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Beijing Makes a Big Long-term Bet on Nuclear Power

By John S. Van Oudenaren

Last fall, China suffered extensive power outages due to a combination of surging electricity demand and tight supply. A confluence of factors contributed to the energy supply shortage, but nearly all traced back to China’s struggle to manage its overdependence on coal for power generation: rising global coal prices; shuttering of old power plants as part of a push to enhance energy efficiency; emission-reduction efforts; an “unofficial” embargo on Australian coal imports due to geopolitical strife between Beijing and Canberra; and disparities in government price controls (power plants must purchase coal at market rates, but consumer prices are set in a narrow band) that incentivized plants to cease or slow operations rather than produce electricity at a financial loss ([Caixin](#), October 12, 2021; [Zaobao](#), July 14). In 2022, China has avoided a replay of last year’s energy crunch despite the supply shocks in the energy markets induced by the Ukraine conflict by increasing domestic coal production, exploiting the opportunity to import Russian oil and coal at discounted rates and continuing to steadily increase its renewable energy capacity. Boosting domestic coal production has been particularly

essential to meet demand. This month, the National Energy Administration (NEA) reported that during the second quarter, China's raw coal output rose 10 percent year-on-year, which the NEA highlighted as particularly noteworthy given it came on the basis of 16 percent growth in coal output in the same quarter last year (NEA, August 2). Another mitigating factor for China on the energy front has been heavy spring rainfall in many areas of the country that has increased hydropower output over 20 percent in the first half of this year—a substantial boost as hydroelectricity already accounts for about 15 percent of China's overall energy mix (NEA, August 2; Global Times, May 5).



图1 “十四五”大型清洁能源基地布局示意图

(Image: Deployment scheme for large clean energy bases under the 14th Five-Year Plan. New coastal nuclear power plant construction is indicated by the icon of a silo in a red circle, source: Xinhuanet).

Increasing domestic coal extraction and power generation has helped Beijing to shore up supply and boost its energy security. However, falling back on coal threatens the ambitious climate agenda laid out by General Secretary Xi Jinping, which is for China to achieve the sequential “double carbon” (双碳, *shuangtan*) objectives of reaching peak carbon use by 2030 and attaining carbon neutrality by 2060 (People.cn, May 23). The People's Republic of China has long expressed hope that its civilian nuclear energy program can provide a cost-effective and low carbon footprint means for China to address its energy challenges. The 14th Five-year Plan stipulates the development of a “modern energy system” by developing large clean energy bases and constructing a network of coastal nuclear power plants to increase the non-fossil fuel share of China's energy consumption to 20 percent by 2035 (Xinhuanet, May 13, 2021). [1] Earlier this year, the National Development and Reform Commission (NDRC) and the NEA published the “14th Five-year Plan for a Modern Energy” system, which establishes the ambitious goal of developing a nuclear power capacity of 70 gigawatts (GW) by 2025, which would push China past France as the world's leading producer of nuclear energy (NDRC, January 29). However, whether this elusive 70 GW target, first suggested in 2010 as a nuclear energy target for China to reach by 2020, is achievable by 2025 is doubtful. [2] As of this May, China has a total installed nuclear

generation capacity of about 54.5 gigawatts, which estimates put at about 2.5 to 3 percent of its total energy production capacity ([World Nuclear Association](#), updated July, 2022; [China Electricity Council](#), June 17).

The lag between targeted and actual nuclear power generation testifies to the scale of China's energy needs and the challenge to Beijing's nuclear ambitions. It is also likely indicative that China is not immune to the delays and cost overruns that have bedeviled nuclear energy projects in the U.S. and elsewhere, due to a mix of safety-related issues and regulatory delays, and engineering and design inefficiencies ([MIT](#), November 18, 2020). On nuclear power, China, along with a few select other powers- particularly France, is bucking the prevailing international consensus that nuclear is yesterday's fuel, as renewable, and that solar and wind energy offer far cheaper, safer and more scalable alternatives. In late 2021, the financial advisory firm Lazard estimated that the levelized cost of energy, a measure of the average cost of energy produced by a generator over its life span, as ranging from \$26 to \$50 per megawatt hour (MWh) for wind power, between \$28 and 41\$ per MWh for utility scale solar power, and running from \$131 to \$204 for nuclear energy ([Lazard](#), October 21, 2021). Nevertheless, it is important to note that in terms of nuclear energy, many of these costs are frontloaded and the levelized cost of electricity for a plant tends to trend down over time ([IEA](#), December 2020). China is clearly betting that the large-scale nuclear power stations it is building will provide a source of secure, reliable and carbon-free source of power generation for decades to come.

A Nuclear Option?

Unlike the U.S. and Russia, China is not blessed with abundant oil and gas resources, and hence, is largely dependent on imports. In 2021, imports comprised 72 percent of China's crude oil usage ([State Council Information Office](#), February 24). Nevertheless, China has several advantages that help alleviate its energy challenges. The first is its abundance of coal. The second is an abundance of rivers, which have allowed for extensive dam construction, making China by far the world's largest producer of hydroelectric power. In terms of nuclear power, China also derives geographic benefits from its long coastline. As nuclear power stations require constant cooling, locating plants along coastlines is preferable as seawater can more effectively dilute and dissipate heat discharged in the cooling process ([EMODnet](#), July 18, 2019). Nevertheless, as most of China's major population centers are also located along its eastern seaboard, locating nuclear plants on the coast also increases potential safety concerns.

The 14th Five-year Plan (14th FYP) establishes China's primary nuclear energy development effort as the "construction of three generations of nuclear power along the coastline" ([Xinhuanet](#), May 13, 2021). Furthermore, the 14th FYP calls for developing offshore nuclear power platforms to further expand this coastal nuclear infrastructure. Notably, the 14th FYP also prioritizes development of advanced reactor technology, such as high-temperature gas-cooled reactors and small modular reactors (SMRs), which are more scalable, efficient and cheaper to operate than standard reactors, and are also considered generally safer because they produce less radiation. Last year, the China National Nuclear Corporation (CNNC, 中核集团, *zhongkejituan*) took a major step towards this goal, beginning construction on the world's first onshore, commercial SMR in Hainan province ([The Paper](#), July 13).

Officials and experts in China have long expressed enthusiasm over nuclear power's potential to help China address its energy needs while also meeting its environmental goals. For example, Zhang Tingke, secretary general of China Nuclear Energy Association recently stated that in the first quarter of 2021, the PRC installed three new nuclear generation units increasing production by 3.4 gigawatts. Per Zhang, each gigawatt of nuclear energy "can effectively reduce carbon dioxide emissions by more than six million tons per year" ([CGTN](#), June 25). Last month, state-run nuclear power provider- China National Nuclear Power Co, LTD (CNNP; 中国核电, *zhongguohedian*) released its first biodiversity conservation practice report, which touted the positive environmental impact of China's nuclear industry ([People.cn](#), June 22). According to the report, over the course of its history, China's civilian nuclear energy program has had the equivalent ecological benefits as planting 3.6885 million hectares of trees.

The PRC's massive buildup of its domestic nuclear power infrastructure is not without attendant safety concerns. Last summer, reports emerged that fuel rods at the Taishan Nuclear Power Plant in Guangdong province were damaged. As a result, the power station, which is operated through a joint venture between China General Nuclear Power Group (CGN) and the French nuclear conglomerate Electricite de France (EDF) was forced to shut down one of its reactors for maintenance ([Nikkei Asia](#), July 31, 2021). Months after the shutdown, a whistleblower working in France's nuclear power sector claimed that the situation at the Taishan plant was more severe than understood at the time with more than seventy fuel rods damaged, far more than CGN's initial estimate that about five fuel rods had experienced minor damage ([Radio French International](#), November 28, 2021).

King Coal Reigns On

As of 2020, coal comprised about 57 percent of China's energy mix and nearly 70 percent of its CO2 emissions ([CSIS China Power](#), Updated March 17). Moreover, China's coal consumption (and hence emissions) continues to rise, even as global coal consumption has started to fall off ([IEA](#)). A central element of the energy and agricultural policies laid out in 14th FYP is seeking to increase domestic production to ensure energy and food security in an uncertain international environment ([China Brief](#), June 17). Due to China's enormous energy demand, the only way to make major short-term progress toward domestic self-sufficiency is to continue to rely on coal in the short-term, while waiting for new renewable and nuclear energy power projects to come on line over the long-term. In his remarks to a delegation from coal-rich Inner Mongolia during this year's Two Sessions meetings, Xi reiterated a remark he is fond of making that "China's natural condition is to be rich in coal, poor in oil and bereft of gas." As a result, Xi said that "it is difficult to fundamentally alter the coal-dominated energy structure over the short term" and stressed that "we cannot abandon our means of living first, only to discover that our new livelihood has yet to arrive" ([People's Daily](#), March 5).

In addition to increasing its domestic coal production, China has also sought to buy up coal at steep discounts that Russia is unable to sell elsewhere due to international sanctions. In April and May, Russia supplied almost 40 percent of China's total coal imports ([S&P Global](#), June 24, 2022).

Conclusion

A final factor that may drive Beijing to prioritize short-term, fossil-fuel reliant energy fixes is the continuing deterioration of U.S.-China relations. In its fury over U.S. Speaker Nancy Pelosi's visit to Taiwan earlier this month, Beijing suspended eight U.S.-China dialogue mechanisms, including bilateral consultations on climate change ([China Daily](#), August 6). The PRC took pains to stress that this move will not impact its commitment to multilateral climate change cooperation. For example, PRC Ambassador to the U.S. Qin Gang tweeted that although critics have asserted that "by suspending China-US climate talks, China is punishing the whole world"... "the US is not the whole world. China will stay committed to its climate goals, and actively participate in int'l [sic] cooperation on climate, as we have always done" ([Twitter](#), August 8). Despite such protestations, China's decision will likely damage multilateral cooperation on climate change, given the key role of the U.S. in both the international economy and global governance institutions. Moreover, spiraling geopolitical tensions with the U.S. will reinforce the PRC's perception that it is operating in a more competitive security climate defined by the threat from an increasingly irreconcilable U.S. and its allies. In this context, the PRC is liable to prioritize its immediate energy security needs over slower-boil environment concerns, sustaining its push for energy self-sufficiency by boosting domestic coal production and primarily importing energy from close partner countries such as Russia and Iran. In the long run, however, Beijing appears to recognize that some combination of renewables, hydropower and nuclear energy offer the optimal path to a secure, sustainable and clean energy supply. The big question is how much coal China will need to burn to get there.

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Notes

[1] For an English translation, see "Outline of the People's Republic of China 14th Five-Year Plan for National Economic and Social Development and Long-Range Objectives for 2035" [中华人民共和国国民经济和社会发展第十四个五年规划和2035年远景目标纲要], Georgetown University, Center for Security and Emerging Technology, <https://cset.georgetown.edu/publication/china-14th-five-year-plan/>

[2] See MV Ramana, "Even China Cannot Rescue Nuclear Power from its Woes," University of Colorado Boulder, April 12, 2022, <https://www.colorado.edu/cas/2022/04/12/even-china-cannot-rescue-nuclear-power-its-woes>

The 20th Party Congress: Xi Set to Score Big in Composition of Next Leadership Corps

By Willy Wo-Lap Lam



(Image: General Secretary Xi Jinping presides over a Politburo meeting in December 2019, source: Xinhuanet)

Introduction

Despite the resentment among many top cadres against the personality cult that has been relentlessly built up around President and commander-in-chief Xi Jinping, the Machiavellian infighter is expected to remain on top when seats for the Politburo and other top-level leadership bodies are unveiled at the upcoming 20th Party Congress this fall. As the Chinese Communist Party's (CCP) and the country's "chairman of everything," the CCP General Secretary bears ultimate responsibility for the nation's dire economic conditions, which include mounting indebtedness incurred by enterprises and regional administrations ([China Brief](#), July 18). In terms of foreign policy, Beijing's "no limits" quasi-alliance with Russia – and its prolonged military drills around Taiwan in the wake of U.S. House Speaker Nancy Pelosi's visit–has exacerbated the "new Cold War" between the pro-democracy Western alliance and the "autocratic axis" formed by China, Russia, North Korea and other authoritarian states.

Xi is not known as a brilliant or skilled policy-maker in either the economic or diplomatic arenas, but the supreme leader is a master of personal empire-building, particularly in enlarging the influence of the so-called Xi Jinping Faction in CCP politics. This clique, which was miniscule when Xi became party chief in late 2012, has become the CCP's dominant faction. Members include Xi's former aides and cronies from Fujian and Zhejiang provinces, where he served from 1985 to 2007. Many of Xi's protégés hail from his home province of Shaanxi as well as the putative New Helmsman's alma mater, Tsinghua University. In the past ten years,

the *lingxiu* (领袖- “leader”), as some accolades now refer to Xi, has also promoted a dozen odd cadres and scientists from the 军工航天系 (*jungong-hangtianxi*) or defense-aerospace industry sector leaders to top civilian slots (Chinafocus.com, July 15; [China Brief](#), May 27).

By contrast, the two formerly predominant cliques in the party—the Communist Youth League Faction (CYLF) and the Shanghai Faction—have lapsed in importance. This is despite the fact that two of the current Politburo Standing Committee (PBSC) members – Premier Li Keqiang (born 1955) and Chairman of the Chinese People’s Political Consultative Conference (CPPCC) Wang Yang (1955) – are CYLF stalwarts, as is Politburo member and Vice-Premier Hu Chunhua (1963). Two PBSC members with initial connections to the Shanghai Faction – Executive Vice-Premier Han Zhang (1954) and ideology czar Wang Huning (1955) – seem to have crossed over to the Xi camp. Xi is poised to break with long-standing party conventions by seeking a third – and maybe a fourth – five-year term of leadership at the upcoming 20th Party Congress. It is also possible that another well-recognized rule called *qishangbaxia* (retirement at 68, and one more term for 67-year-olds) may only be selectively applied at this year’s Congress.

Predicting the Politburo and its Standing Committee

The balance of power in the CCP – and future policy directions – will to a large extent depend on the factional orientation of members of three bodies to be endorsed by the 2,300-odd deputies attending the week-long congress. The Central Committee has around 205 full and 170 alternate (meaning non-voting) members. After their “election,” full Central Committee members will choose from amongst themselves the Politburo of around 25 members. In turn, the Politburo affiliates will choose the seven most powerful men in the country who make up the PBSC ([Asia Society Policy Institute](#), August 4). So-called voting by the deputies, however, is for all purposes ceremonial as the name lists for all three top-echelon committees will have been determined in advance by the current PBSC and Politburo members while taking into consideration the views of faction leaders and former PBSC members ([HK01.com](#); [January 1](#); [Reuters Chinese](#), November 18, 2021).

The current Politburo, which was formed at the 19th Party Congress in 2017, is already dominated by the Xi Faction. These Xi loyalists include the Director of the Central Committee General Office and the Head of the Xi Jinping Office, Ding Xuexiang (born 1962); Party Organization Department head Chen Xi (1953), Propaganda Chief Huang Kunming (1956); the two vice-chairmen of the Central Military Commission, Generals Zhang Youxia (1950) and Xu Qiliang (1950); and the Director of the Central Political and Legal Commission Guo Shengkun (1954). Also on the Politburo are representatives from provinces and major cities, including the Party Secretaries of Beijing, Shanghai, Chongqing, Tianjin, and Guangdong, respectively Cai Qi (1955), Li Qiang (1957), Chen Min’er (1960), Li Hongzhong (1956), and Li Xi (1956) ([VOAChinese](#), July 18).

Out of these senior cadres from the Xi Faction, Ding Xuexiang, who is sometimes known as Xi’s alter ego, is a shoo-in for the PBSC to be rolled out at this year’s Congress. Xi is known to be anxious to promote one or two regional rising stars, for example, Chongqing Party Secretary Chen Min’er or Shanghai Party Secretary Li Qiang, to the inner sanctum of the CCP ([Chinanewscenter](#), July 23; [VOAChinese](#), March 21). If Xi is

successful in securing an additional one or two terms – as well as promoting three protégés to the seven-member PBSC – the Xi faction will be able to dominate this topmost decision-making body. However, Li Qiang's reputation has been dented by the disastrous two-month pandemic-related lockdown in Shanghai. Likewise, the chances that Guangdong Party Secretary Li Xi, another Xi protégé, will be promoted have been damaged by his province's lackadaisical recent economic performance ([United Daily News](#), June 29; [Netease](#), May 24).

Two CYLF stalwarts have a chance of either remaining or making the PBSC. Premier Li, who will be 67, could stay on the supreme council given the credit he earned the past few months for handling difficult problems in the economy. Since under the Constitution, Li can only serve two terms as head of the central government, he might move on to chair the National People's Congress, whose current leader and Xi ally Li Zhanshu (1950) is well over the informal retirement age of 68 ([ANI news](#), May 18). Li Keqiang might also insist that Vice Premier Hu Chunhua replace him as Premier ([Mingjingnews.com](#), July 27) After all, among all the candidates for this usually second-ranked spot on the PBSC, only Hu has the requisite qualification of having been a vice-premier. Wang Yang and Wang Huning, both 67, are both tipped to call it quits.

For Xi, the most problematic member of the new PBSC could be Zhao Leji, who, having been born in 1957, is the youngest current member of the supreme council. Zhao, who was party secretary of Shaanxi Province from 2007 to 2012, was originally deemed to be close to Xi. However, the two fell out over the illegal construction of private villas – and the large-scale destruction of forests – along Mount Qin in Shaanxi ([Chinaaffairs.org](#), January 23; [BBC Chinese](#), January 17, 2019). From the superstitious point of view of *fengshui* or Chinese geomancy, Mount Qin is the “spiritual backbone” and “anchor” of emperors and dictators in Chinese history. While Xi gave repeated personal orders to take down the villas after his ascendancy to power, it was only in 2018 that the illegal structures were demolished. Zhao, whose portfolio includes the Central Commission for Discipline Inspection – the nation's highest anti-graft unit – is said to have to share some of the blame. Moreover, Zhao was responsible for the recent disciplinary and corruption-related investigation of two Xi favorites, the party secretary of Hangzhou Zhao Jiangyong and the party secretary of Zhengzhou, Xu Liyi ([SCMP](#), April 11; [Global Times](#), January 21).

Control of “The Gun, the Knife and the Pen”

Within the larger Politburo, attention is focused on who will control the army and police, as well as the ideology and propaganda apparatuses. After all, the combination of “the gun, the knife and the pen” is considered to make up the CCP's primary toolkit for staying in power. While Xi may struggle to place all his men in the PBSC, he already commands the loyalty of a high proportion of the upcoming 25-member Politburo – and he can count on a smooth succession in the top-ranked military and police posts. The two People's Liberation Army (PLA) members of the Politburo, Generals Zhang Youxia and Xu Qiliang are both due to retire. Leading candidates to succeed them include General Li Zuocheng, who is Chief of the General Staff Department; and Miao Hua, the Director of the Political Work Department. Xi has good personal ties with General Li, so the fact that the latter will be 69 at the time of the Congress may not disqualify him. Miao (born 1955) previously worked in Fujian province and the former Nanjing Military Region, where he crossed paths with Xi. Another Xi confidante, Wang Xiaohong, who was recently promoted to be Minister of Public Security, served some 20 years in Fujian. Wang (1957) is tipped to join the Politburo as Head of the Central

Political and Legal Commission, a powerful body with jurisdiction over the police, the secret police and the courts.

Incumbent propaganda chief Huang Kunming (born 1956) could in theory stay for one more term as the party's "pen" or mouthpiece. But Xi's crony from his Zhejiang days has been accused by members of opposing factions of reviving a Mao-style personality cult around the supreme leader. He is expected to be given a pre-retirement sinecure at the NPC or the CPPCC. The new Politburo member in charge of propaganda is expected to be well-known scholar Li Shulei (born 1964), who was recently promoted executive vice-director of the same department. Li served as Xi's deputy at the Central Party School from 2007 to 2012, and he has been a speech-writer for the supreme leader (Jfdaily.com, June 6; Sohu.com, June 5). Equally crucial for preserving the strength and loyalty of cadres is the Director of Organization Department. Hu Heping, the current Minister of Culture, is tipped as a dark horse candidate to succeed Xi confidant Chen Xi. Hu (1962) has close ties to Xi's Tsinghua University alumni network; he has also held important posts in the Zhejiang provincial party committee in addition to being the governor and party secretary of Shaanxi Province. Hu has been one of the most vocal regional officials to repeatedly underscore "the imperative of upholding the authority of comrade Xi Jinping as the core of the party" ([Radio Free Asia](http://RadioFreeAsia.com), October 29, 2021; Chinaaffairs.org, October 26, 2021). Another candidate for Head of the Organization Department is Jiang Xinzhi (1958), who is now serving as the deputy of its current head, Chen Xi. Jiang was Director of Organization in Fujian Province, another power base of Xi's, from 2011 to 2015.

A New Breed of Technocrats

As Xi is widely expected to obtain his "leader for life" designation – and maintain his faction's domination of the PBSC — radical policy changes are not expected to be announced at the Congress ([Radio Free Asia](http://RadioFreeAsia.com), April 7; [Radio French International](http://RadioFrenchInternational.com), May 3). Doubts, however, have been raised about the qualifications and political proclivities of the new Central Committee and Politburo. Foremost is the perception that market-oriented, professional technocrats may be lacking in the new leadership cohort.

When former premier Zhu Rongji was head of the central government from 1998 to 2003, he promoted a large number of technocrats who were talented finance experts to ministerial or vice-ministerial positions in bureaucracies such as the People's Bank of China, the Ministry of Finance, and banking and insurance watchdog entities ([Netease](http://Netease.com), August 5, 2020). Yet almost all of these technocratic cadres, including the reform-minded former finance minister Lou Jiwei (born 1950) (Aisixiang.com, June 21) have retired or are going to call it quits. The two most senior economics-related officials tipped for promotion at the 20th Party Congress, aspirant for the premier's position-Hu Chunhua and strong candidate for the post of vice-premier in charge of finance-He Lifeng (1955), are veteran party apparatchiks rather than professional managers ([Radio Free Asia](http://RadioFreeAsia.com), July 27; Newscenter.com, March 11). They owe their probable elevation mostly due to being leaders of powerful factions such as the Xi and Communist Youth League Factions.

The group of technocrats that Xi has groomed in the past ten years consists of experts and top managers in the defense-industry, particularly aerospace. As the post of Party Secretary of the Xinjiang Uyghur Autonomous Region (XUAR) usually comes with a Politburo seat, Ma Xingrui (born 1959), a former General Manager of the [China Aerospace Science and Technology Corporation](http://ChinaAerospaceScienceandTechnologyCorporation.com) (CASC) and Director of the China

[National Space Administration](#), will likely become the first *jungonghangtianxi* member to be inducted into the Politburo ([Nikkei Asia](#), December 28, 2021). Other outstanding representatives of this latest sub-sect of the Xi faction include the Party Secretary of Hunan Province Zhang Qingwei ([The Diplomat](#), February 19). A renowned rocket scientist and former head of the CASC, Zhang (1961) played a key role in China's moon exploration project. Zhang became a full Central Committee member in 2002 when he was barely 41 years old. Another rising star from the same sector is the Party Secretary of Zhejiang Yuan Jiajun (1962). Since Zhejiang is a key power base of President Xi, Yuan, another alumni of the CASC, is a strong contender for the Politburo five years later ([Reddit.com](#), December 8, 2021).

Given the negative reaction of not only the U.S. and its European allies, but also Asian powers such as Japan and Australia to Beijing's Ukraine stance – as well as the PLA's apparent “overreaction” to U.S. Speaker Nancy Pelosi's recent Taiwan visit– Xi needs to put in place a team of professional diplomats who know more about building partnerships than showing off the country's muscular “wolf warrior diplomacy.” The most likely replacement of Politburo member in charge of foreign affairs and former ambassador to the United States Yang Jiechi (born 1950) is the current Foreign Minister Wang Yi (born 1953). Apart from the fact that Wang will be 69 (and thus one year beyond the normal retirement age of 68), he is a noted exponent of the “wolf warrior diplomacy,” which has been responsible for the PRC's relative isolation in the global order ([VOAChinese](#), July 23; [Financial Review](#), July 7). Wang's deputy until May this year, Executive Vice-Minister for Foreign Affairs Le Yucheng (born 1963), was unexpectedly moved to the National Radio and Television Administration apparently due to the fluent Russian-speaker's mishandling of the country's response to the Ukraine crisis ([Nikkei Asia](#), July 23). Western officials fear that if Beijing lacks a powerful Politburo member in charge of foreign policy, the generals will exercise an even greater influence on national security issues.

Conclusion

The dearth of so-called Seventh-Generation (7G) cadres with a chance of being promoted to the Politburo is also problematic. The highest-ranking officials born in the 1970s have only reached the vice-ministerial level or equivalent– and only a relatively few are slated to become full or alternate Central Committee members at the 20th Congress ([SCMP](#), May 23). If, as expected, Xi will remain supreme leader until the 22nd Party Congress in 2032 – and even beyond – many Sixth-Generation Politburo members will have reached the retirement age of 68 by then ([China Brief](#), November 12, 2021). By contrast, ex-president Hu Jintao, who was in power from 2002 to 2012, paid a lot of attention to grooming up-and-coming Sixth-Generation (6G) neophytes ([Saiscsr.org](#), July 31, 2021). Xi's lack of interest in advancing the careers of 7G cadres could be due to the fact that he intends to rule for 20 years, in which case he still has ten more years to settle on a 7G successor among his younger protégés.

As Xi has repeatedly emphasized that loyalty trumps competence as the foremost criterion for elevation, he does not seem overly concerned about the lack of professionalism among members of the new ruling contingent ([People's Daily](#), March 24; [Prnewswire.com](#), September 4, 2021). In the past month or so, even prominent members of opposition factions such as Hu Chunhua have penned articles eulogizing the “extraordinary wisdom” of Xi's agrarian policies, which is part of Hu's portfolio ([Gov.cn](#), July 27). A Central Committee, Politburo and PBSC that consist of fawners and minions of the supreme leader, however, will wreak havoc on the quality of CCP rule. But given Xi's focus on securing the status of “party core for life”, this

does not seem to be the uppermost concern on the mind of China's self-proclaimed Mao Zedong of the 21st century.

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Learning from the First Phase of the Fourth Taiwan Strait Crisis

By David Chen



(Image: Screenshot from CCTV 7's *军事报道* (Junshi Baodo) program on August 6 declaring the median line in the Taiwan Strait to have been “thoroughly smashed,” Source: [CCTV](#))

Introduction

In April, I asserted that the lessons learned from Russia's war in Ukraine might influence China's People's Liberation Army (PLA) to “accelerate the timetable for a smaller scale conflict” in the Taiwan Strait, short of a full-scale amphibious invasion ([China Brief](#), April 8). On August 4, the PLA began a series of joint live-fire exercises in six exclusion zones surrounding Taiwan, including some that imposed on Taiwan's territorial seas ([81.cn](#), August 6). These exercises signal Beijing's extreme pique that U.S. Speaker of the House of Representatives Nancy Pelosi led a Congressional delegation to meet with the leadership of Taiwan on August 2 and 3 ([People's Daily](#), August 3). Longtime students of PLA doctrine and military thought will recognize that these exercises have been in the works for the better part of two decades. In *The Science of Joint Training*, military deterrence is described as an essential objective of joint live-fire exercises:

The essence of military deterrence is to attack the will and sap the purpose, to win without fighting. It is manifest mainly in demonstrating military strength during peacetime, achieving the effect of “we must fight or we are an army of cowards”. Joint training particularly entails joint exercises involving real troops, real equipment, and live ammunition, and can directly demonstrate military strength, bringing into play the utility of military deterrence. [1]

The latest drills are ostensibly reminiscent of the live-fire exercises that the People's Republic of China (PRC) conducted in 1995 and 1996 during the Third Taiwan Strait Crisis, but the surface resemblances belie deeper transformations within the PLA and their implications for the Chinese Communist Party's (CCP) menu of options with regards to Taiwan. The Third Taiwan Strait Crisis was a contest of force posturing, first by the PRC to convince the Republic of China (ROC), or Taiwan, and the United States that Beijing was willing to employ the full scope of its military power to prevent moves by Taiwan toward greater international recognition. The United States struggled to calibrate an appropriate response to China's actions, but eventually opted to send a second carrier battle group into the area. After the *USS Nimitz* group joined the *USS Independence* group, China curtailed further missile tests, in a move that appeared to be, "moderating [its] coercive posture."^[2] The aftermath found a belligerent, but chastened China, and led to a reprieve for the United States and Taiwan. Yet, in appearing to succumb to U.S. pressure, "Beijing's civilian and military leaders had resolved that such a humiliation would never happen again."^[3] The currently unfolding series of diplomatic and military maneuvers may be seen as an epilogue to that episode from a quarter century earlier. China may now have sufficient confidence in its armed forces to resist countervailing posturing by the United States.

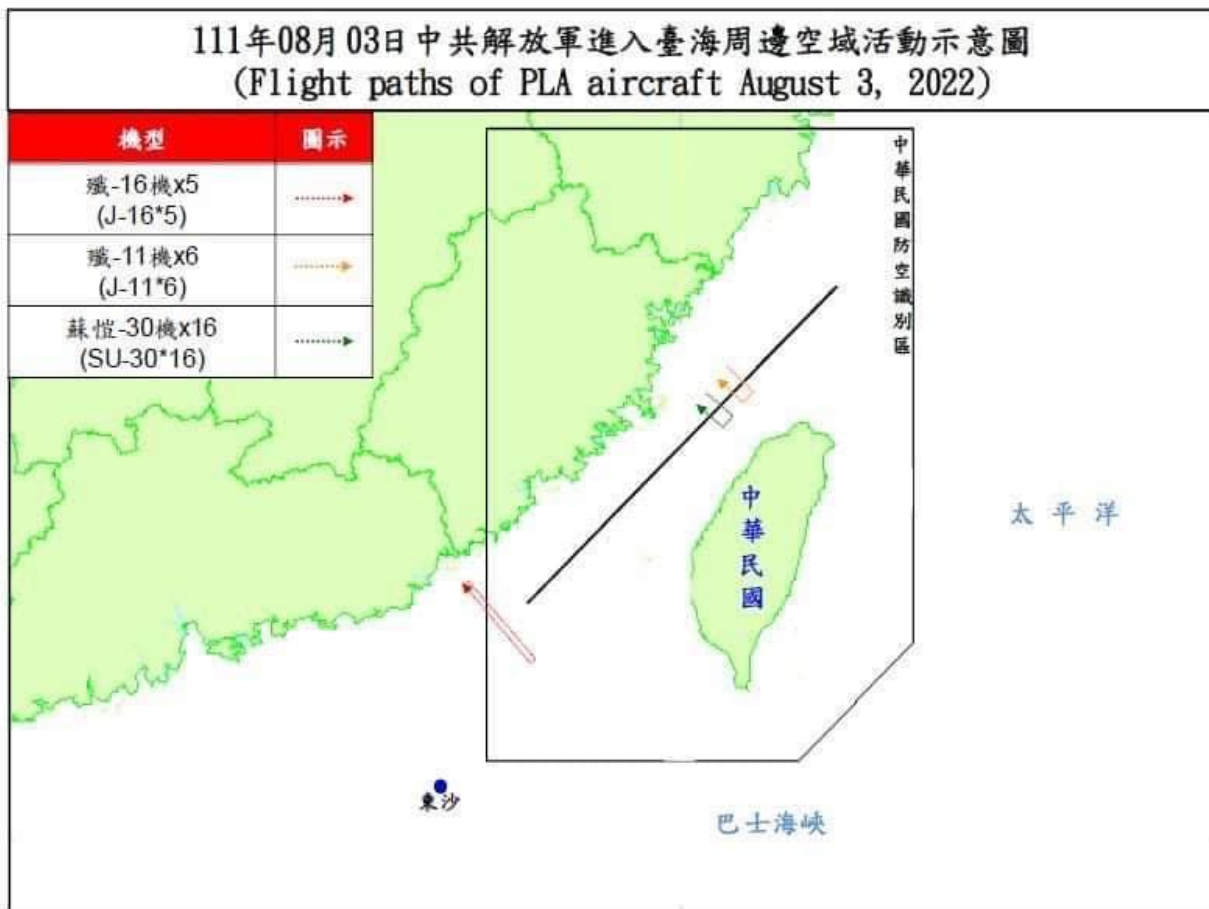
Table 1. Historical comparison of the Third Taiwan Strait Crisis and today

PLA Service Commands	Third Taiwan Strait Crisis	Current Day (as of Aug. 10)
Second Artillery/PLARF	6 DF-15 missile launches (July 1995) 4 DF-15 missiles launches (March 1996)	9-11 DF-15 missile launches, at least one overflight of Taiwan (August 2022)
PLA Navy	Live-fire drills near Fujian (August 1995) Joint amphibious exercises (November 1995) Joint amphibious exercises (March 1996)	Surface and sub-surface joint exercises (August 2022) Minelaying/sweeping exercises (August 2022)
PLA Air Force	Joint amphibious exercises (November 1995) Joint amphibious exercises (March 1996)	Combined air control exercises (August 2022) UAV reconnaissance flights (August 2022)
PLA Ground Force	Joint amphibious exercises (November 1995)	MLRS live-fire exercises (August 2022)

	Joint amphibious exercises (March 1996)	
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Rancor and Restraint

The latest round of live-fire exercises is consistent with the PLA’s doctrine on strategic deterrence. The 2020 edition of *The Science of Military Strategy* states that “through exercises, we can demonstrate our military’s combat capabilities to the opponent, but also cause the opponent to doubt our intentions, cause psychological panic, and produce a deterrent effect.” [4] Beyond the general objective of strategic deterrence, the PLA also has specific operational objectives intended to change the status quo. One of these operational objectives is to “thoroughly smash the so-called Strait median line,” according to National Defense University’s Strategic Studies Research Institute director, Meng Xiangqing (CCTV, August 6). The PRC Ministry of Defense telegraphed this intent on July 28, six days prior to Pelosi’s arrival in Taiwan. In a televised news conference, a Ministry of Defense spokesperson stated that there was “no such so-called Strait median line,” and that the PLA did not recognize such a boundary, despite decades of restraint and signaling around the median line as an operational line-of-contact between the PRC and Taiwan in the Taiwan Strait (CCTV, July 28).



(Image: Taiwan MND notification reporting PLA warplanes crossing the median line on August 3, Source: ROC, MND)

Taiwan's Ministry of National Defense (MND) has diligently reported on the PLA's air and naval incursions, both before and during the latest crisis (see [MND, ROC](#)). Previous PLA incursions usually occurred in the southwestern corner of Taiwan's Air Defense Identification Zone (ADIZ), with flights rounding Kenting to reach the eastern side of the island on rare occasions. In the latest series of incursions, aircraft have continued to cross into the southwestern quadrant of the ADIZ, but have also begun crossing the median line in the Taiwan Strait, which for decades served as a de facto boundary between the PRC and ROC militaries ([Taipei Times](#), August 9). For example, on August 9, 45 PLA warplanes were detected in the airspace around Taiwan, with 16 of those aircraft crossing the median line in the Taiwan Strait; and on the previous day, 39 planes were detected, with 21 crossing the median line (MND, ROC, [August 9](#); [August 8](#)). While this is an escalatory move that seeks to permanently challenge a decades-old norm, these flights have also turned back before approaching Taiwan's coast and territorial airspace. The joint operational plan to restrict the sea and airspace surrounding Taiwan is consistent with what the PLA terms "restrictive military operations," in which, "military exercises, weapon test firings, etc., delimit exercise areas, test areas or no-fly zones (no-sail zones), and implement control and isolation of local sea areas and airspaces."^[5] The strategic objective is to maintain escalation control, or "war control" (战争控制, *zhangzheng kongzhi*) in PLA parlance, while exerting strong deterrence pressure. Director Meng, of the PLA NDU, further explained that the 38 hours of prior notice for establishing the exercise exclusion zones was carefully calibrated to be less than the "international norm for these types of live-fire exercises of three days," but more than the "emergency situation notice of no less than 24 hours" ([CCTV](#), August 4). These details demonstrate both the sense of urgency behind the PLA's actions, but also indicate residual self-restraint.



(Image: A PRC Ministry of Defense press spokesperson declared the Taiwan Strait median line to no longer exist on July 28, Source: CCTV)

In the hours after the recent live-fire exercises were announced, rumors of amphibious tanks massing on the beaches and streets of Xiamen circulated on social media. These proved to be misinformation, but the threat of amphibious landings on the outlying islands persists. Unidentified drones conducted nighttime aerial reconnaissance over the fortress island of Jinmen on August 5, prompting the Taiwanese garrison to fire flares to ward them off and presumably interfere with their FLIR (forward-looking infrared) cameras ([CNA](#), August 6). The Second Taiwan Strait Crisis in 1958 prominently featured the coastal islands held by Taiwan, and eventually concluded with a denouement that resulted in regular exchanges of artillery fire between PRC forces on the Mainland and ROC troops stationed on Kinmen and Matsu over the next two decades. In the PRC's toolbox of options for conflicts below the threshold of full-scale amphibious invasion of Taiwan, seizure of outlying islands is one of the most achievable. As described by Ian Easton in his prescient book on the subject, "the outer islands form Taiwan's first line of defense," and could be used to "mount missile strikes, commando raids, and helicopter assaults on the mainland." [6] Standing within sight of mainland beaches, these coastal islands generally lie within the territorial seas of the PRC. No extended air defense mission or logistic train would be required to attack them. The recently released Taiwan White Paper highlighted the fact that Kinmen's water supply is provided by Fujian province ([State Council Information Office](#), August 10). Seizing or neutralizing the coastal islands early would help reduce the complexity of a Taiwan amphibious invasion in the years to come. It is likely that an island seizure campaign was one option presented to the Chairman of the Central Military Commission (CMC) Xi Jinping, and his decision to opt instead for a partial air and naval blockade of Taiwan indicates a modicum of restraint on his part. That is to say, the latest air and maritime blockade operations are a grave situation for Taiwan, akin to "shutting the door to beat the dog," but that Xi Jinping retains options that are far more severe ([CCTV](#), August 4).

Evolution of Joint Command



(Image: PLA Air Force and Army uniforms in a joint command post, **Source:** CCTV)

In the Third Taiwan Strait Crisis, the PLA's model for conducting joint operations had changed little from its legacy of stove-piped services last exhibited in the 1979 Sino-Vietnamese War. Training methods in the 1990s

and early 2000s only included rudimentary opposing forces and inter-service rivalries were more prominent than inter-service coordination. The PLA refers to its legacy command model as “coordinated joint operations command and control” (协同性联合作战指挥控制, *xietong xing lianhe zuozhan zhihui kongzhi*), in which joint operations were de-conflicted by time or spatial phases at the campaign level. [7] In the years since, the PLA has greatly evolved its joint command model. Command coordination was extended down to the tactical level through the “unified group-style” of command and control (同一编组式指挥控制, *tongyi bianzu shi zhihui kongzhi*). [8] Combat units were then knit together through liaison officers from different services under the “distributed coordination-style” of command and control (分布协调式指挥控制, *fenbu xietiao shi zhihui kongzhi*), and those liaison officers were then empowered with limited command authority under “distributed embeds-style” of command and control (分布嵌入式指挥控制, *fenbu qianru shi zhihui kongzhi*). [9] Therefore, the joint command model and processes of the modern PLA represents a quantum leap beyond what was demonstrated in the last Taiwan Strait crisis. PRC state media indicated that the exercises are commanded by joint command posts and that the PLA Navy, Air Force, Rocket Force, and Joint Logistic Force were coordinated in joint fashion, although to what degree and in what missions, has largely yet to be detailed. Furthermore, Director Meng revealed that not only had units of different services operated in a joint manner, units from different theater commands were also operating jointly ([CCTV](#), August 6). This would be evidence of the standardization of PLA joint methods of operations across theater commands and a potential demonstration of achieving “unit modularity”, an important milestone for the PLA ([PLA Daily](#), June 9, 2014). Still, the PLA could do more to demonstrate the quality of their joint reforms under its latest and potential future orchestrated live-fire campaigns. Observers have yet to detail close coordination between the PLA ground forces and other services. Strategic Support Force (SSF) officers ought to be embedded in each campaign and tactical echelon, in order to provide cyber and space-based support. Their contributions to the overall operation plan have yet to be detailed in open source reporting, even though establishing the SSF was one of Xi Jinping’s signature military reforms ([China Brief](#), May 19, 2019). The contributions of the Joint Logistic Support Force, PLA Navy Marines, Naval Aviation, and Special Operations Forces have all yet to be described in detail, including the activities of China’s two operational aircraft carriers. In exercises as prominent as the most recent ones have been, every service and branch within each theater command would want to demonstrate their worth. Many commanders must be chafing that the Eastern Theater Command has featured so prominently at the exclusion of the other four Commands, thus far.

Conclusion

When I assessed that the PLA might initiate a controllable conflict scenario in the nearer term, it was predicated on uncertainty about China’s rapidly evolving military capabilities. The PLA had not exercised large-scale coordinated multi-theater joint operations since the amphibious assault operations in 1996. The current phase of what may prove to be the Fourth Taiwan Strait Crisis serves an important internal purpose in addition to signaling resolve to Taiwan and the United States. PLA academics and joint staff will be parsing the results of these live operations for years to come. The lessons learned in these exercises will help shape the next evolution of PLA methods of operations and joint command. The PLA academic community has long been keen to leapfrog the United States military’s model of net-centric warfare through the application of hypersonics, directed-energy weapons, artificial intelligence, and advanced cyber and space capabilities. The new Taiwan

White Paper declares, “The wheel of history of China’s unification rolls ever forward, no one and no force can stop it” ([State Council Information Office](#), August 10). This latest set of exercises may provide ample opportunity to better chart a course toward that outcome.

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Notes

[1] Original quotation cited in block quote is “军事威慑的本质是攻心夺志、不战而胜，其主要表现形式是在和平状态下展示军事实力，达到“不战而屈人之兵”之效。联合训练特别是实兵、实装、实弹的联合演习，可以直接显示军事实力，发挥军事威慑作用” from Xu Genchu (徐根初), ed., *Science of Joint Training* (联合训练学), Beijing, China: Military Science Publishing House, 2006, p. 80

[2] Patrick Tyler, *A Great Wall*, New York, NY: PublicAffairs, 1999, p. 35

[3] Ibid, p. 36.

[4] Xiao Tianliang (ed.), *The Science of Military Strategy*, National Defense University Press, 2020, p. 136, as translated in: *In Their Own Words: Science of Military Strategy 2020*, China Aerospace Studies Institute, 2022, <https://www.airuniversity.af.edu/Portals/10/CASI/documents/Translations/2022-01-26%202020%20Science%20of%20Military%20Strategy.pdf>.

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[7] Wang Xixin (王西欣), “A Simple Analysis of the Nature and Characteristics of Integrated Command and Control (浅析一体化指挥控制的本质特征),” *Junshi Xueshu* (军事学术), 2004, No. 7, p. 30.

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[9] Liu Xuenong (刘学农), et al., “Dissipating Gunsmoke Tells of Jointness—Record of Media Coverage of the Weifang Military Training Coordination Zone’s ‘LIANHE-2008’ Exercise (硝烟散后话联合—潍坊军事训练区‘联合-2008’演习采访闻思录),” *Jiefangjun Bao* (解放军报), November 11, 2008, p. 3; Fan Qingjun (范青军) and Liu Xuenong (刘学农), “Three Services Cross the Rubicon Together, Report of Victory Before the Gunsmoke Clears (三军联手渡天堑 硝烟未散捷报传),” *Qianwei Bao* (前卫报), 26 September 2008, p. 1.

With an Eye on Tibet, China Reacts Warily to Warming U.S.-Nepal Ties

Sudha Ramachandran



(Image: Tibetan prayer flags fly in Nepal, source: Wikipedia)

Introduction

U.S. Under Secretary of State for Civilian Security, Democracy, and Human Rights Uzra Zeya's three-day visit to Nepal in May evoked a strong reaction from China. During the visit, Zeya, who is also President Joseph Biden's Special Coordinator for Tibetan Issues, met with an array of high-level Nepali officials, including Prime Minister Sher Bahadur Deuba as well as Nepali human rights activists. She also visited two Tibetan refugee settlements in Nepal where she interacted with refugees and enquired about their problems ([Kathmandu Post](#), May 22). Zeya had arrived in Kathmandu after meeting the Dalai Lama, senior officials of the Tibetan exile government as well as officials and representatives of the Tibetan refugee community in India ([The Hindu](#), May 18).

The Chinese response was swift. The U.S. "should stop meddling in China's internal affairs under the pretext of Tibet-related issues, and offer no support to the anti-China separatist activities of the Dalai clique," People's Republic of China (PRC) Foreign Ministry Spokesperson Zhao Lijian said in a press conference ([PRC Ministry of Foreign Affairs](#), May 19). At the 14th meeting of the Nepal-China Bilateral Consultative Mechanism, which was held a few days after Zeya's visit, Chinese officials reportedly expressed their misgivings over her engagements to their Nepali counterparts ([Kathmandu Post](#), August 4). Then in July, Liu

Jianchao, the head of the International Liaison Department of the Chinese Communist Party (CCP) visited Kathmandu, where at meetings with leaders of Nepal's major political parties, he asked them to reaffirm their commitment to the 'One-China' policy ([Nepal Foreign Affairs](#), July 14).

Nepal affirmed support for the One-China principle in 1955, when it established diplomatic relations with the PRC. This means that Nepal recognizes Taiwan and Tibet to be a part of China and has "committed not to allow its soil to be used for any inimical activities against China" ([Ministry of Foreign Affairs](#), Government of Nepal). Despite this affirmation, Chinese insecurities over Tibetan activism in Nepal run deep. An estimated 20,000 Tibetan refugees live in Nepal ([South Asia Monitor](#), September 20, 2020). Chinese apprehensions over Tibetan activism in Nepal go back several decades. However, there has been a perceptible deepening in such Chinese apprehensions in recent months.

Nepal's Support of Tibetan Insurgents

Nepal's significance to China stems from its geographic location. To Nepal's south lies India, China's geopolitical rival. More importantly, Nepal borders China's "Himalayan underbelly," Tibet ([Nepali Times](#), March 25). The PRC's concerns over political turmoil in Tibet have shaped its policies towards Nepal. Beijing is particularly apprehensive that Tibetans based in Nepal will trigger unrest in Tibet, weakening China's control over the region. As a result, Chinese intelligence closely monitors Tibetans in Nepal and Nepali policies impacting Tibetan rights and activism.

Beijing's annexation of Tibet in 1950 made Nepal a neighbor of China for the first time. The flow of Tibetans escaping Chinese repression began in the early 1950s and surged in 1959 after the failed Lhasa Uprising that culminated in the flight of the Dalai Lama and his followers into India and Nepal. Some of these Tibetans settled in Nepal's Mustang district bordering China. It was from Mustang that the CIA launched a covert operation, which involved providing Tibetan Khampha guerrillas with arms and training to fight the People's Liberation Army inside Tibet. After the U.S. established diplomatic relations with the PRC in 1971, the CIA wound up support to the Kham insurgency. The Nepal Army disarmed the guerrillas and by 1974, the Tibetan resistance waged from Nepal's soil was over ([The Record](#), November 3, 2020).

Nepal's Cracks Down on Tibetans

The resistance to Chinese rule waged from Mustang underscored to Beijing the threat that Tibetan refugees in Nepal posed to its control of Tibet, despite Kathmandu's commitment to a One-China policy. Over the decades, Beijing has therefore not only pressed Kathmandu to crack down on Tibetan activism in Nepal, but the PRC has also tightened its border controls to prevent Tibetans from entering Nepal.

In the early decades, Tibetans arriving in Nepal were issued Refugee Identification Cards (RCs), conferring legal status on their stay in Nepal. Foreign governments and international organizations were allowed to resettle Tibetan refugees. However, this has changed under Chinese pressure. Nepal stopped issuing RCs to Tibetans from 1989 onwards, rendering thousands of Tibetans without legal status and thus vulnerable to deportation and government crackdowns, and deprived of access to education or jobs in Nepal. **[1]**

Since 2008, anti-China protests, including self-immolations, have increased, both inside Tibet as well as among Tibetan refugee communities in India and Nepal ([Times of India](#), February 12, 2013 and [The Hindu](#), February 13, 2013). Chinese pressure on Nepal to stamp out Tibetan activism has consequently grown and Nepali authorities have obliged. Tibetans are arrested if they protest or even display the Tibetan flag or raise 'Free Tibet' slogans. Tibetan refugees are also often rounded up and temporarily held ahead of visits by Chinese leaders to preempt protests. They are not allowed to celebrate the birthday of the Dalai Lama or key milestones in their history. Surveillance of Tibetan camps has grown and Nepali authorities share intelligence with the Chinese. Worryingly, Tibetans are being deported back to China ([Asia Democracy Chronicles](#), April 25). Indeed, Nepal has even cracked down on Nepali citizens expressing solidarity with the Tibetan cause ([Kathmandu Post](#), October 17, 2019).

In 2019, Nepal and China signed an Agreement on a Boundary Management System and a Treaty on Mutual Legal Assistance on Criminal Matters. Both agreements have major implications for Tibetans entering Nepal. Under the border management agreement, for instance, those "found while crossing [the] border illegally" are liable to be handed over to China within seven days ([The Tribune](#), February 12, 2020). The repression of Tibetans by Nepali authorities acting under Chinese pressure has had the desired chilling effect. The number of "Tibetans escaping into exile [in Nepal] each year which was a "steady total of 2,500 to 3,500" in previous years "dwindled to an unprecedented low of just 18 Tibetans in 2019" ([International Campaign for Tibet](#), February 11, 2020).

Chinese Leverage Over Nepal

As a small country that is landlocked and sandwiched between India and China, Nepal has been vulnerable to pressure from both countries. Widespread poverty, political turmoil and civil war have increased its vulnerability to pressure from its two giant neighbors. While India's presence and influence in Nepal has a long history, China's influence in the country, which was once limited by the Himalayan barrier, has risen substantially in recent decades. This has been facilitated in part by Nepal's mounting interest in not only reducing its dependence on India but also availing itself of Chinese financial and other support to develop its infrastructure via the Belt and Road Initiative.

China's role in Nepal's economy has grown rapidly over the past decade; since 2014, China has been Nepal's largest source of Foreign Direct Investment ([Xinhua](#), 21 July, 2021). In 2021, China accounted for 70 percent of the total FDI coming into Nepal ([The Statesman](#), March 9). Beijing has also cultivated close ties with Nepal's political parties, especially among the country's Left-wing parties. Indeed, China played a major role in the 2018 merger of the country's two major Communist parties to form the Nepal Communist Party (NCP) government. China's growing economic clout and political influence in Nepal provided it with leverage over Nepal. It resulted in Beijing meeting with considerable success in getting Nepal to concede its demands on policies vis-à-vis Tibetan refugees.

Beijing's Waning Influence

However, over the last couple of years, China's influence in Nepal has waned. Beijing was unable to prevent not only the split in the NCP and the exit of Nepal's pro-China Prime Minister K.P. Sharma Oli from office, but

also, the formation of a new government under the Nepali Congress in August 2021 ([China Brief](#), April 8). Nepal's new Prime Minister Sher Bahadur Deuba is considered close to India and the United States.

Over the past year, Nepal has taken decisions that have set China's interests back. This February, Nepal's parliament defied Chinese pressure to ratify the Millennium Challenge Corporation (MCC) compact, a \$500-million U.S grant for the development of power transmission and road construction projects in Nepal ([Deccan Herald](#), March 5). Chinese analysts have described the MCC as an American "tool" to draw Nepal into its Indo-Pacific strategy ([Global Times](#), March 3).

Less than a month later, Nepal stood its ground in talks with China during Foreign Minister Wang Yi's visit. The main item on Wang's agenda was BRI projects, but although nine agreements were signed, none pertained to BRI. Differences between the two sides on project funding – Nepal prefers grants to loans – could not be bridged ([Kathmandu Post](#), March 27). Indeed, it does seem that five years after Nepal got on to the BRI bandwagon with much enthusiasm, its partnership with China over BRI is in limbo ([Kathmandu Post](#), May 20).

Significantly, over the past year, the Deuba government has been more lenient with Tibetans residing in Nepal. In March, a rally to mark Tibetan Uprising Day was held in Kathmandu ([Khabarhub.com](#), March 10). Unlike in previous years, Tibetan refugees in Nepal were allowed to celebrate the 87th birth anniversary of the Dalai Lama. Significantly, diplomatic officials from the U.S, Japan, France and the European Union were present at the event ([Annapurna Express](#), July 6). Consequently, Zeya's controversial visit to the Tibetan refugee settlements must be seen in this context. Although Nepal's foreign ministry informed the media that the government is unaware of her meetings with refugee leaders in Kathmandu, Tibetan officials have indicated otherwise ([Kathmandu Post](#), May 22). It is also likely that these increased U.S. official engagements are affecting the Nepali government's softer line toward Tibetan refugees.

Insecurity Over Tibetan Activism

China's rather strong response to Zeya's visit reveals its mounting insecurity on Tibetan activism in Nepal. With a U.S.-friendly political party at the helm in Nepal and American interest and influence in that country surging over the past year, Beijing is apprehensive over Tibetan refugee activism in Nepal receiving a shot in the arm in the coming months. This parallels cooperation between the U.S. and India, which has also grown remarkably in recent decades, especially in the context of countering the threat posed by a rising China. Beijing will be apprehensive that the U.S. and India will collaborate in Nepal by supporting Tibetan rights and that this will lead to increased Tibetan activism there.

At a time when it is preoccupied with tensions with the U.S. over Taiwan, China will not want to see tensions intensify in and around its soft 'underbelly' in Tibet. It can be expected to intensify efforts to bring back a friendly government in Nepal. With Nepal scheduled to hold general elections in November, China will likely step up its efforts to bring about another merger of Nepal's communist parties to bolster their chances of a return to power.

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Notes

[1] Sudeshna Thapa, Yangchen Dolker Gurung and Jeevan Baniya, "Living in Limbo: Tibetan and Bhutanese Refugees in Nepal," *South Asia State of Minorities Report 2019: Migrants, Refugees and the Stateless* (The South Asia Collective, 2020).

Is China's Summit Diplomacy in Central and Eastern Europe at a Dead End?

By Bartosz Kowalski



(Image: PRC Ministry of Foreign Affairs, Head of European Affairs Wang Lutong and Slovakia's Ambassador to China unveil a special postal envelope to commemorate a decade of China-CEE cooperation in April, **source:** FMPRC)

Introduction

During a recent phone call between Chinese President Xi Jinping and Polish President Andrzej Duda, the former said that both sides should actively cooperate to organize activities for the 10th anniversary of China-Central and Eastern Europe (CEE) cooperation (中国—中东欧国家合作, *Zhongguo — Zhong dongou guojia hezuo*). Beijing's readout of the meeting only briefly mentioned that both leaders exchanged opinions on "the Ukrainian crisis" (乌克兰危机, *Wukelan weiji*) ([People's Republic of China Ministry of Foreign Affairs \[FMPRC\]](#), July 29). In contrast, according to the information provided by President Duda's office, the conversation was dominated by the consequences of the Russian aggression against Ukraine, and China-CEE cooperation was not mentioned ([Prezydent.pl](#), July 29; [CHOICE](#), August 1). Earlier in June, People's Republic of China's (PRC) Foreign Minister Wang Yi emphasized Poland's leading role in launching China-CEE cooperation, and declared that ten years after its inception, this multilateral platform is "at a new starting point" in a video call with his Polish counterpart Zbigniew Rau ([FMPRC](#), June 10). Indeed, the numeric term 16+1, is no longer used in the PRC's official pronouncements following Lithuania's exit from the 17+1 format in 2021 ([China Brief](#), January 28). At the same time, the Polish readout of the call did not mention the 16+1 at all, and called on "every nation which respects the norms of sovereignty and territorial integrity, to fiercely condemn

the Russian invasion of Ukraine” ([Gov.pl](#), June 13). With this appeal, Minister Rau clearly communicated Poland’s dissatisfaction with China’s tacit support for Russia during its war of aggression against Ukraine.

The PRC’s concerns that its relations with CEE states have suffered due to its close ties to Moscow recently led the Ministry of Foreign Affairs (MFA) to dispatch a delegation, headed by 16+1 special representative Huo Yuzhen (霍玉珍) on a damage limitation mission to eight CEE countries. The delegation sought to explain “China’s position on the Ukraine crisis” and to discuss China-CEE cooperation. However, the delegation was not received by Poland’s MFA ([FMPRC](#), May 18; [Twitter](#), May 11). The aim of the Chinese delegation was also to assess the possible downgrading of the 16+1 summits to the foreign minister level and limiting their occurrence to once every three years. However, the delegation appeared to make little headway. During talks with the Czech MFA, the delegation was “given the cold shoulder” and was informed that the government in Prague is “concerned about China’s cooperation with Russia in the context of the war in Ukraine” ([Asia Explained](#), May 24). This demonstrates how Chinese narratives confront a reality check on the ground.

Despite Warsaw’s frustration with Beijing’s enduring ties to Moscow, Poland has indicated it will not follow in Lithuania’s footsteps and leave the 16+1 dialogue mechanism. The Polish MFA commented recently that although Poland focuses predominantly on bilateral relations with the PRC, it will remain in the dialogue, but will only selectively engage with the format ([Puls Biznesu](#), June 21). Behind this diplomatic formula, Poland has calculated that in the face of an imminent threat from Russia, close security ties with the U.S. and NATO must be prioritized. However, Poland also wants to keep other diplomatic channels open, partly for leverage in its relations with the European Union and the U.S. For its part, China perceives Poland as an important element in its regional outreach, both with the 16+1 and the EU. In fact, as was hinted by a diplomat from one of the Baltic states, Poland’s lack of interest in leaving the China-led format effectively hinders smaller CEE states which wish to exit the format ([GMFUS](#), April 1, 2021). CEE states are wary of the political and economic price that a diplomatic row with China could bring, including China’s weaponizing of trade and supply chains. The months-long conflict with Lithuania reached its climax after the opening of a Taiwanese representative office, in Vilnius. China applied coercive measures targeting Lithuania’s economy, which effectively amounted to informal sanctions that also affected third parties ([OSW](#), December 12, 2021). For the same reason, Estonia, which has openly voiced its dissatisfaction with the 16+1 format’s lack of results, has not yet decided to formally leave the China-led framework but has reduced its participation in the format’s activities instead ([ERR.ee](#), December 23, 2021).

Sidestepping 16+1 realities

On April 26, the 16+1 format marked its tenth anniversary. However, instead of a formal summit and ambitious declarations that one might expect from Chinese policymakers on such an occasion, the anniversary was marked with only a commemorative envelope issued by the Chinese post office, which was promoted on social media by Wang Lutong (王鲁彤), the head of European Affairs at MFA and Executive Secretary-General of the China-CEE Cooperation Secretariat ([Twitter](#), April 26). The unveiling of a commemorative envelope was a central theme of the ceremony held some three months later in Beijing. On this occasion, Wang Lutong tried to persuade the representatives of CEE embassies in China, that a decade after its inception, the China-CEE

cooperation had maintained good momentum exemplified by large projects, fruitful practical cooperation and the deepening of people-to-people contacts ([FMPRC](#), July 15). The envelope itself speaks volumes about the depth of the crisis that China-led multilateral diplomacy faces in CEE. In addition, the anniversary attracted little attention from Chinese diplomats or state media.

The decade of “the China-CEE cooperation mechanism” was marked, albeit without much fanfare, by the *People’s Daily* in an article penned by the PRC’s Ambassador to Bulgaria, 董晓军 (Dong Xiaojun), who noted that the China-CEE format had found itself at a new starting point, “despite facing complex external challenges” ([People’s Daily](#), April 26). Clearly, such statements are an attempt to sidestep reality. China’s tacit support for Russia is viewed negatively in most CEE countries, especially those on NATO’s eastern flank. Moreover, four months after the outbreak of war, Chinese diplomats have consistently amplified Russian propaganda, replicating the Kremlin’s narrative that the primary reason for the Ukraine war is NATO’s eastward expansion ([FMPRC](#), May 6; [People’s Daily](#), May 7; [People’s Daily](#), May 7). In June, Minister Wang Yi referred to his Russian counterpart Sergei Lavrov with the affectionate term, “old friend” (老朋友, *lao pengyou*), suggesting that China’s attitude is not likely to change any time soon ([FMPRC](#), June 1).

In his April 26 *People’s Daily* piece, Ambassador Dong also emphasized the potential for increased agricultural cooperation between China and the CEE region, citing Bulgaria as China’s exemplary partner in this area. In particular, Dong hailed the Luban workshop (鲁班工坊, *Luban gongfang*) that was opened last year at the Agricultural University of Plovdiv. The Luban workshop is a vocational college whose aim is to train local populations across the Global South in various technical areas in line with Chinese standards, which was established partially in response to local partners’ insistence on Chinese projects employing more local workers. However, setting up a worldwide network of Luban workshops to upskill thousands of locals to work on Chinese overseas projects is primarily aimed at globalizing Chinese technology and strengthening economic and people-to-people connections between China and the Global South, an area critical in its rivalry with the US ([The Diplomat](#), November 11, 2021; [China Brief](#), November 5, 2021). Opening the Luban workshop in Bulgaria, a country firmly embedded in Western economic and security structures, is paradoxically an implication of Chinese efforts, as CEE is generally perceived by Chinese policymakers as a (semi-) peripheral area of Europe, and thus more aligned to the Global South cooperation model (南南合作, *nannan hezuo*) ([CPC.news](#), November 27, 2015). This, in turn, has led to the implementation of financial mechanisms (mostly credit lines) that are predominantly attractive and accessible for the non-EU countries of the Western Balkans, but rather unsuited for the needs of the EU countries that belong to the 16+1.

However, when it comes to Chinese efforts behind the 16+1, economic engagement was never a priority. Apart from a huge trade gap between China and the majority of CEE countries, direct investments have hardly materialized, which has led to disappointment across the region. The 16+1 platform’s first decade demonstrates that from China’s perspective, the forum is primarily a tool for elite and public engagement: enhancing ties with CEE leaders through summit diplomacy and those between local populations through people-to-people diplomacy. [1] China has also sought to use the format as a bargaining chip in its relations with the EU and the organization’s most powerful countries – Germany and France ([Xinhua](#), February 25, 2021; [Sinopsis](#), July 20, 2018; [People.cn](#), June 1, 2018). China’s appeal to CEE countries through summit diplomacy

has faded considerably in recent years, which is in part due to Beijing's failure to deliver on its economic promises to the region. The PRC authorities had placed the 16+1 secretariat under the structure of its foreign ministry, thus – at least institutionally – casting itself as chief architect of the format's agenda ([China-CEEC](#), June 27). The last decade has shown that China's capacity to meet its multilateral commitments has, to say the least, been limited. This inactivity accords with the general practice of China-led platforms across the Global South, be it in the 16+1 or FOCAC forums, which is to over-promise and underdeliver on the economic front. The operations of these formats show China's disinterest in engaging in actual sectoral integration of the participating states. On the contrary, China has been mostly maintaining an asymmetry, stemming from the network of bilateral relations under a multilateral guise.

The Elephant in the Room

The 16+1 summits primarily fulfilled a relational role serving to strengthen China's connections with respective CEE leaders and deepen its network of bilateral relations. However, this year, China-CEE cooperation all but disappeared from the rhetoric of Chinese diplomacy, even in communications with the most pro-Chinese CEE leaders, Hungarian Prime Minister Viktor Orbán and Serbian President Aleksandar Vučić, respectively, who were both returned to office in early April elections. In a congratulatory telegram to President Vučić, President Xi Jinping emphasized his excellent working relations and friendship with the Serbian leader and touted the high level of political trust between the two countries ([FMPRC](#), April 5). However, Xi did not mention the 16+1, although he did refer to the joint promotion of his concept of “common destiny of humankind” (人类命运共同体, *renlei mingyun gongtong ti*) that is umbrella concept for the implementation of the Chinese vision of the world order. Similarly, in the case of Prime Minister Orbán's electoral victory, the 16+1 was not included either in the congratulatory message sent by Prime Minister Li Keqiang or during the foreign ministers' call between Wang Yi and Péter Szijjártó ([People's Daily](#), April 4; [People's Daily](#), April 5). Importantly, FM Wang praised Hungary for “maintaining an independent attitude” and “choosing its own path of development”, which can be interpreted as China's support for Viktor Orbán's “neutrality” towards Russian aggression in Ukraine.

In the weeks that followed, China-CEE cooperation was not mentioned in China's high-level communication with officials from Slovenia, Greece, or Croatia ([People's Daily](#), June 6; [People's Daily](#), May 25; [People.cn](#), May 13; [FMPRC](#), May 13; [FMPRC](#), May 13). China-CEE cooperation was also omitted in Wang Yi's July call with Hungarian Foreign Minister Péter Szijjártó, where the former stated that “China is not a party to the Ukrainian crisis” but was in fact a constant promoter of peace talks. In response, FM Szijjártó said: “China has never been Europe's rival, but a partner that brings cooperation opportunities” ([FMPRC](#), July 17). This shows again that Beijing has been using the 16+1 forum as a balancing tool and now wants to use countries in CEE that are more sympathetic to China to amplify its narratives and improve its relations with the EU, which had been significantly constrained by the China-Russia back-to-back (背靠背, *kao bei kao*) partnership against the backdrop of the war in Ukraine.

In recent months, apart from the talks with Polish authorities, possibly the only two examples of bringing the 16+1 platform into official communication by the Chinese side can be found in Xi's congratulatory telegrams to the newly elected presidents of Hungary and Albania, Katalin Novák and Bajram Begaj, respectively. In the

former case, the Chinese readout mentioned “China-CEE cooperation” as one of the frameworks in which China and Hungary had implemented their strategic partnership ([FMPRC](#), May 10), while in the latter, “China-CEE cooperation” was brought up together with the Belt and Road Initiative (BRI) as a platform facilitating political trust and strengthening political communication between China and Albania ([Gov.cn](#), July 24). Despite these examples, the 16+1 format is clearly put on the back burner for the sake of China-EU ties. When attending (online) the opening ceremony of the Chinese-built, EU-funded Pelješac Bridge in Croatia, Prime Minister Li Keqiang inferred that it “demonstrates China-Europe cooperation”, without a single reference to the “China-CEE” format ([People’s Daily](#), July 28). However, in other contexts, China regularly advertises the bridge as one of the flagship projects of the 16+1 format.

What is Next for China-CEE Summitry?

The erosion of the 16+1 summitry and the increasing lack of interest among the majority of CEE countries in cooperating with China under the multilateral umbrella has been something of a trend for the past several years; 2018 was the first time it was publicly speculated about the possible phasing-out of the 16+1 summits ([The Diplomat](#), July 13, 2018). Yet, quite unexpectedly, at the 2019 summit in Croatia, the format expanded to include a debt-stricken Greece, which demonstrated that what China has to offer to semi-peripheral areas of Europe remains attractive ([The State Council of the PRC](#), April 14, 2019; [Gov.cn](#), April 13, 2019). However, this soon turned out to be an “escape forward” strategy. In 2020, the China-CEE annual summit did not take place for the first time, officially under the pretext of the pandemic with the latest summit held virtually in 2021 ([Xinhuanet](#), February 9, 2021). Notably, the 2021 summit was hosted personally by President Xi Jinping for the first time instead of Prime Minister Li Keqiang, who had presided over previous summits. Despite China’s efforts to increase the prestige of the meeting, over a third of the countries downgraded their diplomatic representation and did not send their leaders to the summit. In Beijing, this was interpreted as a severe loss of face and tangible proof that relational ties with CEE have been substantially weakened. Later the same year, Greece refused China’s invitation to organize the next summit, citing a “lack of organizational experience” ([Twitter](#), March 17, 2021).

A 2022 16+1 summit is unlikely, and future summits also remain in doubt, especially at the highest political level. Furthermore, future departures by CEE countries from the 16+1 cannot be ruled out. After Lithuania decided to leave the format, other countries, such as Estonia and more recently the Czech Republic, have started to openly signal their willingness to exit the 16+1 format; if not formally, then by either not attending 16+1 sectoral meetings, or downgrading their respective representations at any future summits. Either way, the 16+1 forum, as it stands, is effectively dead. Ten years after its inception, the dialogue mechanism is in deep crisis, and there is little likelihood that a 17 leader summit will be organized in the foreseeable future. This does not mean the end for the China-led platform, but rather that it has, for the moment, been put on the backburner.

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Notes

[1] See for example- Dominik Mierzejewski, Bartosz Kowalski & Jarosław Jura (2022) The Domestic Mechanisms of China's Vertical Multilateralism: The FOCAC and the 16+1 Format Case Studies, Journal of Contemporary China, DOI: 10.1080/10670564.2022.2109842