyalty here is not requested, nor negotiated—it is demanded. Speaking to the PLA leadership on January 11, 2016, Xi asserted that they had to keep close to the Party, that they needed to serve unified leadership in which their principle function was to support the Party's power, hear its commands, and have a high notion of service (Xinhua, January 11, 2016). They figure in the equation of "strong country, strong military," (富国强军) but interestingly, Xi in his speech offered no thematic context for why the military need to be loyal—just that they had to be.

It is noteworthy that over the last three years the one group Xi seems to have impressed with the fewest demands, requests and suggestions of loyalty on are state enterprises and the commercial world. An example is Xi's April 28, 2015 speech in advance of Labor Day (劳动节; May 1), where he requested that workers deepen their socialist values, and their Chinese cultural understanding, but does not specifically demand loyalty (Xinhuanet, April 28, 2015). In view of their function as drivers of all-important economic growth, this is an interesting difference in treatment. Is it that their economic fortunes are regarded as so tied to the Party and its controls over economic space that they don't need to be bluntly spoken to and messaged formally? Or is it simply that as economic and commercial actors (including state and non-state companies) they don't figure in the Party's conceptual world, and simply fall into the second group of non-political forces. Or is it finally that the Party in fact has no way to request their loyalty ideologically or otherwise, because the best thing it can do it allow them space to be productive and then feed off their gains?

The strategy of control over domestic political space in China in the last three years is mapped in this search for loyalty. For some groups (Party members) it has been harsh discipline through corruption hunts and party building; for others (non-Party) through nationalistic appeal and veiled threats; through the media, it has been the demand for responsibility and "truthfulness," and for the military simple command. The Party through Xi has spoken clear enough. The question now is have its targets listened, and, more importantly, have they understood?

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### China and Iran Expand Relations After Sanctions' End

Chris Zambelis

January 16 marked the highly anticipated implementation of the nuclear accord signed between Iran and the five permanent members of the UN Security Council plus Germany (P5+1) known as the Joint Comprehensive Plan of Action (JCPOA). The occasion was hailed by China as an important diplomatic breakthrough that will benefit Iran and the international community (Xinhua, January 17). The agreement paved the way for the removal of economic sanctions levied against Iran by the United States, European Union, and United Nations in exchange for Iran's pledge to cease any attempt to develop nuclear weapons. While some U.S.-imposed sanctions will remain in place, most sanctions regulating trade with Iran will be lifted due to Iran's acknowledged compliance with the accord. Widely touted as one of the world's most attractive emerging markets, foreign investors previously deterred by sanctions are eager to

stake their claim in the Islamic Republic. In this context, the circumstances surrounding Chinese President Xi Jinping's January visit to Iran merit consideration.

Xi's visit to Iran represented the third leg of a Middle East tour that saw visits to Saudi Arabia and Egypt. It also marked the first state-level visit by a Chinese premier to Iran in fourteen years and the first visit by a foreign leader to Iran after the lifting of economic sanctions (al-Jazeera [Doha], January 24; Xinhua, January 23; Press TV [Tehran], January 23; Middle East Eye, January 23). China's evolving Middle East agenda remains a subject of scrutiny. As the world's second-biggest importer of crude oil and the world's largest aggregate consumer of energy overall, Chinese behavior toward the wider Middle East is often explained as a byproduct of its insatiable appetite for energy resources. China's rise on the global stage has likewise been accompanied by a shift in its strategic calculus. China's adoption of an increasingly proactive foreign policy toward the Middle East, which includes multifaceted relations with Iran, is frequently cited as a validation of its ascendancy. With a strong bilateral framework that has been cultivated through years of diplomacy and economic and defense contacts, it is no surprise that China is poised to reap the some of the greatest benefits of Iran's return to the international fold.

### **Diplomacy**

The enthusiastic tone of the political discourse in Tehran during Xi's visit is illustrative of the high priority China and Iran attach to bilateral relations. Both countries publicly hailed Xi's trip to the Islamic Republic in a statement issued jointly by Iranian President Hassan Rouhani and Xi. The Iranian leader praised the current state of Sino-Iranian relations and called Xi's visit a "historic event" that signaled the start of a "new chapter" in the bilateral relationship whose origins go back millennia. Rouhani also thanked Xi for the role China played in helping forge the JCPOA. Iran lacks a history of conflict or hostility with China, allowing China to be a de facto advocate for Iran during the negotiations. Rouhani affirmed that both leaders had agreed on a framework to further advance the scope of Sino-Iranian relations to what was described as a "comprehensive strategic partnership" involving bilateral, regional, and international affairs. In this regard, China and Iran outlined a 25-year road map to foster greater cooperation in the political, economic, defense, security, culture, science, infrastructure, industry, and legal arenas (Press TV, January 23; Islamic Republic News Agency [Tehran], January 23).

Xi echoed his Iranian counterpart's enthusiasm for the prospects of Sino-Iranian relations. In a manner that has come to epitomize Chinese diplomacy in the Middle East, Xi referenced the history of Chinese and Iranian contacts that helped advance the ancient Silk Road trade routes that fostered economic and cultural exchanges between Asia, Africa, and Europe. He added that both China and Iran are the successors of ancient civilizations that have enjoyed friendly relations based on the principles of mutual respect, shared interests, and other common values, a bond that has endured despite what he described as the "test of the vicissitudes of the international land-scape."

Xi also highlighted Iran's role in China's effort to revive the ancient Silk Road under the auspices of its Silk Road Economic Belt and the 21st-Century Maritime Silk Road (usually referred to as One Belt, One Road) endeavor (Xinhua, January 24; Xinhua, January 23). China's efforts to resurrect the ancient Silk Road trade routes that traverse Iran are already paying dividends. The first Chinese cargo container train arrived in Iran in early February after travelling approximately 6,500 miles over a fourteen-day period from its point of origin in the coastal Zhejiang Province and after passing through Kazakhstan and Turkmenistan (Diplomat [Tokyo]; Xinhua, February 14, February 16). The expansion of rail connections between China and Iran is a priority for Beijing. In 2015, the China Railway Corporation (CRC) presented a plan to link China and Iran via a high-speed railway through a proposed route that would originate in China's western Xinjiang Province and pass through Kazakhstan, Kyrgyzstan, Uzbekistan, and Turkmenistan before reaching Iran. China has a notable presence in Iran's rail sector. In partnership with Iran's MAPNA Group, the China National Machinery Import and Export Corporation (CMC) and Beijing Supower Technology Company helped finance and modernize a rail line linking Tehran to Mashhad with an investment of \$2 billion. The China International Trust and Investment Corporation (CITIC) played a major role in the construction of Tehran's subway system and ongoing efforts to modernize and expand its capacity (<u>Shanghai Daily</u> [Shanghai], February 17; <u>China Central Television</u>, January 19; <u>Islamic Republic News Agency</u>, December 17, 2015; <u>Trade Arabia</u> [Manama], June 22, 2015). China and Iran recently inaugurated a new maritime shipping route that links China's Qinzhou Port to Iran's Bandar Abbas Port (<u>Financial Tribune</u> [Tehran], February 3; <u>World Maritime News</u>, February 2). The number of direct flights between China and Iran has also increased to accommodate the anticipated influx of Chinese visitors to Iran (<u>China Aviation Daily</u> [Hefei], February 4).

China and Iran concluded seventeen agreements in all outlining future plans to further cooperation in the areas of trade, banking and finance, economic development, industry, and scientific and environmental initiatives (Press TV, January 23). In an apparent admonition of the United States, Rouhani and Xi reiterated their support for a multipolar world order. Xi added that China respects the sovereignty of the peoples of the region and their right to pursue political and economic paradigms that are best suited to their respective histories and cultures. Xi also offered his support for upgrading Iran's status as an observer to the Shanghai Cooperation Organization (SCO) to full membership (Xinhua, January 24; Islamic Republic News Agency, January 23; Fars News Agency [Tehran], January 23). Xi also met with Iran's Supreme Leader, Ayatollah Ali Khamenei. The Supreme Leader acknowledged the support China provided to Iran over the years and affirmed Iran's commitment to continue to work to expand their level of mutual cooperation to new levels. Khamenei also opined that the "hostile polices" pursued by the United States have driven Iran to seek relations with other likeminded, "independent" countries (Xinhua, January 23; Press TV, January 23). The significance of Khamenei's public endorsement of the latest developments in Sino-Iranian relations should not be understated. Despite the inherent complexity of a political sphere riven by numerous competing and overlapping ideological currents that transcend the reductionist binary of "moderate" versus "hardliner," the Office of the Supreme Leader represents Iran's most powerful source of authority on domestic and foreign policy. By all accounts, Iran's engagement with China represents a consensus issue in Iranian politics that transcends political and ideological divides.

### **Trade and Energy**

As Iran's largest trade partner, negotiations surrounding the state of bilateral trade figured prominently during Xi's visit to Iran. The volume of bilateral trade between Iran and China was estimated at around \$50 billion in 2015. Both sides announced their goal of increasing bilateral trade to \$600 billion over the next decade. As a key source of China's oil imports—Iranian crude oil China represents between 9 and 12 percent of China's oil imports—the trade balance between the two countries has favored Iran for the last thirty years. Led by the decline in oil and other commodity prices, the trade balance shifted in favor of China in 2013 when the trade volume dropped to around \$39 billion before rebounding. Over one-third of Iran's total exports are earmarked for China (Platts [London], January 25; al-Jazeera, January 24; <u>Iranian Students News Agency</u> [Tehran], January 5; China Briefing [Hong Kong], September 30, 2015; U.S Energy Information Administration, May 14, 2015). Iran has the world's fourth largest reserves of crude oil, the world's second-largest reserves of natural gas and is the world's third-largest producer of natural gas. Even in an era of declining energy prices and a sluggish global economy, Iran is keen to attract foreign investment in its upstream and downstream oil and gas sectors, boost overall production, and recapture market share that eluded it during the sanctions era. China and other Asian markets led by Japan are central to Iran's long-term energy export strategy. The China Petroleum and Chemical Corporation (Sinopec) and energy trader Zhuhai Zhenrong Corp aim to jointly extract about 500,000 barrels per day of crude from Iran in 2016 (Mehr News Agency [Tehran], February 14; Platts, January 25; Reuters, December 3, 2015).

Public affirmations of friendship notwithstanding, Sino-Iranian relations are not without their hurdles. The absence of foreign competition afforded China with a tremendous advantages relative to its Western competitors in terms of accessing the Iranian market. In 2013, Iran terminated its \$2.5 billion contract with the China National Petroleum Corporation (CNPC),

China's largest oil and natural gas concern, to conduct upstream development on the Azadegan oil field in southwestern Iran's Khuzestan Province and another project at the South Pars offshore natural gas field after CNPC failed to begin work on the project. CNPC's inaction was attributed to a decision to appease the United States and to curry favor with U.S. energy producers. Iran has since suggested that CNPC may once again be invited back to develop Azadegan. In light of the prospect of contending with new competition, there are indications that China is ramping up its operations in order to mollify Iran's concerns (Press TV, January 3, 2016; Press TV, August 1, 2015). The former sanctions regime also afforded China preferential status as far as the share of Iran's consumer goods market and in other non-energy-related sectors. This undermined many Iranian industries and small businesses. Chinese goods are likely to retain their competitive edge in the near- to medium-terms, although the availability of Westernorigin goods will chip away at China's edge in the long-term (National Interest, July 28, 2015).

#### **Defense**

The prospect of increased cooperation between China and Iran in the defense sector, especially in the form of Chinese arms sales to Iran, constitutes another area of potential cooperation that is receiving more attention in light of the removal of sanctions on Iran. China and Iran share a long history of defense contacts going back to the Iran-Iraq War, although the scale of their cooperation in tangible terms is often overstated. China's support to Iran over the years has included varying degrees of technological assistance for its nuclear and ballistic missile programs and transfers of advanced platforms, including the HY-2 Silkworm anti-ship cruise missiles and fast attack boats that are integral to Iran's Area Access/Area Denial (A2/AD) military doctrine. The pace of military-to-military contacts between China and Iran has also witnessed a notable surge in recent years (China Brief, February 5, 2015).

The sanctions regime crippled Iran's ability to procure critical conventional weapons platforms, as well as technological expertise and necessary spare parts. For example, the Islamic Republic of Iran Air

Force's (IRIAF) modest air capabilities rely on antiquated U.S.-origin air platforms such as the F-4 and F-14 purchased before the 1979 Islamic Revolution and similarly outdated Soviet-, French- and Chineseorigin aircraft such as the F-7 fighter (Fars [Iran], February 7, 2015). Through the means of reverse engineering, the cannibalization of spare parts, and ingenuity, Iran's domestic military industrial complex has compensated for its lack of access to weapons markets and technology. Indeed, Iran's conventional and technological deficiencies have helped mold its operational military strategy around the asymmetric and irregular warfare concepts it relies on so heavily today. With the removal of sanctions, Iran is eager to modernize its military and keep pace with its regional rivals through purchases of foreign arms. Iran is surrounded by some of the world's largest importers of advanced conventional weapons systems, including Israel, Saudi Arabia, the United Arab Emirates, Qatar, and Pakistan (Stockholm International Peace Research Institute, February 22). Iran is also faced with a heavy U.S. military footprint in the form of a network of military bases and deployments of air and naval assets that serve to contain and deter its actions. Given its security environment, it is no surprise why Iran has prioritized the modernization of its conventional military capabilities following the implementation of the JCPOA.

Iran has already engaged Russia in the hope of procuring a host of modern defense systems, including late generation fighter aircraft, helicopters, armor, air defense systems, and naval assets (*Eurasia Daily Monitor*, February 18). There are reports that Iran and China have explored the possibility of Iran purchasing 150 of China's J-10 stealth fighter and a host of other modern weapons systems (*People's Daily Online*, August 13, 2015).

#### Conclusion

While the full implications of the JCPOA on Iran's regional and international standing have yet to be realized, the outcome of Xi's visit to Tehran is likely to presage years of continued Sino-Iranian engagement and cooperation. At the same time, China is steadily being confronted with outside competition for Iran's most promising markets and similar challenges. In

terms of its history of dealings with Iran in recent years, this represents unfamiliar territory for China.

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# **Understanding China's Response to North Korean Missile, Nuclear Tests**

By Adam Cathcart

North Korea's test of a hydrogen bomb and subsequent launch of a satellite have again placed the onus on China to exert greater pressure on its erstwhile ally. A key element missing from most analyses of these developments is an examination of how China has responded over time, which requires looking back a few months to understand Beijing's calculus as to how and why to punish North Korea.

Pyongyang's association with "erratic behavior" and "provocations" can make it difficult to decipher evidence of the Kim regime's willingness to embrace China in their on again, off again relationship. The visit of CCP Standing Committee member and propaganda Chief Liu Yunshan to Pyongyang in October 2015 was one such case in point. That visit was not laden with extraordinary achievements, but it accomplished its purpose as a baseline for China's coordination with the Kim regime: a letter from Xi Jinping was presented to Kim Jong-un, implying some kind of future meeting between the two men, and the visit served as another explicit signal of China's support for Kim's government. Unusually for Chinese leaders, Xi and Kim have hitherto not met; Kim Jong-un previously met Vice Premier Li Keqiang in October 2011 and Vice President Li Yuanchao in July 2013. The meeting between Kim Jong-un and Liu Yunshan also resulted in a mutual

commitment to deepening high-level dialogue between the CCP and the Korean Workers' Party. Nevertheless, during his four-day visit, Liu failed to extract an explicit pledge from Kim Jong-un not to test weapons or rockets, and may not even have met with top North Korean diplomats tasked with the nuclear negotiating portfolio such as Kim Kye-kwan (Xinwen Lianbo, October 10, 2015; Huangiu Shibao, September 19, 2013). The meeting between Kim Jong-un and Liu momentarily improved propaganda coverage in the Chinese media for North Korea, probably due to Liu's conversations with his DPRK counterpart, leading senior propagandist Kim Ki-nam (Huanqiu Shibao, October 12, 2015). A series of violent incidents on the border with North Korea have soured public opinion, leading to largely negative coverage in Chinese media (Huangiu Shibao, January 6, 2015; China Brief, July 2, 2015).

The most tangible evidence of an improvement in relations before the nuclear test and satellite launch in January is from a conversation between Liu Yunshan and DPRK Vice-Chairman Choe Ryong-hae. Choe has been in and out of the Western media spotlight as a possible target for purges, but he is one of the few individuals in positions of power now in Pyongyang who is close to untouchable. Choe's father worked with the Chinese Communist Party in the years of anti-Japanese guerilla fighting, and his ties to the Kim family are essentially unassailable. He has also represented the DPRK as a personal envoy from Kim Jong-un to both Xi Jinping's "Victory Day" celebration on September 3, 2015, and in bilateral discussions with the General Secretary in May 2013 after a spring of crisis on the peninsula (Huanqiu Shibao, August 24, 2015). With Liu, Choe pledged to engage in "abundant cultural and people-to-people exchanges"(丰富人文领域交流), a promise again repeated in Liu's meeting with DPRK elder statesman Kim Yong-nam (PRC Embassy in Pyongyang, October 14, 2015). These meetings were almost certainly the high-level institutional origin of the December visit to Beijing, two months later, by the Moranbong Band, a state-run rock band and court orchestra with links to the Korean People's Army and many personal ties to the Kim family. While the "Sea of Blood" Opera Troupe was the top instrument of the late Dear Leader Kim Jong-il's soft power strategy with China, in terms of cultural outreach from Kim Jong-un's North Korea, there could be no higher group or effort than the Moranbong. The Moranbong Band visit might be easy to dismiss as yet another quaint trait of North Korea, but the importance of such groups in the DPRK and the evident agreement from North Korean leaders shows that it was a meaningful move. Is it possible that the Band's visit actually functioned as evidence of solid Sino-North Korean relations, rather than instability? What seems to have been lost amid discussion of the Band's visit and subsequent rapid departure from Beijing was a more dispassionate breakdown of the composition of the North Korean delegation, something which could at least reveal which institutions are coordinating with which counterparts.

The PRC Embassy in Pyongyang noted that the North Koreans sent senior propagandist Kim Ki-nam to see off the band and speak to the Chinese interlocutors, along with Vice Foreign-Minister Ri Gil-song (who appears to handle the China portfolio in the DPRK Foreign Ministry, along with Southeast Asia), and a high-level representative of the Korean People's Army Political Bureau. The PLA and KPA have had seemingly few contacts in recent years, and the inclusion of the DPRK's army chorus (known as the State Merited Chorus) along with the Moranbong Band on the trip ought to indicate that the North Koreans made an effort to reach out and revive these ties through their musical ensembles.

PRC Ambassador in North Korea, Li Jinjun, heard from Kim Ki-nam that boosting exchange and cooperation in the cultural field is beneficial for deepening understanding in public opinion [民意] of the two countries and consolidating the foundation of their friendship." Kim further stated that he hoped that the China visit by the chorus and the cultural delegation and their performances there would provide an important turning point [重要契机] in promoting the development of the DPRK-China relations and boosting exchange and cooperation between the two countries in the field concerned" (PRC Foreign Ministry, December 9, 2015).

Unfortunately, the North Koreans did not send Kim Ki-nam with the Moranbong Band to Beijing, leaving the DPRK Embassy in the city to run affairs, which quickly developed problems. Almost immediately after their arrival at a Beijing hotel, the North

Korean musicians were accosted by an aggressive South Korean reporter, who one Chinese writer speculated was to cause the North Koreans to doubt the Chinese security provided (<u>Powerapple</u>, December 11, 2015). Soon after the Moranbong Band arrived in Beijing, Kim Jong-un stated that the country had hydrogen bomb capability, and the Band canceled their concerts, leaving abruptly. Relations which might have made an improvement in the wake of Liu Yunshan's visit instead quickly deteriorated, a trend that was only reinforced when Kim subsequently made good on his boast with an underground nuclear test on January 6, 2015.

### **Response to the Tests**

In the immediate aftermath of the nuclear test, the press response was incensed. A lead editorial in Huanqiu Shibao called North Korean nuclear weapons "a deepset deformity at the axis of the DPRK's security policy,"going on to explain that nukes "could not compensate for the feeble national economy as well as critical deficiencies in other areas in the field of defense." The article went on to assert that North Korea was unfairly treating nuclear weapons like some kind of ticket which would bring surrounding states to bring it tribute, and, in a reference to Kim Jong-un's "Byungjin line" of parallel nuclear development and economic benefits, criticized the idea that "nuclear weapons would guarantee that North Korea would have every resource and opportunity of comprehensive development brought to its door as "completely unrealistic" (Huanqiu Shibao, January 6, 2016).

How much did the fourth North Korean nuclear test result in tangible changes to Chinese policy toward its isolated neighbor? Beijing's domestic response to North Korean nuclear tests certainly took a tangible turn. A press release from the Chinese Ministry of Environmental Protection, carried by *People's Daily*, indicated that North Korean radiation was to be seen publicly as a threat to the security and stability of the border region along the Yalu and Tumen rivers. The Chinese Communist Party was eager to show the population on the Chinese side of the border that every precaution was being taken to protect them from nuclear accidents or accidental fallout from the

DPRK side of the border (<u>People's Daily</u>, via *Yanbian News*, January 12, 2016).

Justifying Chinese opposition to the North Korean nuclear program by describing Chinese nuclear waste or fallout from North Korea is now a common theme among hawkish commentators. Since Retired Lt. General Wang Hongguang's 2013 essay on the theme, the specter of nuclear radiation along China's northeastern frontier is now sufficiently developed to justify more explicit public discussion of disaster and collapse scenarios in North Korea (*Huanqiu Shibao*, December 16, 2013.

After North Korea's missile launch in early February, Wang Haiyun, a retired PLA General and former military attaché for the PLA in Moscow, published a strongly-worded assessment entitled "China must prevent the outbreak of any chaos or war on the nation's doorstep" (*Huanqiu Shibao*, February 16, 2016).

Wang helped inflame the situation by leading off his editorial with a statement that "Western media have been spreading the rumor that the US, South Korea and Japan "have already decided to take military action against North Korea at the end of February" (已决定 2 月底对朝鲜实施军事打击). Wang's criticisms of North Korea in the article are notable; his quote that "China will not sacrifice its own national interests to go rescue a regime which does not take advice" was widely distributed as indicative of Chinese thinking. But his work is also wrapped in much stronger invective toward the United States.

Even his call to arms to prepare for possible conflict in Korea is not framed as anything remotely anti-North Korean: "We must quickly make relevant military preparations, for instance the method of response to U.S. and Japanese fleets entering our maritime space, the method of response to Washington's deployment of the missile defense system in South Korea, and how to deal with possible pollution along our border caused by military strikes on North Korean nuclear targets by the U.S., Japan and South Korea." It is only with his concluding words that North Korea itself is seen as the danger, one that is relatively easily handled: "We also need to fully consider how to cope with large-scale waves of refugees and

military deserters flooding in from North Korea" (*Huanqiu Shibao*, February 16, 2016).

Another ostensibly hawkish view on North Korea emerged in an interview with Qiao Liang, a PLA Air Force General (*Zijing*, February 28, 2016). While Qiao's remarks were quoted in English-language media as being exclusively critical of North Korea, his complaints never verged into criticism of the North Korean system itself, and were are invariably wrapped in a much greater scorn for Washington and concern over U.S.-ROK military cooperation. General Qiao and General Wang's writings, along with public comments from PRC Foreign Minister Wang Yi and NPC Spokesperson Fu Ying, indicate that Chinese-North Korean relations are again on a downswing, but not totally on the rocks.

### **Brotherly Sanctions**

Lastly, it is worth recalling that the brunt of the trade with North Korea is siphoned through the Liaoning and Jilin province border regions, an area where China is in dire need of economic stimulus. China has recently called for revival of this traditionally strong industrial area. The border areas with North Korea are also areas where the PRC has had some difficulty enforcing its own rule of law. Against this background, sanctions enforcement is framed by Chinese officials and state media as stern brotherly love, not punishment of a global rogue. Though China's leadership is clearly displeased with North Korea, the reality of daily contact and trade along the borders, and though circuitous, the endurance of high-level contacts between the two neighbors indicates that China's long-term game with North Korea remains intact.

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