

HANDBOOK ON China and Developing Countries

Edited by **Carla P. Freeman**



Handbook on China and Developing Countries

Edited by

Carla P. Freeman

*Member of the China Studies Faculty and Director, The
Foreign Policy Institute, Johns Hopkins University School of
Advanced International Studies, Washington DC, USA*

HANDBOOKS OF RESEARCH ON CONTEMPORARY CHINA



Edward Elgar
PUBLISHING

Cheltenham, UK • Northampton, MA, USA

© Carla P. Freeman 2015

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical or photocopying, recording, or otherwise without the prior permission of the publisher.

Published by
Edward Elgar Publishing Limited
The Lypiatts
15 Lansdown Road
Cheltenham
Glos GL50 2JA
UK

Edward Elgar Publishing, Inc.
William Pratt House
9 Dewey Court
Northampton
Massachusetts 01060
USA

A catalogue record for this book
is available from the British Library

Library of Congress Control Number: 2014957085

This book is available electronically in the **Elgaronline**
Social and Political Science subject collection
DOI 10.4337/9781782544210



ISBN 978 1 78254 420 3 (cased)
ISBN 978 1 78254 421 0 (eBook)

Typeset by Servis Filmsetting Ltd, Stockport, Cheshire
Printed and bound in Great Britain by T.J. International Ltd, Padstow

HANDBOOK ON CHINA AND DEVELOPING COUNTRIES

HANDBOOKS OF RESEARCH ON CONTEMPORARY CHINA

Series Editor: David S.G. Goodman, *University of Sydney, Australia*

China has undergone a period of intense and rapid social and economic change in its path to becoming a modern industrial superpower. This timely and exciting multidisciplinary series includes *Handbooks* that offer comprehensive overviews of the very latest research on contemporary China. Prestigious, high quality works of lasting significance, the *Handbooks* explore a range of issues affecting China in the 21st Century. The emphasis of the series is on the most important concepts and research as well as expanding debate and indicating the likely research agenda for the future.

Contributors

Leila Austin (Ph.D.) is Professorial Lecturer in Global Theory and History and Middle East Studies at Johns Hopkins University's Paul H. Nitze School of Advanced International Studies (SAIS) where she has directed the Cultural Conversations project at the Foreign Policy Institute and co-directs the Global Politics and Religion Initiative. She also teaches in the Global Security Studies department of Johns Hopkins University's Zanvyl Krieger School of Arts and Sciences, the American University's School of International Service, and Georgetown University's Center for Arab Studies. Dr. Austin's research interests include the role of religion, literature and political culture more generally in defining politics and policy-making, and the history and politics of the Middle East and North Africa. Dr. Austin's most recent articles include 'The New Opposition in Iran' (*SAISPHERE*, 2010) and 'The Politics of Youth Bulge: From Islamic Activism to Democratic Reform in the Middle East and North Africa' (*SAIS Review of International Affairs*, 2011).

Adams Bodomo (Ph.D.) is Professor of African Studies (Chair of African Languages and Literatures) at the University of Vienna, with key research areas in African linguistics, African literatures, and Global African diaspora studies. Professor Bodomo has done pioneering work on the African diaspora in China, where he has lived and worked for more than 10 years as Director of the African Studies program at the University of Hong Kong. In addition to articles on Africans in China in key journals such as the *China Quarterly*, *China Review*, *African Studies*, and *African Diaspora*, he authored the first book on the topic, appropriately titled, *Africans in China: A Socio-Cultural Study and Its implications for Africa-China Relations* (New York: Cambria Press, 2012), now considered essential reading for scholars in many fields such as linguistics, sociology, anthropology, and interdisciplinary area and international studies.

Deborah Bräutigam (Ph.D.) is a Sinologist and Africanist. She is Professor of Comparative Politics and Director of the International Development Program at SAIS. She is the author of *The Dragon's Gift: The Real Story of China in Africa* (Oxford University Press, 2009, 2011) among other books, and more than sixty articles, book chapters, and commentaries on China in Africa, foreign aid, the political economy of development, and the politics of economic policy. She currently serves as an adviser to

a UNDP funded program with China's State-Owned Assets Supervision and Administration (SASAC, which has oversight of China's state-owned enterprises) to explore the social and environmental responsibility of China's state-owned enterprises.

David Janoff Bulman (Ph.D.) is a China Public Policy Fellow at the Ash Center for Democratic Governance and Innovation at the Harvard Kennedy School. As a consultant to the World Bank, he has contributed to numerous reports focused on China's economic development. Bulman has previously held positions at the Asia Society in New York and as a public affairs consultant in Beijing.

Cheng Cheng is a Ph.D. Candidate in Political Science at Nanjing University completing his dissertation on China-Africa development cooperation.

Gregory Chin (Ph.D.) is Associate Professor of Political Science at York University (Canada), where he teaches the political economy of China, Asia, the BRICS, and global governance. He is Co-Editor of the academic journal *Review of International Political Economy*. He is a Research Fellow at the Center for International Political Economy at Peking University. His research has been published in a number of academic journals and policy outlets. He is currently completing a book manuscript on the political economy of renminbi internationalization. He has been involved in projects with the Asian Development Bank, Asian Development Bank Institute, and the Hong Kong Monetary Authority. From 2003–2006, he was First Secretary in the Canadian Embassy in Beijing, and served in Canada's Department of Foreign Affairs and International Trade, and the Canadian International Development Agency from 2000–2003.

Carla P. Freeman (Ph.D.) is Associate Research Professor and Associate Director of the China Studies program at the Johns Hopkins School of Advanced International Studies (SAIS) and Director of the Foreign Policy Institute. She writes on the linkages between China's foreign and domestic policy, with much of her work focused on environmental governance. Recent publications include *Managing Fragile Regions: Method and Application* (Springer, 2010, co-editor and author); *China on the Edge: China's Border Regions and Security Strategy* (Center for the National Interest and Johns Hopkins SAIS, April 2011, co-author), and *China and the World* (Sage, 2014, co-editor). She is on the editorial board of *The SAIS Review*.

Mel Gurtov (Ph.D.) is Professor Emeritus of Political Science and International Studies at Portland State University, Oregon. He is also

editor-in-chief of *Asian Perspective*, an international quarterly. Gurtov previously served on the staff of the RAND Corporation in Santa Monica, California (1966–1971), where he was a co-author of the ‘Pentagon Papers’, and at the University of California, Riverside (1971–1986), where he was Professor of Political Science. He has published over twenty books and numerous articles on East Asian affairs, US foreign policy, and global politics from a human-interest perspective. His most recent books include: *Will This Be China's Century? A Skeptic's View* (Lynne Rienner, 2013); *Global Politics in the Human Interest*, fifth edition. (Lynne Rienner, 2007); *Superpower on Crusade: The Bush Doctrine in US Foreign Policy* (Lynne Rienner, 2006); and *Confronting the Bush Doctrine: Critical Perspectives from Asia-Pacific* (Routledge, 2005, co-edited with Peter Van Ness).

Selina Ho (Ph.D.) is a Senior Research Fellow at the Lee Kuan Yew School of Public Policy, National University of Singapore. Selina received her doctorate from the Paul H. Nitze School of International Studies, Johns Hopkins University in 2013. Prior to doctoral studies, Selina worked for the Singapore Ministry of Defence, where she researched and analyzed political and security issues in East Asia.

Garth L. le Pere (Ph.D.) is a Visiting Professor at the University of Pretoria and a Senior Associate at Gabriel & Associates. He is also the founding Executive Director of the Institute for Global Dialogue, where he served for 12 years. His areas of interest and publications record includes international relations theory, multilateral trade and emerging markets, South African foreign policy, the politics of Africa and the Middle East, and China's increasing role in Africa, a subject on which he has co-authored a book, *China, Africa and South Africa: South-South Cooperation in a Global Era* (Institute for Global Dialogue, 2007). He is completing another book with the working title, *China's Global Rise: Reconfiguring Power after the Cold War*, which will be published in early 2015.

Bernardo Mariani is a security analyst. Since 2008, he has managed Saferworld's China Programme, which undertakes research, raises awareness and promotes dialogue on China's growing international role, particularly relating to conflict prevention and peacebuilding.

Huiping Mo is a Ph.D. candidate at the China Institute for WTO Studies at the University of International Business and Economics in Beijing, China.

Guadalupe Paz (Ph.D.) is Associate Director of the Latin American Studies Program (LASP) and Assistant Research Professor at the Johns Hopkins University School of Advanced International Studies (SAIS), where she

has worked since 1994. Prior to this, she was a research associate at the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM) in her native Monterrey, Mexico. She is co-editor of several books, including *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States* (co-editor and co-author with Riordan Roett, The Brookings Institution, 2008); *Mexico's Democracy at Work: Political and Economic Dynamics* (co-editor with Russell Crandall, and Riordan Roett, Lynne Rienner, 2005); *The Andes in Focus: Security, Democracy, and Economic Reform* (co-editor with Russell Crandall and Riordan Roett, Lynne Rienner, 2005); and *Latin America in a Changing Global Environment* (co-editor with Riordan Roett, Lynne Rienner, 2003).

Riordan Roett (Ph.D.) is the Sarita and Don Johnston Professor and Director of the Latin American Studies Program at the Johns Hopkins University School of Advanced International Studies (SAIS) in Washington, DC. From 1983 to 1995, he served as a consultant to the Chase Manhattan Bank in various capacities; in 1994–1995 he was the Senior Political Analyst in the Emerging Markets Division of the bank's International Capital Markets Group. From 1989 to 1997, he served as a Faculty Fellow of the World Economic Forum at the annual meeting in Davos, Switzerland. For Dr. Roett's work on Brazil, he was awarded the Order of Rio Branco with the rank of Commander (2000), and for his academic contributions to Chile he was named to the Order of Bernardo O'Higgins with the rank of 'Gran Oficial' (2009). Among Professor Roett's numerous publications are: *The New Brazil* (The Brookings Institution, 2011); *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States* (co-editor and co-author, The Brookings Institution, 2008); *Post-Stabilization Politics in Latin America* (co-editor and co-author with Carol Wise, The Brookings Institution, 2003); *Exchange Rate Politics in Latin America* (editor and co-author with Carol Wise, The Brookings Institution, 2000); and *Brazil: Politics in a Patrimonial Society*, 5th edition (Praeger, 1999).

Simon Shen (Ph.D.) is an Associate Professor and Director of both the Global Studies program and the Master of Global Political Economy program in the Faculty of Social Science, The Chinese University of Hong Kong. He also serves as the Co-Director of International Affairs Research Centre in the Hong Kong Institute of Asia-Pacific Studies in the same university. Among his latest books are *Multi-Dimensional Diplomacy of Contemporary China* (Lexington Books, 2010, co-editor), *Online Chinese Nationalism and China's Bilateral Relations* (Lexington Books, 2010, co-editor) and *Redefining Nationalism in Modern China: Sino-American Relations and the Emergence of Chinese Public Opinions in the 21st*

Century (Palgrave Macmillan, 2007). He is the Founder of Global Studies Institute in Hong Kong, Director and Head of the International Relations Research Center of the Hong Kong Policy Research Institute, publisher of the monthly *Global Studies Journal* in Chinese, and the Founding Chancellor of the Roundtable Network, a platform of young social scientists in Hong Kong.

Xiaofang Shen (Ph.D.) is Senior Visiting Fellow at the Peking University National School of Development and an International Fellow of the Lincoln Institute of Land Policy. Dr. Shen has 22 years of experience working as a senior investment policy adviser at International Finance Corporation, the World Bank Group, assisting developing country governments in improving investment climate and attracting foreign and domestic private investment for economic development. She has led numerous advisory projects in over 40 countries around the world, including many in Africa, Asia and East Europe. Her current primary research interest is in the China-Africa economic relationship and its impact on Africa's economic structural transformation.

Yun Sun is a Fellow with the East Asia Program at the Henry L. Stimson Center. Her expertise is in Chinese foreign policy, US-China relations and China's relations with neighboring countries and authoritarian regimes. From 2011 to early 2014, she was a Visiting Fellow at the Brookings Institution jointly appointed by the Foreign Policy Program and the Global Development Program where she focused on the Chinese national security decision-making processes and China-Africa relations. From 2008 to 2011, Yun was the China Analyst for International Crisis Group (ICG) based in Beijing, specializing in China's foreign policy towards conflict countries in Asia and Africa. Prior to ICG, she worked on US-Asia relations in Washington, DC.

Niklas L.P. Swanström (Ph.D.) is Director of the Institute for Security and Development Policy, an independent non-profit organization that has offices in Washington, DC, and Uppsala, Sweden. Dr. Swanström's main areas of expertise are conflict prevention, conflict management and regional cooperation; Chinese foreign policy and security in Northeast Asia; narcotics trafficking and its effect on regional and national security as well as negotiations. His focus is mainly on Northeast Asia, Central Asia and Southeast Asia. He is the editor of the *China and Eurasia Quarterly*. He is the author of four books: *Conflict Prevention and Conflict Management in Northeast Asia* (co-editor and contributor, with Sofia Ledberg and Alec Forss, Cambridge Scholars, 2010); *Transnationell brottslighet: ett säkerhetshot?* [*Transnational Crime: A Security Threat*];

Regional Cooperation and Conflict Management: Lessons from the Pacific Rim (Uppsala University, 2002); and *Foreign Devils, Dictatorship or Institutional Control: China's Foreign Policy Towards Southeast Asia* (Uppsala University, 2001).

Xinquan Tu (Ph.D.) is Professor and Deputy Director of the China Institute for WTO Studies at the University of International Business and Economics located in Beijing, China. His research and teaching focus is on Chinese trade policy, the World Trade Organization, government procurement, US trade policy, and US-China trade relations. He authored *China's Position, Role and Strategy in the WTO* (UIBE, 2005) as well as numerous papers and chapters in books.

Mariano Turzi (Ph.D.) is currently a Professor at New York University and Professor of Political Science and International Studies at Torcuato Di Tella University in Buenos Aires. He is the author of *Mundo BRICS [BRICS World]* (Capital-in, July 2011) and has published extensively on the political economy of global agriculture.

Terence Wesley-Smith (Ph.D.) is Director and Professor, Center for Pacific Islands Studies, University of Hawai'i at Mānoa. He is editor of *The Contemporary Pacific*, author of 'China's Rise in Oceania: Issues and Perspectives' (*Pacific Affairs*, 86(2), 2013), and co-editor (with Edgar Porter) of *China in Oceania: Reshaping the Pacific?* (Berghahn Press, 2010). Professor Wesley-Smith teaches about contemporary issues in the Pacific Islands region, with a particular focus on development, the impact of globalization, the political economy of mining in Papua New Guinea, as well as the emerging role of China.

Yiqian Xu is a Research Assistant at the Johns Hopkins University School of Advanced International Studies (SAIS). She graduated from the University of Wisconsin-Madison in 2010 and received her Master's degree in International Studies and International Economics from Johns Hopkins SAIS in 2014.

Jin Zhang (Ph.D.) is a University Lecturer in the Judge Business School and Fellow of Wolfson College at the University of Cambridge. She is the author of *Catch-up and Competitiveness in China: the Case of Large Firms in the Oil Industry* (RoutledgeCurzon, 2004) and co-author of *Global Business Revolution and Cascade Effect: Systems Integration in the Aerospace, Beverage, and Retail Industries* (Palgrave, 2007). She teaches and researches on topics of globalization, multinational enterprises, and Chinese big business.

Qingmin Zhang (Ph.D.) is Professor in the School of International Studies, Peking University. His teaching and research interests include Chinese Foreign Policy, Diplomatic Studies, Theory of Foreign Policy Analysis, and Sino-US relations. He is the author, co-editor and contributor of more than a dozen books and several dozen peer reviewed academic journal articles in these fields. He has been on the editorial board of *Foreign Policy Analysis* (2005–2010) and *The Hague Journal of Diplomatic Studies* (since 2012).

Suisheng Zhao (Ph.D.) is Professor of Chinese Politics and Foreign Policy at the University of Denver's Josef Korbel School of International Studies. He serves as Director of the school's Center for China-US Cooperation, and is the founding editor and the Editor-in-Chief of the multidisciplinary *Journal of Contemporary China*. The author of numerous publications, including nine books, his latest books include: *China and East Asian Regionalism: Economic and Security Cooperation and Institution-Building* (Routledge, 2012); *In Search of China's Development Model: Beyond the Beijing Consensus* (Routledge, 2011); and *Village Elections in China* (co-editor with Kevin J. O'Brien, Routledge, 2010).

Foreword

Deborah Bräutigam

In late 1978, when China began its economic transformation under Deng Xiaoping, China watchers were fascinated by the opening of doors that had been closed for so long. At that time, China's engagement with the world seemed to focus on 'bringing in' – importing new technologies, finance, foreign investment, and advice. Little noticed at the time, the open door also allowed China to begin to transform its 'going out.' In the 1980s, mainland Chinese firms started to explore foreign investment for the first time since 1949. Trade started to accelerate, and Chinese companies began bidding on engineering projects overseas.

I noticed these trends when I first went to Africa in the 1980s to do research on China's foreign aid program. In Liberia, I ate at a restaurant set up by Hunan International Economic and Technical Cooperation Corporation. A company owned by Heilongjiang province was managing a private clinic in a wealthy suburb of Monrovia. In The Gambia, China Harbour Engineering Company competed with the British firm Kier in the Banjul port project tender. Hainan province sent oil palm experts to work on a joint venture between a firm owned by China's Ministry of Agriculture and Choithrams, an Indian company long resident in Sierra Leone. Africa was a testing ground for Chinese entrepreneurs and Chinese companies to learn the ropes of international competition. As the chapters in this book make clear, all of this began long before the rest of the world started to notice.

In the 1980s, most China watchers were asking 'how will China change?' Nearly four decades later, this question is still pertinent, but now a new question has arisen: 'how will China change the world?' China's engagement with other developing countries is a testing ground, where the Chinese compete not only for commerce, but for public opinion, and the right to follow a set of norms – for better or for worse – different from those prevalent in the liberal west. This handbook provides a masterful, timely summing up and analysis of these issues. Deftly organized into helpful sections, and seamlessly edited, it knits together original research by new and established scholars. The book begins with chapters that provide the big picture, framing China's rise and querying whether there is a distinct 'China model.' Sections on identity and perception highlight the interactions of the people that are the front line of Chinese overseas

engagement. A strong focus on China's role in the evolving set of rules, norms, and practices that are shaping global economic and political governance provides insights into China's role in UN peacekeeping, finance for development, renminbi internationalization, and the changing expectations toward environmental responsibilities. Finally, the handbook brings us up to date with a set of chapters detailing Chinese engagement with the major regions of the developing world.

In a world where developing countries make up some 85 percent of the world's population and just over 30 percent of its income, the rise of China – and its interaction with the developing world – has the potential to shape the future profoundly, in ways that are still unfolding. This handbook provides a welcome guide to the growing challenges and opportunities of this brave new world – for the Chinese, for their partners in the developing world, and for everyone else.

Contents

<i>List of contributors</i>	viii
<i>Foreword</i> Deborah Bräutigam	xv
1 Introduction <i>Carla P. Freeman</i>	1
PART I FRAMING CHINA'S RELATIONS WITH DEVELOPING COUNTRIES	
2 The China model: an authoritarian state-led modernization <i>Suisheng Zhao</i>	21
3 China's relations with developing countries: patterns, principles, characteristics, and future challenges <i>Qingmin Zhang</i>	51
4 China's Third World odyssey: changing priorities, continuities, and many contradictions <i>Mel Gurtov</i>	71
PART II CHINA'S IDENTITY AND THE DEVELOPING WORLD	
5 China's developing country identity – challenges and future prospects <i>Xinquan Tu and Huiping Mo</i>	89
6 Another angle on a new intimacy: Chinese perceptions of Africa and Latin America <i>Simon Shen</i>	109
7 African traders in Guangzhou: a bridge community for Africa-China relations <i>Adams Bodomo</i>	133

PART III CHINA, THE DEVELOPING WORLD AND THE
CHANGING INTERNATIONAL ORDER

- | | | |
|----|---|-----|
| 8 | The World Bank and China: the long decade of realignment
<i>Gregory Chin</i> | 169 |
| 9 | Official development finance with Chinese characteristics:
development cooperation between China and Africa
<i>Cheng Cheng</i> | 193 |
| 10 | Expanded privilege, adjusted risks: developing countries and
renminbi internationalization
<i>David Janoff Bulman</i> | 226 |
| 11 | China's role in UN peacekeeping operations
<i>Bernardo Mariani</i> | 252 |
| 12 | Globalizing grain: how China is reshaping global agriculture
<i>Mariano Turzi</i> | 272 |
| 13 | China's oil industry, international investment and developing
countries
<i>Jin Zhang</i> | 287 |
| 14 | China as an environmental actor in the developing world –
China's role in deforestation and the timber trade in developing
countries
<i>Carla P. Freeman and Yiqian Xu</i> | 318 |

PART IV CHINA'S RELATIONS WITH DEVELOPING
COUNTRIES AND REGIONS

- | | | |
|----|---|-----|
| 15 | The China-Africa connection: an ambiguous legacy?
<i>Garth L. le Pere</i> | 359 |
| 16 | Searching for data: increasing understanding of China's
investment in Africa
<i>Xiaofang Shen</i> | 386 |
| 17 | China's deepening Middle East relations
<i>Leila Austin</i> | 405 |
| 18 | China and Greater Central Asia
<i>Niklas L.P. Swanström</i> | 427 |

19	Seeing the forest for the trees: China's shifting perceptions of India <i>Selina Ho</i>	445
20	China and the development of Myanmar <i>Yun Sun</i>	466
21	China in the Pacific Islands: impacts and implications <i>Terence Wesley-Smith</i>	479
22	China's expanding ties with Latin America <i>Riordan Roett and Guadalupe Paz</i>	496
	<i>Bibliography</i>	518
	<i>Index</i>	563