Multilateral Summits in Asia: Their Evolution and Implications

In Focus

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The Shanghai Co-operation Organization, initiated by China, has evolved into a major locus of regional summit diplomacy, especially for Beijing.

Jiang Jiying & Shi Weiyi
The Belt and Road Forum in Beijing in May 2017 attracted many world leaders. But it remains to be seen if it can be a new venue for Chinese influence.

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If the leaders of China, Japan and South Korea could together address regional and even global problems, their summits could help peace and prosperity in Asia.

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Pressure is on for China and other countries to complete the Regional Comprehensive Economic Partnership trade agreement. It will be hard work.
Substance or Show? The Belt and Road Forum

By Jiang Jiying & Shi Weiyi

As a demonstration of China’s growing influence on the international stage, the Belt and Road Forum held in Beijing in May 2017 was impressive, attracting numerous heads of state and leaders of international organizations to a showcase for China’s ambitious infrastructure plan to link much of Asia with large parts of Europe and Africa.

But if this was Chinese President Xi Jinping’s grand diplomatic event of the year, it also highlighted continuing concerns in some quarters about Beijing’s motives and methods. It remains to be seen if the Belt and Road Forum becomes a venue for Chinese leadership in regional governance, write Jiang Jiying and Shi Weiyi.

SINCE THE CREATION of the Forum on China-Africa Co-operation in 2000 and the Shanghai Co-operation Organization in 2001, China has played a growing leadership role in regional governance. The Belt and Road Initiative (BRI) — launched in 2013 — is far more ambitious than China’s previous regional initiatives in both geopolitical reach and resource commitment. Not only does it have wide-ranging implications for international trade and investment, the initiative also stands to cement China as a leader in the regional and even global economic order.

Unlike the Asian Infrastructure Investment Bank, the BRI is largely managed by China, negotiating bilaterally with its partners. In 2017, however, China held the first Belt and Road Forum in Beijing. It was China’s major diplomatic event of 2017 and the largest and highest-level public relations event on the BRI since its introduction. The summit was attended by the leaders of 29 countries, heads of 10 international organizations, and official government representatives from at least 30 more countries, resulting in the issuance of a joint communiqué.

The forum may seem like an insignificant appendage to the grand overall initiative, but, given participation at the heads-of-state level, it raises interesting questions about summity. Why did China hold it? What exactly did it accomplish?

BRI AND THE BELT AND ROAD FORUM

Led by China, the BRI is an ambitious effort to improve regional co-operation and connectivity on a trans-continental scale. As of July 2018, more than 100 countries and international organizations had signed co-operation documents with China, expanding the scope from Eurasia to Africa, Latin America and the Caribbean, and the South Pacific region (see Figure 1).

With a title that translates as “Increase International Co-operation, Co-build the Belt and Road, and Achieve Win-Win Development (加强国际合作，共建‘一带一路’，实现共赢发展),” the Belt and Road Forum featured six parallel panels on the first day, covering the following sub-themes: Enhancing policy co-ordination and strategic liaison; accelerating infrastructure connectedness; facilitating trade openness; facilitating financial integration; enhancing people’s heart-to-heart connection; and think tank exchanges.

The second day featured roundtable summits of world leaders, chaired by Chinese President Xi Jinping. Numerous agreements and deals were signed during these parallel meetings and round-tables. In addition, over the course of the two-day summit, Xi, Premier Li Keqiang and other high-level Chinese officials held more than 70 bilateral meetings, with countries ranging from Russia to Fiji, and a host of meetings with representatives of international and regional organizations.

In this brief essay, we identify and assess the multiple functions that the Belt and Road Forum served or was intended to serve for China. It was a success in furthering the development of bilateral deals and agreements. It also served its purpose well to gather information on international support and reaction to the BRI and to reinforce Xi’s legitimacy and legacy among China’s domestic audience. However, the forum achieved less in terms of assuaging doubts and concerns about China’s geopolitical motives and institutionalizing the BRI as a genuinely multilateral process. In other words, the forum likely achieved more...
in making substantive deals and less in showcasing China as a pre-eminent regional and global leader than Beijing might have hoped.

**FORGING DEALS AND AGREEMENTS**

One clear purpose of the forum was for China to cement deals and enhance co-operation with interested parties. During its course, a total of 68 countries and international organizations signed agreements on furthering the Belt and Road concept. Russia and China, for instance, agreed to set up a joint investment fund of $15 billion to promote regional investments. Pakistan’s Prime Minister Nawaz Sharif signed several pacts in Beijing, including one to build an airport at the city of Gwadar, the venue of the China-Pakistan Economic Corridor. Other deals included a free-trade agreement with Georgia, energy deals with Saudi Arabia, Azerbaijan and Russia, and a strategic co-operation deal with Interpol.

The series of financing agreements reached were particularly worth noting. For example, China’s Ministry of Finance signed the *Guidelines for Belt and Road Financing* with a number of partner countries. The China Development Bank (CDB) and China EXIM reached loan agreements with dozens of countries including Sri Lanka, Pakistan, Laos, Egypt, Saudi Arabia, Azerbaijan, the Philippines and Indonesia to finance infrastructure development and industrial projects. These agreements come with an unprecedented level of funding commitment from China. For example, Xi announced at the forum that the Silk Road fund would add 100 billion yuan ($14.4 billion) in new funds. CDB and China EXIM also announced 250 billion yuan and 130 billion yuan, respectively, in earmarked funds to support infrastructure development and industrial capacity co-operation.

**GAUGING SUPPORT AND PUBLIC MESSAGING**

Attendance at multilateral summits is a crucial indicator of support for the underlying institution. The BRI has been met with some controversy and mixed reactions since its introduction. The Belt and Road Forum thus allowed China to elicit countries’ reactions and gauge their official stance by looking at which countries participated, the political ranks of the country representatives, and the positions communicated in public statements.

The forum also provided an opportunity for Beijing to clarify the initiative. By making clear what the BRI is, its roadmap, potential/new projects, finance mechanisms, and policies that facilitate cross-border flows, the forum was expected to alleviate doubts and concerns about China’s strategic motives. According to Xi, “in pursuing the Belt and Road Initiative, we will not resort to outdated geopolitical maneuvering. What we hope to achieve is a new model of win-win co-operation.” Xi also used the forum to signal China’s commitment to an open world economy, signing a joint communiqué with the 29 world leaders in attendance to champion globalization and free trade.

The wide participation in the forum from around the world (see Figure 2) reflects the relatively high level of global interest in and support for the BRI, as well as the diplomatic clout and economic influence that China wields. The United States, which had expressed doubts in the past, sent a government delegation led by Matthew Pottinger, the Senior Director for Asia at the National Security Council.

It seemed, however, that the announcements and speeches made at the Forum didn’t fundamentally change pre-existing interpretations of the BRI. Countries from the key Belt and Road regions — Central Asia, South Asia, Southeast Asia, and Eastern and Central Europe — have remained committed supporters of the BRI and furthered deals with China during the course of the forum. Germany, France and Britain, on the other hand, have remained cautious about embracing the initiative. Germany wanted more guarantees from Beijing on social and environmental protection as well as transparency. They ultimately declined to sign the joint communiqué. India was notable for skipping the forum altogether due to controversies and geopolitical concerns surrounding the China-Pakistan Economic Corridor. India is also known for criticizing BRI projects for lacking transparency and placing unsustainable debt burdens on recipient countries. Thus, while generally receiving high support, the forum did generate some notes of skepticism, and from important actors.
In Focus: Jiang & Shi

REINFORCING XI’S DOMESTIC LEGITIMACY AND LEGACY

The forum came at a particularly interesting time in the Chinese political calendar, squarely in the lead-up to the 19th Party Congress, at which Xi’s second leadership term was cemented. Xi needed to demonstrate his international leadership credentials and prove to the Chinese people that he could advance China’s interests on the world stage. In addition to boosting legitimacy, the forum also helped to reinforce Xi’s personal legacy by tooting horns for his signature project. Unlike the Chinese media’s coverage of prior international events, this time the focus was more on Xi than on the forum itself. For example, Xinhua and People’s Daily jointly launched a video and article called “Xi Jinping on the World Stage” during the forum, claiming that “Xi impressed the world in the past four years,” and “the world will focus its eyes on Xi Jinping once again.”

BUILDING INSTITUTIONS

How far was the Belt and Road Forum an opportunity to build more enduring institutions? By bringing together multiple stakeholders for political and economic consultation being led by China, it has the potential to establish China as a rule-maker in a multilateral context. Ritika Passi of the Observer Research Foundation in India noted: “If the forum succeeds in beginning the institutionalization of the BRI, it could lay the foundation for a concerted redirection of flows and realignment of partnerships” as Washington retreats from economic co-operation in Eurasia and worldwide.1

But despite the forum’s multilateral appearance, the degree of institutionalization or rule-making was low. Instead, bilateral agreements, concluded around or at the event, played a prominent role. Beijing also faced accusations that it did little to factor in the interests of countries along the Belt and Road corridor. In preparing the working draft of the joint communiqué, Beijing gave little consideration to input from other BRI countries.2 Tuan Pham of The Diplomat regarded the forum as largely a nod to China’s diplomatic influence in getting ambitious projects accepted by as many countries as possible, rather than a serious and substantive dialogue on the opportunities and challenges faced by the BRI.3

CONCLUSION

The forum served multiple functions in supporting the BRI. However, these functions were not fulfilled equally well. While it did well in furthering bilateral deals and agreements and cementing Xi’s personal legacy, the forum achieved less in assuaging concerns about China’s geopolitical agenda and institutionalizing the initiative through a multilateral process.

Institutionally, while the forum was designed as an open, international co-operation platform, it facilitated limited dialogue among the participants on joint opportunities and concerns. Nor was it able to forge substantive multilateral solutions for the problems faced by the BRI. In spite of its pro forma multilateral design, the forum ended up with more of a hub-and-spoke approach, where China signed bilateral agreements with various interested parties. However, compared with other established regional organizations and forums, the BRI and the BRF are still at an early stage. It remains to be seen whether the forum can be developed into a truly multilateral process.

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