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**China's Floods and Party Priorities**

*by Arran Hope*



(Image: flood relief efforts in Zhuozhou, Hebei, **Source:** China News Service)

**Introduction**

Typhoon Doksuri (杜苏芮) crashed onto the Chinese mainland over Fujian Province on Friday July 28. From there it pushed northward, where a constellation of meteorological factors led it to slow down over North China, where it unleashed huge volumes of rain over the Beijing-Tianjin-Hebei region. Over 1600 weather stations in Hebei Province, which surrounds Beijing, recorded rainfall in excess of 250 mm across a 72 hour period, with one station in Xingtai City recording a maximum of over 1003 mm. Beijing saw the highest rainfall since its meteorological records began in 1860 ([Xinhua](#), August 9).

The storm was the proximate cause for severe flooding. Already by Tuesday, August 1, state media was reporting that 20 people had been killed in the floods, and 127,000 had already been evacuated from the capital ([Global Times](#), August 1). However, the full-scale of the human impact is unlikely to be clarified by the government any time soon: much information

about the floods has already been censored or deleted from China's internet, and official statistics, when they have been released, are almost certainly underplaying the costs. [1] Perhaps most unhelpfully, the website for China's Ministry of Water Resources, has been inaccessible all week ([水利部](#), Ministry of Water Resources).

Nevertheless, drawing on the information that has been forthcoming from China's central and regional governments, as well as firsthand accounts posting on Chinese social media and Twitter (X), we can make a preliminary assessment of the potential political and economic consequences of this event.

### **Mismanagement**

In the immediate emergency response to the floods, it quickly became apparent that the protocols in place were not adequate to the task, and that a lack of leadership stymied the speed, and therefore the effectiveness, of the relief efforts. This was abundantly clear from the principal state media outlets, which were slow to report the news as events unfolded: Only on Saturday, August 5, did the People's Daily mention the floods on its front page ([People's Daily](#), August 6). As of Friday August 18, President Xi Jinping (习近平) is yet to reappear in public, and only issued a statement demanding an "all-out search and rescue effort" on the fifth day of Typhoon Doksuri's arrival ([China Meteorological Administration](#), August 1). This has been paralleled by laments online that Party Secretaries in some of the hardest-hit areas, such as Zhuozhou (涿州), did not appear in public, with locals receiving minimal guidance or assistance from official channels ([Twitter](#), August 5). To compound matters, it appears that several private rescue missions were delayed from entering Zhuozhou because of paperwork issues ([The Paper](#), August 5). When citizens have come to municipal buildings to protest or seek compensation, they have been documented being met aggressively by riot police. In one instance in Bazhou (霸州), police threw chili water into the eyes and faces of protesters ([Twitter](#), August 8).

The apparent Neronian indifference of China's leader—which many have contrasted unfavorably with the actions of former leader Jiang Zemin in response to floods in 1998 ([China News](#), July 24, 2021)—have led some to articulate their grievances towards the government ([Twitter](#), August 5).

### **The Xiong'an Question**

A sympathetic interpretation of events would point to the fact that this natural disaster was anomalous in its severity, and was unleashed on a portion of the North China Plain which has been prone to flooding for centuries: witness Mao Zedong taking the train down to inspect the flood situation in Hebei in 1963: [Handan City Culture Website](#). However, it has not escaped notice that one of Xi Jinping's pet projects, the Xiong'an New District (雄安新区), is likely part of the story and may be related to Xi's ongoing absence.

Xiong'an, a "techno-utopian" city conceived of as an ideological representation of Xi's new era, has been under construction on Hebei's wetlands since the project was initiated in 2017 ([Central Government](#), April 20, 2018). As authorities noted on August 1, the city is vulnerable to extreme weather ([Central Meteorological Administration](#), August 1). Back in 2017, honorary chairman of the Chinese Academy of Engineering Xu Kuangdi (徐匡迪), gave a speech in which he noted that

“General Secretary Xi Jinping once profoundly pointed out during his research in Xiong’an that ‘the planning and construction of [Xiong’an is an] historic choice, a millennium plan and a major national event.’ He went on to note that the reason the area was sparsely populated was because it was on “the lowest terrain in the North China Plain,” and that flood risk meant development was prohibited for decades. Xu speculates, “People may wonder if there will be further flooding in this floodplain in the future?” but dismisses the notion as unlikely ([Zhidao News](#), June 8, 2017).

In the recent floods, it appears that Xi Jinping’s ideologically-driven project emerged unscathed relative to surrounding areas. However, questions are being asked about distorted political priorities given that Xiong’an’s elevation—which is below that of cities such as Zhuozhou that have been devastated—should have seen it affected at least as severely. Ni Yuefeng (倪岳峰), the leading Party official in Hebei, stated that Xiong’an represented “the top priority of flood control in our province” ([Xiong’an Government](#), August 11), and argued for cities in the province to “resolutely play a good role of moat for the capital.” ([rfi China](#), August 4). Meanwhile, the Ministry of Water Resources has said that residents located in flood retention areas have put the collective interest before their own ([The Paper](#), August 2), and the vice dean of the college of water sciences at Beijing Normal University is quoted as saying that China’s flood control system must consider the overall balance of interest in order to minimize the damage caused by floods ([Sixth Tone](#), August 4).

### **Downstream Impacts**

The first hurdle for the government will be the financial blow. Various government departments have announced funds. Most recently, the Ministry of Finance and the Ministry of Emergency Management earmarked an additional 350 million RMB (\$50 million) to assist flood-hit regions, bringing the total to 520 million RMB (over \$71 million); the State-owned Assets Supervision and Administration Commission (SASAC) has also “mobilized central enterprises to support emergency rescue and relief efforts,” including helping relocate displaced persons, fix electricity and provide emergency food and water to flood victims. Private companies too, such as Alibaba, have donated considerable sums ([163.com](#), August 3). This financial support will no doubt be welcome, coming at a time when local governments are severely distressed (though Hebei is in a safer position than most). However, the longer-term climate impacts on the region will now need to be considered more carefully. In July, the government released a Blue Book on Climate Change in China for 2023 ([China Meteorological Administration](#), July 9), which noted that rainfall has increased by an average of 4.2% every 10 years between 1961 and 2022. Events like Typhoon Doksuri are only likely to increase in frequency, and thus the public funds available for preparation, mitigation, and disaster relief will need to reflect this.

A corollary of such an increase is the potential effect on food security. This was highlighted in May 2022 in the government’s National Climate Change Adaptation Strategy 2035, which called for greater efforts to ensure food security and mitigate supply chain risks, among other demands ([Ministry of Ecology and Environment](#), May 2022). It is even something that was alluded to on the CCTV evening news on August 7 ([China Story](#), August 7), where images of flooded fields suggest that there may be an impact on the autumn harvest this year. Already prices for medium grain rice have increased slightly due to the floods, as much of the farmland in the northeast of the country is dedicated to growing this cereal ([Dim Sums](#), August 15). As such, China’s reliance on American and other countries’ food exports is set to continue.

In terms of China's economy more broadly, the plight of hundreds of thousands of people who will be largely unable to contribute to the consumption-based growth that the central authorities are pushing for is not an insignificant problem: On the contrary, recent experiences will likely emphasize the need to save for another rainy day. While compensation, insurance claims, and resettlement plans are in the process of being implemented, they will inevitably take time: A senior Hebei water resources official told China Central Television (CCTV) that it would take up to a month for the floodwaters to subside from land in the zones that had already been inundated ([SCMP](#), August 3). The timeline for reconstruction, let alone the rebuilding of the lives of ordinary citizens, will take much longer.

### **Conclusion**

The impact of Typhoon Doksuri in the first half of August has been significant, and the full effects are yet to run their course. The most problems for the regime center on questions of legitimacy. The public absence of Xi Jinping, whose discourses on management of water resources were just published in July, and who state media laud as having been “personally involved in the planning, arrangement and advancement of the cause of managing water resources in the country” ([Xinhua](#), July 18), is one such glaring issue. Coupled with the recent disappearance of foreign minister Qin Gang (秦刚), whose ascendance was widely attributed to Xi, the Chinese President's commitment to Xiong'an, apparently to the detriment of cities with higher populations, adds to Xi's domestic problems. Similarly, the economic effects, both in terms of the billions of dollars worth of damages to property and infrastructure, as well as the looming damages to the rice harvest, come at a time when there is growing unease and unrest about China's ability to provide food and jobs for its people in line with its stated priorities ([China Daily](#), February 13).

However, analysts and commentators must be cautious before overinterpreting these events. In the context of the last year, the popular anger against the state's latent response does not compare to that seen following the collapse of China's Zero COVID policies, most vividly expressed in the “white paper protests” of December 2022. Moreover, the victims in this case are a much smaller subset of the total population, and will now have more immediate priorities than finding the energy to oppose their government. China's helmsman has faced choppy waters in the past, and will almost certainly face more in the future.

*Arran Hope is the editor of China Brief. He was previously a reporter for The China Project, and holds degrees in Chinese Studies from the University of Cambridge and Columbia University.*

### **Notes**

[1] the Chinese government's lack of transparency when it comes to releasing unsavory statistical evidence has worsened during Xi Jinping's time in office. Most recently, China's youth unemployment figures for July were withheld on Monday ([Yicai](#), August 15).

**Xi's Mismanagement Fuels Political Scandals and Exacerbates Economic Woes**

*By Willy Wo-Lap Lam*



(Image: Qin Gang, China's foreign minister who has recently disappeared, Source: UDN Global)

**Introduction**

After emerging as China's "leader for life" and filling top party organs such as the Chinese Communist Party (CCP) Central Committee and the Politburo with members of his own faction, paramount leader Xi Jinping has been relentlessly buffeted by what he refers to as "high waves and dangerous winds" in his effort to keep the ship of state afloat ([Radio Free Asia](#), May 30). However, whether the supreme leader and his newly minted Politburo can acquit themselves of handling these challenges remains dubious.

Despite his lack of formal education and training in subjects such as public policy and political economy, Xi likes to lay down rules for efficient governance. In his 11 years in office, the paramount leader has published a few dozen books on different aspects of administration, economic development, and foreign policy. His most famous tome, *The Governance of China* (习近平治国理政) was translated into a dozen-odd foreign languages and sold a few million copies ([SCIO.Gov.cn](#), July 6). In late July, the Water Resources Ministry published a book entitled *On Studying and Implementing the Important Discourses on the Management of*

*Water Resources* by Xi Jinping ([People's Daily](#), July 31; [Gov.cn](#), July 18). This latest book by Xi proved particularly embarrassing, given widespread complaints that the paramount leader had totally mishandled the deluge in Beijing, Tianjin, and Hebei province.

### **Mismanagement of China's Flooding Disaster**

The horrendous rain and flooding that have hit Hebei Province, which resulted in the displacement of some 1 million people and the death of at least 30, has again illustrated the questionable governance ability of the Xi Jinping administration. Damages caused by the downpours which started on July 31—said to be the most severe in 140 years—were exacerbated by the unannounced lifting of the floodgates in reservoirs and spillways close to the capital Beijing, and the major industrialized city of Tianjin, so as to minimize the inundation in these megacities ([BBC Chinese](#), August 12; [Wenweipo.com](#) [Hong Kong], August 3). Party Secretary of Hebei, Ni Yuefeng (倪岳峰) was heavily criticized on social media for saying that he would do everything to reduce “the pressure on Beijing’s flood control and [to] resolutely build a ‘moat’ for the capital.” In other words, tens of millions of citizens living close to Beijing and Tianjin have to suffer damages in order to save the two political and economic centers ([Voice of America](#), August 5; [Singtao Daily](#) [Hong Kong], August 3).

While rescue teams from official units were slow to come to the scene, relief expeditions formed by volunteers in neighboring cities and towns were prevented from entering worst-hit zones because they lacked the requisite documentation and approval from officials in Hebei, Beijing, and Tianjin. And Xi—who is General Secretary of the CCP and commander-in-chief—has neither visited the sites of devastation nor spelled out measures to help flood victims re-establish their livelihoods. He has instead gone to the nearby seaside resort of Beidaihe to chair a series of informal policy-making sessions with other Politburo members and top advisors ([Australian Broadcasting Corp Chinese](#), August 10; [Radio Free Asia](#), August 4).

The supreme leader’s apparent lack of concern for the fate of ordinary Chinese—as well as the total lack of transparency of the government’s measures in combatting the flooding—has been compared to the “party core’s” much-criticized handling of the COVID-19 pandemic from 2020 to 2022. There was no consultation with the public regarding the imposition of draconian lockdown measures; nor were there effective means to help residents left in locked-down cities secure food or medicine. The announcement of the lifting of all anti-pandemic measures on December 7 also caught the nation by surprise ([Wall Street Journal Chinese](#), January 23; [Deutsche Welle Chinese](#), December 26, 2022).

### **The Disappearance of Qin Gang and Dismissal of PLARF Commander**

The flooding disaster came upon the heels of two international scandals: the mysterious “disappearance” of foreign minister Qin Gang, 59, and his sudden replacement by his predecessor Wang Yi, who had already been promoted to the position of Politburo member in charge of diplomacy. Qin was a well-known Xi protégé who owed his meteoric rise to Xi’s backing; his so-far-unexplained downfall reflects poorly on Xi’s judgment. Moreover, the Ministry of Foreign Affairs (MOFA) has in the past decade become famous for bureaucratic

warfare among senior cadres. Wang Yi and Xie Feng, the current ministerial-level ambassador to the US, did not see eye to eye with Qin ([Radio Free Asia](#), August 2; [Deutsche Welle Chinese](#), July 27). The Xi leadership has been unable to stop the internecine bickering among top MOFA officials, which has an adverse impact on China's diplomatic activities.

There was also speculation that Qin's girlfriend Fu Xiaotian, a news icon at Phoenix TV, is a double agent for both China and the US, and that due to their intimate relations, some of the secrets leaked to American intelligence units could have come from Qin. Another theory is that Qin's disgrace had to do with his failure to prevent—or to report to Beijing immediately—the fact that the son of the now-dismissed Commander of the People's Liberation Army Rocket Forces (PLARF) Li Yuchao (李玉超) had leaked secrets regarding the PLARF to American authorities ([Asia Sentinel](#), July 30; [Asiainancial.com](#), July 18).

The thoroughgoing purge now transpiring within the PLARF—a military branch in charge of missiles and other sophisticated intercontinental weapons—was instigated by Xi in late 2015. And despite Xi's repeated emphasis on the party's "absolute leadership" over the army, quite a high proportion of PLA officers remain corrupt, disloyal to the party (and to Xi), and vulnerable to infiltration by foreign intelligence ([Singtao Newspaper](#), August 10; [RFI](#), August 10). The PLARF commander General Li Yuchao and several of his deputies were removed in June. On July 31, Xi appointed two protégés, the deputy commander of the Navy General Wang Houbin (王厚斌) as PLARF Commander and Xu Xisheng (徐西盛), an Air Force veteran, was made Political Commissar of the force. The trouble is that General Wang is a navy veteran whose knowledge about missiles—a very technical subject—is likely limited. The same could be said for Political Commissar Xu Xisheng, who spent the bulk of his career in the Air Force ([RFI](#), August 3; [Deutsche Welle Chinese](#), August 3). It seems that when considering these two appointments, the topmost consideration for Xi was loyalty to himself rather than professional competence. Moreover, neither civilian nor military anti-corruption and anti-espionage units have divulged any information about the mistakes made by General Li Yuchao and his subordinates.

The scandals surrounding former foreign minister Qin Gang and almost the entire top echelon of the PLARF have prompted the CCP administration to come up with extraordinary countermeasures. Firstly, based on the recent promulgation of the Anti-Espionage Law, the party and government have issued repeated appeals to all Chinese to uncover and report suspected cases of espionage, especially among Chinese scientists, journalists and other professionals who have regular contacts with foreigners. Chinese anti-spy agencies, including the Ministry of State Security, are willing to pay 100,000 RMB for a good tip-off ([ABC17news.com](#), August 2; [Visiontimes.com](#), August 2). Secondly, the Central Commission for Discipline Inspection and the Ministry of Public Security have issued a circular asking ordinary citizens to report cases of corruption, particularly regarding the manufacture and procurement of military equipment. For example, given the rapid pace of military modernization, the PLA and other R&D units are big buyers of equipment, ranging from whole machineries and operation systems to electronic and IT components ([Linzi.gov.cn](#), August 1; [Standard.com.hk](#), July 23). It is possible that cadres of the PLARF under investigation might have benefited from kickbacks during the procurement of military equipment.

Reports of severe corruption within a PLA division created by Xi, combined with the unexplained disappearance of Qin, raises serious questions regarding Xi's administrative abilities. Xi is often characterized as a Mao-like strongman surrounded by sycophantic minions. It is well-known among both international and Chinese observers that while Xi is famous for laying down grand schemes such as “the great rejuvenation of the Chinese nation” and the Belt and Road Initiative, he knows little about the nitty-gritty details of basic governance.

### **Administrative Dysfunction**

There is also the question of serious administrative overlap and lack of clear-cut differentiation between the functions of party and government. For example, the authority of the State Council (China's cabinet) and Prime Minister Li Qiang—whose major responsibility is looking after the economy—is undercut by the CCP Central Finance and Economic Commission (中共中央财经委员会) the Central Finance Work Commission (中共中央金融工作委员会), and the CCP Central Commission for Comprehensively Deepening Reforms (中共中央全面深化改革委员会) ([Ta Kung Pao](#) [Hong Kong] March 17; [Deutsche Welle Chinese](#), February 27).

The same is true for the testy relationship between the CCP's Central Commission for Foreign Affairs (中共中央外事委员会) which has topmost policy-decision powers and the Ministry of Foreign Affairs, a central Government unit that basically has policy-implementation function.

Since becoming foreign minister in March this year, Qin has failed to demonstrate his acumen, judgment, or policy-making abilities. Xi is said to be dissatisfied with Qin's failure to mend fences with major European countries or to drive a wedge between the US and the EU, which are among the most important PRC diplomatic goals. Earlier this month, both the EU headquarters and the German government issued policy statements emphasizing the “systemic” differences between Europe and the PRC ([Al Jazeera](#), July 13; [European Council](#), June 30). The announcements also heavily criticized China's policies in Xinjiang, Tibet, and Hong Kong as well as Beijing's unilateral efforts to change the status quo across the Taiwan Strait. Moreover, Italy suddenly indicated it wanted to withdraw from China's flagship Belt and Road Initiative (BRI). Previously, Rome's agreement with China regarding the BRI was one of the few success stories Qin had to his name ([Foreign Policy](#), August 4).

### **Mismanagement of China's Faltering Economy**

Xi's dubious policy-making skills have also affected the economy, which was recently described by President Joe Biden as a “ticking time bomb” ([Al Jazeera](#), August 12). Having been in office since 2012, Xi has not changed the basic structure of the economy, that is, it relies mainly on the “three vehicles” of exports, consumer spending, and government input (especially in infrastructure and real-estate). In June this year, exports slumped 12.4 percent year on year. Consumption is also down due to the fact that average households are laden with debt; moreover, the unemployment rate among Chinese youth has exceeded 20 percent ([Caixin](#),

August 9; [VOA Chinese.com](https://www.voachinese.com), August 8). According to non-official projections by PRC academics, the jobless rate among the critical 16 to 25 age range might be more than twice the reported government figures ([Radio Free Asia](https://www.radiofreeasia.org), July 20; [RFI](https://www.rfi.com), July 19). Whereas real household consumption makes up 53 percent of Japan's GDP and 70 percent in the US, in China the figure in 2021 was just 40 percent ([Asia.Nikkei.com](https://asia.nikkei.com), July 3). Even members of the country's middle class have cut down on spending so as to reserve money for paying mortgages as well as interests on loans they have borrowed from banks or from the black market. In early 2023, China's household debt amounted to 63.3 percent of the GDP ([IMF](https://www.imf.org), accessed August 14; [Tradingeconomics.com](https://www.tradingeconomics.com), accessed August 14).

The government has limited resources to embark on spending on infrastructure projects such as building high-speed railways and new airports. This is despite the fact that unlike in the US or Europe, the People's Bank of China has cut—not increased—the lending rate. Most state-owned enterprises or private-sector conglomerates are overleveraged and whatever funds they can come by are only sufficient to pay interest ([Cnstock.com](https://www.cnstock.com), June 22; [Cinda Securities](https://www.cinda.com), June 14).

Given unmistakable signs that China's economy had failed to return to normal growth rates in the wake of the lifting of pandemic-related lockdowns last December, doubts have also increased about the party-state's economic policymaking. This was evidenced by the apparently self-contradictory policy of asking multinationals to boost their investments in China on the one hand, coupled with the promulgation of new regulations geared towards combatting alleged espionage workers in foreign firms specializing in auditing and due diligence on the other ([The Diplomat](https://www.thediplomat.com), May 22; [Al Jazeera](https://www.aljazeera.com), May 10).

There are signs that the Xi administration is trying to revive non-state sector firms to bolster economic expansion. Last month, the State Council unveiled 31 measures to help the non-state sector grow “bigger, better, and stronger.” At about the same time, regulatory authorities indicated that investigations into quasi-private IT giants such as Alibaba, Ant, and Tencent had come to an end. While details of the 31 favorable policies have yet to be announced, they are meant to enhance private firms' capacity in the areas of market entry, fair competition, financing support, payment defaults, intellectual property rights, and legal protection. Moreover, a “negative list of market-intervention behaviors” would be publicized in an effort to prevent regulators from interfering in the workings of the marketplace ([SCMP](https://www.scmp.com), August 9; [Global Times](https://www.globaltimes.com), July 19).

### **Conclusion**

While the about-turn in the Xi leadership's policy toward the non-state sector has won high praise from private-sector leaders such as Pony Ma and Wang Jianlin, private entrepreneurs are still waiting for practical and concrete measures such as concessionary interest rates from state banks, more leverage in handling foreign exchange, and official help in the restructuring of loans that many private enterprises, particularly those in the property sector, have racked up in the past three years ([News.cnfol.com](https://www.news.cnfol.com), August 11; [Sohu.com](https://www.sohu.com), July 22). Moreover, according to veteran China economist and advisor to the State Council Zheng Yongnian (郑永年),

a substantial portion of non-state companies have chosen to “lie flat” (躺平), that is, stop putting in funds for expansion plans. Other dissatisfied private firms have even moved abroad ([Lianhe Zaobao](#), April 6).

Given unmistakable signs that China’s economy had failed to return to normal growth rates in the wake of the lifting of pandemic-related lockdowns last December, misgivings have increased about the party-state’s ability to run the economy. As is often the case with Beijing’s attitude toward foreign capital and foreign firms, much hinges on whether paramount leader Xi is willing to tamp down his ideological obsessions about socialist political correctness so as to give free-market elements—including private and foreign capital—more room to maneuver.

*Dr. Willy Wo-Lap Lam is a Senior Fellow at The Jamestown Foundation, and a regular contributor to China Brief. He is an Adjunct Professor at the Center for China Studies, the History Department, and the Master’s Program in Global Political Economy at the Chinese University of Hong Kong. He is the author of six books on China, including *Chinese Politics in the Era of Xi Jinping* (2015). His latest book, *Xi Jinping: The Hidden Agendas of China’s Ruler for Life*, was released by Routledge Publishing in August 2023.*

The PRC's "One Family" Concept and Taiwanese Views of a Cross-Strait Familial Bond

By Kristian McGuire



(Image: KMT presidential candidate Hou You-ih referred to the "one family concept" in a speech in June, Source: Up Media)

### Introduction

The concept that both sides of the Taiwan Strait belong to "one family" (兩岸一家人 or 兩岸一家親), an idea promoted by China's top leadership, has failed to gain popularity in Taiwan. Even members of the Kuomintang (KMT, 國民黨)—Taiwan's main opposition party that supports greater engagement with China—have been reluctant to wholeheartedly endorse the concept ([China Daily](#), November 7, 2015). Wary of the implications inherent in Beijing's description of cross-Strait relations but open to meeting the Chinese leadership halfway, some Taiwanese politicians have put forward their own ideas about a familial relationship between Taiwan and China ([Focus Taiwan](#), April 23). Politicians spanning various ideological backgrounds have alluded to their respective party's interpretation of the "one family" concept. Notable individuals include the three frontrunners of Taiwan's upcoming 2024 election: the Democratic Progressive Party's (DPP, 民主

進步黨) presidential nominee Lai Ching-te (賴清德, William Lai), the KMT candidate Hou You-ih (侯友宜), and Ko Wen-je (柯文哲) of the Taiwan People's Party (TPP, 台灣民眾黨). As no official consensus on how to view cross-Strait relations has formed in Taiwan, Taipei remains in a weak position to engage with Beijing on the basis of a “one family” framework.

### **Origin of the “One Family” Concept**

China’s “one family” concept has been around for decades, but it has acquired much greater significance under the leadership of Xi Jinping (習近平) who has championed the idea since he came to power.

According to a 1993 Chinese white paper on Taiwan, the concept dates at least as far back as 1956 when the People's Republic of China's (PRC) founding leader, Mao Zedong (毛澤東), speaking of cross-Strait relations, said “all patriots are of one family” and “it is never too late to join the rank of patriots” ([China.org.cn](http://China.org.cn), August 1993). Notably, a landmark policy statement on Taiwan adopted by the Standing Committee of China's Fifth National People's Congress in December 1978, claims that Beijing's position “has always been that all patriots belong to one family” ([China.org.cn](http://China.org.cn), January 1, 1979).

During a historic trip to China in May 2005, James Soong (宋楚瑜), chairman of Taiwan's People First Party (親民黨), declared that “brothers on both side of the [Taiwan] Strait belong to one family” ([Taipei Times](http://Taipei Times), May 7, 2005). Days later, Zeng Qinghong (曾慶紅), a member of the Politburo Standing Committee of the Chinese Communist Party, echoed Song's remarks while meeting with the Taiwanese politician ([China Daily](http://China Daily), May 12, 2005). It was an early indication that the “one family” concept might evolve from a political platitude into a real framework for cross-Strait engagement similar to the so-called “1992 Consensus”(九二共識) that was then being worked out between Beijing and the KMT ([Taipei Times](http://Taipei Times), April 30, 2005).

However, the “one family” concept never gained traction. Instead, when the KMT returned to power with the election of Ma Ying-jeou (馬英九) in 2008, rapprochement between Taipei and Beijing occurred solely on the basis of the “1992 Consensus.”

In 2013, not long after assuming the highest offices in the Chinese party-state system, Xi Jinping and his administration began signaling that they wanted to turn the idea of “one family” on both sides of the Taiwan Strait into something substantive ([People's Daily](http://People's Daily), April 8, 2013; [Embassy of the PRC in the U.S. website](http://Embassy of the PRC in the U.S. website), June 13, 2013). But Ma, his political party, and Taiwan's political class at large were all hesitant to support it.

At the tail end of Ma's presidency when he and Xi held an unprecedented face-to-face meeting in Singapore, Xi professed his belief in the “one family” concept, but Ma did not reciprocate ([China Daily](http://China Daily); [Office of the](http://Office of the)

[President](#), November 7, 2015). Nor did Ma join his host Song Tao (宋涛), head of China's Taiwan Affairs Office, in describing people on both sides of the Taiwan Strait as part of "one family" during his high-profile post-presidential trip to China this March ([People's Daily](#), March 31).

### **Implications of Beijing's "One Family" Concept**

To date, few Taiwanese politicians have signed on to Beijing's "one family" concept. And there are good reasons why even those who support stronger cross-Strait ties might want to side-step the issue. For one, informed observers have pointed out that Beijing associates the idea of "one family" with its goals of eroding the sense of a separate identity in Taiwan and pushing the island towards unification with the PRC—objectives with vanishingly little support among the Taiwanese populace ([Comparative Connections](#), May 2013; [Election Study Center, National Chengchi University](#), July 12).

As a matter of fact, the "one family" concept has all the hallmarks of a United Front strategy whereby China allies itself with sympathetic elements of Taiwanese society to advance Beijing's political agenda, irrespective of the preferences of Taiwan's democratically elected leadership. Unlike the "1992 Consensus"—which is the product of negotiations between the KMT and the PRC created for the purpose of engagement between authorities on both sides of the Taiwan Strait—"one family" is Beijing's own creation meant to serve the PRC's interests; it is not dependent on buy-in from politicians in Taiwan. Beijing has been more than happy to use the concept to boost cross-Strait people-to-people exchanges while at the same time refusing to engage with Taipei since Taiwan's current president, Tsai Ing-wen (蔡英文) of the DPP, took office in 2016 ([CGTN](#), February 5; [New York Times](#), June 25, 2016).

From its earliest iterations to the present, the "one family" concept has been linked to Beijing's plans for integrating Taiwan with China socially and economically, greasing the wheels for eventual political unification ([Xinhua](#), August 10, 2022). Since 2018, the Chinese leadership has promoted a slew of preferential policies for Taiwanese citizens who study, work, or live in China, citing the "one family" framework ([China Daily](#), June 7, 2018). Taiwan's Mainland Affairs Council has warned that these policies pose a national security risk and are aimed at absorbing Taiwan economically ([Taipei Times](#), September 7, 2018; [Mainland Affairs Council](#), February 27, 2019). The government body has made similar assessments regarding the PRC's cross-Strait youth exchanges that are publicized with the "one family" slogan. Taiwan's Mainland Affairs Council has labeled these exchange programs as politically motivated and "nothing but propaganda to poach talent to fill capability gaps in its economy" ([Taipei Times](#), June 13, 2022).

Xi Jinping and other Chinese officials have shown that they intend for the "one family" concept to bolster Beijing's One-China Principle (一个中国原则). The ultimate goal of Xi's Taiwan policy, in the words of one China scholar, is to "box Taiwan in for eventual reunification." [1]

Beijing's vision of "one family" blurs the lines of Taiwan's sovereignty even more so than the "1992 Consensus." Although the "1992 Consensus" implicitly accepts Beijing's position that Taiwan is part of China, it tacitly allows the KMT and Beijing to agree to disagree on the definition of "China;" the KMT is thus able to maintain its position that "China" refers to the Republic of China (ROC, Taiwan's official name) and Beijing is able to insist that "China" refers to the PRC. [2]

In contrast, the "one family" concept reinforces Beijing's claim that cross-Strait issues are unambiguously "domestic affairs," which, therefore, "should naturally be discussed and resolved by family members" ([Taiwan Work Office](#), April 12, 2019). Chinese officials are careful to mention that Taiwanese authorities would be treated as equal to their PRC counterparts in such family discussions. But Beijing makes clear that the ultimate aim of these talks would be to "resolve political antagonism" between the two sides so that Taiwan can finally be incorporated into the PRC ([Taiwan Work Office](#), April 12, 2019).

China has indicated that its idea of "one family" implies certain obligations and constraints for Taiwan that Taipei does not accept. For example, Beijing has alluded to the "one family" concept while making the case that it would be wrong for anyone in Taiwan to impede economic integration with the PRC ([Consulate General of the PRC in New York](#), April 17, 2014). When Xi Jinping was the vice president of China, he pushed for the conclusion of the monumental Economic Cooperation Framework Agreement between Beijing and Taipei by referencing the "one family" concept and arguing that the PRC's economy and the ROC's economy both belong to the "Chinese economy" ([China.org.cn](#), April 11, 2010).

Chinese officials have likewise invoked the idea of "one family" to denounce Taipei for holding up a proposed project that would provide electricity to ROC-controlled offshore islands from the PRC's nearby Fujian province (福建省) ([Taiwan Work Office](#), January 26, 2022), and for refusing COVID-19 vaccines from the PRC ([Taiwan Work Office](#), May 26, 2021). In June 2022, Ma Xiaoguang (马晓光), spokesman of the PRC's Taiwan Affairs Office, referred to "one family" to chastise KMT Chairman Eric Chu Li-luan (朱立倫) over comments he made about cross-Strait relations at a think tank event in Washington, D.C. ([Taiwan Work Office](#), June 9, 2022). According to Chinese party-state media, Ma "noted that Taiwan is part of China, and cross-Strait affairs are family affairs, which should be negotiated within the family, not by outsiders" ([Global Times](#), June 9, 2022).

### **"One Family" Concept in Taiwanese Politics**

Taiwanese politicians have generally avoided rejecting outright a familial view of cross-Strait relations that might help ease tensions between Beijing and Taipei and benefit people on both sides of the Taiwan Strait ([Taipei Times](#), June 22, 2016). A few figures, including Han Kuo-yu (韓國瑜), the KMT's 2020 presidential candidate, and Ko Wen-je, the TPP's 2024 presidential candidate, have seemingly expressed support for Beijing's "one family" concept ([NPR.org](#), December 1, 2019; [Taipei Times](#), August 19, 2015). But Han has faded from the political scene since losing the 2020 presidential election and being removed from his post as

mayor of Kaohsiung after losing a recall vote ([Taipei Times](#), June 7, 2020). Ko has gone back and forth on the “one family” issue—he has even claimed that Han’s characterization of cross-Strait relations went too far ([Taipei Times](#), May 10, 2018; [Taipei Times](#), February 14, 2019).

The Tsai administration, along with other prominent DPP politicians, have argued that China’s use of economic coercion and military pressure against Taiwan are inconsistent with a harmonious familial bond ([ROC Ministry of Foreign Affairs](#), May 26, 2018; [Radio Taiwan International](#), July 2, 2018). Nevertheless, the DPP has a history of proposing its own iteration of the “one family” concept. Just prior to taking office in May 2000, Chen Shui-bian (陳水扁), Taiwan’s first DPP president, described the people of Taiwan and China as being of “one family” and said that the cross-Strait relationship should be a “sibling relationship” (兄弟姐妹關係) not a “father-son relationship” (父子關係) ([BBC](#); [CTS News](#), May 17, 2000). Koo Kwang-ming (辜寬敏)—a former senior advisor to presidents Chen and Tsai—held that as long as Beijing recognized Taiwan’s national identity and assisted it in joining the United Nations, Taiwan and China could call each other “brother countries” (兄弟之邦) ([Liberty Times](#), December 15, 2006; [Taipei Times](#), November 12, 2012). Speaking at the memorial service for the recently deceased Koo on April 23, Vice President Lai Ching-te repeated Koo’s proposal that Taiwan and China could coexist as “a federation of brothers” if the PRC is willing to recognize Taiwanese autonomy ([Focus Taiwan](#), April 23).

### **Conclusion**

Over the years, President Tsai has called for forming a “Taiwan Consensus” on cross-Strait relations that reflects popular opinion in Taiwan prior to engaging Beijing to form a cross-Strait consensus ([New York Times](#), January 5, 2012). The Taiwanese leader has pointed out that there is widespread agreement in Taiwan on such things as rejecting Beijing’s “one country, two systems” (一国两制) proposal, and maintaining the cross-Strait status quo—even if there are different understandings of precisely what the status quo is ([ROC Office of the President](#), January 2, 2019; [Taipei Times](#), August 24, 2011). Such a domestic consensus, proponents argue, would put Taiwan in a stronger position to negotiate with the PRC ([Brookings](#), January 24, 2013).

Nonetheless, KMT presidential candidate Hou You-ih has recently been flirting with Beijing’s “one family” concept to appeal to the KMT’s “deep blue” base ([United Daily News](#), May 10; [United Daily News](#), June 23). As it stands, it appears that Taiwan’s leading presidential candidates appear more interested in differentiating themselves from their opponents on cross-Strait policy rather than reaching any consensus.

*Kristian McGuire is an independent, Washington D.C.-based research analyst and former nonresident senior fellow and associate editor of Taiwan Security Research. His main research interests include U.S.–Taiwan relations, cross-Strait relations, and East Asian regional security. His work has appeared in The Diplomat,*

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*Newsweek, The Interpreter, Asia Times, E-International Relations, and TSR Weekly Report. You can reach him at kristianmcguire@gmail.com and follow him on Twitter @KrisAMcGuire.*

**Editor's Note:** *China Brief* typically uses simplified characters for Chinese script. However, as this article largely uses sources from Taiwanese media, the traditional characters used in the original context have been retained.

### **Notes**

[1] Jing Huang, "13. Xi Jinping's Taiwan Policy: Boxing Taiwan In with the One-China Framework" In *Taiwan and China: Fitful Embrace* edited by Lowell Dittmer, 239-248, Berkeley: University of California Press, 2017. Available at: <https://doi.org/10.1515/9780520968707-014>

[2] Yu-Jie Chen, & Jerome A. Cohen, *China-Taiwan Relations Re-examined: The "1992 Consensus" and Cross-Strait Agreements*, 14 U. Pa. Asian L. Rev. (2019). Available at: <https://scholarship.law.upenn.edu/alr/vol14/iss1/2>

**The No Limits Partnership: PRC Weapons Support for Russia**

*By Martin Purbrick*



(Image: “China Tiger” armored vehicles from Shaanxi Baoji Special Vehicles Manufacturing shown in a video posted by Ramzan Kadyrov on Telegram, **Source:** Ramzan Kadyrov Telegram account)

**Introduction**

Amid the ongoing war in Ukraine, there is growing concern about the possible involvement of the People’s Republic of China (PRC) in supplying Russia with weapons, munitions, and various other technology that could have dual-use applications. Notably, no significant provision of large-scale military hardware from the PRC to Russia is evident, as such equipment would have been easily identified on the battlefield amongst the major equipment losses suffered by Russian forces. There are, however, consistent reports substantiating the claim that Chinese companies are providing military and dual-use equipment to Russia. In the PRC’s political system, this type of transaction would be difficult to conduct without the government’s tacit approval or—at the very least—the Chinese Communist Party (CCP) authorities turning a blind eye.

In February 2022, following a meeting ahead of the opening ceremony of the Beijing Winter Olympic Games, Chinese leader Xi Jinping and Russian President Vladimir Putin discussed the dimensions of their two countries’ strategic partnership ([Global Times](#), February 5, 2022). Xi and Putin reiterated that “friendship between the two states has no limits, there are no ‘forbidden’ areas of cooperation, [and the] strengthening of bilateral strategic cooperation is neither aimed against third countries nor affected by the changing international environment and circumstantial changes in third countries” ([The Kremlin](#), February 4, 2022).

The closing ceremony for the Beijing Winter Olympics was held on February 20. Four days later, Russia invaded Ukraine. Since then, there has been widespread speculation that the PRC leadership knew about the Russian invasion. Additionally, there have been heightened concerns regarding the extent of Chinese support for Russia since the start of the war in Ukraine.

In July, the US Office of the Director of National Intelligence (ODNI) reported on the “Support Provided by the People’s Republic of China to Russia”, with indications of increased Russian reliance on the PRC ([ODNI](#), July 2023). In 2022 total Russian imports from the PRC increased by 13 percent to \$76 billion. In the same year, PRC chip exports to Russia increased by 19 percent. Many of these transactions were facilitated by shell companies in Hong Kong acting as agents of secondary sales from international suppliers via the PRC to Russia.

The ODNI report stated that “the PRC is providing some dual-use technology that Moscow’s military uses to continue the war in Ukraine, despite an international cordon of sanctions and export controls. The customs records show PRC state-owned defense companies shipping navigation equipment, jamming technology, and fighter jet parts to sanctioned Russian government-owned defense companies” ([ODNI](#), July 2023).

French diplomats further corroborated this report, notifying the public of intelligence indicating that the PRC has been supplying Russia with dual-use technologies as well as non-lethal assistance equipment, such as helmets and body armor ([SCMP](#), July 22). When asked if the PRC is assisting Russia’s war efforts in Ukraine, French presidential advisor Emmanuel Bonne responded by saying “there are indications that they are doing things we would prefer them not to do” ([SCMP](#), July 22).

The PRC government has emphatically denied allegations that it has provided any weapons or military assistance to Russia. Former PRC Foreign Minister Qin Gang was reported by his own ministry as saying that “China does not sell weapons to parties involved in the Ukraine crisis and prudently handles the export of dual-use items in accordance with laws and regulations. Normal exchanges and cooperation between Chinese and Russian enterprises should not be affected” ([PRC Ministry of Foreign Affairs](#), May 10). The second part of Qin Gang’s statement is significant, as he clearly states that exchanges between Chinese and Russian enterprises—such as commercial ties—are not be impacted by the war in Ukraine. Upon closer examination, his comments appear to suggest that dual-use technologies and equipment could be subject to the PRC government turning a blind eye.

### **PRC Military Weapons and Munitions Supplies**

In June, reports emerged indicating that the PRC state-owned enterprise Poly Technologies (保利科技有限公司) had provided two large quantities of smokeless gunpowder to Russia in 2022. The smokeless powder—transported to the Barnaul Cartridge Plant ammunition factory in central Russia by train—was sufficient to make at least 80 million rounds of ammunition. The reports also indicated that the Barnaul Cartridge Plant may have

been used as a training camp affiliated with the Wagner Group ([New York Times](#), June 23). As the plant is intricately tied to Russian war efforts, in December 2022 the European Union sanctioned it as a measure to restrict Russian aggression ([Council of the EU](#), February 25).

The US ODNI report mentioned Poly Technologies, reporting shipments of navigation equipment for M-17 military transport helicopters to Russian state-owned military export company JSC Rosoboronexport ([ODNI](#), July 2023). The shipments referred to by the US ODNI have been reported in detail by the non-profit organization Center for Advanced Defense Studies (C4ADS), which has documented 21 shipments of goods by Poly Technologies to Russia since February 24, 2022, shortly after the Russian invasion. C4ADS reported that 21 of the shipments were to Russian state-owned defense companies, several of which are subject to international trade sanctions. According to the report, the shipments included a large quantity of spare or used parts explicitly labeled for use in Russian Mi-8AMTSh military assault helicopters. As such, C4ADS concluded that Poly Technologies and affiliate companies have not halted military trade with Russia; rather, the company has circumvented international sanctions regimes in continuing to provide military equipment to Russia ([C4ADS](#), April 6).

To assess the CCP's role in these covert weapons sales, it is worth considering the background of Poly Technologies. The organization, established in 1983, is part of the China Poly Group Corporation (中国保利集团公司) and represents a weapons trading arm of the People's Liberation Army (PLA). The China Poly Group Corporation is now a prominent enterprise under the supervision and management of the State-owned Assets Supervision and Administration Commission (SASAC) ([China Poly Group](#), accessed August 9). Poly Technologies' ties to the PRC government is illustrated by the role of Mr. He Ping—the son-in-law of former Chinese leader Deng Xiaoping—as Honorary Chairman of the group since the early 1990s ([SCMP](#), July 18, 1996).

In short, Poly Technologies is effectively an entity controlled by the PRC state. Consequently, it can be inferred that its arms exports reflect the interests of the PRC. In a 1996 sting operation, undercover US Customs agents arrested seven people in connection with the importation of 2,000 AK-47 assault rifles into the US; the sale involved senior staff from Poly Technologies as well as NORINCO (中国兵器工业集团有限公司)—a PRC state-owned arms manufacturer. To evade scrutiny, the AK-47s—which had their Chinese markings removed—were initially shipped through Hong Kong and Japan, and were described on shipping documents as “hand tools” ([LA Times](#), May 24, 1996). In 2013, the United States government enforced sanctions on Poly Technologies. The US authorities suspected Poly Technologies was involved in supplying equipment to support the development of weapons of mass destruction and ballistic missile programs in Iran, North Korea, and Syria ([SCMP](#), February 12, 2013).

In June, the head of the Chechen Republic Ramzan Kadyrov posted a video to his Telegram account showing newly procured PRC-manufactured armored vehicles in use by the Chechen armed forces ([Defense Express](#), August 1). Kadyrov claimed that the vehicles could be used in “special military operations.” The relatively light

vehicles could serve as support for the Chechen troops deployed to fight in Ukraine, including the Akhmat group of Chechen Spetsnaz that recently signed a contract with the Russian Ministry of Defense ([Reuters](#), June 12). The vehicles—referred to as “China Tiger” armored personnel carriers—are designed to transport infantrymen to the battlefield and can be configured for roles such as command post, law enforcement, riot control, and medical support ([Army Technology](#), August 11, 2016). The China Tiger unit is produced by the Chinese corporation Shaanxi Baoji Special Vehicles ( 陕西宝鸡专用汽车有限公司 ) ([Shaanxi Baoji Special Vehicles Manufacturing](#), accessed August 9). Shaanxi Baoji is privately owned but is reportedly an example of growing “civil military integration” in China ([Sina](#), accessed on August 10). The company supplies vehicles to the PLA as well as to 12 foreign countries ([Shaanxi Baoji Special Vehicles Manufacturing](#), accessed on August 10).

### **PRC Drone Supplies**

Along with conventional military equipment, the Kremlin is increasingly utilizing drones in its war against Ukraine. The US ODNI stated in its recent report that as of March this year, the PRC has shipped more than \$12 million in drone parts to Russia ([ODNI](#), July).

According to a German report published by Der Spiegel, the Russian military was in direct contact with Chinese drone manufacturer Xi’an Bingguo Intelligent Aviation Technology ( 西安冰果智能航空科技 ). In February, Xi’an Bingguo planned to supply the Russian military with 100 of its prototype ZT-180 drones—an unmanned aerial vehicle (UAV) capable of carrying warheads of up to 50 kilograms. The report stated that the Chinese drone is comparable to Iran’s Shaheed 136 kamikaze drone, a foreign-made UAV that is widely used by the Russian military. Additionally, Xi’an Bingguo purportedly planned to provide components and manufacturing blueprints for the Russian military to produce the drones themselves ([Der Spiegel](#), February 23).

On the company website, Xi’an Bingguo Intelligent Aviation Technology claims its corporation was established in 2017 as a global supplier of smart aerial systems. Their five major businesses are Unmanned Aerial Vehicles, smart cruising services, aero-based Internet of Things, and flying cars ([Xi’an Bingguo Intelligent Aviation Technology Co., Ltd](#), accessed August 9). While the company’s official webpage does not show the ZT-180 prototype, it does show drones such as the BG-JX300. The BG-JX300 has a payload of 80 kilograms and a range of 1,600 kilometers—making it a significant upgrade from the Shaheed 136 kamikaze drone that has a payload of 40 kilograms and a range of 1,500 kilometers ([RUSI](#), January 13). Although the drones shown on the Xi’an Bingguo Intelligent Aviation Technology website have no military markings—and are not specifically designated for military use—their specifications certainly meet the threshold for military application.

In July, it was reported that from December 2022 to April 2023, Russian companies imported 37 Chinese UAVs that were designated in customs clearance records as being “for use in the special military operations” ([Nikkei Asia](#), July 1). The Chinese drones sought out by Russian companies—specifically those produced by SZ DJI Technology Co., Ltd. (DJI) (深圳大疆创新科技有限公司)—were subject to sanctions by the US Treasury

in 2021 ([US Treasury](#), December 16, 2021). Sanctions were imposed on the grounds that these drones were extensively employed by the Xinjiang Public Security Bureau to conduct surveillance on China's Uyghur ethnic minority. In January and March, customs records reportedly showed that 34 drones manufactured by DJI were shipped to Russia. Twenty-four of the drones were listed as the Mavic 3 model, which DJI describes on its website as a powerful flagship camera drone equipped with a 4/3 CMOS Hasselblad camera—capable of facilitating professional-level imaging.

On July 31, an additional indicator emerged linking Chinese companies to Russia's procurement of drones. In what could be interpreted as an implicit admission of culpability, the Chinese Ministry of Commerce announced that UAV export control measures will be implemented starting September 1. A spokesperson for the Ministry of Commerce stated that "China has always been committed to maintaining global security and regional stability, and has always opposed the use of civilian drones for military purposes. The moderate expansion of the scope of export controls on drone-related equipment is an important measure displaying China's role as a responsible country by practicing the Global Security Initiative and safeguarding world peace" ([State Council of the PRC](#), July 31).

### **Conclusions**

In June, US Secretary of State Antony Blinken summarized US and allied countries' concerns when he said that "Chinese firms...may be providing technology that Russia can use to advance its aggression in Ukraine. And we have asked the Chinese Government to be very vigilant about that" ([US Mission China](#), June 20).

In March, Chinese President Xi Jinping said in a speech before visiting Moscow that "Our two sides have put in place an all-round and multi-tiered cooperation framework. China-Russia trade exceeded \$190 billion last year, up by 116 percent from ten years ago. China has been Russia's largest trading partner for 13 years running." PRC state-owned media stated in an editorial in May that "China-Russia ties [are] nobody's business but their own" ([China Daily](#), May 24). Based on the consistent statements made by the PRC government—and the growing body of evidence suggesting Chinese companies are supplying military equipment to Russia—it seems that the CCP is assuming its usual rhetorical approach of saying one thing and doing another.

*Martin Purbrick is a writer, analyst, and consultant. He spent over 32 years in Asia working in the Royal Hong Kong Police serving in Special Branch and the Criminal Intelligence Bureau, followed by senior leadership roles managing financial crime risk with several major companies. Martin is an Honorary Fellow at the Keele Policing Academic Collaboration (KPAC) of the Keele University focused on public order and criminology in Asia.*

**A Belt and Road to Nowhere? Italy on the Frontlines of Europe’s Changing Strategy  
Toward China**

*By Andrew Novo*



**(Image:** A photo of Meloni featured in a *Global Times* article titled “Don’t Let Quitting BRI Become Italy’s Regret,”  
**Source:** *Global Times*)

**Introduction**

During her tenure as Prime Minister, Giorgia Meloni has been far more active on the international scene than most observers predicted. Within the first ten months of her tenure, she has traveled to capitals across Europe, Asia, and North Africa and has hosted numerous foreign leaders on official visits. In July, Meloni visited Washington, D.C. where she and President Biden affirmed their commitment to deepening collaboration across various areas of shared interests.

Meloni’s foreign policy agenda has touched on a range of issues including, but not limited to, European security, migration, energy policy, and international trade. It is on this last issue that Italy’s decision-making might be most impactful. As the Meloni administration reassesses its economic partnerships around the world, Italy’s relations—and by extension the European Union’s (EU) overarching position—towards the People’s Republic of China (PRC) could witness lasting changes.

At the heart of the new government's economic policy lies its choice of whether to withdraw from China's Belt and Road Initiative (BRI). Meloni—along with many members of her cabinet—have voiced skepticism towards the agreement. As such, everything is on the table in the run-up to the decision at the end of the year.

### **Buyer's Remorse Over BRI**

When Italy—under the *Movimento Cinque Stelle* (5-Star Movement) government of Giuseppe Conte—became the first, and only, G-7 country to join the BRI in March 2019, international criticism was swift. There was immediate puzzlement and pressure from allies and partners. Several Western nations were concerned about how Italy's participation in the BRI would influence Italy's existing trade relations. Many of Italy's European allies feared that the Conte government's decision was analogous to letting a Chinese “Trojan Horse” gain access to the rest of the European market ([France 24](#), March 21, 2019). In the United States, there were concerns with both the process—namely Italy's failure to consult with Washington—and the potential for a fundamental shift in Italian geopolitics ([Jamestown](#), April 24, 2019).

Furthermore, Italy joined the BRI at a time when European stakeholders were starting to express skepticism towards China's growing economic influence. Following the collapse of the Conte government in February of 2021, fundamental questions surrounding Italy's membership of the initiative resurfaced.

To exacerbate the initially haphazard implementation of BRI in Italy, the actual development of Sino-Italian relations through the BRI memoranda was met with significant obstacles. Largely due to COVID-era disruptions, China's footprint in Europe was substantially reduced between 2019 and 2022. Beginning in 2021, Italy's caretaker government—under the leadership of Mario Draghi—repeatedly used the “Golden Powers” rule to block Chinese companies from acquiring Italian intellectual property, citing national security concerns. In spite of these obstacles, Chinese exports to Italy grew from \$34 billion in 2019 to \$51 billion in 2022 ([Trading Economics](#), accessed August 10). Italian exports, however, saw a smaller gain from \$14.5 billion to \$18.5 billion, reinforcing fears that the BRI would accrue unbalanced economic benefits to China and simply increase Italy's trade deficit with Beijing ([Trading Economics](#), accessed August 10). Moreover, Italian political elites were concerned that unfettered trade with the PRC would alienate Rome's traditional economic and security partners in Europe and North America.

### **BRI's Implications Beyond Trade**

Contrary to Chinese rhetoric that seeks to compartmentalize economic relations from security and foreign policy ([Global Times](#), August 1), Italy's place within this “New Silk Road” framework carries significant ramifications beyond bilateral trade and investment. Opposition to the project—both within Italy and among its allies—exists on economic, political, and security grounds.

Politically, BRI is becoming increasingly problematic in light of the other foreign policy activities of the Meloni government. For example, in the immediate run-up to the election, Meloni famously staked out a position in

support of Taiwan, deriding China's threats to Taiwanese autonomy as "unacceptable." She also admitted that she did not see compelling reasons to renew Italy's participation in BRI ([ANSA.it](#), September 22, 2022). Underpinning these views was Meloni's stated commitment to "standing tall in the Western camp" ([Decode39](#), September 23)—a position that is fundamentally at odds with continued participation in the Chinese initiative. These skeptical attitudes are shared by high-ranking members of Meloni's coalition government. Italy's foreign minister, Antonio Tajani from *Forza Italia*, the junior partner in the coalition, is a known China-skeptic who was vocally opposed to Italy joining the BRI from the outset ([ANSA.it](#), March 22, 2019). Adolfo Urso, the Minister of Economic Development, is also wary of Italian economic dependence on China. Speaking in terms of shared values within the Atlantic Alliance, he has argued for the importance of reducing "political risk" while increasing "commercial opportunities" ([Nova.news](#), June 19).

Europe's bitter experience with Russian oil and gas is also on the mind of Italian policymakers. As Urso argued, "Italy risks moving from subordination to Russian gas and oil to a more serious and long-term subordination to critical raw materials from China which has a sort of monopoly for everything that goes into making solar panels, wind farms, microchips and all that which serves digital and green technology" ([Nova.news](#), July 18). Concerns remain that BRI could be an avenue for China to reinforce this sort of dependence—while using investment to gain influence in Italian politics and control of Italian intellectual property.

In late July, the strongest statements against the BRI have come from Italy's defense minister, Guido Crosetto, who denounced the decision of the Conte government to join the BRI as "improvised and villainous." Crosetto argued further that the agreement could be dissolved "without causing damage" to Sino-Italian relations ([Corriere della Sera](#), July 30).

### **Italy's Shifting Partnerships**

If the agreement is indeed dissolved it will reflect a broader reorientation of Italian foreign policy, particularly Italy's relations with the broader Indo-Pacific region. Since coming to office, Meloni's actions in Asia have been largely inconsistent with achieving cordial relations with China. In March, Meloni met with the Indian prime minister, Narendra Modi, during a brief trip to Delhi. During that meeting, Italy and India established a new "strategic partnership" ([The Hindu](#), March 2). Both leaders touted cooperation across a wide range of issues such as supply chain diversification, business development, and technological collaboration ([The Economic Times](#), March 27). In July, an Indian destroyer carried out "a passage exercise" with an Italian vessel demonstrating the burgeoning defense cooperation between the two countries ([Decode 39](#), August 4).

Italy has also been active in its relations with Japan. In March, Italy, Britain, and Japan announced plans to jointly develop a fifth-generation fighter aircraft for delivery by 2035 ([Nikkei Asia](#), March 17). In August, Italian F-35s arrived in Japan for joint exercises with Japanese fighter pilots ([The Japan Times](#), August 4).

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On July 26, Meloni met Vietnamese President Vo Van Thuong commemorating 50 years of relations between the two countries and celebrating Vietnam as another “strategic partner,” as well as Italy’s “first commercial partner in South East Asia” ([Giorgia Meloni Twitter](#), July 26).

Meloni has followed up her statements on the campaign trail by continuing to build relations with Taiwan ([Decode 39](#), February 20), while championing Taiwanese democracy and “peace and stability across the Taiwan Strait” ([The White House](#), July 27). The Meloni administration’s support of Taiwan’s core values has promoted a corollary of Taiwanese support for Italian—and European—economic independence from Beijing’s centralized “supply chain network” ([Taipei Times](#), August 3).

Close Italian relations with Vietnam, Japan, India, and Taiwan in security, technology, investment, and trade are not likely to sit well with China. The very real possibility that Italy might withdraw from the BRI—coupled with Ms. Meloni’s other diplomatic initiatives in Asia—have created considerable concerns in Beijing. With an approach that encompasses both carrots and sticks, Chinese officials continue to trumpet the agreement’s potential, while pushing the Italian government to act autonomously and avoid giving into the “paranoid hype” created by the US ([Ministry of Foreign Affairs of the People’s Republic of China](#), May 10; [Global Times](#), August 1; [Global Times](#), May 9). At the same time, Beijing has conveyed some not-too-subtle warnings of a “potential negative impact” if the BRI memorandum is not renewed ([Global Times](#), July 24).

### **Conclusion**

Beijing is not only looking for economic influence: the CCP also seeks to maintain the political clout and leverage ensured by Italy’s continued participation in the BRI, not just in Italy, but globally. China is concerned that the US ability to influence the economic partnerships of its allies is a clear demonstration of the West’s—particularly of America’s—continued political and economic clout on the world stage. This is a position of power that China is eager to erode.

Meanwhile, the BRI remains a contentious issue in Italy. As Meloni stated in May during an interview with *// Messaggero*, the government’s evaluation of the partnership “is very delicate and affects multiple interests” ([// Messaggero](#), May 28). She argued that Italy, despite joining the “Silk Road,” does not have “the greatest economic and trade relations with China.” However, she noted that other countries “have good relations” with the PRC even though they are not part of the BRI. Crosetto argued along the same lines when he colorfully reminded his audience that through its membership Italy had only succeeded in selling China “a load of oranges,” but France “without signing any treaties,” had nevertheless sold Beijing billions of euros worth of aircraft ([Corriere della Sera](#), July 30).

There are obvious difficulties in making a definitive prediction about which way Meloni will turn. However, it is likely that if the Italian government withdraws from the BRI, it will seek ways to soften the blow to China and try to establish a new foundation on which to maintain a functional—and profitable—economic relationship.

Moving on from the “villainous” decision to join the BRI will undoubtedly please the United States, but it will also solidify Meloni’s place as a trusted and central player in the transatlantic alliance.

On the BRI issue, both China’s carrots and its sticks may be illusory, especially when compared with the very tangible—and mutual—benefits apparent in the relationship between Italy and its G-7 partners, most prominently the US. Within Italy, a withdrawal from the BRI would also make sense in terms of protecting the country’s fundamental economic interests and its place at the heart of Europe. How China will react, however, remains to be seen. The blow to Beijing’s prestige from the termination of the BRI agreement is likely to sting for some time—and should be a reminder to China that Europe is not for sale.

*Andrew Novo is Professor of Strategic Studies at the National Defense University, Washington, DC. The views here are entirely his own and do not reflect any official policy of the National Defense University, the Department of Defense, or the United States Government.*