

DIMENSIONS OF CHINA'S DIPLOMACY IN LATIN AMERICA AND THE CARIBBEAN

Josette Altmann-Borbón
Sergio Rivero Soto
Editors



Cátedra China
Contemporánea
当代中国讲堂



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ACADEMIA DE CIENCIAS DE GINEBRA SUJAS



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EMBASSY OF THE PEOPLE'S REPUBLIC OF CHINA
IN THE REPUBLIC OF COSTA RICA

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**DIMENSIONS OF CHINA'S DIPLOMACY IN LATIN AMERICA
AND THE CARIBBEAN**

FLACSO GENERAL SECRETARIAT
Josette Altmann-Borbón, Secretary General

Chair in Contemporary China
Latin American Faculty of Social Sciences (FLACSO)

Editors
Josette Altmann-Borbón
Sergio Rivero Soto

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DIMENSIONS OF CHINA'S DIPLOMACY IN LATIN AMERICA AND THE CARIBBEAN

Presentation

Tang Heng..... 9

Prologue

Chai Yu.....13

Introduction

Josette Altmann-Borbón and Sergio Rivero Soto.....17

Paradiplomacy and twinning of Chinese and Latin American cities

Andrés Raggio..... 23

Towards a new academic partnership between China and Latin America and the Caribbean

Guo Cunhai.....35

2030 Agenda and China's Cooperation for Sustainable Development

Juliana González Jáuregui.....55

The Digital Silk Road in Latin America

Luo Xun..... 75

Economic Diplomacy and the Belt and Road Initiative in Latin America

Yue Yunxia..... 87

Summit Diplomacy: China-CELAC Forum

Lorena Herrera-Vinelli..... 101

Speakers.....119



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• PRESENTATION

PRESENTATION

As we celebrate the Centennial of the Communist Party of China and the Bicentennial of the Independence of the Central American countries, we are pleased to present this book titled “Dimensions of China’s Diplomacy in Latin America and the Caribbean”, which includes the reports of six lectures given by researchers from the Latin American Faculty of Social Sciences (FLACSO), the Latin American Institute of the Chinese Academy of Social Sciences (ILAS-CASS) and guest researchers.

As President Xi Jinping stated during the Third Ministers’ Meeting of the China-CELAC Forum, “history has taught us that peaceful development, equity and justice, and win-win cooperation are the right way forward.” We know that China and the countries of Latin America and the Caribbean are all developing nations and are natural partners of cooperation that seek equality, mutual benefit, and shared development. Certainly, the common dream of independence, development and revitalization has closely united our countries for several decades now.

In the context of profound changes in the global configuration, the uncertainty created by the pandemic situation and the difficult recovery of the world economy, it is more necessary than ever for countries to leave differences aside and cooperate in solidarity, in order to avoid conflicts and confrontations through peaceful development, to replace absolute security with common security, seek mutual and win-win benefits and abandon the zero-sum game, prevent clashes between civilizations through mutual learning, care for the Earth with green development, and highlight the shared values of all humanity consisting of peace, development, equity, justice, democracy and freedom.

China always persists on the path of peaceful development and is devoted to building the community of shared future for humankind.

The texts gathered in this publication reflect different dimensions and levels of cooperation between China and the countries of Latin America and the Caribbean, which are a clear example of the deepening of friendship ties between our nations.

Topics such as the environment and climate change, academic cooperation, investment and international trade, technological advances, city twinning and multilevel cooperation are some of the many dimensions and opportunities for collaboration between China and Latin America and the Caribbean, which have been reflected in this book.

In summary, this publication marks a new starting point for academic cooperation in Social Sciences between China and Latin America and the Caribbean and is an effort to deepen academic exchanges and the generation of knowledge that allows greater and better understanding between our societies.

Tang Heng

Ambassador Extraordinary and Plenipotentiary
of the People's Republic of China to the Republic of Costa Rica



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• PROLOGUE

PROLOGUE

In recent years, the sudden COVID-19 pandemic, and major global transformations, unprecedented in a century, have interacted with each other, increasing the instability and uncertainty of the global state and accelerating changes in the international structure. In this context, as developing countries, China and Latin America should focus on national development and peoples' happiness, strengthen communication and mutual exchanges, and build a successful human community.

Although China and Latin America are far away, friendship between their peoples has a long history, especially in the new era, where Sino-Latin American relations have shown a vigorous trend of development. In 2018, President Xi Jinping pointed out at the CELAC-China Forum that in the new era it is necessary to build Sino-Latin American relations characterized by equality, mutual benefit, innovation, openness, and benefit to the peoples. These considerations and thoughts point the direction and provide the impetus for the development of Sino-Latin American relations.

China adheres to the path of peaceful development and the opening strategy of mutually beneficial cooperation, safeguards world peace and promotes the joint progress of all nations. Latin American countries play an irreplaceable role in the cause of world peace and development. China and Latin America are good friends who trust each other and are good partners who progress together, so Sino-Latin American relations form an important part of South-South cooperation. In the face of new circumstances and challenges, China and Latin America have broad prospects for cooperation to rebuild the international order in the new era, improve and strengthen global governance, and address global public crises. They must play a responsible role based on mutual respect, equality, mutual benefit and win-win cooperation.

Today, all countries constitute a community of interdependent and integrated interests. China's practice has fully demonstrated that openness, inclusiveness and win-win cooperation are the only and right option for achieving development goals. Latin America is one of the regions with the most abundant natural resources in the world, has a strong international competitiveness in energy, minerals, and agricultural products, as well as a long practical and theoretical experience of exploration in political, economic, social, and regional cooperation development, exerting a positive influence among developing countries and in South-South cooperation. China and Latin America not only need to learn from each other on development issues such as poverty reduction, health and the fight against epidemics, sustainable development, and growth promotion, but also promote the joint construction of the Health Silk Road and the Digital Silk Road under the framework of the Belt and Road Initiative, making positive contributions to building a China-Latin America community with a shared future.

The First Lecture Series on Contemporary China organized by FLACSO, with cooperation of the Embassy of China in Costa Rica and ILAS-CASS, brought together experts and academics in various fields from China and Latin America to share knowledge and information with the public, which will help promote mutual trust, understanding and mutual learning between China and Latin America, and enhance confidence in academic cooperation, thus playing a pivotal role for China-Latin America cooperation in the future.

We welcome the success of this publication and hope that in the future the activities of academic and cultural exchanges between China and Latin America will be intensifying.

Chai Yu,
Director General
Institute of Latin American Studies,
Chinese Academy of Social Sciences



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• INTRODUCTION

INTRODUCTION

Josette Altmann-Borbón¹ and Sergio Rivero Soto²

The Latin American Faculty of Social Sciences (FLACSO), through education and advanced research within our Chair in Contemporary China, aims to stand as an interface between academia and decision makers, both public and private, that allows us to understand the development, impact, and influence of China in the world and especially in our region.

China's rise as a global economic power and its rapid development in recent decades has generated profound internal transformations at the social, environmental, technological, economic and governance levels, posing new challenges for academics and policymakers who look to observe China and analyze its impact and influence in our region.

Due to its leading position on the international stage, its role in multilateral bodies and its cooperation efforts at the global level - especially with Latin America and the Caribbean - FLACSO has recognized the importance of creating spaces for dialogue with the People's Republic of China, in order to generate new knowledge, greater exchange and mutual understanding in favor of more dignified, plural, diverse and inclusive societies.

China, as the world's largest developing country, is committed to the path of peaceful progress and mutual benefit. The Government of the People's Republic of China has proved its readiness to conduct friendly cooperation with all countries on the basis of the Five Principles of

1 Secretary General of the Latin American Faculty of Social Sciences (FLACSO).

2 Director of the Contemporary China Chair of the General Secretariat of FLACSO..

Peaceful Coexistence and the building of a community with a shared future.

Beijing recognizes that the countries of Latin America and the Caribbean are an important part of the developing world and a significant force in the international arena. In a global situation characterized by uncertainty, the development of relations between the two blocs faces new challenges and new opportunities.

In recent decades, relations between China and our region have undergone broad and profound economic, political, and cultural developments. In the economic field, bilateral trade and foreign direct investment have increased and a strategic cooperation relationship has been established. In the political field, China and Latin American and Caribbean countries have increased bilateral and international cooperation and strengthened collaboration on a wide range of foreign and security policy issues. In the cultural field, we have increased the exchange between citizens of both regions, invested in developing a friendly relationship and promoted synergy between Chinese and Latin American cultures.

For the academia in Latin American and the Caribbean, studying Contemporary China requires a constant renewal of the understanding of its social, economic, and political structures, as well as the analysis of its relations with the rest of the world, its role within the international system and its participation in regional and multilateral organizations.

Aware of the plurality of relationship spaces between China and Latin America and the Caribbean, this publication systematizes six papers on topics considered opportune and relevant to our times, which were developed by renowned specialists during the First Latin American Lecture Series on Contemporary China, held virtually between October 26 and November 11, 2021.

Paradiplomacy, academic exchange, environmental protection and the fight against climate change, the application of technological and digital

advances in joint projects, the expansion of economic and commercial relations and Summit Diplomacy, are the topics discussed in detail in this publication.

Andrés Raggio studies the relationship between local actors in China and Latin America and the Caribbean through paradiplomacy. It presents the way in which China structures twinning partnerships between cities, especially with our region, and shows the need to have strategies, from Latin America and all the actors involved, with a long-term perspective that allows taking advantage of the opportunities offered by cooperation with a local perspective.

Guo Cunhai recounts the progress made, both by China and by the countries of our region, in deepening the ties of academic cooperation. He points out that in China, although there is evidence of an interest in studying Latin America and the Caribbean, research has focused on certain areas of knowledge such as trade, economics, and international relations, leaving aside other important dimensions such as culture, anthropology, and sociology. Similarly, in the academia in Latin America, endeavors to understand China, although not minor, still have room for growth.

Juliana González Jáuregui collects the efforts that China has been making in environmental affairs through its five-year plans and the commitments acquired on the 2030 Agenda. In addition, she presents cooperation projects between China and Latin America aligned with sustainability strategies and the fight against climate change, with special reference to the cases of Brazil and Argentina.

Luo Xun presents a series of innovative technological cooperation projects developed within the framework of the Digital Silk Road in Colombia and Brazil, through the application of virtual reality in infrastructure projects, language teaching and cultural promotion. It also exposes, through concrete and current examples, the opportunities for cooperation, both at the commercial and governmental levels, between China and our region.

Yue Yunxia discusses China's economic diplomacy through the Belt and Road Initiative and presents three important topical issues: the new Chinese development pattern of dual circulation, the current status of economic cooperation between the two blocs, and the potential for cooperation vis-à-vis the difficult global economic conjuncture.

Finally, Lorena Herrera-Vinelli discusses the regional dimension of relations between China and Latin America and the Caribbean through Summit Diplomacy and exposes the nuances that mark the relationship between China and the Community of Latin American and Caribbean States (CELAC), as well as the challenges that this relationship implies in a post-pandemic scenario.

We find that China's diplomacy in Latin America and the Caribbean is multilevel and multidimensional. It involves diverse local, state, and regional actors. But, in addition, it takes on different political, economic, and social dimensions. Undoubtedly, Sino-Latin American relations have developed steadily over time and are beginning to reach high levels of integration.

This publication, conducted within the framework of FLACSO's Chair in Contemporary China, aims to be a contribution that helps to expand and deepen efforts to understand and analyze, from Latin America, the evolution of China's diplomatic relations and cooperation with our region.

FLACSO's General Secretariat, recognized as a plural regional space for the production of new knowledge and a meeting point, dialogue and cooperation between academia and the world of public policy, especially appreciates the cooperation of the Embassy of the People's Republic of China in Costa Rica and the Institute of Latin American Studies of the Chinese Academy of Social Sciences (ILAS-CASS), as well as the participating experts, who with their knowledge, have contributed to materialize this valuable and innovative work.



- PARADIPLOMACY
- AND TWINNING
- OF CHINESE AND
- LATIN AMERICAN CITIES

This paper is based on the lecture: “Paradiplomacy and twinning of Chinese and Latin American cities”, presented on November 11, 2021, as part of the Lecture Series developed within the framework of the Chair in Contemporary China.



PARADIPLOMACY AND TWINNING OF CHINESE AND LATIN AMERICAN CITIES

Andrés Raggio³

It should be noted from the beginning that the topic of twinning is relevant for studies between China and Latin America, as relations between the two begin to develop and deepen, and in the course of the twenty-first century new actors begin to appear. This implies the complexity of relationships, and at the same time new opportunities and alternatives.

This paper has two central goals. The first is to describe the structure of China's twinning strategy, and its application with Latin America. The second is to give evidence of the necessity to have strategies that come from our region, from positions of power as well, and from all the actors that can be part of these processes, which is to say, it is necessary to have a strategic position in the long term. Particularly when it comes to China, where long-term relations are prioritized.

Therefore, I look to mark how positive the deepening of this type of relationship can be. Considering the need to work on the long-term relationship with China at a strategic level, and at the same time the emergence of new alternatives and opportunities that this generates, in a very particular framework of systemic uncertainty where we can work on common spaces and points of non-disagreement.

Some relevant milestones to understand the journey of the subject from China's perspective, however not the only ones than can explain this phenomenon, are processes that China has previously experienced. First of all, consider the birth of the Overseas Chinese People's Friendship

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Association (CPAFFC), which was tasked with linking abroad, not only with countries but also with institutions and people. While it has several functions, one in particular is the promotion of local governments.

Secondly, the Bandung Conference of 1955 is especially important in relation to China studies, because it presents the Five Principles of Peaceful Coexistence by Zhou Enlai, which had been presented in 1953 at a meeting between China and India. The principles are mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in the internal affairs of other countries, mutual equality and benefit, and peaceful coexistence. These principles are key, not only to understanding China's relations with the region, but with the world.

On the other hand, in 1971 during the XXVI General Assembly of the United Nations (UN) Resolution 2861 was approved, which established that twinning is a valid mechanism for the promotion of peace and international cooperation⁴ The first twinning partnership took place between cities in France and Germany, later between cities in the USA and Japan. In China, the first dates from 1973 between the cities of Tianjin and Kobe, from herein new agreements between cities begin to appear, or localities and territories of China with others in the world, even more since the late 90's and started to consolidate in the second decade of the XXI century.

Finally, as a result of this important growth of twinning partnerships as a foreign policy proposal, and in accordance with the Principles of Peaceful Coexistence, the China International Friendship Cities Association (CIFCA) was created in 2008, focused exclusively on twinning partnerships. Unlike the CPAFFC, which has more general functions, the CIFCA deals specifically with these affairs, which marks the role and relevance of this mechanism for China. The CIFCA looks to establish friendly relations between Chinese regional or local governments overseas, under the Principles of Peaceful Coexistence, as well as to carry out international cooperation, establish exchange mechanisms, among other functions.

4 United Nations General Assembly (1971). Resolution 2861 XXVI. Available in: [http://undocs.org/es/A/RES/2861\(XXVI\)](http://undocs.org/es/A/RES/2861(XXVI))

How they work and what potentialities twinning partnerships can have? These focus on a relationship that looks to deepen communication, generate spaces for cooperation at various levels, in various dimensions, and various sectors, whether economic, scientific, or cultural. On the other hand, it is a platform that allows local governments to project themselves at the international level, which is an evolution of international relations, and which allows to place on the agenda some issues that may not have space on the high-level agenda. This is extremely relevant to the extent that this gives voice to new spaces, new territories, new alternatives, which can naturally converge and will be approaching the national Chinese foreign policy, but that certainly have particularities on its own. Despite responding to the guidelines of national foreign policy.

If viewed from Latin America, it allows local governments to take long-term strategies, not necessarily against or in opposition to government policies in relation to China, but can seek spaces, and take advantage of that construction of long-term relationships. In many cases, during the past two decades, local governments have promoted mutual understanding and people-to-people relationship, which is also promoted by China's national foreign policy. There is some tension between what a national government intends and what local governments intend, although it is not dichotomous or continuous, there may be differences.

On the other hand, we should look at the functions that the twinning strategy has. First of all, it has a purpose of promoting the local economy and the development of the regions, that is why the selection of the counterparts is important, in order to find some points in common to be able to make a cooperative space more than a competitive one, where inputs can be collected from the counterpart in different dimensions or sectors, aiming at fostering development. It is a purely positive look, of positive sum, which does not generate rivalry since it is aimed at the integral development. This also contributes to what was mentioned above about the relevance of the issue in a context of systemic uncertainty and political difficulties. At the same time, it also looks to promote urban logistics cooperation, as well as the promotion of virtuous circles where cooperation programs are established in science, education, culture, and also in public health.

The particular case of public health is pertinent to emphasize in the context of the pandemic. In the case of Uruguay, for example, when the pandemic arises, there are a series of donations from Uruguay to China, symbolic, which occur between twin cities, as well as from China when in March 2020 the pandemic reached the South American country. This is a sample of a mechanism used by twinning partnerships.

On the other hand, the importance of generating alternative processes of international linkage in some spaces in particular, such as international forums, both with China and with other parts of the world, giving the possibility of thematic coordination in multilateral instances, which allows to visualize the needs of the localities.

Nonetheless, Ling Wei points out that China's foreign policy in the localities can be considered a local foreign policy because although there is agreement at the national level, it can be observed that they did have different foreign policy points at the local and national level. And on the other hand, in relation to large cities, there is more discussion of city diplomacy, which Latin America also has many at the regional level and worldwide, where there are cooperation exchanges, twinning exchanges, or cities' participation in multilateral instances. The question then is whether local foreign policy is part of China's domestic foreign policy.⁵

Furthermore, how does the twinning process between Chinese cities and overseas take place? First of all, you have to meet certain conditions. The most significant is diplomatic relations between the countries, although there are exceptions. Secondly, those interested in having relations with other cities, provinces, states, or departments of China must meet certain criteria, such as geographical position, for example, whether they have a port, whether they have beaches, with a certain climate, and others, with localities that can share particular experiences. As well as issues of economic structure, for example, cities more linked to the financial sector might become twin cities with Shanghai. Also,

5 Long, Y., Xin, C. y Liu, J. (2015). "The Characteristics and Functions of International Friendship Cities of China—and Prospects of Local Cooperation in Sino-Poland Relations. En *On Their Own Paths. Japan and China Responses to the Global and Regional Challenges* Eds. D. Mierzejewski, K. Żakowski, Łódź University Press; University of Lodz Publishing House.

the capital cities have more relationship with Beijing. In addition, the prospects for joint development between the parties are considered.

In a third step, when a clear criterion is found, and when the counterpart is chosen, a round of consultations is made, where the embassies and the CPAFFC take part. This is largely where the decision-making is converged. This is relevant to the extent that the CPAFFC still concentrates primary approval.

On the other hand, there is another set of criteria, to approve the twinning partnership from the Chinese side it is important to consider the status of equality, that there is compatibility between both parties, that there is a similar industrial structure, or a geographical structure. Likewise, if there are social and cultural backgrounds, which allow us to argue the closeness between both communities. That is, to seek spaces for dialogue, for rapprochement between citizens, very marked in China's foreign policy from 1950 onwards, which is opening up to other parts of the world. And finally, the local political stability of the counterpart, to ensure the continuity of cooperation mechanisms.

From the political point of view, the process that takes place in the twinning partnership must first have an interest of the Chinese side, which arises from the International Relations department of the constituency concerned. That interest should be raised with the CPAFFC, where it is evaluated and ratified by the Ministry of Foreign Affairs of China. The key actor of approval is the Standing Committee of the Chinese People's Congress, permanently functioning bodies, which when the People's Assembly does not meet, oversees these affairs, among many others. In case of not having diplomatic relations, the twinning partnership passes into the hands of the Ministry of Foreign Affairs of China, to the point that each activity that is conducted between the parties, in order to specify the twinning partnership must be reported to CPAFFC and to the Ministry of Foreign Affairs of China.

What are the results from this policy? First of all, I must point out that there is an important trend in terms of distribution by region, in particular the eastern region. This is not striking since the development of the country has been particularly significant in the east and southeast. With the government promoting the strategy of Going West, this can also

help to achieve more twinning with cities in western China. Since only the eastern region stands for 52% of the twinning partnerships signed, the center represents 34% and the west 13%. In addition, the east is more developed than the west, added to other explanatory factors, such as the high level of openness and internationalization of the eastern constituencies. Not only because of China's own development, but also because of the professionalization they have generated in that region. A similar case happens with regions of the world such as Europe, North America, and Japan. Examples of this are the first twinning of Kobe with Seattle or Kobe with Tianjin as mentioned before.⁶

As for the twinning of China's cities with other countries, a small group of countries monopolize the majority (40% of the total), Japan (249), the United States (238), South Korea (151), Russia (112) and Australia (91) stand out according to 2015 data published by Long, Xin and Liu.⁷ In this framework, a correlation can be visualized between the countries that have more twinning partnerships and the greater trade between them, although it can be a spurious relationship and without a doubt it is not the only explanatory factor, there is certainly a relationship, the more twinning partnerships, the greater the development of trade. Therefore, there is a great inequality in terms of the most twinning partnerships by region in China, predominating the east, which could change in the short term, within the framework of the Chinese strategies of Going West and the Belt and Road Initiative (BRI).

In relation to the twinning partnerships of China by regions worldwide, Europe is the one with the most agreements with 35% (745), while Asia has 31% (679), America 22% (442), considering that Latin America has less than half of these we are marked by a low participation of Chinese twinning partnerships worldwide, there is some lag. Consequently,

- 6 Ji Yongjun (2015). "Chinese People's Friendship Association abroad". *Directorate-General for Political Coordination of the Ministry of Foreign Affairs of Mexico*. Available in: https://coordinacionpolitica.sre.gob.mx/images/stories/documentos_gobier-nos/eventos/foregional/ji%20yongjun.pdf
- 7 Long, Y., Xin, C. y Liu, J. (2015). "The Characteristics and Functions of International Friendship Cities of China—and Prospects of Local Cooperation in Sino-Poland Relations. En *On Their Own Paths. Japan and China Responses to the Global and Regional Challenges* Eds. D. Mierzejewski, K. Żakowski, Łódź University Press; University of Lodz Publishing House.

does this have to do with concentric circles? This is because many times foreign policy tends to focus first on a close circle and then expand to other circles further away. This could be one reason Latin America has fewer twinning partnerships with China. Although one could also ask whether it also responds to a lower professionalization from the region, in comparative terms with other regions, or the lack of coherence and coordination between the various levels of government at the national level.

According to Mesa and González-Parias, at the end of the seventies five twinning partnerships had been signed, from 1978 with the reform and opening process until 2004 a particularly important explosion of twinning partnerships is clearly seen despite being a large timeframe, while from 2005 to 2015 a similar explosion occurred but in even fewer years. Surely from 2015 onwards, it is highly likely that it will close the gap.⁸

Regarding the evolution of twinning partnerships from the point of view of agenda and actors, it is emphasized that before, the agenda was more political and cultural, which also has to do with Chinese domestic foreign policy, linked to a strategy commonly called soft power, an approach, which is not confrontative and does not point to the political in particular. Before, exclusively state actors could be found. Nowadays the agenda of twinning partnerships is much more diverse, not only political but commercial, in donations, related to cultural and educational aspects, with investments, among others, thus many of the issues can be found on the agenda at the national and local level. There are also other actors, this makes the people-to-people relationship, they find other actors who participate and have their own interests that they place on the agenda. For example, entrepreneurs, state actors, national associations, individuals.

In Latin America, it can be seen that the issues that prevail in the agenda of relations with China are culture, education, and sports, although in each particular case the exchange is diverse. In education there are a substantial number of exchanges between students, teachers, or

8 Mesa Bedoya, J.C., & González-Parias, C. H. (2016). "Paradiplomacy: A Soft Power Tool from China." *Political Role*, 21(2), pp.537-563. Available in: <http://www.scielo.org.co/pdf/papel/v21n2/0122-4409-papel-21-02-00537.pdf>

academics, as well as scholarships. In relation to culture, you can also appreciate a large number of cultural events, visits by artists, artistic samples, both from China to Latin America, but also vice versa. Public health issues include donations, exchanges of workers and health-related information. Another topic that stands out is the administrative one, with several exchanges of experiences between localities, experts, issues related to cities, etc. Finally, in economics, commercial and trade agreements have been signed, including agreements between companies, cooperation in investments, among others. A significant case of investments generated from twinning partnerships and that deserves greater attention and study, is that of the company XCMG Brazil dedicated to manufacturing construction machinery, a subsidiary of the XCMG Group of Jiangsu, which invested USD 500 million in the State of Minas Gerais of Brazil, whether or not it is linked, has a twinning partnership with Jiangsu.

In addition, China's foreign policy towards Latin America has two levels. Multilateral policy, focused on the China-CELAC Forum, and the second is the bilateral foreign policy.

On both levels, but more linked to the first, it should be noted that the two white papers published by China for Latin America, in 2008 and in 2016, mention the importance of relationships between local governments. This implies a strategic approach on the part of China, which has to do with a projection of dialogues from the local level to the national level, this is seen in the political section of both papers. The China-CELAC Forum itself is a propitious space for the region, and for China as well, because of the importance of being able to dialogue with countries that do not even have relations with China. It is a complex space, so it implies the coordination of all countries. At the China-CELAC Forum, the importance of local governments is clear to the extent that they have their own sub-forum, sponsored by the CPAFFC. At the same time, the BRI proposal, as well as the Community of Common Destiny, can be included here, since both suggest dialogue on how to address the issue of global governance, as well as spaces that dialogue with this type of forums and twinning proposals. In the case of the BRI, when the Memorandums of Understanding with Latin America are analyzed, local governments and people-to-people linkages appear. It is not

accidental, there is strategy. In this context, China proposes dialogue, leaving in large part also the responsibility of Latin America to respond and promote, moving forward from the discourse.⁹

As for China's foreign policy at the bilateral level, beyond commercial exchange, and beyond the BRI, where the people-to-people link and the promotion of local governments are found in one of its sections, it is very important to highlight that, at least for some cases, there is a correlation between the signing of strategic partnerships and the proliferation of twinning partnerships. This question of analysis arises looking at the case of Uruguay, which signed a Strategic Partnership with China in 2016, doubling the number of letters of intent and partnerships from that year on.¹⁰

In Latin America, until 2015, Brazil was the country with the most twinning partnerships with China (53), followed by Mexico (23), Argentina (17), Chile (13) and Ecuador (11), for a total of 147. Precisely in the case of Uruguay, it had four partnerships by 2015, and after 2016 onwards at least six more materialize, becoming a non-exhaustive figure.¹¹

By way of closing, twinning partnership is part of China's foreign policy that occurs in the multilateral and bilateral frameworks. The central structure is predominant, there are processes of control and control for the approval of the twinning partnerships, but in some way, there is also an opportunity to establish different relations and even more for people-to-people linkages independently of the Central Government. The central topics are still closer to soft power, issues of education, culture, and sport, but there is also an increase in trade, and in particular some investments, as in the aforementioned case in Brazil.

9 Vadell, J. (2018). "The China-CELAC Forum and the New Regionalism for a Multipolar World: Challenges for South-South Cooperation". *International Charter*, 13(1). pp.6-37. <https://doi.org/10.21530/ci.v13n1.2018.733>

10 Raggio, Andres (2021). "Local actors in Sino-Latin American relations. The case of the twinning between China and Uruguay". *Bulletin of the China Working Group and clacSO's Map of World Power*, 4. Available in: <https://www.clacso.org/boletin-4-transiciones-del-siglo-xxi-y-china/>

11 Ji Yongjun (2015). "Chinese People's Friendship Association abroad". *Directorate-General for Political Coordination of the Ministry of Foreign Affairs of Mexico*. Available in: https://coordinacionpolitica.sre.gob.mx/images/stories/documentos_gobier-nos/eventos/fororegional/ji%20yongjun.pdf

Finally, understanding happens in the long term, personal ties have to be generated, actors that promote partnerships for the long term have to be placed face to face. At the same time, we have the need to train human resources at the state level in Latin America to better understand these cases, to be able to face them more appropriately, although this does not mean it does not happen yet, clearly more resources are needed and it should be considered in its full dimension of importance.



- TOWARDS A
● NEW ACADEMIC
● PARTNERSHIP BETWEEN
CHINA AND LATIN
AMERICA AND THE
CARIBBEAN

This paper is based on the lecture: “Towards a new academic partnership between China and Latin America and the Caribbean”, presented on November 9, 2021, in the Lecture Series developed within the framework of the Chair in Contemporary China.



TOWARDS A NEW ACADEMIC PARTNERSHIP BETWEEN CHINA AND LATIN AMERICA AND THE CARIBBEAN

*Guo Cunhai*¹²

Why does academic cooperation matter? When Li Shenzhi, former vice-president of the Chinese Academy of Social Sciences (CASS), helped finance the translation of the 11-volume Cambridge History of Latin America into Chinese and, he said in his foreword to the Series: “Today, with respect to Latin America, we have more abstract concepts than concrete knowledge, more confused perceptions than exact experiences” these words motivate my desire to promote academic cooperation on Latin America and China Studies.

Currently, in Chinese social media like Weibo and Tik Tok, private citizens are sharing different news about Latin America and the Caribbean (LAC), but this information is not always accurate. Therefore, we are experiencing widespread fake knowledge on social media and the absence of intellectuals and scholars in promoting knowledge.

However, we have recently seen an increasing social responsibility of intellectuals producing and promoting knowledge across the societies of LAC and China to foster mutual understanding between our societies. That is why we should work together toward building a community of Chinese Studies and Latin American Studies through academic networks. We see that high-level cooperation between China and LAC needs development-oriented knowledge exchange and cooperation happens from university to university but there are no collective efforts,

¹² Senior Researcher, Director of Social and Cultural Studies and Director of the Center for Argentine Studies of the Institute of Latin American Studies of the Chinese Academy of Social Sciences (ILAS-CASS)

we need to promote academic networks to work together in collective action.

Moreover, the pandemic has increased the consciousness to cooperate, especially in sharing and developing new knowledge. For example, during the IV Dialogue of Civilizations between Latin America and China in Beijing in 2021, we focused on development experience sharing because it is a common concern between China and Latin America.

At this time China-LAC cooperation is going beyond the traditional political and economic fields and is expanding to deeper and higher levels of people-to-people and cultural exchanges, experience sharing, and mutual learning on development to understand how to use our knowledge and experiences to promote common development in China and Latin America.

In China there are three important platforms to promote this sharing of development experiences and insights:

- Center for International Knowledge on Development (CIKD, 2017): “China will establish a center for international knowledge on development to research and communicate with other countries on development theories and practices suitable to their respective national conditions. ” by Chinese President Xi Jinping, 2015 UN Development Summit.
- China International Development Cooperation Agency (CIDCA, 2018): New Development Knowledge and Capacity Building. The agency aims to formulate strategic guidelines, plans, and policies for foreign aid, coordinate and offer advice on major foreign aid issues, advance the country’s reforms in matters involving foreign aid, and identify major programs and supervise and evaluate their implementation.
- *China’s International Development Cooperation in the New Era* (2021) was released by China’s State Council Information Office on January 10. President Xi has taken advantage of many major international occasions to announce a broad range of cooperation measures. These present China’s approach, offer its vision and contribute its strength to resolving global development issues and implementing

the United Nations 2030 Agenda for Sustainable Development. In response to the call of the times, China has been upgrading its foreign aid to a model of international development cooperation, taking on new initiatives and achieving greater results in this new era.

This White Paper shows China's interest in supporting capacity building to share development knowledge. That is why this year we jointly started the program PRO-CECLA and the lecture series on China and Latin America, which is the first step of this program, we included the China National Knowledge Infrastructure (CNKI), the largest research database of literature and knowledge in China, and we also included FLACSO, CLACSO, and ALAECH.

There is an increasing demand for knowledge about Latin America and China, however, the overall amount of knowledge production is insufficient. For this there are two reasons: the research staff and academic results are not enough. Moreover, there is insufficient effectiveness of knowledge production and highly focused on hot topics such as China-LAC relations and insufficient society-oriented production knowledge.

That is why, the Lecture Series of the program PRO-CECLA (*Ciclo 1 and Ciclo 2*), invited Latin American, the Caribbean, and Chinese Scholars to present on a diverse array of topics giving access to Chinese people on the happenings of Latin America and its relations with China. This is a good start for our collaboration.

Latin American Studies in China

Since the foundation of the People's Republic of China in 1949, Latin American Studies have gone from non-existent to emergence, from pausing to recovering, to current explosive development.

To know in-depth and in full the institutional development concerning Latin American Studies in contemporary China, the Chinese Association of Latin American Studies (CALAS) hired me to direct, organize, design, and implement the Survey on the Development of the Institutions of Latin American Studies in China (1949-2019).

The survey found a strong political and policy orientation in the development of Latin American Studies in China. In the 1960s, the study of the history of Latin America took the “revolution” as its main theme and the “class struggle” as its guide, which turned out to be less academic and objective.

In 1984, following the implementation of the Reform and Opening-up policy in 1978, Huan Xiang, then Vice-President of CASS, in his open remarks on the founding ceremony of the Chinese Association of Latin American Studies, stressed that “China’s Latin American Studies should focus on providing LAC experiences and lessons for the Four Modernizations of China and serving Central Government’s decisions in foreign affairs and social and economic strategies”.

The only national academic *Journal of Latin American Studies* edited and published by CALAS and ILAS-CASS, has always stood firm in publishing papers according to the pragmatic needs for building Modern China.

On the other hand, the Ministry of Education has promoted Latin American Studies in Chinese universities following the Provisional Measures for the Formation and Creation of Regional and Country Studies Centers, released in 2015. The preface stipulates that “the Centers should first serve policy-decisions of governments and should be based on policy-oriented research”. In this way, the studies of China-LAC relations, guided by government policies, are replacing Latin American Studies in China.

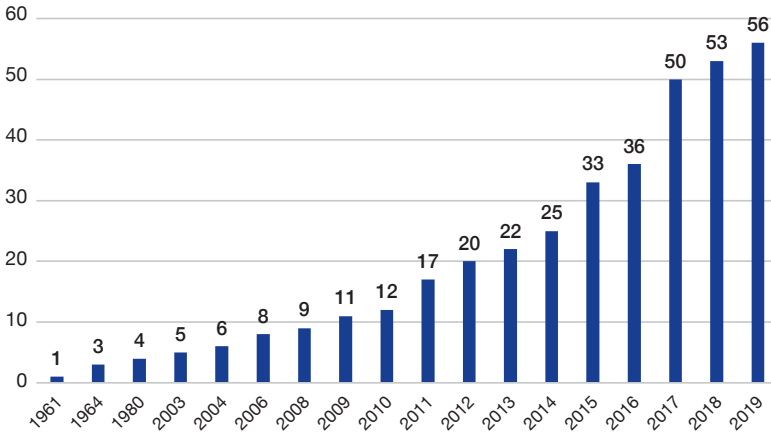
In this study, we found that from 1984 to 2021, among twenty-nine annual meetings of CALAS, ten focused on China-LAC relations, accounting for more than a third. Since the beginning of the 21st century, this trend has become clearer. From 2005 to 2021, out of the nine meetings happening in the span of 17 years, six focused on China-LAC relations, while in the last 6 years (2015-2021) China-LAC relations have been a repeated topic in 2015, 2017, 2019, and 2021. The trend of Latin American Studies gradually becoming China-LAC Relations Studies involves a series of concerns:

- Regarding Latin American Studies, more focus on the whole region, while less on the individual countries.
- Regarding Country Studies, more focus on bilateral relations with China, while less on the other fields of the Country.
- Regarding method, more focus is on literature and text analysis while localization or field study is scarce.

Moreover, the development of institutions related to Latin American studies has kept pace with important policy junctures. Most of the newly established institutions dedicated to Latin American Studies have been set up in universities, which are closely related to the Project of Regional and Country Studies started by the Chinese Ministry of Education.

Recently, the Belt and Road Initiative (BRI) has become an accelerator for the increase in Latin American Studies in Chinese institutions. For China, Latin America is not only a natural extension of the Maritime Silk Road of the 21st Century, but also an important and indispensable participant of the BRI, and 19 LAC countries have joined the initiative so far, representing about 60% of the Latin American countries. For the advancement of the BRI, knowledge of the other countries that will jointly build the project is essential. This made the need to include Latin American studies in regional studies more urgent, which supplied a situation never presented before for the development of studies in this region.

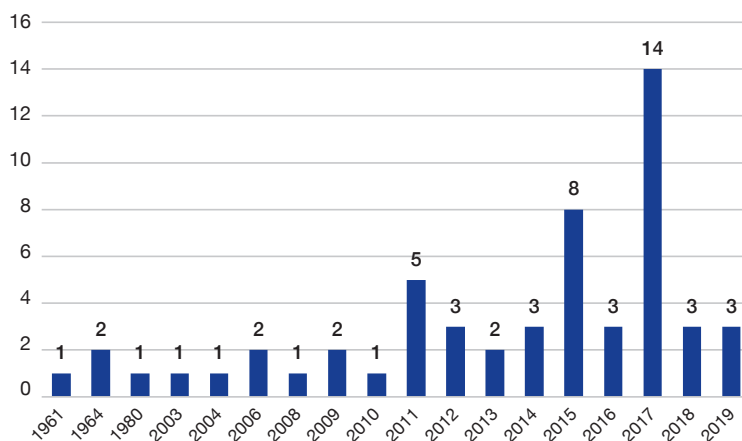
Figure 1:
The rapid development of institutions dedicated to Latin American Studies (1949-2019)



Source: Survey on the Development of the Institutions of Latin American Studies in China (1949-2019), CALAS.

In our study, we found out that, by 2019, there were 56 institutions dedicated to Latin American studies in China (Figure 1). In 2017 alone there is a surprising increase in 14 new centers (Figure 2). Following the Survey, another four centers dedicated to Latin American Studies were set up, respectively located in Jiangsu Normal University, Liaocheng University of Shandong, Guizhou University of Finance and Economics, Southwest University, and Shenzhen University.

Figure 2:
Annual increase in institutions dedicated to
Latin American studies in China

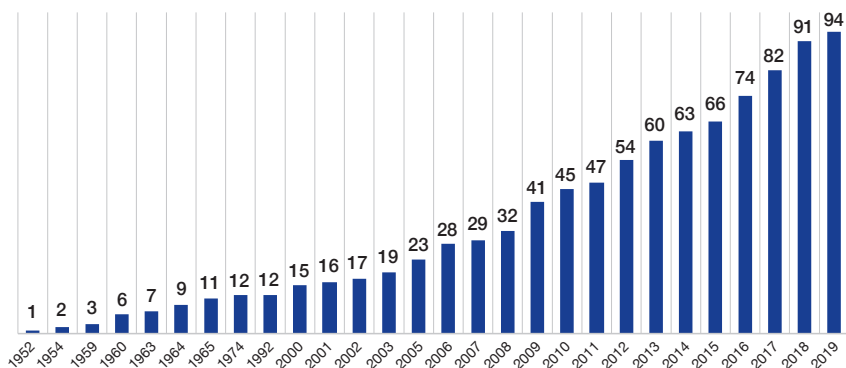


Source: Survey on the Development of the Institutions of Latin American Studies in China (1949-2019), CALAS.

Beijing is the city with the most Latin American studies in China with 22 centers, followed by Shanghai. This can be explained because the most important Chinese universities are found in these cities, however, there are also centers in Jiangsu, Guangdong, Hebei, and other provinces.

The Spanish and Portuguese teaching follows the same path of development. When it comes to language degrees, there are 45 universities teaching Portuguese and 94 universities teaching Spanish (Figure 3), which shows an important increase in Spanish and Portuguese language teaching in China.

Figure 3:
Development of the Degree in the Spanish Language
in Chinese Universities

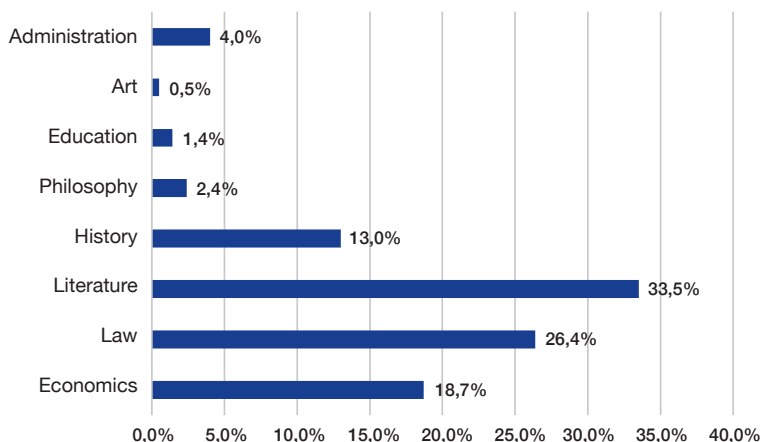


Source: Survey on the Development of the Institutions of Latin American Studies in China (1949-2019), CALAS.

Even though we have many institutions focused on Latin American studies in China they are not effective because 70% of researchers only have part-time dedication. On the other hand, on the academic training of the researchers, we found positive signs since 54% hold a Doctorate, while 33% have a master's degree and 13% are licentiates.

When it comes to the background of scholars that research on Latin America (Figure 4) the principal background is in Literature with 33.5%, followed by Legal studies (including International Relations) with 26.4% and Economics with 18.7%. However, there is an increased diversification of Chinese researchers' profiles that includes History, Philosophy, Administration, Education, and Arts.

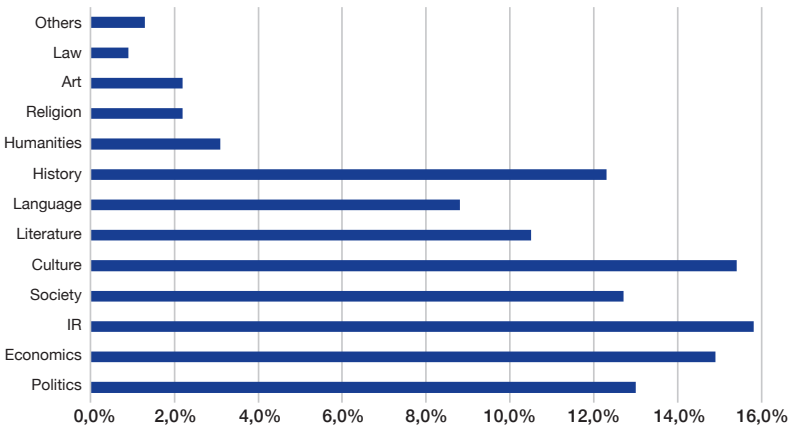
Figure 4:
 Academic profile of researchers on Latin America in China



Source: Survey on the Development of the Institutions of Latin American Studies in China (1949-2019), CALAS.

The research topics cover a wide range of fields (Figure 5), including International Relations (15.8%), Culture (15.4%), Economics (14.9%), Society (12.7%) History (12.3%), and other fields like Literature, Humanities, Arts, Religion and Law. However, when it comes to academic papers published in the *Journal of Latin American Studies*, we noticed a concentration of publications in subjects related to Economics with 43.4%, followed by Law and Politics with 36.4%, and History and Geography with 10.9%. Also, when looking at the geographical characteristics of the studies, there is a concentration in regional studies with 55.1%, while country-specific studies cover countries like Brazil (11.1%), Mexico (9.4%), Argentina (5.1%), Cuba (4.6%), Chile (4.0%), Venezuela (2.3%), Peru (2.0%) and Colombia (1.6%).

Figure 5:
Research fields of institutions of Latin American Studies in China



Source: Statistics based on the *Journal of Latin American Studies* (1979-2019) collected by the author on the CNKI website: www.cnki.net

From 1979 to 1992, the number of articles on Latin American topics published in core journals increased steadily from 74 to 391. After that, it began to skyrocket. From 1993 to 1999, the number of articles published remained at an average of 560 articles per year, of which 1995 was the highest, as high as 653 articles.

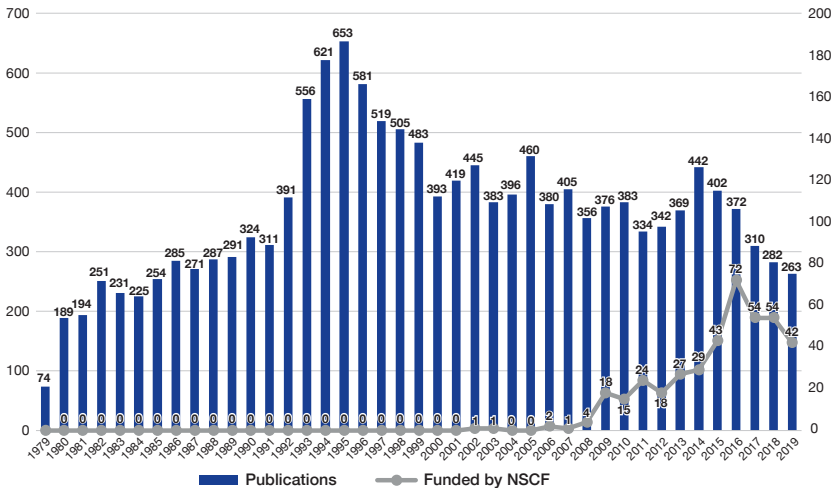
The 1990s can be described as the first upsurge of Latin American Studies in China. Since the beginning of the 21st century, the number of articles published in core journals began to show a recovery growth in 2001 after six consecutive years of decline; articles published in 2000-2014 were stable, with an average of 390 articles.

Although the number of Latin American research institutions and scholars in China has been increasing since 2014, the number of articles published in core journals has been declining in the following years (Figure 6). By 2019, it had fallen to the level of the late 1980s. This phenomenon and

the reasons behind it are worthy of the academic circle’s attention and reflection. However, unlike core journals, which are characterized by greater volatility, the number of Latin American Studies publications funded by the National Social Science Fund (NSCF) has always shown steady growth, especially from one article in 2002 to 72 articles in 2016. Although there was a slight decline in the following 4 years, the annual average rate remained at around 55 articles. These changes fully show that Latin American Studies has received increased attention from Chinese academic circles and decision-making institutions, and the number and intensity of funding are constantly increasing.

Figure 6:

Annual numbers of papers related to Latin American Studies on Chinese academic journals and financed by National Social Science Fund (1979-2019)

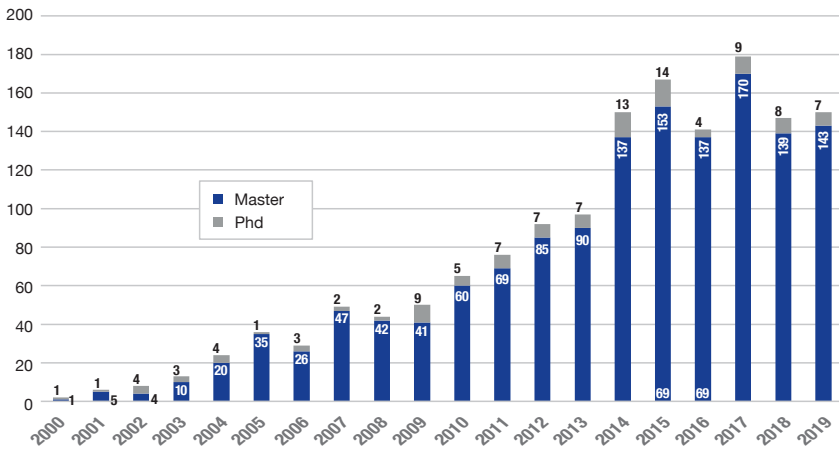


Fuente: Guo *et al.*: “The Development Trend of China ‘Latin American Studies’--Based on the Analysis of CNKI Literature Big Data (1979-2019)”, Chinese Social Science Evaluation, No 3, 2020.

When it comes to Ph.D. and Master thesis on Latin American studies in China, we found out that from 2000 to 2019, there were a total of 1,525 doctoral and master’s degree theses in Latin American Studies literature, with an average of 76 articles per year. Among them, 1,414 are master’s theses and 111 are doctoral theses. Judging from the number of papers published over the years and the trend of change, the number of Ph.D. and Master dissertations has shown a rapid growth trend, especially since the earlier maximum of fewer than 100 papers between 2000 and 2013 to around 150 papers in 2014. Among them, the number of Master theses reached their peak in 2017, with 170 theses, and the number of doctoral essays reached their peak in 2015, with 14 articles.

Figure 7:

Annual numbers of Ph. D and master’s thesis on Latin American Studies in China (2000-2019)



Fuente: Guo *et al.*: “The Development Trend of China ‘Latin American Studies’--Based on the Analysis of CNKI Literature Big Data (1979-2019)”, Chinese Social Science Evaluation, No 3, 2020.

There are structural challenges for Latin American Studies in China, starting with the need for a transformation of research perspectives. The

recent changes require Latin American Studies in China to “get out of China” and reinforce exchanges and conversations with researchers from LAC. If Latin American Studies in China “gets out of China” in terms of geography and mind, only then can they offer better information and proposals for political decision-making. They can also create knowledge for the public and meet the urgent needs of society in the changing realities in China and LAC.

The concept of “getting out of China” is not abandoning either the Chinese perspective or position but using a broader global perspective to look and consider Latin America. It is a perspective from the world to Latin America and China. Under this new research framework, first, it is the perspective of the entire world on Latin America, then it is that of Latin America and finally, it is that of China. Based on this, Latin American Studies in China have to assimilate both the content from China and abroad, especially that of the West.

Also, there is a need for a transformation of the research methodology. Due to geographical and financial limitations, Chinese researchers in Latin America have not been able to conduct an in-situ methodology for a long time, so the research methods have relied on the analysis of literature. In this new era, with the rapid advance of globalization and digitization, traditional methods can no longer adapt to new challenges. There must be a transformation: from an outsider to a participatory observer.

Latin American Studies require an understanding of local languages and the localization of researchers. More researchers should be encouraged to go and be present across Latin America through follow-up observation and participatory research, to gain first-hand experiences and resources. On this basis, field study, together with traditional literature analysis, should be combined and help reinforce theoretical analysis, as well as guarantee the scientific quality and objectivity of the research to the highest degree possible.

Finally, there is a need for a transformation of research fields. Research on the development of the institutions has shown what we already imagined: Latin American Studies focus significantly on politics, economics, and

international relations, the three traditional focuses. The three areas have often been considered as the “pragmatic use” in the context of increasingly closer China-LAC relations.

With the accelerating impulse of the political orientation, there are significant imbalances in the research fields. Generally speaking, it could be summarized as “ten more and ten less”:

1. more on regional studies, while less on country studies
2. more on Macro perspective while less on Micro
3. more on large and less on small countries
4. more on practical while less on basic research
5. more on “hot” while less on “cold” topics
6. more repeated research while less innovative
7. more on current affairs while less on historical issues
8. more “useful” research while less “useless” research
9. more fragmented research, while less systematic research; and
10. more unidisciplinary perspective while less multidisciplinary perspectives.

In reality, “ten more and ten less” reflects the strong pragmatism of Latin America Studies in China, the excessive importance given to practical research, and the relative absence of basic research.

Chinese Studies in Latin America

The emergence of Chinese Studies in Latin America started in between the 1950s and 1960s. The new China’s “cultural diplomacy” gave birth to several travel notes on China. From 1949 to 1960, more than 1,500 influential Latin Americans visited China, mostly intellectuals and journalists. In the mid-to-late 1960s, the first two Chinese-related research institutions were established, the Center for the Study of Asia and Africa of Colegio de México (COLMEX) in Mexico and the School of Oriental Studies of the University of Salvador in Argentina.

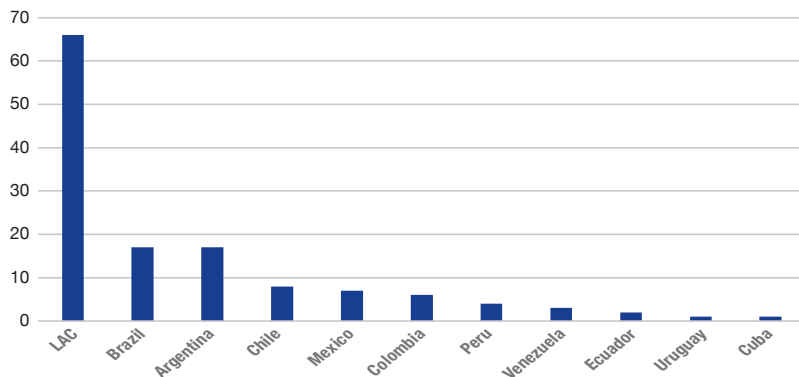
Between the 1970s and 1990s, there were significant advances in Chinese Studies in Latin America. The pioneers of Chinese Studies were driven

first by experts aiding China and diplomats, and then by professional scholars; former such as Peruvian sinologist Guillermo Dañino and Colombian sinologist Enrique Posada, and latter such as the first Mexican ambassador to China Eugenio Anguiano Roch, after retiring and returning to China, he served as the Director of Center for the Study of Asia and Africa of COLMEX.

Then, in the early 21st century there is a rapid rise of Chinese Studies in Latin America. In the first decade, the rise is due to the expansion of the research field of existing institutions and researchers rather than the “clean slate”. While in the second decade, scholars of Chinese studies were relatively young, most of them received academic training, speak Chinese very well, and obtained a doctoral or a master’s degree in Chinese universities.

Figure 8:

Distribution of China-related Centers in LAC by countries



Source: own elaboration

Of these sixty-six research centers (Figure 8), thirty-six of them are titled “Asia Pacific”, “Asia”, “East Asia” or “Oriental”, while China does not appear in any way in the name of these institutions. About the qualities of these research centers, except for the Center for Asian and African Studies of the COLMEX and the Center for China-Veracruz Studies of the Universidad Veracruzana, none of the others are independent entities.

Among them, thirty research centers or organizations bear the name “China”, whose qualities are also complex and diverse. Of all of them, there are seventeen research centers (more than 55%), six academic interest groups, three research projects, as well as two master’s programs. The above characteristics fully show how, even though Chinese Studies have achieved a notable increase, this is shown in the “quantity” and not necessarily in the “quality” of the same.

Other important characteristics are:

- The rapid emergence of sinologists of new generations
- Increasing connections between China and LAC
- Increasing Institutes of Confucius and expansion of Chinese Language education across LAC
- Higher education cooperation and Chinese Studies Program started by Hanban

More than half of China-related centers established in the past 10 years are directly named “China”, and most of them are founded or dominated by scholars studying or teaching in China. They are mostly 30-40 years old, with high academic training and fluent in Chinese, willing to communicate with the rest of the world and good at social media, highly active in academic activities and cultural exchanges.

Research fields are concentrated but increasingly diversified too. Before the 1980s, China’s topics were focused on politics and revolution. This was also the focus of Latin American intellectuals on China. In the 1990s, especially since the 21st century, most Latin American scholars have focused on the Chinese economy and China-Latin America relations. There is also an increasingly diversified trend behind, that is, Chinese

Studies in Latin America are increasingly expanding into many fields such as history, society, culture, science and technology, environment, and anthropology.

The appearance of networks of Chinese Studies in Latin America is also an essential element to consider. In 1976, the Latin American Association of Asia and Africa (ALADAA) was established, whose Secretariat was found in the Center for the Study of Asia and Africa of COLMEX. Besides Mexico, there are seven branches found in Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, Peru, Uruguay, and Venezuela. ALADAA is the oldest and most institutionalized China-related academic network in Latin America. Its existence is very conducive to promoting Chinese Studies in the region.

In the second decade of the 21st century, a series of academic networks appear *Red Académica de América Latina y el Caribe sobre China*, REDALC-CHINA, 2012, Mexico; *Observatorio Virtual Asia-Pacífico*, OVAP, 2013, Colombia; Brazilian Network for China Studies, RBCHINA, 2017, Brazil; Venezuelan Association for China Studies, AVECH, 2018, Venezuela; REDSINOLATINA, 2020, Costa Rica; and Latin American Association of Chinese Studies, ALAECh, 2021, Argentina. A series of international conferences on Chinese Studies, UNLP of Argentina (2011 and 2019), University of Costa Rica (2012 and 2019), UNICAMP & RBCHINA (2017—) as well as RBCHINA in 2021.

Community of Chinese Studies and Latin American Studies: Integrational cooperation

By way of conclusion, it is clear that compared to other regional studies, Chinese Studies have recently stood out. However, in general, they are still in a marginal position. Certainly, the insufficient financial resources limit the development of Chinese Studies across LAC.

Building a new type of cooperative and mutual assistance relationship to promote the integration of Chinese Studies in Latin America and Latin American Studies in China can be a practical way to address these shared challenges. The survey from the first period shows that Latin American Studies in China have achieved an “explosive” development in the last two decades, but one of the main bottlenecks is the problem of “location.”

Integrating Chinese Studies in Latin America with Latin American Studies in China can not only help confront the difficulties of “localization” for Chinese and LAC scholars but also optimize the allocation of teaching and research resources. As a consequence, Chinese Studies in Latin America and Latin American Studies in China can complement each other and develop together.



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2030 AGENDA AND
CHINA'S COOPERATION
FOR SUSTAINABLE
DEVELOPMENT

This paper is based on the Lecture “2030 Agenda and Cooperation for Sustainable Development”, presented on November 2, 2021, in the Lecture Series developed within the framework of the Chair in Contemporary China.



2030 AGENDA AND CHINA'S COOPERATION FOR SUSTAINABLE DEVELOPMENT

*Juliana González Jauregui*¹³

The intention of this presentation, in the first place, is to address both China's domestic and foreign policy on climate change, and specifically the objectives that are raised around the 2030 Agenda for sustainable development. Within the framework of the planning that the United Nations (UN) has for all the countries that are part of the goals pursued by the 2030 Agenda for sustainable development, both domestic policy and China's foreign policy have advanced to respond to these objectives. In a second part, this presentation aims to convey what progress has been made in relation to these goals in linking China with Latin American countries, and to account for the investments and financing that China has provided to the countries of the region in recent years in the renewable energy sector in particular, and alternative energies in general.

China's effort to respond to climate change has been the result of both its domestic policy and its global strategy. The most relevant objectives are those established by the central government, within the framework of the five-year plans (FYP), to reduce the intensity of carbon emissions, energy intensity and energy consumption, as well as to increase the participation of alternative and renewable energies in its energy matrix. Although China has taken part in international conferences on climate change for decades, it has taken on a more proactive role in more recent times. After the Earth Summit in Rio de Janeiro in 1992, China made new commitments on a global scale, and established the first policies to respond to climate change. China took part in the

13 Professor and Director of the Chair in China Studies at FLACSO Argentina.

negotiations to establish the United Nations Framework Convention on Climate Change and increased its participation and cooperation with international organizations to propose measures to respond to the problem of climate change. In 1993 it ratified the Framework Convention, and in 2002 the Kyoto Protocol. In 2014, in the context of the Joint China-US Announcement on Climate Change, it proposed new targets, which were then included in its commitments under the Paris Agreement. In this context, for the first time, China announced the commitment to reduce its greenhouse gas emissions, in order to reach the maximum emissions in 2030.

Since the ratification of the Paris Agreement, there has been an especially important change in China's policy to respond to climate change. Since then, the goals established by the central government within the framework of the five-year plans have been combined with its international policy, in search of the construction of a low-carbon society, or a society focused on sustainable development. The technological dimension of China's policy became central: technological development began to go in tandem with the objectives to respond to climate change. Thus, China encouraged technological advancement in industries linked to the development of alternative and renewable energies.

Between the late nineties and the beginning of the twenty-first century, China proposed the first policies. It should be noted that, beyond having ratified the United Nations Framework Convention on Climate Change and the Kyoto Protocol, being a developing country, China had no binding obligations to reduce its emissions. In this context, in fact, China proposed the principle of "common but differentiated responsibilities" on climate change, to differentiate the responsibilities of developed economies, as major emitters of greenhouse gases, from developing economies. In this way, China advances in the fight against climate change, but does not set goals under the UN Framework Convention, nor under the Kyoto Protocol; their commitments to respond to the problem were, for years, voluntary.

The aim of the China-United States of America (USA) Joint Announcement in 2014 was to make it public that both were going to ratify the Paris Agreement. While China finally ratified, the US did not. That step embodied a significant first commitment on the part of China in the fight against climate change. In this context, China announced for the first time that it would limit its emissions of carbon dioxide and methane, which are the main emitters of greenhouse gases; the first, in fact, is the main emitter of greenhouse gases.

In parallel with the commitments that China began to assume at the global level, it began a stage of changes in its domestic policy. In 1992, it created the National Coordination Group on Climate Change, to support international negotiations on climate change. The Group established as objectives the discussion, elaboration, and presentation of the proposals that China was going to present in the international negotiations and, in turn, was the body in charge of designing how China was going to adjust its domestic policy to the demands of the international system, beyond the fact that, as anticipated, its commitments were still voluntary.

Indeed, in the early nineties, climate change was a scientific and international issue for China; as such, it had not been addressed as part of domestic politics. In 1998, the National Coordination Group on Climate Change was replaced by the National Climate Change Strategy and Cooperation Group.

The X FYP, which covered the period 2001-2005, was the first to address the problem. An Incentive Program for the Development of Renewable Energies was created, which involved, for example, the establishment of preferential tax rates for companies that invested in Chinese territory and proposed the development of renewable energies. In 2005, the Renewable Energy Act was passed, which was amended in 2009. This reform occurred in the context of the new goals that the Chinese government had begun to propose regarding the development of renewable energies.

In the XI FYP, which covered the period 2006-2011, the central government continued to advance in the proposal of measures to respond to climate

change. Specific goals were established to reduce energy intensity, given the significant increase in greenhouse gas emissions, mainly carbon dioxide, as a result of the accelerated industrialization process that had begun within the framework of economic reforms since the late eighties. The growth of the Chinese economy, at average rates of 10% per year for 35 years, had consequences for the environment. When China began its industrialization phase, it lagged far behind the great powers in terms of emissions. However, environmental problems began to become pressing. Thus, the XI FYP proposed to begin to respond to the environmental impacts that industrial development was having, both for water and for air and soils and, therefore, for the health of the population.

Among the main objectives set out in the XI FYP is the reduction of 20% of energy consumption by 2010. However, many of the provinces failed to deliver, as in parallel programs were launched to encourage China's domestic development, for example, the Go West Strategy, which encouraged an accelerated process of infrastructure construction. The provinces where heavy industries had been developed and those linked to the use of coal, were those that registered the least progress in reducing energy consumption proposed by the XI FYP.

In the XII FYP, which covered the period 2011-2015, the Chinese government proposed a more intense strategy to respond to the problem of climate change. During this stage, the China-US Joint Announcement took place. The U.S. Department of Climate Change, and the approval of the Paris Agreement, which was ratified in 2016.

At the same time as these environmental changes, China had begun a reconversion of its development model in 2011. During the last stage of Hu Jintao's government, and the first phase of Xi Jinping's government, China started a process of change in its development model, which included a major emphasis on environmental protection, sustainable development, and technological development.

Therefore, the proposals to continue advancing in the fight against climate change, within the framework of the XII FYP, were crossed, and

influenced, by the goals proposed by the Chinese government to advance in matters of technological development. The XII FYP, in addition to proposing the reduction of greenhouse gas emissions, promoted scientific and technological innovation in areas related to environmental care and sustainable development. In turn, within the framework of the proposal to start the “era of the New Normal”, a process of changing the type of manufactures towards “intelligent manufactures” began, orienting production towards efficiency and quality. Likewise, a shift towards an economy more focused on services, with digital content, was proposed. In short, the objective of the new Chinese development model shifted to concentrate efforts on the domestic consumption, services, and R&D, and to place less emphasis on boosting exports (as had happened during the previous more than three decades).

Since then, new concepts have emerged, framed in an industrial policy focused on scientific development, through a specific plan that covered the period 2006-2020, the “Medium and Long Term Strategic Plan for the Development of Science and Technology 2006-2020”. Thus, the development of the so-called “emerging and strategic industries” was encouraged; these include a significant development of technologies linked to alternative and renewable energies.

How were these emerging and strategic industries boosted? The XII FYP set the objective that 8% of China’s GDP be represented by these industries, while proposing the increase of R&D spending to 2.2% of GDP, matching the average expenditure allocated by developed economies to such activities. Thus, China gave impetus to an industrial policy that encompasses much more ambitious goals in terms of technological development; among them, the Plan proposes Made In China 2025. This is one of the most relevant action plans in terms of science and technology development in China, but it is not the only one. In addition, the Internet Plus 2015 plan, the Civil Military Fusion Plan, the Artificial Intelligence Plan, among others, are listed. China modified its logic of technological development of catching up, that is, focused on “achieving” the technological development of the great powers, to a process called leapfrog, which aims at the development of own technologies, with their

own standards, through endogenous innovation. In this way, China initiated a policy that pursues the objective of turning the country into a nerve center for the generation of patents, technological standards, based on its own technological leap from within, no longer adapting technology from abroad, but through the creation of its own technology. Undoubtedly, the proposal to allocate 2.2% or more of GDP to research and development has been in line with the objective of starting a phase of leapfrog in technological development.

With regard to the fight against climate change specifically, the XII FYP sets the goal of reducing emissions per unit of GDP by between 40-45% compared to 2005. To achieve this, it was proposed to increase the share of non-fossil energies. Thus, investments in nuclear energy became central. During that stage, 14 new nuclear power plants were built. It was also proposed to increase the installed capacity of hydroelectric energy by 50%, as well as to boost the development of wind and solar energy.

Thus, in the passage to the “era of the New Normal”, sustainable development began to play a key role. To give rise to an economy with lower carbon content, it was not only proposed to begin to modify production processes, but also to incorporate technology progressively, and to develop the service industry, giving priority to the latter before traditional manufactures. In the search for a “New Normal”, measures were proposed to reconvert production processes towards a more rational and sustainable logic, as opposed to processes with a short-term focus that had been encouraged in China during the previous 35 years.

The passage to the “New Normal” also included the proposal to reconvert the processes characterized by producing goods in quantity, by starting to manufacture quality goods, that is, products with more technological content. It was proposed to encourage more efficient production processes and much more oriented to the progress towards a low-carbon economy.

With the aim of giving continuity to the changes proposed by the XII Five-Year Plan, the XIII Five-Year Plan intensified the reform proposals to move towards a low-carbon society. The XIII Five-Year Plan proposed

new objectives: that 15% of the energy matrix be represented by non-fossil energy by 2020. To achieve this, investments were proposed in solar and wind energy, but also in alternative energies such as nuclear and large hydroelectric dams.

At this stage, the concept of “ecological civilization” became relevant. While this concept had emerged during the Hu Jintao era, within the framework of the goal of achieving a “harmonious society” that included, also, “scientific development”, it was in the era of Xi Jinping that it was finally incorporated as part of the new FYP and the constitution itself in 2012. The “ecological civilization” is even linked to the realization of the Chinese Dream. What will this concept mean? On the one hand, the idea of harmony between humanity and nature. The Chinese government understands that as human beings we live with nature and that, therefore, the conservation of both resources and the recovery of spaces damaged by the processes that led to the climate change crisis is fundamental. The concept of ecological civilization includes respect for the limits of the planet. Thus, the pursuit of an “ecological civilization” became an essential part of China’s goals under the UN 2030 Agenda for Sustainable Development. Ecological civilization was incorporated as an essential part of the path to the realization of the “Chinese Dream”, which is composed of two phases: the proposed intermediate objectives for the period 2020-2035, and the goals for 2035-2049 in order to achieve the modernization and revitalization of the Chinese nation in all aspects.

As part of its goals in an intermediate step towards 2049, China had proposed to reach the “modestly prosperous society” by the centenary of the creation of the Chinese Communist Party in 2021. Earlier this year, in fact, the government announced the completion of this intermediate step, as it confirmed the elimination of extreme poverty. By 2049, the year in which the centenary of the founding of the People’s Republic of China is celebrated, the Asian country has set out to realize socialist modernization, that is, to become “a socialist, prosperous, strong, democratic, advanced, harmonious and beautiful country.” This objective will be achieved through a political, social, and economic system with its own features, i.e., “socialism with Chinese characteristics”.

As for the fight against climate change, certain recent government announcements drew the lines of the policy proposals that were later incorporated into the XIV FYP. These were public announcements made by both Xi Jinping and Li Keqiang, at international summits that took place in late 2020. In September 2020, at the UN General Assembly, Xi Jinping announced that China will become carbon neutral by 2060; this announcement was taken up by the XIV FYP and was established as one of the most important objectives in terms of response to climate change. In December 2020, on the sidelines of the UN Climate Action Summit, China expanded its commitments and updated its Nationally Determined Contributions, while announcing that it will reach the maximum emissions “before 2030”, and not “near 2030” as previously proposed.

Another of the central objectives referred to in these announcements had to do with reducing carbon intensity as a percentage of GDP to more than 65%, exceeding the targets of earlier commitments, which were between 60% and 65%. In a third stage of objectives, the increase in the participation of renewable energies was proposed. Thus, it was proposed that renewable energies represent 25% of the Chinese national energy matrix by 2030.

Both in the XIV FYP, which covers the period 2021-2025, as well as in the Long-Term Goals towards 2035, the Chinese government has established goals that seek to answer how to continue advancing in its development, and in that framework, how this new strategy is linked to sustainable development, and with the realization and progress towards a low-carbon economy.

What does China need, then, to advance its development? On the one hand, a new philosophy will be proposed in relation to the economic and social development of China, focused on four concepts: an innovative (scientific-technological) development; coordinated development (between the different provinces and regions, and around the various social and economic objectives); green and sustainable development (and, in that line, how to continue advancing in the fight

against climate change); and open and inclusive development (in search of territorial integration, of overcoming the countryside-city gaps, but also of the importance of sustaining the connection of the Chinese economy with the outside world). In reference to the latter concept, the Chinese government proposes “dual circulation”, that is, the connection between the domestic economy and the international economy, for the sake of mutual complementation. Likewise, the objective is to continue to shorten the gaps between urban and rural areas, and the differences between social strata, that is, to move towards a society with a preponderance of the middle class.

The XIV FYP incorporated into its proposals the announcements that Xi had made in September and December 2020 on the maximum emissions by 2030 and carbon neutral in 2060. What will be the policy proposals to achieve these goals? On the one hand, reduce energy intensity in the percentage of GDP by 13.5% by 2025, by increasing investment in low-carbon technologies, not only in renewables, but also in large hydroelectric dams, nuclear energy, and natural gas. Indeed, China has proposed its period of energy transition by boosting the development of natural gas. In addition, among the recent technologies that have been promoted are the techniques of carbon storage and capture, which are already being incorporated into the conversion processes of large Chinese state-owned companies linked to oil and gas production.

Another of the aims that China has set itself in the framework of the XIV FYP is linked to the reduction of carbon intensity as a percentage of GDP by 18% by 2025. Likewise, it has been proposed to increase the share of non-fossil energies in the energy matrix, by 20% by 2025, and by 25% by 2030. In the XIII FYP, China had proposed that non-fossil energies should account for 15% by 2020; managed to exceed that percentage because, by 2020, non-fossil energies accounted for 15.8% of its primary energy matrix. Another goal included in the new five-year plan is to expand installed capacity in wind and solar to 1200 gigawatts by 2030.

As predicted, in line with the proposals to combat climate change, great emphasis was placed on technological development since 2006.

However, currently the focus is on continuing to advance towards the goal of turning China into a global center of innovation and technology, achieving self-sufficiency in science and technology, and making that innovation primarily. The development of advanced technologies is the main driver for achieving China's proposed national modernization by 2049, including those technologies specifically linked to clean energy.

Proposals that are included for technological development under the XIV FYP involve the creation of more laboratories and innovation centers in China, and an increase in research and development spending of more than 7% per year. The so-called “new infrastructures” are also included in the policy proposals, in line with the aim of expanding digital and technological development, through the implementation of infrastructure linked to the development of 5G, data centers, smart cities, electric vehicles, and artificial intelligence, among many others.

Despite the above, it can be considered that China, for more than a decade, has been the main emitter of greenhouse gases, and as the largest emitter of carbon dioxide. In 2019, China accounted for 27% of greenhouse gas emissions globally. Today it accounts for 30.7% of global emissions. These emissions are represented by the use of fossil fuels, such as coal, oil, and gas, and by industrial processes, especially those linked to the construction of infrastructure; the cement industry is a major emitter, to give an example.

Despite the increase in the presence of renewable energies, based on the policies that have been implemented within the framework of the five-year plans cited, but also through the international commitments that China has assumed in this area, the energy matrix of the Asian country still is mostly represented by fossil fuels. Coal alone accounts for 60% of China's energy matrix; if oil and gas are added, the representation of fossil fuels in the matrix amounts to 85%. These data reflect that there is still a long way to go in terms of achieving the goals that China has set for itself for 2030 and 2060, respectively.

Next, there will be a focus, on the one hand, on China's domestic energy capacity, and, on the other hand, on Chinese foreign investment in

alternative and renewable energies. China is a world leader in the installation of alternative power plants; it accounts for 28% of global hydropower capacity, three times more than any other nation. In wind energy, its capacity doubles that of any other nation, while in solar energy its capacity is three times that of any other country in the world. It is also a world leader in the manufacture of solar cells and panels.

In alternative energies, for example, China has 48 nuclear plants in its territory, which represent almost 5% of the energy generated in the country, being the third nuclear park in the world, after the US and France. Of the 13 nuclear plants that opened between 2018 and 2019 in the world, 9 were inaugurated in China. It is necessary to consider that the impulse to the development of renewable and alternative energies is the result of an important capacity to provide convenient credits that Chinese development and commercial banks make available to state-owned enterprises linked to this type of energy. Thus, China has a credit policy for companies that develop alternative and renewable energies; such credits are granted for development within the country, but also abroad.

In terms of domestic installed capacity in solar and wind power, China has been raising its share since 2010; it has already managed to exceed 500 gigabytes in installed capacity of photovoltaic and wind energy. The production of electric vehicles has also advanced strongly in recent years, in 2010 it was 0, being in 2020 about 5 million cars. China accounts for about 50% of the world's production capacity of electric vehicles.

As for solar thermal energy, the jump has been even stronger, as China already represents 70% of installed capacity in the world. As anticipated, in addition to the installed capacity in its own territory, China has become an important investor and supplier of credits for the development of alternative energies. The impetus for investments was given, first, through the strategy of "Going Global". That strategy was then subsumed to the goals of the Belt and Road Initiative. Through such strategies, Chinese state-owned and private enterprises entered the international market with the credit support of state-owned banks,

both commercial and development. These companies have deployed investments in developing countries in Latin America, Africa, and Asia, as well as in developed countries. However, much of China's investment in renewable energy has been in developing countries, with significant emphasis on Latin America. These dynamics are linked to the great wealth that the region has in terms of renewable resources.

However, prior to addressing China's investments and loans for the development of alternative and renewable energies in Latin America, it can be considered that, in parallel with the aforementioned policies, China has designed specific policies for climate change within the framework of the Belt and Road Initiative. In the case of the so-called Green Belt and Road (GBR), which is the subprogram aimed at making investments in renewable energy, the main policies are included in the documents known as "Cooperation Plan for Ecology and Environment of the Belt and Road Initiative", and "Guide to Promoting the Green Belt and Road". These documents were published in 2017 by the then Ministry of Environmental Protection (now Ministry of Ecology and Environment), and complemented by the creation of specific institutions for the development of the subprogram, namely: the International Coalition for the Development of GBR, the Greenlight System and the Big Data Platform for the Environment; all of them linked to sustainable development within the framework of the GBR.

In December 2020, the GBR Development Coalition convened a committee of Chinese and international experts to contribute their knowledge on sustainable development. The committee suggested incorporating a system of categorization of investments and financing proposed under RBM based on their impact on pollution, as well as on climate and biodiversity. The proposal indicates that investments should be classified as red, yellow, or green, according to whether they generate an irreversible impact (and, therefore, are discouraged), moderate, or insignificant and, therefore, contribute to progress towards the objectives established by the Paris Agreement.

In parallel to these initiatives, objectives and action plans of more than thirty Chinese state-owned enterprises during 2021 are included,

to respond to climate change. SASAC is expected to propose implementation guidance for those goals in the near future. Among the examples to be highlighted, the reconversion that three of the most important state-owned companies in China linked to the oil and gas sector, that is, CNPC, CNOOC and SINOPEC, have already begun in recent years. These companies have not only begun to develop natural gas production processes but have also incorporated the development of alternative and renewable energies. In the case of CNOOC, for example, it has begun to develop technology linked to the deployment of wind energy. In the case of SINOPEC, it has initiated processes to generate capacities linked to the development of green hydrogen.

In addition to these actions, in July 2021, the Ministries of Foreign Trade, Ecology and Environment, published the “Guide for Green Development in Investment and International Cooperation”, with the aim of encouraging Chinese firms that invest abroad to promote investments with low-carbon techniques and technologies, and that their investments are oriented to the development of alternative and renewable energies. In line with these advances, the Bank of China announced in September 2021 that it will not promote more financing in projects that are linked to coal mining or coal-based energy in the rest of the world. The announcement was made in line with Xi’s pronouncement on the sidelines of the 2021 UN General Assembly, where China pledged not to build new coal-fired power plants abroad.

With regard to China’s economic and financial relationship with Latin America, it should be noted that, as of 2019, China was consolidated as the second origin of investments in the region. Likewise, it was positioned as the second source of type investments greenfield (i.e., initiating new projects), and the third source of investments in mergers and acquisitions (M&A). Among the large Chinese companies that invest in our region, most of them are wholly or majority state-owned.

Between 2005 and 2019, Chinese M&A investments increased, while greenfield investments decreased. In 2020, despite the economic crisis as a result of the COVID-19 pandemic, Chinese investments in Latin

America accounted for 9.77% of the total received by the region. Although in 2019 that percentage had reached 10.78%, during 2020, even in the context of the crisis, the flow of Chinese investments did not register an abrupt fall. If the economic sectors where China has allocated its main investment flows are considered, in a first stage, from 2005 to 2009, investments were oriented to raw materials and extractive sectors; then, there are increasingly relevant flows for the energy infrastructure and transport sectors.

Which countries in the region have been the main recipients of investment and financing? Between 2010 and 2014, Argentina and Brazil accounted for more than 60% of Chinese investments in Latin America. Since 2017, that trend began to change and, at present, the main recipients are Chile, Colombia, Peru, Mexico; in 2020, they accounted for almost 77% of Chinese investment flows in Latin America. In terms of the distribution of ownership of these investments, as highlighted, the presence of state-owned enterprises stands out above the transactions conducted by private companies, although there is evidence of a gradual and growing presence of privately owned companies in Chinese investments in the region. Many of these investments are made by firms linked to the energy sector, specifically hydrocarbons, but there is a growing trend of investments that go to the hydroelectric, solar, and wind sectors. In the case of Argentina, there have been agreements since 2014 and 2015 for the realization of investments and financing in the nuclear energy sector, more specifically, for the development of the fourth nuclear power plant in the country.

As for the provision of loans by China's development banks, in 2020, for the first time since 2005, no new commitments were recorded. Notably, China's development banks have financed energy, mining, and infrastructure projects in the region for more than \$137 billion between 2005 and 2019. The main destinations of these credits were Argentina, Brazil, Ecuador, and Venezuela. At the same time as the provision of loans by state-owned banks, diversification of financing channels was evident: Chinese commercial banks, ICBC, Bank of China, China Construction Bank and Communications Bank. Starting in 2015, commercial banks,

along with bilateral and regional funds, began lending to countries in the region. The focus of commercial bank lending has been renewable energy. In this case, Argentina ranks first as a recipient of loans from these banks, followed by Brazil, Chile, and Ecuador. In the case of Argentina and Brazil, China's investments and financing were in wind and solar energy, as well as in large hydroelectric dams, which also happened in the case of Ecuador.

Within the framework of the new era of economic and financial ties between China and Latin America that began in the early twenty-first century, the region was included as a "natural extension" of the Belt and Road Initiative. This incorporation formally takes place within the framework of the Second Ministerial Meeting of the China-CELAC Forum in Santiago, Chile, in 2018. The first Latin American country to sign the Memorandum of Understanding (MoU) to be included in the Belt and Road Initiative was Panama in 2018; subsequently, 18 more countries completed their accession; the last was Peru. However, four of the region's major economies, Argentina, Brazil, Colombia, and Mexico, have not yet signed the MoU to join the Initiative. The Argentine ambassador to China announced that Argentina has already made the decision to join, and that it will do so in the next state visit that President Alberto Fernández makes to China. However, the non-incorporation into the Initiative has not prevented Argentina and Brazil from becoming the main Latin American recipients of investments and financing from China in renewable energy.

In the case of Argentina, although the development of public policies to boost renewable energies began in the late nineties, it was within the framework of the RenovAr Plan, which was launched in 2016 to give impetus to Law 27,270, when a prominent role on the part of China was evidenced. Several Chinese companies participated in the bidding rounds that were called under the plan; in fact, they were important awardees of contracts to build wind and solar power plants in Argentina. 29% of the projects that were awarded in rounds 1 and 1.5 of the RenovAr Plan were represented by Chinese companies, including Envision Energy, which presented the projects "Los Meandros" in the province of

Neuquén, and “García del Río” and “Vientos del Secano” in the province of Buenos Aires. China not only participated and won public tenders for the installation of wind farms, but also made investments through M&A. In 2017, Goldwind acquired four wind farms in the country, Loma Blanca I, II, III and IV, in the province of Chubut, and Miramar I, in the province of Buenos Aires.

In the case of investments in solar energy, China won a public tender under Round 1 of RenovAr. For the project, a temporary union of companies (UTE) was confirmed, between the company of provincial ownership of Jujuy, JEMSE, together with Power China and Shanghai Electric, with which an EPC modality contract was signed. The Chinese company Talesun was in charge of providing the panels for the Cauchari Solar project. The park “Cauchari I, II and III” is the largest solar park in South America. This project was financed 85% with loans provided by the Export-Import Bank of China, and 15% by a green bond issued by the provincial government in New York. The Chinese company Jinko Solar also won tenders under round 1.5 of the RenovAr plan for the installation of a solar park in the province of San Juan, in the area of Argentina. In addition to the aforementioned public tenders, M&A of the Canadian solar company was registered; for the project in Cafayate, in the province of Salta, Power China was contracted through the EPC modality.

In the case of large hydroelectric dams that, according to Argentine law, are not considered strictly “renewable”, given their generation potential greater than 50MW, the investment and financing of the Chinese company Gezhouba stands out, which formed a joint venture with the Argentine firms Electroingeniería and Hidrocuyo to build the “Kirchner” and “Cepernic” dams in the province of Santa Cruz.

In the case of Brazil, Chinese investment in hydroelectric energy stands out, given the abundance of this resource in the South American country, as well as the trajectory that both China and Brazil have in the matter. In addition to the investment in hydroelectric dams, the presence of Chinese companies in the wind energy sector stands out; among the

most important firms are State Grid, China General Nuclear Power, China Three Gorges, and State Power Investment. State Grid has 51 plants in total, China General Nuclear Power has 40 plants, China Three Gorges has 41 plants, and State Power Investment has 11 wind farms in Brazil. There have also been loans from the China Development Bank for the Barra do Coqueiros plants in Brazil.

In solar energy there is a strong presence of Canadian Solar, which has 23 plants in the country, while China General Nuclear Power has 10 plants, China Three Gorges with 12, and State Grid with a project in Sao Paulo, along with Companhia Paulista de Forza e Luz.

The case of Brazil, unlike the Argentine case, is even more interesting because joint research and development links have been established in the renewable energy sector, through the Sino-Brazilian Innovation Center for Climate Change and Energy. The Center unites the COPPE-UF RJ and Tsinghua universities.

By way of conclusion, at least in the cases of Argentina and Brazil, and to a lesser extent the case of Chile, the policies for the energy transition that Latin American countries are conducting are in line with the objectives that China has been pursuing within the framework of its policy for climate change and the energy transition.

There is a synergy and an interest of both parties in moving towards the energy transition and towards the fight against climate change. Undoubtedly, in the current global context, cooperation for sustainable development is of great relevance. Looking ahead, significant challenges lie in terms of recovering from the economic crisis that has increased the COVID-19 pandemic. These challenges include, for example, recovery with an emphasis on the development of alternative and renewable energies. BRI broadly, and RBM in particular, can be vehicles for thinking about a recovery that considers energy transition and sustainable development. These challenges should be considered as an essential part of the negotiating table between China and the countries of the region in the present context, but also when designing medium- and long-term joint cooperation programs.



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DIGITAL SILK ROAD IN LATIN AMERICA: APPLICATIONS AND INITIATIVES

This paper is based on the Lecture “Digital Silk Road in Latin America: applications and initiatives”, presented on October 26, 2021, in the Lecture Series developed within the framework of the Chair in Contemporary China.



DIGITAL SILK ROAD IN LATIN AMERICA: APPLICATIONS AND INITIATIVES

Luo Xun¹⁴

In this conference I am going to talk about the application and key initiatives of the Digital Silk Road between China and Latin America and Caribbean countries.

When we talk about digital technologies, the five fundamental technologies are usually referred to as: “ABCDE”:

- Artificial Intelligence
- Blockchain
- Cloud Computing
- Data Technology
- Edge Computing

Virtual Reality, or its derivatives such as digital twins and metaverse, is a system and application technology that uses these fundamental information technologies to build applications and form the digital base for our developments.

Let us imagine a world where people from China and Latin America and Caribbean countries can communicate without any geographic barrier or distance. Two years ago, along with three exchange students from Ecuador, we created an application where you can use your own picture to get into the virtual world. We used it to read together a classical Chinese poem called “Meditation in a full moon night”, this

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is a complex cultural material but, through digitization, myself and three of my students can get into the virtual world, read together, and understand each other. This is an example how people in China and Latin America and Caribbean countries can actually communicate using digital technology with a lower cost and can better understand each other.

We talk about digital technology as if it is something new, however it is not. China will be holding the Winter Olympics in Beijing next year, but going back 13 years ago, when China held the first Beijing Olympics, a sports stadium was not built until four months before the event, and this made it difficult for people to plan a trip to go watch the games, consequently China used a full virtual reality application to replay the games. Now, for the Winter Olympics, a similar technology is currently being used so everyone around the world can explore and play in the Winter Olympics stadium.

Figure 1:

Ecuadorian students and Chinese teachers in a virtual world



Source: own image

How does digitalization help the Silk Road?

Flying from China to Latin America takes about 30 hours, since the distance is exceptionally long. Traditional methods have higher costs and longer time cycles, therefore only a small group can benefit from the exchange. However, with digital technologies we have lower costs and a short cycle, helping a wider benefiting group. There are also representative VR projects for collaboration. This section presents cultural and infrastructure projects created using VR technology and serve as examples for international cooperation and collaboration between China and Latin American and Caribbean countries.

Cultural projects

- A virtual museum of Chinese history on studies and exams. The advantage of this is that you can actually visit this museum at any time and with any device, using your phone or PC, there is no cost and no time difference.
- Animation application for Chinese characters' evolution. Illustrated by animation, this application can help language students better understand the evolution among six historical forms of three thousand Chinese characters.
- Virtual Chimes simulate the 65-piece ancient Chinese instrument called Chimes. The sounds were taken from real recordings of the 2000-year bells.

Figure 2:
Application to learn Chinese characters



Source: own image

Infrastructure projects

- Virtual campuses using aerial photos taken by drones to reconstruct campuses with low cost and high fidelity.
- Procedural generation of large cities with virtual buildings that can be used for urban planning.
- Using 3D models of urban buildings, and multiple sources of 2D surveillance video, to achieve “live” monitoring of cities.
- Educational training, for example a dental hygienist training or surgeon training using VR equipment and applications.

Figure 3:
Virtual model of Beijing West Railway Station



Source: own image

Cooperation with Latin American students and institutions

Starting from 2016, the China Computer Federation Technical Committee in Virtual Reality and Visualization (CCF-TCVRV) admitted twenty students from Latin America to study in China, they learned both VR technology and Chinese culture, and starting from 2017, CCF-TCVRV invites two Latin American scholars to visit China every year, for collaborative research and conference talks. These efforts have actually generated fruitful results, like the example I shared previously about the Chinese poem “Meditation in a full moon night”, and another example is a virtual movie introducing Latin America, created by students using virtual reality.

In 2018, we created the Virtual Reality Silk Road Consortium, including six universities from Latin America and other Chinese universities that used digital technology to connect with each other, promote remote education and remote scientific collaboration. Three years ago, we held our first exchange activity in Cali, Colombia in November 2018.

Collaboration is at a new level since 2019, when CCF-TCVRV formed ChinaVR (VR中国), collaborating with Colombian partners, we successfully organized the first Belt and Road International Symposium and Summer School on Emerging Information Technology (BRISEIT 2019). The objectives of the event are sharing latest research progress, educating students and junior researchers on state-of-the-art information technology, and promoting cultural exchange and mutual understanding.

This now became an annual conference focused on Virtual Reality and Artificial Intelligence and supported by the Chinese Embassy, Ministry of Exterior Relations, Valle de Cauca government and Cali government. Due to the pandemic, the conference had to be canceled for 2020, but we expect to hold it in November 2021 in China and Latin America, simultaneously through online connection.

Signature projects

How can virtual reality help infrastructure projects? In this section I present examples of signature projects created in collaboration with Latin American and Caribbean institutions.

Intelligent Ports: Port of Buenaventura

The port of Buenaventura is the largest container port in Colombia and on this port, there is an initiative to build a new port on the Crab Island. It is a new development of about 5 square kilometers, however to build a new port takes about 20 to 30 years of time, so for this one we are using a digital twins technology¹⁵ where we've built a digital world of the Crab Island and we built a virtual port using advanced port technology to show people how the new port will operate before we start any construction, and the cost of this is very low.

In December 2020, during phase 1, we created a simulation for container docks and the 3D modeling of Crab Island. For December 2021 we built the digital twin for container docks and Crab Island planning. By December 2023 we expect to have an iterative improvement of container docks and the Crab Island dock simulation.

15 A digital twin is a digital representation of a physical object, process, or service: from a jet engine or wind farms to buildings or entire cities. These virtual replicas are used to run simulations before changes to real objects are created and implemented, in order to collect data to predict how they will perform.

Figure 4:
Port of Buenaventura



Source: own image

VR Game for Coronavirus Prevention

Released in April 2020, in a joint work among Chinese, Colombian and Brazilian colleagues, we used digital technology to build an interactive game to show people how to proceed with sanitation, how to properly wash their hand and how to promote self-protection. This game was used by several schools and universities in Latin America and Caribbean countries.

Ocean Preservation

A joint work among Chinese and Colombian colleagues that aims at modelling the ocean reef, sea animals and their preservation. We know that both China and Latin American and Caribbean countries are facing the challenge of the pollution of the ocean and also the animal protection in the ocean is a challenge, so for this we built a digital version of the tropical ocean. We modeled the ocean reef, the sea animal and then we are researching together how to protect these animals with help from marine biologists.

Virtual LAC Museums

We are building virtual museums of Latin America and the Caribbean to help the Chinese general public to know the region. We have already done eleven virtual museums of Argentina, Brazil, Venezuela, Uruguay, Panamá, Perú and Bolivia. For example, we used an armadillo, a typical Brazilian animal as a mascot to present the country, using renowned places and symbols like Christ the Redeemer.

Figure 5:
Virtual museums in Latin America



Source: own image

Be a leader and bring more Chinese technologies

Since 2019, ChinaVR started to build “Connected Universal Experiences Labs” in Latin America, now we have one center in Cali, and will more centers in Latin America and the Caribbean. We are leading the formation of State Key Labs consortium for international collaboration with nine State Key Labs in information technology and also leading the formation of National Supercomputing Center consortium for international collaboration, with six National Super Computing Centers.

This year we are attracting more people to join this effort. The CCVR held the fourth China Competition on Virtual Reality in Nanchang, China, in October 2021. We used the Latin American and Caribbean countries as the contest topic, having 253 teams digitally modeling Latin America and Caribbean countries. About eighty-six teams in the final contest used Brazil for digital modeling and getting exceptionally satisfactory results.

Without a doubt, in China, increasingly, young people are interested in Latin America, but they are using the engineering digital technology to help disseminate knowledge and promote cultural understanding among our peoples.



- ECONOMIC DIPLOMACY
- AND THE BELT AND
- ROAD INITIATIVE IN

LATIN AMERICA

This paper is based on the Lecture “Economic Diplomacy and the Belt and Road Initiative in Latin America”, presented on November 4, 2021, in the Lecture Series developed within the framework of the Chair in Contemporary China.



ECONOMIC DIPLOMACY AND THE BELT AND ROAD INITIATIVE IN LATIN AMERICA

*Yue Yunxia*¹⁶

The following dissertation will touch on three subjects under the principle of Chinese economic diplomacy: Chinese new development pattern of Dual Circulation, current China-LAC Economic Cooperation and LAC's position, and the potentials of China-LAC cooperation under the Belt and Road Initiative (BRI).

The BRI was put in place by President Xi Jinping in 2013, a project consisting of two parts, the Silk Road Economic Belt and the 21st Century Maritime Silk Road. This initiative has three main principles (extensive consultation, joint contribution, and shared benefits) as well as five connectivities (policy, infrastructure, trade, finance, and people connectivity). The nature of the BRI promotes socio-economic cooperation among countries along the Belt and Road rather than just building roads, railways, and port facilities. Under this initiative, China has signed more than 200 Memorandums of Understanding (MOUs) or other types of cooperation documents with 172 countries and international organizations. China maintains relations with 24 Latin American and Caribbean countries from which 19 have signed into the BRI.

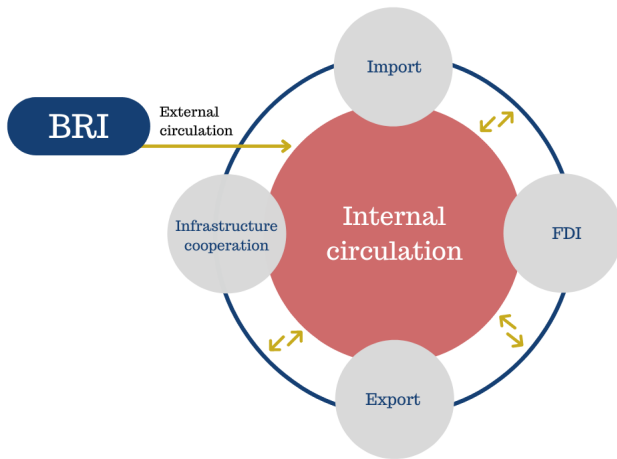
Furthermore, China has five-year plans (FYP) where new policies or strategies are put in place. The 14th five-year plans was published in 2021. This new FYP raises a new strategy called Dual Circulation, which consists of external and internal circulation. The Global Value Chain (GVC) participation and “domestication” trends show that most countries

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have resorted to lowering their GVC participation and increasing the “domestication” of production. In this circumstance, China is under two sources of pressure as an important world manufacturer: the increase of regulations in production and environmental protection, and the necessity of improvement in manufacturing and technology.

Under these two pressures, China has turned to Dual Circulation. This mechanism is composed of two parts, the first being internal circulation which consists of domestic economic development factors such as consumption, consumers, and production. The second part is that of external circulation which includes exports, imports, FDI inflow and out-flow, and international infrastructure cooperation. This system is not a new one, but a strategy that has been occurring with the opening of policies. However, in the past, the focus has remained on external circulation with imports and exports constituting as much as 85% of China’s GDP growth at some point. This approach has played a vital role in the past, nevertheless, nowadays there are new challenges such as regulations and the flexibility of the international currency price that requires a focus on internal circulation. This new focus does not imply that external circulation will be neglected since both parts are connected. For example, through imports, raw materials can enter internal consumption and production, through internal production some products can be exported. This connection is especially important because it will decide the success of this new model of dual circulation.

Figure 1:
Dual Circulation and the BRI



Source: own elaboration

With this philosophy in mind, there is a new route for the BRI that considers this new economic development pattern and includes this initiative throughout the Chinese development model, as is shown in Figure 1. Due to the significant importance of this reform, efforts are being made to include other types of cooperation under the framework of the BRI. In addition, this initiative is important due to the connection between external and internal circulation and the need to push internal circulation towards the external. In this sense, the BRI will facilitate the opening of policies, institutions, and upgrades in policies. In the new dual circulation model, the BRI plays a key role in China's strategy.

On the subject of Latin America and the Caribbean's (LAC) economic cooperation and its position, it is evidenced that the region's imports and exports grow faster than those of the world's. LAC is the fastest-growing region on this subject in the century. When looking at this situation in the light of the dual circulation system, we find that LAC plays a key role in Chinese trade. Regarding China's imports, LAC's contribution on agricultural products is 28.55%, plants represent 44.44%, animals

and animal products 6.37%, and food, tobacco, and dairy products 12.3%. Adding onto this, metal products coming from LAC constitute 12.33% of Chinese imports of this nature, textiles constitute 4.62%, other imports include wood, wood products, and manufacturing materials. This contribution to imports represents the importance of the region as a partner of China. On the same subject, in products such as food, agricultural products, minerals, metals, fuels, and textiles, China imports a larger proportion from Latin America than the world. This means that the region does not only provide raw materials, but also some manufacturers, therefore creating stronger relations.

These stronger bonds are crucial and can be evidenced in the China-LAC cooperation under the extreme pressure of the pandemic. The current health crisis resulted in a significant decrease in imports, despite these actions, China's imports from LAC only decreased 2.3% in the first quarter of 2020. More importantly, the imports of sugar, meat, seafood, fruit, food, and raw material from LAC increased by 196% (Sugar), 142% (meat), 40.7% (seafood), 30.4% (fruit), and 7.3% (food and raw material) respectively. Even with the pressure of a global pandemic and China's focus on internal circulation, LAC continues to play a key role in the country's imports. This is especially true on the matter of food, other raw materials, and some manufacturing products.

As explained earlier, China has begun to focus on domestic consumption which is noticeable with 66.44% of the GVC coming from domestic production. The highest foreign contribution is attributed to Germany with 3.78% and the lowest to the United States with 1.20%, LAC constitutes 1.24%. Breaking down LAC's contribution into countries, Mexico represents 0.76%, Brazil 0.22%, Chile 0.12%, Argentina 0.06%, Ecuador 0.02% and Perú, Colombia, Venezuela, Costa Rica, Panamá and Trinidad and Tobago together represent 0.1%. This shows that the region does not only have good cooperation relations on the imports of raw materials, but there is also a growing relationship in the manufacturing industry. The Latin American region nowadays plays a resource function in Chinese dual circulation. Imports from the region are entering the internal circulation in the form of food, wood, and

paper products for consumption, and minerals and metals enter into the production process which in term makes them a part of China's exports.

From an exports perspective, China's main exports to LAC include chemical products, textiles, and transportation products (vehicles). When looking at the technical composition of this trade, we find that China exports more medium and high technology manufacturers to Latin America. Medium technology exports make up 33.14% of the composition and high technology 28.63%. These findings support the conclusion that China nowadays does not only have a raw material or agricultural connection with Latin America, but there is also a technological and value trade connection. LAC also plays a market role, through exports to the region, products enter the international market, therefore playing into the dual circulation dynamic as a market actor.

Tracing back to the data on imports and exports, it is clear that there is a close dependency between China and LAC. China needs to import from Latin America and export into the region as well. Through this interaction, we can explain why Chinese imports and exports with LAC grew so rapidly. We can also explain why, despite the pressure exerted by the pandemic on both China and LAC, the trade between both actors remains more stable than the Chinese total. Through this resource and market function, China and LAC have become stabilizers for each other in the subject of trade.

If we want to explain the market function of LAC from a Foreign Direct Investment (FDI) perspective, we find that Latin American countries such as Brazil, Argentina, and Mexico have direct investments in China. For example, nowadays Chinese people eat Bimbo bread from Mexico and are familiarized with Argentinian and Brazilian football because they invested in sports clubs in the country. LAC invests in China, meanwhile, China makes big investments in LAC. In 2020 Chinese Overseas Foreign Direct Investment (OFDI) amounted to more than USD 600 billion and LAC constituted 24.40% of the entirety of this stock. In Latin America, the largest investors were Europe, the United States, and China with a total investment of USD 406.77 billion. Now, when talking about China's OFDI flow, as of 2020 LAC represented 10.8%.

This makes Latin America the second largest destination of Chinese investment after Asia constituting 73.1% of OFDI flow in 2020.

When talking about China's overall OFDI structure, we find that the leasing and business services take the largest share with 32.2%, wholesale and retail make up 13.4%, next in the list are ICT (11.5%), manufacturing (10.8%), finance (10.5%), and minerals (6.8%). Interestingly, this structure changes in the case of China's OFDI in LAC. In Latin America ICT represents most of the investment with 37.6%, next come leasing and business services with 21.3% followed by wholesale and retail (12.5%), manufacturing (6.4%), and science and technology services (5.9%). It is important to note that, even though the manufacturing investment is low compared to other areas, it has grown in the last few years thus evidencing once again the evolution in relations between LAC and China. In addition, science and technology investment has a higher percentage than the overall structure of China's OFDI which amounts to 2.3%.

If we analyze China's OFDI in LAC from a dual circulation perspective, we find that, through the investment in science and technology services, LAC could become a solution to China's need for technological and scientific improvement. This could also satiate the need for technological and scientific connections. From the OFDI perspective, LAC plays a more key role than imagined for China. It is an important market for science and technology products and cooperation, this could improve both of the region's manufacturing processes. Another aspect to consider in the subject of OFDI is that of economic cooperation, also known as infrastructure cooperation. For Chinese infrastructure cooperation, LAC is the third-largest market. In this subject, yet again, LAC plays a market function such as it does in the matters of the world, trade, imports, and exports, FDIs, and now infrastructure cooperation. All of these subjects align with the connectivities under the Belt and Road Initiative. Nowadays, China and LAC relations are not limited to economic cooperation under the BRI, the Latin American region begins to play a key role under this framework.

In this case, the regulation function also plays a vital role. As of September 2021, China has signed 19 BRI MOUs, 3 FTAs (Chile, Perú, and Costa Rica), 10 double taxation agreements, 11 bilateral investment protection agreements, and various specialized bilateral agreements in Latin America, as well as several bilateral economic and trade mixed committees. This evidence shows that, from the regulation cooperation perspective, LAC is an important partner of China. Their large FTA network makes LAC a leading site for sharing international rules which is also vital in the partnership with China. Both regions are also members of the AIIB, as well as part of traditional organizations such as the WTO and the IMF thus making them cooperative partners for building international governance. This regulation function also makes LAC and China particularly important partners.

As mentioned before, under the BRI, China and LAC have economic connections in the form of imports, exports, FDI, and infrastructure cooperation. In addition, in China's new development model, LAC plays a resource function, a market function, and a regulation function. These functions are all important for cooperation. However, for China, when talking about the business environment, it is vital to talk about the concern for potential risks.

The first risk is the increased electoral uncertainty and fragile political ecology in the region. This aspect is particularly important due to the years in which the 14th FYP will be conducted (2021-2025). During this period, 31 out of the 33 countries in the region will have general, regional, or parliamentary elections. From the Chinese perspective, elections under these conditions are a subject of concern.

The second potential risk is the stretched economic recovery process from the pandemic, with growth stagnation becoming the "new normal." This aspect plays a significant role on the subject of economic cooperation; therefore, China has to concern itself with its economic background. The stability of the currency, the taxation redeems, the market consumption capabilities and the inflation are all pertinent to the economic background. The economic situation is one of the top concerns for China.

Thirdly, there are concerns about rising income inequality and challenges to the pillars of inclusive development. The GINI index among other social indexes, as well as social challenges, are also considered risks. Under this new development model, China and LAC have promising potential to have bigger economic cooperation. However, these potential risks are a reality and should be addressed in partnership to find solutions to mitigate them.

Aside from the potential risks and concerns, it is also important to point out the potential under the BRI. For example, under “policy connectivity” there can be an upgrade in Bilateral Investment Treaties (BIT) as well as a better understanding of both party’s legal environments. Through the “facilities connectivity,” parties can enjoy better infrastructure cooperation as well as improving integration between China and LAC’s economies thus improving economic cooperation. The “trade connectivity” will provide trade and FDI facilitation while the “finance connectivity” will promote a financial environment, these are direct economic cooperation. Finally, the “people connectivity” will help both communities have a better recognition of each other. These kinds of connections will help China and LAC have a better understanding and cut down the potential risks.

Per what has been exposed previously, under China’s new development model of dual circulation, LAC is an indispensable part of its external circulation while playing a vital role in its internal circulation. The resource, market, and regulation functions that the region exerts are vital for China’s dual circulation. For China to promote the all-around development of economic cooperation is important in the new development model because it will provide a large foundation for the new development pattern. Furthermore, these connections will be enhanced through the value chain, therefore, diversifying production capacity cooperation will help bring light to fragilities and control potential risks. In addition, under the BRI, there will be an increase in “people connectivity” which will help improve the institutional construction of cooperation.

Finally, under these new policies, incentives, and strategies, LAC is an indispensable partner for China. Both are looking forward to a better future, meanwhile, the two parties should walk together to control the potential risks presented.

Talking about the subject of inequality and capabilities, how can the human capital situation in the region be evaluated? What should Latin America be doing to become a better partner for China? Regarding the human capital, nowadays, there is more OFDI in the LAC region as well as a lot of infrastructure cooperation. During the past 10 years, surveys were made to Chinese enterprises looking to find the percentage of Chinese employees in Latin American companies. The study found that, even though companies are making big investments in the regions, the number of Chinese employees in LAC is very low. This means that nowadays these companies depend more on local employees thus emphasizing the importance of Latin American human capital. In this situation, some Chinese companies resort to training. For example, DiDi is present in Brazil, Mexico, and Colombia and resorts to both local and foreign training, with some employees being taken overseas to China for certification. In addition, there are professional colleges destined to train these workers. Scholars are also being implemented to encourage Latin American students to study in China and seek more information about the country. Through this professional training, management training, and academic exchange, China hopes to improve Latin American human capital. It is important to note that, through experience, it has become clear that the quality and capability of LAC human capital are much higher than in some emerging economies.

When talking about economic relations, can the ideological incompatibility be an obstacle? Since the end of 1970, there has been an opening and reform where the market plays a fundamental role in the Chinese economy. This means that both the LAC region and China have market economies thus making their economic cooperation an interaction between markets. Throughout this exchange, both parties are following international market rules and regulations which is crucial. Regarding the ideology, each country has its politics, traditions,

and situations, it is important to respect each other's cultures. However, when talking about economic cooperation, the most important aspect is that of respecting the market's regulations.

Does environmental development play a role in deciding who to trade with? The environmental factor is especially important in Chinese cooperation with the world, especially with LAC. China suffers from serious pollution particularly in its capital, Beijing. During the past 5 years, the increase in pollution has led the country to reflect on the environmental sacrifices made in the name of rapid economic growth. Nowadays, China has decided to act in this matter through the shutting down of factories that do not have efficient emissions control due to their size. This opens the door to importing materials from the global market. For example, Brazil has large steel factories that, due to their scale, can maintain better control on air and water pollution.

In addition, China seeks to promote green cooperation. According to Chinese statistics, China is the largest green products exporter to LAC, meaning that the trade of these products is already in place. Between China and LAC's cooperation, this kind of product cooperation is only one aspect of opportunity. The subject of governance cooperation can also be put on the table with the participation of both parties in environmental summits such as the COP26.

Lastly, how can Latin American countries better their relations with China even further? This should be a bilateral effort. From the Chinese perspective, the country tries to let LAC play a vital role in its dual circulation. Whilst from the Latin American perspective, according to the Chinese survey mentioned previously, firstly, the human capital must increase their knowledge of laws and regulations. Secondly, labor regulations such as taxation and environmental regulations should be put in place in addition to resourceful training. In this subject China and LAC have big differences, however, the exchange of ideas is crucial. It is also important to note that change should not only come from LAC but China as well in the form of an improvement of understanding of the region.

In addition, factors such as creating a more stable economic background, political environment, and society are also important. This last can be identified as a common working ground for both regions and, as mentioned before, should be addressed in partnership.



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SUMMIT DIPLOMACY:
CHINA CELAC FORUM

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SUMMIT DIPLOMACY: CHINA CELAC FORUM

*Lorena Herrera-Vinelli*¹⁷

This presentation begins with two questions: What are the main nuances that mark the relationship between China and the Community of Latin American and Caribbean States (CELAC) (2011-2020)? And what challenges does this relationship imply in the post-COVID-19 scenario? In this sense, before understanding the relationship between China and CELAC, it is important to reflect on some of the main elements that mark the relationship between China and the Latin American and Caribbean region, at the beginning of the twenty-first century.

It takes place in a scenario of high interdependence as a new phase of relationships. In this context, it is possible to mention two previous phases. A first, which was marked by the formation of the People's Republic of China (PRC) in 1949. In this sense, one of the main aspects that guided China's foreign policy, in this case directly towards Latin America, was determined by the implementation of a diversity of diplomatic strategies, but also economic, in order to mitigate Taiwan's influence. In this regard, China enunciates in the Bandung Conference (1954), the Five Principles of Peaceful Coexistence, which are still in force today. These are principles that guide China's actions towards the world, but let us remember that, in this context, former Premier Zhou Enlai announced them, in conjunction with countries such as India and Myanmar. What do they consist of? In respect for sovereignty, in the non-intervention of internal affairs of

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States, the promotion of equality, mutual benefit, and peace as the most important mechanisms at the international level.¹⁸¹⁹

This second phase lasts until the decade of the 90's. Thus, it is asked: What were the main characteristics that established the articulation of China in the international context? Particularly, a commitment to multilateralism. To mention brief examples, China enters the Asia-Pacific Economic Cooperation (APEC) Forum, and the China-ASEAN +3 Forum is configured, which includes Japan, South Korea and has China as a fundamental engine. It is clear that greater articulation is beginning through these regional and multilateral processes with various countries and regions. Something that had not been given in this way before. We are thus in a third phase where China joins the World Trade Organization (WTO) in 2001. This marks a before and after, especially in the expectations that the PRC was configuring as a global economic power. According to Ariel Slipak, global economic growth hovered around 8 to 10% from the Deng Xiaoping reform period of 1978 to the mid-90's²⁰. This growth takes on a remarkable relevance at the international level and China begins to position itself as a power, not only political, but also economic, as Adrián Bonilla mentions. This articulation was directly supported by 18 Latin American countries, which were the countries that formed the working group that technically supports the incorporation of China into the WTO.²¹²²

Another strategy, for example, the “Go Global Strategy” (2001) that had been planned since the 90's, marks a before and after in terms of the operation of Chinese international companies on the global stage. This,

18 Herrera-Vinelli, Lorraine. 2021. *In the shadow of the dragon. China's asymmetric interdependence with Ecuador and Costa Rica*. Flacso Ecuador and National University of Costa Rica. Quito. <https://www.flacso.edu.ec/node/111?id=7553>.

19 Enlai, Zhou. 1955. “Supplementary speech at the Bandung Conference”. <https://www.marxists.org/espanol/zhou/1955/abril-b.htm>.

20 Slipak, Ariel M. 2014. “Latin America and China: South-South Cooperation or Beijing Consensus?” *New partnership*, n.º 250: 102-13.

21 Bonilla, Adrian. 2015. “China's Impacts on International Relations in Latin America and the Caribbean”. In *China in Latin America and the Caribbean: Subregional Strategic Scenarios*, edited by Adrián Bonilla and Paz Milet, 9-19. San José, C.R.: FLACSO, CAF.

22 Herrera-Vinelli, Lorraine. 2021. *In the shadow of the dragon. China's asymmetric interdependence with Ecuador and Costa Rica*. Flacso Ecuador and National University of Costa Rica. Quito. <https://www.flacso.edu.ec/node/111?id=7553>.

because they begin to operate in various sectors of the economy. In the case of Latin America, those specific and strategic elements, and sectors in which Chinese companies are investing will be mentioned later. And of course, a mechanism, which are high-level visits, for example, the visits of Jiang Zemin, Hu Jintao, and Xi Jinping, to various Latin American countries that are a sign of the PRC's interest in articulating political relations, but also consolidating its economic and cultural agenda with the region.

However, one of the central axes in this relationship lies in the growth of bilateral trade between China and Latin America and the Caribbean (LAC); this went from approximately USD 5 267 million in 2001 to USD 7 4571 million in 2015.²³

In the case of the White Paper (2008) for LAC, it is important to mention its four main axes. It seeks to strengthen political and economic cooperation, but also security cooperation. While the White Paper (2016) refers to some objectives, for example, greater coordination is foreseen in multilateral spaces, what some specialists call the study on convergence in foreign policy. The White Paper (2016) also includes better coordination of global economic governance, cooperation on peace, including on justice and security.^{24,25}

As a last element, the incorporation of China as a donor member of the Inter-American Development Bank (IDB) is mentioned, with a contribution of USD 350 million for infrastructure projects throughout the region.

Now we move to a second level where it is possible to visualize the series of strategic alliances that China has been consolidating with the region,

23 Herrera-Vinelli, *on. Cit.*

24 See: Flores-Macías, Gustavo A., and Sarah E. Kreps. 2013. «The Foreign Policy Consequences of Trade: China's Commercial Relations with Africa and Latin America, 1992–2006». *The Journal of Politics* 75 (2): 357–371. <https://doi.org/10.1017/S0022381613000066>; Piccone, Ted. 2016. «The Geopolitics of China's Rise in Latin America». *Geoeconomics and Global Issues*, 2016; and Herrera-Vinelli, Lorena. 2021. *In the shadow of the dragon. China's asymmetric interdependence with Ecuador and Costa Rica*. Flasco Ecuador and National University of Costa Rica. Quito. <https://www.flasco.edu.ec/node/111?id=7553>.

25 Ministry of Foreign Affairs of the People's Republic of China. 2016. «Document on China's Policy towards Latin America and the Caribbean». <https://www.fmprc.gov.cn/esp/wjdt/wjzc/t1418256.shtml>.

especially since the twenty-first century. The first Latin American country with which China consolidates a partnership or type of strategic level is Brazil in 1993. From then on, to date there are almost ten Latin American countries that have joined in signing this type of strategic partnership with China, and seven of them maintain a comprehensive strategic partnership. What does a comprehensive strategic partnership entail? The deepening of political, economic, social, and cultural relations, therefore, we are talking about a level of articulation of high relevance for the axes in question.²⁶

For Evan Medeiros, strategic partnerships function as diplomatic mechanisms, that is, they seek to strengthen bilateral ties at the political level, high-level dialogue and interaction. Other studies argue that China seeks to establish cooperation aimed at generating similar positions in various regional and multilateral forums. In addition, the study of Zhongping and Jing is mentioned, which present two perspectives. On the one hand, they propose strategic defensive partnerships in order to defend and take care of China's interests at the international level, for example the strategic partnerships that China established with countries such as Brazil or Russia in the nineties. And assertive strategic partnerships, which seek to generate an environment conducive to China being able to have a greater positioning with certain countries.^{27 28 29 30}

The latest country to join is Jamaica in 2019. Recall that Jamaica, along with Panama and the Dominican Republic, constitute three of the main

26 Herrera-Vinelli, Lorraine. 2021. *In the shadow of the dragon. China's asymmetric interdependence with Ecuador and Costa Rica*. Flacso Ecuador and National University of Costa Rica. Quito. <https://www.flacso.edu.ec/node/111?id=7553>.

27 Medeiros, Evan. 2009. *China's International Behavior: Activism, Opportunism, and Diversification*. United States: Rand Corporation. https://www.rand.org/content/dam/rand/pubs/monographs/2009/RAND_MG850.pdf.

28 Piccone, Ted. 2016. «The Geopolitics of China's Rise in Latin America». *Geoeconomics and Global Issues*, 2016.

29 Zhongping, Feng, y Huang Jing. 2014. «China's strategic partnership diplomacy: engaging with a changing world». European Strategic Partnerships Observatory. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2459948.

30 Zhongping and Jing, *on. Cit.*

ports in the subregion and represent strategic and geopolitical importance for China's interests in the Central American and Caribbean region.^{31,32}

Below is data that was systematized for this presentation, based on COMTRADE database. It is evident that the main partner in terms of exports at the regional level is Brazil. This country maintains at least 485 billion dollars in exports to China in the period 2011-2020, followed by Chile, Peru, Mexico, Argentina, Colombia. Uruguay happens to be the small Latin American country with the largest exports to China. It is important to point out that since 2013, China has been Uruguay's first export market, which has led to the consolidation of an agenda of interest in the commercial field, such as the eventual signing of a Free Trade Agreement (FTA), as will be mentioned later.

Also, the countries that have a lower trade convergence with China are represented within the framework of the Central American and Caribbean countries.

The import figures of Latin American countries with respect to goods from China show that Mexico occupies a fundamental place, with almost 700 billion in imports in the period 2011-2020. Brazil, Chile, Argentina, Colombia, Peru, and Ecuador are then seen as the largest importers of Chinese products throughout the period. However, it turns out that, in most cases, the trade balance is not necessarily in favor of Latin America, but of China. It is important to consider this with a view to articulating an agenda where cooperation on trade can be achieved that is more balanced than can be observed so far. Most countries are in a situation of trade deficit with China, this means that they are importing more than they export. There are three countries that are not in this situation, such as Chile, Brazil, and Peru. Two of them have an FTA with the PRC.

The bilateral trade behavior between Latin America and China takes an important dynamism especially in the years 2018-2019, but an abrupt fall is evident in the year 2020. Given the context of crisis at the international

31 Belt and Road Portal. 2021. «Belt and Road Portal». <https://eng.yidaiyilu.gov.cn/gbjg/gbgk/85972.htm>.

32 Herrera-Vinelli, Lorraine. 2021. "China's geostrategic interests in Central America: the cases of the ports of Panama and Jamaica (project in execution)".

level, it is important to mention that LAC was one of the regions hardest hit by COVID-19 in economic terms. According to World Bank figures, the region decreased -6.5% in 2020, which is a worrying indicator. On the other hand, many countries still cannot recover in 2021, and therefore are in a situation of stagnation, and waiting for greater cooperation and economic articulation with various countries and regions at a global level. But they are also implementing economic policy strategies according to their interests, certain agendas, and capabilities.³³

Based on the Go Global Investment Data, there are five countries, such as Brazil, Peru, Argentina, Venezuela, and Chile, which hold the leading positions in terms of Chinese investments and contracts in various sectors.³⁴

The pie is distributed first by energy projects, then projects in the metals sector and in the transport sector. It is important to mention this turn of financing from China, which is betting very reliably on the transport infrastructure sector, this is how it already has an important concession for the construction of ports in Panama and Jamaica, and in the case of South America it also has a relevant presence in countries such as Brazil.³⁵

On the other hand, figures from Gallagher and Myers, show the amounts of Chinese financing. In this context, it is possible to appreciate a scenario in which there are four countries that would have a greater international debt with China, as is the case of Venezuela, Brazil, Ecuador, and Argentina.³⁶

It is important to mention that, in this distribution, international loans are divided into different sectors. The energy sector is the most relevant, then others that are not specified, but that are related to financing to alleviate the serious economic crisis within various countries, some projects in

33 World Bank. 2021. "World Bank". https://datos.bancomundial.org/indicador/NY.GDP.MKTP.KD.ZG?name_desc=false&view=chart.

34 The Heritage Foundation. 2020. «China Global Investment Tracker». 2020. <http://www.aei.org/china-global-investment-tracker/>.

35 Herrera-Vinelli, Lorraine. 2021. "China's geostrategic interests in Central America: the cases of the ports of Panama and Jamaica (project in execution)".

36 Gallagher, Kevin, y Margaret Myers. 2020. «China-Latin America Finance Database». Inter-American Dialogue. https://www.thedialogue.org/map_list/

education and other projects aimed at the technology and technological innovation sector.

As a strategic third sector we have infrastructure, which is still crucial for LAC. According to ECLAC, the region should invest 6.2% of its gross domestic product (GDP) annually between 2012 and 2020 – about USD 320 000 million, however, it invests less. That is why it is a fundamental sector for its interests and China also conceived it, particularly as a provider of cooperation in this area.³⁷

With the analysis of these elements, it is possible to address the second goal of this paper. The relationship between China and CELAC. CELAC is born in what some authors call the third wave of Latin American regionalism, or post-hegemonic regionalism, or post-liberal regionalism. From this perspective, CELAC is one of the most relevant spaces for the region, but also a strategic space where various key regions can be articulated worldwide. It was initially created at the Latin American and Caribbean Unity Summit on Integration and Development (CALC) in 2010, but formally with the signing of the Caracas Declaration in 2011.³⁸³⁹

It is important to mention that the White Paper (2016) alludes to the “new phase of comprehensive cooperation”. And for this, CELAC plays a strategic role. Where can we find the beginnings of this route of cooperation between China and CELAC? Eventually they originate with “a series of high-level visits in 2012, Chinese Premier Wen Jiabao to various Latin American countries, including Brazil, Argentina, Uruguay and Chile.”⁴⁰

37 ECLAC. 2020. “Investment in infrastructure in Latin America and the Caribbean”. https://www.cepal.org/sites/default/files/infographic/files/infraestructura_espanol.pdf.

38 See: Quiliconi, Cintia, and Raúl Salgado. 2017. «Latin American Integration: Regionalism À la Carte in a Multipolar World?» *Colombia International*, n.º 92 (October). <https://revistas.uniandes.edu.co/doi/abs/10.7440/colombiaint92.2017.01>; Riggiozzi, Pia, and Diana Tussie. 2012. *The Rise of Post-hegemonic Regionalism*. London and New York: Springer; and Sanahuja, José Antonio. 2009. “From ‘open regionalism’ to regionalism post-liberal”. Crisis and change in regional integration in Latin America”. *Yearbook of the Integration of Latin America and the Greater Caribbean 2008-2009*. Regional Coordinator of Economic and Social Research.

39 Bonilla Soria, Adrián, and Lorena Herrera-Vinelli. 2020. “CELAC as a strategic vehicle for China’s relationship with Latin America (2011-2018)”. *CIDOB Journal of International Affairs*, n.º 124: 173-98. <https://doi.org/doi.org/10.24241/rcai.2020.124.1.173>.

40 Bonilla and Herrera-Vinelli, *on. Cit.*

A systematization of press documents found on the official CELAC website made for this presentation shows that the development of the First China-CELAC Ministerial Forum took place in January 2015 in Beijing. The key negotiating documents in this framework are the Cooperation Plan for the period 2015 and 2019 and the Beijing Declaration. Both looked to articulate greater dialogue and understanding with various LAC countries. Between 2015-2016, two integration forums were held in the field of infrastructure; China proposes this mechanism at the first Ministerial Meeting in 2015. These infrastructure forums are relevant to both actors, but they are directly aligned with the “Transnational Cooperation Plan” that China has announced through the government of President Xi Jinping since 2013, the Belt and Road Initiative (BRI) project. This will be referred to below.⁴¹

In 2016, we have the I Forum of Scientific and Technological Innovation between China and Latin America; It is important to mention that this forum takes place within a subforum where China announced the launch of two programs: a Scientific Partnership Program between China and Latin America and the Caribbean, and a Young Scientists Exchange Program. In this context, I had the opportunity to take part in a CLACSO research project, together with two Latin American colleagues, which is related to the visualization of the prospective scenarios of China and the United States with the region by 2030. Within the framework of this study, it was found that one of the main articulation agendas between the PRC and LAC constitutes the agenda of innovation, development, and technology. These are three key aspects that will delimit China’s actions between now and 2030. However, the study outlined that the region’s priorities are not necessarily anchored in that type of agenda, particularly due to the worsening economic and social situation that LAC is going through in the post-COVID-19 context.

Returning to the discussion, for the year 2017, China proposed the creation of a Free Trade Zone with CELAC; that is, an attempt was made to articulate a trade and investment agenda through a regional FTA. Since

41 Müller-Markus, Christina. 2016. “One Belt, One Road: The Chinese Dream and its Impact on Europe”. *CIDOB Journal of International Affairs*, n.º 148: 1-6.

1978, with the implementation of the open doors model, the PRC has been proposing a model of openness, economic liberalization, and greater insertion in the global economy. In this way, it is possible to affirm that at the same time that China is committed to trade multilateralism, like the WTO, one of its complementary strategies has been the commitment to economic bilateralism through the subscription of these instruments. Although this agenda was not consolidated within the framework of CELAC, China has three FTAs in the region, with Chile (2005), Peru (2009) and Costa Rica (2010). The latter, as the first Central American country to make this type of agreement.

However, negotiations are currently underway, and there could be more than he announced at this time. However, this paper refers to three specific countries: Ecuador, Panama, and Uruguay.

In the case of Ecuador, from day zero of his government, the current President Guillermo Lasso opted for a model of economic openness. It is far from the model of economic protectionism led by former President Rafael Correa and the former government of Lenin Moreno. In this sense, what Ecuador looks for is greater economic openness and greater consolidation of strategic ties at the international level. To this end, China is an essential economic and commercial player for this small country.

The signing of an FTA is a process that has been proposed for more than 10 years between China and Ecuador within the framework of the Ecuadorian-Chinese joint commissions. However, there are two distinct positions, on the one hand, Ecuador urged to sign an agreement for development, precisely because the vision was not economic openness; on the contrary, for China, FTAs are a central mechanism of articulation in the field of trade. That is why, in the past presidential mandates, it was not possible to reach a negotiation where the two parties can have specific agreements negotiate a convergent agenda in the technical aspects of trade that are the fundamental ones within a negotiation of this nature.⁴²

42 Herrera-Vinelli, Lorraine. 2021. *In the shadow of the dragon. China's asymmetric interdependence with Ecuador and Costa Rica*. Flacso Ecuador and National University of Costa Rica. Quito. <https://www.flacso.edu.ec/node/111?id=7553>.

The second country currently in negotiations with China is Panama; is the second Central American country to establish diplomatic relations with China. The Memorandum of Understanding between the Ministry of Commerce of Panama and the Ministry of Commerce of the People's Republic of China started the scope of what would be a possible FTA between the two countries from November 17, 2017. Currently both countries would be in the third round of negotiations, and it is expected that it will continue to be conducted until the final signing of the instrument is reached.⁴³

As a parenthesis, it is important to mention, although Honduras does not maintain an FTA with China, President-elect Xiomara Castro, mentioned that, if she wins the November 2021 elections, one of her main actions will be the signing of an FTA with China because this goes hand in hand with the interests that her country maintains at the international level, and in this sense it is important to boost the economy through the signing of an FTA.

Finally, we see an ongoing negotiation like the case of Uruguay. Recently, the Uruguayan government led by President Luis Lacalle Pou, announced the negotiations of an FTA with China, which as you know has caused a crisis and rupture at the level of Mercosur, as well as a crisis of political positions of this regional body on this issue.

In January 2018, the II China-CELAC Ministerial Forum was held. There are three strategic axes that correspond to the 1+3+6 plan: "1" corresponds to the China-Latin America Cooperation Plan in 2019; "3" are the most important areas of interest, such as investment, financial cooperation, trade; and "6" some other strategic areas, such as energy, infrastructure, agriculture, manufacturing, innovation in science and technology, and information systems.⁴⁴

Meanwhile, in 2019 we have the announcement of an investment plan of almost 22 billion dollars, out of a total of 30000 million dollars, destined

43 Herrera-Vinelli, Lorraine. 2021. "China's geostrategic interests in Central America: the cases of the ports of Panama and Jamaica (project in execution)".

44 Lucci, John. 2018. "China Latin America Brief". Special bulletin March 2018. China-Latin America Sustainable Investment Initiative.

from the Special Fund for Cooperation in Productive Capacity that aims to boost key sectors, such as infrastructure projects, energy, mining, and financial services. Precisely, these axes of interest are established within the framework of the China-CELAC Forum.

However, with regard to the BRI, there are different conceptual approaches to this project. Only two are mentioned, and one that is proposed in this paper.

The first, Müller-Markus who mentions that the BRI is a project that proposes multiple channels of cooperation, focused on investment, on the construction of large infrastructures but also on trade; there are also specific areas such as finance, innovation, development, and cooperation in science and technology. The second, that proposed by the Observatory of Chinese Policy, where the BRI initiative focuses on growth, economic development and aims to develop a series of infrastructures oriented to maritime transport, also land, and strategic networks that connect the Chinese economy with the rest of the world.⁴⁵⁴⁶

In other words, BRI is the bridge that unites China with its main strategic partners and allies of the twenty-first century through a diverse agenda based on connectivity, infrastructure, and trade with its three fundamental axes. The initial capital for its financing was in charge of Chinese banks, for an amount of 40 billion dollars and AIIB funds were added for 100 million dollars, while 69500 million dollars were financed by other instances.⁴⁷⁴⁸

Currently, 19 Latin American countries have signed Memoranda of Understanding with China in order to join the BRI initiative. But it is important to mention that countries such as Argentina, Brazil, Colombia, and Mexico, which represent about 70% of regional GDP, have not yet signed an accession agreement. Therefore, this will be an agenda that will

45 Müller-Markus, Christina. 2016. "One Belt, One Road: The Chinese Dream and its Impact on Europe". *CIDOB Journal of International Affairs*, n.º 148: 1-6.

46 Observatory of Chinese Politics. 2018. "Latin America and the OBOR Initiative". <https://politica-china.org/areas/politica-exterior/latinoamerica-y-la-iniciativa-obor>.

47 Herrera-Vinelli, Lorraine. 2021. "China's geostrategic interests in Central America: the cases of the ports of Panama and Jamaica (project in execution)".

48 BBC News World. 2019. "The latin American countries that are part of China's New Silk Road". <https://www.bbc.com/mundo/noticias-america-latina-48071584>.

remain in force, in what will be the dialogues of the Third China-CELAC Forum.⁴⁹

The Asian Infrastructure Investment Bank (AIIB) is the fourth largest multilateral bank, has 103 approved members, and aims to perfect a social and economic agenda in the Asian region, but also outside it.⁵⁰

That is why this project is part of the reconfiguration of the international system, as it is a project that promotes a “new international financial architecture” led by China. According to *Diálogo Chino*, “Ecuador was the first country to join in 2017, followed by Uruguay and Brazil in 2020.” These countries contributed approximately five million dollars to the Bank and there are still others that are confirmed but have not yet canceled, such as Argentina, Bolivia, Chile, Peru, and Venezuela.⁵¹

Therefore, the participation of LAC in this project, which marks a new reconfiguration in the global order or “an innovative international financial architecture of the XXI century” by the PRC, is still consolidating with the region. Ecuador received the first loan granted to a Latin American country in 2020 to alleviate the crisis caused by COVID-19. “It was USD 50 million co-financed with the World Bank, to specifically support small and medium-sized enterprises.”⁵²

Finally, I would like to reflect on what the challenges would be in the China-CELAC relationship in the post-pandemic era. It has a possible linking agenda, I do not want to say that it is an exclusive agenda, but it positions five strategic axes for its articulation.

49 Chinese Dialogue. 2020. “Coronavirus reshapes the Belt and Road in Latin America”. <https://dialogochino.net/es/infraestructura-es/36699-el-coronavirus-reconfigura-la-franja-y-la-ruta-en-america-latina/>.

50 Chinese Dialogue. 2021. “Explainer: Latin America and the AIIB”. <https://dialogochino.net/es/comercio-y-inversiones-es/39049-explicador-america-latina-y-el-banco-asiatico-de-inversion-en-infraestructural/>.

51 China Dialogue, op.cit.

52 China Dialogue, op.cit.

It begins with the special videoconference of Foreign Ministers on COVID-19. It was led by the Ministry of Foreign Affairs of China, Wang Yi, and approximately 10 foreign ministers from various Latin American countries participated. What axes of work were articulated from it? ⁵³

A first axis consisted of COVID-19 cooperation, not only in the human contingent, but in the sending of experts to the region to strengthen research and develop vaccines jointly. In addition, the activation of a special credit for infrastructure between China and Latin America to concretely support public health projects.

A second axis is related to the field of trade cooperation, and Chinese transnational investments, which as previously discussed, are running in the region in various sectors of the economy.

A third axis is to promote the joint construction of the BRI project; this project will continue to run with its two major sub-branches as we know: a) the Health Silk Road and b) the Digital Silk Road between China and Latin America; both strategic projects that emerge from the BRI.

A fourth axis is articulated with three subforums that are part of the mechanisms of ministerial forums: the Forum of Ministers of Agriculture of China and Latin America; the China-Caribbean Economic Cooperation Forum; and the Forum on Scientific and Technological Cooperation, which had previously marked the importance and importance of this for the coming years of the relationship between China and LAC.

A fifth axis relates to the importance of strengthening the coordination of global governance; in other words, to achieve greater convergence of positions in the international, regional, and multilateral arena.

However, within the framework of the Health Silk Road, China has confirmed that it has provided “230 million vaccines to Latin America”. A total of 18 countries have benefited through export mechanisms.

53 Ministry of Foreign Affairs of the People's Republic of China. 2020. “China and Latin American and Caribbean Countries Hold Special Videoconference of Foreign Ministers on COVID-19.” <https://www.fmprc.gov.cn/esp/zxxx/t1800880.shtml>.

“Out of a total of 770 million doses that China had delivered to more than 100 countries in the world.”^{54 55}

Likewise, we have the strengthening of the Chinese technological infrastructure in LAC, through companies such as Huawei or ZTE that are running in the region. There is a telecommunications network in more than 20 countries in Latin America and the Caribbean, specifically “the smartphone sales market has gone from 2.3% in 2013 to 9.4% in 2018.” Therefore, 5G technology is part of this project that tries to connect the region with the global context.⁵⁶

With these elements, it is possible to specify some reflections on the questions: What is the scenario that is foreseen for the III China-CELAC Ministerial Forum? and, what are the main challenges for the Latin American region? We see a crisis scenario, warned by various authors; but we all know that it has become more acute in recent years as a result of the post-pandemic era. As general characteristics, it denotes a decrease in intraregional trade, and it is important that China can consider this element, given that we are going through a complex economic situation, which has had an impact on our exports internationally. Also, as Nolte pointed out, there is evidence of an absence of solid leadership in the region and a leadership strong enough for LAC to remain more cohesive and to converge on a common agenda. And of course, a regional governance characterized by having increasingly fewer binding institutions. As a result, we have a weak institutionality that does not strengthen us as a region.^{57 58 59}

54 Trade. 2021. “China says it has provided 230 million doses of vaccines to Latin America.” <https://www.elcomercio.com/actualidad/mundo/china-exportaciones-vacunas-covid19-latinoamerica.html>.

55 Trade. 2021. “China says it has provided 230 million doses of vaccines to Latin America.” <https://www.elcomercio.com/actualidad/mundo/china-exportaciones-vacunas-covid19-latinoamerica.html>.

56 BBC News World. 2019. “How Huawei conquered Latin America and became one of the best-selling cell phone brands.” <https://www.bbc.com/mundo/noticias-america-latina-48405823>.

57 Nolte, Detlef. 2019. “The good, the bad, the ugly and the necessary: past, present and future of Latin American regionalism”. *Uruguayan Journal of Political Science* 28 (1): 131-56.

58 Nolte, *on. Cit.*

59 Sanahuja, José Antonio. 2012. “Cycle Change in Regionalism and Regional Integration in Latin America: Differentiated Approaches and Search for Common Frameworks”. In *From Madrid to Santiago: Challenges and Opportunities, Balance Sheets and Perspectives of Relations between the European Union, Latin America and the Caribbean*, edited by Adrián Bonilla and María Ortiz, 143-56. Costa Rica: Latin American Faculty of Social Sciences, FLACSO-Ecuador.

And a third element, associated with the lack of definition of strategic goals in Latin America. The region has not set itself a medium- and long-term agenda where it can set up what the priority objectives are for the region. We also see a scenario where Brazil leaves CELAC or the Mercosur crisis due to Uruguay's unilateral decision to sign an FTA with China, to mention some recent cases. In short, we foresee a scenario of regional ruptures, based on unilateral decisions and fewer block decisions, which indisputably affects integration and regional projects.

Finally, some conclusions. It is precisely in the case of China in the post-COVID-19 context and how China articulates or promotes a greater negotiating ability for more LAC countries to register for the AIIB project. The same goes for the BRI project, because although 19 are already part of this mechanism, we know that the countries that represent a greater percentage of GDP are not present within this initiative, as in the case of Mexico.

As another element, it can be seen that a shift in financing could be made by China (strategic sectors). At present, there is an uptick in infrastructure projects aimed at strengthening the transport sector in Latin America there is evidence of an important projection and interest of China in the construction and concession of ports. However, so far, China's bet in the twenty-first century has been focused on the financing of projects in mining and the energy sector.

Another aspect consists of: How does China remain the main lender in Latin America? In 2020, for the first time in history, the PRC decided to interrupt the channeling of loans for the Latin American region due to the context of the pandemic, this situation could be kept or not. This will depend on China's growth and the priorities or "possible turns" in its external financing.

As for strengthening the Health Route, the question is: How can China position itself as a cooperating partner? Not only in terms of economic cooperation, but as a partner in terms of non-reimbursable cooperation, technical cooperation, research cooperation, and donations for vaccine doses. While the region has been an important recipient of cooperation

in that regard, we know that it will require more support from China in that area.

In the case of LAC, I would like to raise some challenges. In the coming years, the region will aim for an import of more services from China. Latin America is not necessarily a hub of knowledge, development, and innovation; therefore, it will depend on the import of these services, and China is a leading player in this framework.

Likewise, LAC should strengthen economic cooperation mechanisms to finance the COVID economic crisis; the region will need greater channels of financing to be able to alleviate the crisis situation, especially in terms of public health, social and economic agenda. With the economic crisis being the central issue in the region at the moment, what is required is greater financing for the crisis in the management of COVID and not necessarily the continuity of financing for infrastructure projects in various sectors.

Finally, will trade and investment be tied to the signing of bilateral FTAs? It is a trigger question that still requires further studies and research.



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SPEAKERS

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