

Xi Jinping's Trip to Latin America

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Xi Jinping's 10-day trip to Latin America in July 2014 constitutes an important milestone in the development of China-Latin America relations, marking the first major visit to this increasingly important region for a top Chinese leader since the extensive trip taken by Hu Jintao in 2004. The trip occurred during an increase in various economic difficulties between Beijing and the region after a multi-year period of rapid growth. Xi's trip was intended in part to revitalize Beijing's economic relationship with some key South American states through new trade and investment deals and initiatives. It also sought to counter the impression in some quarters that the BRICS nations (and China-Brazil relations) were losing their luster. Finally, it aimed to strengthen political ties with the region by deepening bilateral strategic partnerships, linking China-Latin American ties with the larger global trend toward greater South-South cooperation, and eliciting local support for several key, long-standing Chinese international principles and undertakings, most notably state sovereignty and a UN-based, state-centered structure of internet governance. Although of some concern, in general, such actions do not necessarily constitute a threat to the United States.

Introduction

On July 14–23, Xi Jinping paid his second visit to Latin America as Chinese president in a little over a year, with stops in Brazil, Argentina, Venezuela, and Cuba.¹ The opportunity for the tour was occasioned by Xi's attendance at the Sixth Leaders' Meeting of the BRICS group of Brazil, Russia, India, China, and South Africa in Fortaleza, Brazil and at the first summit of the China-Latin America and the Caribbean (CELAC) grouping in Brasilia, Brazil. In addition to the BRICS and CELAC summits, Xi participated in many additional activities during his ten-day stay in the region.²

During the trip, Xi gave three major policy speeches,³ made remarks at a dialogue between the leaders of BRICS and South American countries,⁴ provided lengthy written interview responses to regional media, attended more than 70 multilateral and bilateral events, and met with more than twenty heads of state or government. He signed over 150 contracts and framework agreements with the four countries visited, involving a total amount of approximately \$70 billion and "covering areas such as energy, mining, electric power, agriculture, science and technology, and infrastructure construction and finance." In addition to these successes, China, Brazil, and Peru "...decided to jointly discuss the construction of the Two-Ocean Railway that connects the Pacific and Atlantic Oceans."⁵

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Beyond these achievements in both bilateral and multilateral relationships, the BRICS summit witnessed two major steps of significance in China-Latin America ties: (1) the establishment of a BRICS-supported New Development Bank (NDB), designed to provide loans to developing countries in a manner similar to the World Bank and the Asian Development Bank (ADB); and (2) the creation of a BRICS Contingent Reserve Arrangement (CRA), intended to assist member countries (and eventually other developing states) in dealing with short-term liquidity pressures in a manner similar to the International Monetary Fund (IMF).⁶

Xi's event-packed tour of four major Latin American nations marked the intensification of Beijing's relationship with a region that has become increasingly important in overall Chinese foreign policy and development strategy. Since 2000, Chinese presidents have visited Latin America six times. Excluding Xi's two trips, these include: Jiang Zemin's 2001 visit to Argentina, Brazil, Chile, Cuba, Uruguay, and Venezuela and his 2002 visit to Mexico; and Hu Jintao's state visit in 2004 to Argentina, Brazil, Chile, and Cuba, to Mexico in 2005, Costa Rica, Cuba, and Peru in 2008, and Brazil in 2010.⁷

Over the course of these visits, Beijing has established, and in some cases, upgraded, "strategic partnerships" with Brazil, Venezuela, Mexico, Argentina, and Peru, promising to exchange and share views and further coordination on bilateral relations and major international issues. Moreover, Beijing has expanded contacts with Latin American countries through common membership in or dialogues with regional and subregional multilateral organizations and fora, including the G-20 summit, the BRICS, CELAC, the Rio Group, the Southern Common Market (Mercosur), the Andean Community, and APEC.

However, the most notable indicator of—and impetus behind—Beijing's growing ties with Latin America has been its rapidly growing economic ties. Between 2000 and 2013, trade with the region has skyrocketed from a total value of \$12 billion to over \$261 billion, while total investment in Latin America is now estimated to equal roughly \$65 billion. China has become the second largest trading partner and third largest source of foreign investment in Latin America and the Caribbean. China is Brazil, Chile, and Peru's largest trade partner. Two-way trade with Brazil alone exceeded \$90 billion in 2013. Among nations in Latin America and the BRICS countries, Brazil is China's largest trading partner.⁸

At the same time, China's economic ties with Latin America have reportedly slowed notably over the past several years, from "...a year-on-year increase of 20–30 percent in 2003–2005 to merely 0.1 percent in 2013." As one Chinese analyst observed:

This slowing of bilateral trade growth is due in part to the general economic slowdown in China that caused a drop in commodity demand. At the same time, Latin American countries are adjusting their domestic industrial structure—seeking to "re-industrialize," protecting domestic producers and limiting imports of industrial goods. Protectionist measures such as anti-dumping initiatives against Chinese products are on the rise.

A few Latin American scholars even expressed concern over the current trade structure between the two sides, noting that 80 percent of products exported from Latin America to China are raw materials, whereas China exports mainly industrial products to Latin America.⁹

In particular, Beijing's trade and investment relationship with Brazil has encountered increasing problems. This is partly a reflection of the slowdown in the Brazilian economy, growing protectionist sentiment, and foreign investment obstacles in Brazil. But it also reflects the asymmetrical nature of the trade relationship—Brazil sells raw materials to and buys manufactured products from China.¹⁰ Although this decline is in most respects probably temporary, it has placed some urgency on the need for Beijing to reaffirm its commitment to the region and to assure local citizens and leaders of the mutual benefits accruing from economic ties.

Aside from its high economic value, the region serves as a major example of Beijing's diplomatic strategy and policies toward developing nations. Beijing's approach emphasizes mutual economic growth, political cooperation, greater policy coordination in a number of areas (from development strategies to the structure and outlook of various multilateral institutions), and the advocacy of key international principles, such as state sovereignty.¹¹

Some observers have characterized Xi's July visit to Latin America as the latest and arguably the most notable indication of a long-term Chinese strategy of challenging America's preeminence in a region that is sometimes described as Washington's "backyard." Some have even asserted that China's deepening relationship with Latin America is intended to counter the U.S. rebalance or "pivot" to Asia underway since at least 2009–2010.¹² This article takes a close look at Xi's remarks and actions during his trip to Latin America, as well as both authoritative and non-authoritative Chinese commentary made before, during, and after the trip. It concludes with an assessment of the meaning and significance of Xi's visit for Beijing's stance toward Latin America, developing countries, and relations with the United States, including the notion that it serves as a milestone in Beijing's allegedly ongoing effort to counter U.S. influence.

Major Themes, Objectives, and Features

On the broadest level, Xi's trip to Latin America provided an opportunity for the Chinese leader to deepen China's trade and investment relationship with a strategically important region while simultaneously countering the notion that the economies of the BRICS and other developing countries are declining. It also allowed him the opportunity to reaffirm and advance certain basic concepts, values, and principles allegedly shared by Beijing and many developing nations, and to promote certain changes in the governance and reform of the global economy.

These objectives were summarized by Xi in a speech given to the BRICS-South American Leaders Dialogue on July 17. He stated that:

...the BRICS countries and South American countries are both emerging

markets and developing countries, and constitute rising powers in the global pattern. We should jointly push forward the international order towards a fairer and more rational direction, safeguard the rights of peoples in choosing the social system and the development path by themselves, strengthen the global economic governance, push forward the international community to pay greater attention to the development issue, and help South American countries with poverty alleviation and the sustainable development cause. We should strengthen the connectivity between the two large markets of the BRICS and South America, actively participate in South America's infrastructure construction, resource exploitation, industrial development and project fund-raising, and strengthen people-to-people and cultural exchanges and enhance friendship among the peoples.¹³

According to Chinese Foreign Minister Wang Yi, these goals are encapsulated in a new pattern of China-Latin America relations presented by Xi during his visit called the “Five-in-One” concept. This concept includes “sincerity and mutual trust in political affairs, win-win cooperation in economy and trade, mutual learning in humanities, close coordination in international affairs, and mutual promotion between overall cooperation and bilateral relations.”¹⁴ While obviously propagandistic, this concept includes several important elements of Chinese foreign policy and overall strategy reflected in Xi’s speeches and actions while in Latin America.

In his speeches at the BRICS gathering, before the National Congress of Brazil, and to the CELAC summit, Xi repeatedly stressed the long-standing Chinese view that China, as a developing power, shares a common identity and a complementary set of economic features and national interests with Latin American nations. According to Xi, developing countries have an increasingly common interest in working together to raise their growth rates through expanding trade, investment, and financial dealings with one another and with other developing regions of the world, thus reflecting the growth of overall South-South cooperation.

In support of such objectives, Xi proposed the establishment of a “1+3+6 framework” that includes: “...the [CELAC] Plan (2015–2019), with the aim of achieving inclusive growth and sustainable development;” a focus on three main “engines” for growth (trade, investment, and financial cooperation) with the goal of attaining \$500 billion in trade and \$250 billion in investment stock to Latin America within ten years; the expansion of “local currency settlement and currency swap[s] in bilateral trade;” and involvement in six major fields of cooperation (energy and resources, infrastructure construction, agriculture, manufacturing, scientific and technological innovation, and information technologies).¹⁵ In his speech at the CELAC summit, Xi also listed several financial assistance and exchange activities that Beijing intends to implement.¹⁶

From a broader, strategic perspective, Xi, other Chinese leaders, and several Chinese commentators linked the growing importance of economic relations between China, the other BRICS countries, Latin America, and developing nations with two major, closely

related trends in global economics and politics: first, the emergence of developing countries and economic collaboration among developing countries as a major new source of global growth; and second, the overall transition of the global order from a unipolar system dominated by the United States to a multipolar system.

The written interview Xi gave to Latin American media was indicative of this. Xi stated:

The international situation is undergoing profound and complex changes. The trend toward a multi-polar world is gathering momentum, multiple growth centers are emerging in various regions of the world, the overall strength of emerging markets and developing countries is rising, and the international balance of power is more favorable to maintaining world peace.¹⁷

Similarly, in commenting on Xi's Latin American visit, the quasi-authoritative commentary under the pen name "Zhong Sheng" remarked:

One of the most striking changes in the global economy today is the mutual transmission of development impetus between the developing countries and the emerging market economies. After experiencing the two stages of technical cooperation and economic cooperation among the developing countries, South-South cooperation has now entered a period of wide-ranging cooperation covering multiple areas, resulting in significant progress in individual developing countries, in the various regions, and even on a global scale... China-Latin America cooperation has become part of the most prominent change in global economy since the beginning of the 21st century: Mutual fueling among developing countries in terms of economic development has replaced complete reliance on Western countries in the past.¹⁸

Although such views are certainly not new among Chinese officials and commentators, it is notable that Xi's Latin America trip is linked to these broader changes in the global order. More importantly, this transition is seen by Xi and others to provide the basis for the creation of a more "equitable, just, and reasonable" world order that more accurately reflects the growing influence and interests of developing nations.¹⁹ According to Xi, China must work with Latin America, the BRICS nations, and other developing countries to achieve this order by promoting a more balanced and democratic system of international relations in which all countries are treated equally.²⁰

As indicated above, these statements imply China's support for reforms of the international system in ways that increase the voice and influence of developing nations. During the Latin America visit, Xi and other Chinese officials sought—and often received—the endorsement of such aims.²¹ This theme was echoed in Xi's remarks in various Latin American countries.²²

Such rhetoric aside, Xi's Latin America trip also witnessed practical steps to strengthen the economic influence of the BRICS and other developing nations in Latin America and elsewhere. The most notable of these included the establishment by the BRICS of the New Development Bank (NDB) and the Contingent Reserve Agreement (CRA). These financial entities are intended to augment existing financial institutions and arrangements that assist developing countries, such as the World Bank, the Asian Development Bank (ADB), and the International Monetary Fund (IMF). However, the NDB and CRA also represent the desire of Beijing and the BRICS to increase their overall financial influence in the global economic order. This reflects frustration at the failure of advanced Western economies to increase the voting rights of leading developing states—like China—in the IMF.²³

In addition to economic objectives, Xi also repeatedly sought support of certain key, long-standing Chinese principles and norms within the international system. These included, most notably, the primacy of state sovereignty, territorial integrity, and non-interference in the internal affairs of nations, especially in the absence of a clear and strong international mandate. More broadly, Xi also called for Latin American nations to “strengthen communication and cooperation around global topics and hot issues, such as global governance, sustainable growth, response to climate change, and cybersecurity; and to step up dialog [sic] and cooperation on Asia-Pacific and Latin American affairs.”²⁴

During his time in Brazil, and in remarks at the BRICS summit, Xi particularly stressed the need for China, Brazil, the other BRICS, Latin American states, and developing states in general to support a “multilateral, democratic and transparent international,” UN-based internet governance system, centered on the need to protect and preserve the sovereign authority of individual nation-states over sensitive cyber-based information and activities. In his remarks to the National Congress of Brazil, Xi stated that “there are no double standards in the information sector, and every country has the right to preserve its own information security.” He went on to assert, “Although the Internet is highly globalized, the sovereignty of the information of all countries should be respected. No matter how developed a country's Internet technology is, it must not violate the information sovereignty of others.”²⁵

According to the English-language Beijing newspaper *China Daily*, “this is the first time that China's state leaders have promoted China's proposal on Internet governance in the world.”²⁶ Xi's public espousal of this long-held Chinese view during his trip to Brazil was obviously intended to take advantage of Brazilian anger over the revelation from documents leaked by former U.S. intelligence contractor Edward Snowden that the U.S. National Security Agency (NSA) had intercepted the personal emails of Brazilian President Dilma Rousseff and targeted the communications of Petrobras, the Brazilian state oil company.²⁷

These and other calls were linked to a general assertion of the similarity in strategic outlook and needs among China, Latin American states, and other developing countries with regards to their development paths and core interests. Xi summed up this overall set of requests and assertions in his speech to the National Congress of Brazil by contending:

we should stick to the direction of strategic coordination, continuously strengthen strategic mutual trust, understand and support each other on major issues concerning core interests such as sovereignty, security and territorial integrity, firmly support each other to take its development path that conforms to its own national conditions, deepen strategic dialogue and communication, and actively carry out exchanges on state governance. . . we should shoulder international responsibilities, jointly safeguard and carry forward international fairness and justice, uphold the purposes and principles of the UN Charter as well as equal sovereignty of all countries, advocate the idea of community of common human destiny, promote the establishment of a new type of more equal and balanced global development partnership, advocate the concept of common, comprehensive, cooperative and sustainable security, strengthen coordination and cooperation within international and multilateral mechanisms, and actively participate in global governance, so as to win more institutional power and rights of voice for the developing countries.²⁸

Xi also linked the importance of upholding the UN Charter and working through the UN with a general desire to work within various international bodies in advancing the common goals of Latin America and other developing states. For example, in his speech to CELAC, Xi stated that “China would like to work with the Latin American side within the framework of such international organizations and multilateral mechanisms as the UN, WTO, APEC, G-20, and G-77.”²⁹

The aforementioned activities clearly indicate that Beijing was attempting to make a link between the economic development objectives of its relationship with other BRICS countries, Latin America, and developing nations in general, to a broad range of political and security objectives and values. Although ostensibly focused on Brazil and the other BRICS nations,³⁰ this could also be seen to include Latin America.

Chinese Commentary

Aside from the usual laudatory remarks highlighting the importance of Xi’s trip and describing the growth in China and Latin America’s economic ties, Chinese commentary made several other points of significance. Many mirrored points made by Xi and Foreign Minister Wang Yi, but others involved views not made by such authoritative sources. The main points were:

- The importance of China-BRICS-Latin American economic growth and ties among these countries as an indicator of a fundamental transformation occurring in the global pattern of economic power. This was accompanied by a rejection of the specific arguments regarding the decline of BRICS.
- The importance of such ties in the development of a more “just and reasonable” international order.
- The unique role that China and East Asia play in driving economic growth and a more just world among developing nations and regions.

- The relevance of the establishment of the NDB and CRA as either a challenge or supplement to the Western-dominated economic financial system.
- Criticism or affirmation of Western suspicion of China's involvement in Latin America as a challenge to American predominance within that region.
- Assessments of the overall state of China-Latin America political and economic relations.
- The importance of Beijing's relationship with Latin America in advancing Chinese views on key principles (e.g. state sovereignty and the development of a system of internet governance).

BRICS and the New Pattern of Global Power

Several Chinese observers of Xi's visit to Latin America stressed its historical significance as the latest, and perhaps clearest, indicator of the emergence of trade and investment among developing nations as a driver of global growth and as a means of reducing the dependency of such nations on the developed world. As the quasi-authoritative source "Zhong Sheng" commented on the broad significance of the Xi trip:

One of the most striking changes in the global economy today is the mutual transmission of development impetus between the developing countries and the emerging market economies. After experiencing the two stages of technical cooperation and economic cooperation among the developing countries, South-South cooperation has now entered a period of wide-ranging cooperation covering multiple areas, resulting in significant progress in individual developing countries, in the various regions, and even on a global scale.³¹

Similarly, an article by a senior editor of the party newspaper *People's Daily* stationed in Brazil stated:

China-Latin America cooperation has become part of the most prominent change in global economy since the beginning of the 21st century: mutual fueling among developing countries in terms of economic development has replaced complete reliance on Western countries in the past."³²

Indeed, many Chinese observers argued that deepening China-Latin America cooperation reflects the complementary nature of their economies. A typical example states:

China and Latin America have a large degree of mutual complementarity in terms of their economic structure and development stages. Latin America is China's most important resources and energy supplier, while China in turn provides electromechanical equipment, electrical appliances and light industry products. At the same time, each party is becoming the other's most promising investment market.³³

Echoing Xi's remarks during his trip, several Chinese observers stressed that this fundamental economic transformation (along with the political changes toward a more

“just and reasonable” world, discussed below) is currently most closely associated with the BRICS countries, and the China-Brazil relationship in particular.³⁴

While acknowledging that the growth rate of the BRICS countries has slowed recently, some Chinese observers cited various positive growth statistics and characterized the slowdown as “structural and cyclical” and part of a maturation and positive adjustment of their economies.³⁵ Concerning the relationship between China and Brazil, some Chinese observers stressed the emphasis placed by Xi on the complementarity of the two countries’ economies and the relationship in general.³⁶

The Creation of a More “Just and Reasonable” World

Many Chinese commentators espoused the long-standing Chinese view, made by Xi in Latin America, that China’s economic and political relations with developing countries are part of the larger effort to build a global order that is more democratic, transparent, and moral. Such an order would be characterized by a greater voice for developing states and stronger support for international institutions like the United Nations.

As one observer stated:

The significant solidification of the BRICS partnership, along with the substantive strengthening of China-Latin America cooperation, falls in line with the aspirations of the broader developing world for a more equitable and reasonable international order. The global landscape China and its developing peers strive for is one that features win-win cooperation based on equality and mutual respect. It is neither a zero-sum game of rivalry, nor a system of spheres of influence that places one country in another's “orbit” or reduces one region to some big power's “backyard.”³⁷

As indicated by this comment, for some Chinese commentators the creation of a more just global order implies an alternative to notions of dominance through spheres of influence, presumably as practiced by the United States. Indeed, some observers asserted that specific actions taken to support such a new order, such as the creation of the NDB and the CRA, are designed “to challenge the U.S. dollar’s supremacy and Washington’s global leadership.”³⁸

However, in discussing the creation of the NDB and CRA, most Chinese commentators repeated—in some cases with considerable explanation—the authoritative Chinese stance that neither they, nor Beijing’s overall deepening relationship with Latin America, are intended to undermine the existing international financial infrastructure or U.S. influence in the region, much less to establish Chinese dominance.³⁹

In emphasizing the supplemental, non-competitive nature of the NDB and CRA, some observers pointed to the fact that the development needs of the developing world far exceed the current lending capacity of institutions such as the World Bank.⁴⁰

Several Chinese observers also justified the establishment of the NDB as a clear response to the failure of Western nations to act, as promised in 2010, to increase the voting shares of the developing countries in the IMF “by at least five percent and their voting rights in the World Bank by at least three percent.”⁴¹

Western Criticisms and the U.S. Rebalance to Asia

Although they denied that Xi’s trip to Latin America, and Beijing’s overall increasing ties with the region, are intended to counter the U.S. “rebalance” to Asia, some Chinese observers explicitly contrasted U.S. and Chinese moves in these two regions. For example, one commentator states:

In Asia, Washington's marching west across the Pacific has apparently exerted pressure on China. Through intervening in the South China Sea issue and consolidating its military alliance with Japan and the Philippines, the US is aggressively beefing up its dominance in the Asia-Pacific region. Across the Pacific, the two powers' moves toward each other's neighboring region are obviously different. China is neither seeking dominance nor finger-pointing at Latin America, but is engaging in discussions over cooperation as an equal participant....Beijing certainly has its calculations of interests in developing its relations with Latin American countries. But it's different from brewing military alliances against a target country.⁴²

Moreover, many Chinese observers were highly critical of Western commentators for describing Xi’s trip to Latin America and the activities of the BRICS countries as threatening or suspicious. As one observer stated:

Western countries think with only a political and ideological mind-set. They cannot understand the importance of development to BRICS countries. These countries have voiced differing opinions from the West, which helps the balance of the world. Once the CRA and the NDB are started, they will greatly promote development, which coincides with the wishes of most non-Western countries... The downplaying of BRICS nations reflects the dysphoria of Western elites. While they cannot stop the trend of growth and prosperity of the non-Western world, they should learn to be open-minded to embrace the diversity of the world.⁴³

Others linked Western criticism to the West’s misdeeds of the past.

Some in the West warn Latin America to watch against the Chinese who will dig away Latin American mineral resources, leaving poverty and pollution behind. These warnings sound ludicrous to Latin Americans. These Westerners are applying their ancestors’ deeds in Latin America’s resource-rich lands in the past 500 years to the Chinese.⁴⁴

Ding Gang, a Senior Editor with People's Daily and a regular columnist on foreign affairs and political-security issues for *Global Times*, listed several reasons why China is not challenging "Washington's dominance in the Western Hemisphere:"

First and foremost, while strengthening ties with Russia, Brazil and other emerging countries, China is actively working to build a new model of major-country relations with the US... In handling international hot issues, China acts in accordance with the principle of "being objective and fair," and makes judgments based on facts. Besides, China has always stood by its "non-alliance" policy.

Second, President Xi's visit to Latin America has focused on economic issues. President Xi has emphasized cooperation, friendship and development in visiting these countries. There is no attempt to strengthen any kind of ideological alliance or stir up "anti-US" sentiments.

Thirdly, to set up the BRICS bank is not to subvert the existing global economic order. Rather, it will provide an impetus to the reform process in the Western-dominated economic governance mechanism.

Last but not least, China's strengthening cooperation with Latin American countries will benefit regional economic prosperity and development, and is also in the interest of the US. As US-Latin America relations have a long history, the US should be confident of its influence in this region. However, the "sphere of influence" era is long gone, and the US should be open-minded towards China-Latin America relations.⁴⁵

Other observers also made the point that Chinese involvement in Latin America will benefit the West.

Closer ties between China and the region are natural as they meet the interests of both sides. What's more, steady growth in China's investment in such fields as infrastructure, energy, finance and agriculture has contributed to creating increasing business opportunities for enterprises all over the world, including large US companies.⁴⁶

In contrast to the allegedly misplaced criticism and hostility of Western observers, some Chinese observers pointed to the fact that "Xi spoke over the telephone with U.S. President Barack Obama while Xi was in Brazil, showing his consideration for U.S. sensibilities."⁴⁷

However, despite the protests against and criticisms of such Western concerns, some observers recognized that China's involvement in Latin America could create serious frictions in the U.S.-China relationship, largely because of Washington's misplaced sense of threat.

Although in late 2013, US Secretary of State John Kerry officially claimed that the Monroe Doctrine was no longer applicable in the US foreign policy, Washington will not allow Latin America to go beyond the US traditional orbit of national interests. Latin America will still be Washington's backyard, and it will unavoidably pose challenges to China's growing influence in this area.⁴⁸

A scholar at the Institute of Latin American Studies of the Chinese Academy of Social Sciences (CASS) called for “a strategic dialogue mechanism” to avoid confrontations over Latin America.⁴⁹

Difficulties in China-Latin America Relations

While praising Beijing's efforts in Latin America, others recognized that China's relationship with the region is not all sweetness and light. As Ding Gang stated:

There are indeed many problems between China and Latin American countries, most of which are caused by trade imbalance. This is related to differences in their economic structures and their positions in the chain of globalization. At the moment, China is trying to alleviate this issue through domestic economic restructuring and more vigorous investment in Latin America.⁵⁰

In an article titled “The Latin Link” published in the English-language newsweekly *Beijing Review*, Sun Yanfeng stated in reference to Latin American attitudes:

Protectionist measures such as anti-dumping initiatives against Chinese products are on the rise. A few Latin American scholars even expressed concern over the current trade structure between the two sides, noting that 80 percent of products exported from Latin America to China are raw materials, whereas China exports mainly industrial products to Latin America. Moreover, the two sides lack adequate mutual understanding—a shortcoming due in part to geographical distance, as well as differing beliefs, cultural backgrounds, languages and social systems. Even among the 33 Latin American countries themselves, stark differences exist.⁵¹

One commentator recognized that a debate exists in Latin America “over China being a threat or a partner.” He attributed this debate to “China's unique political structure, extraordinarily rapid economic growth, the current imbalance in the Sino-Latin American relationship, and Latin America's special geopolitical position.”⁵²

For some Chinese commentators, the generally positive involvement of China in Latin America derives from the unique role that Beijing (and other rapidly developing countries in East Asia) can play assisting development and (by implication) building a more equal and just global order.

For example, Ding Gang stated: “It has been demonstrated in the past decade that no other country save China can serve as a strong driving force for the development of Latin America.”⁵³

The Promotion of Chinese Views and Norms: State Sovereignty and the Internet

The majority of sources merely repeated without examination the general statements made by Xi concerning the need for nations to respect sovereignty and territorial integrity and avoid interfering in each other’s domestic affairs.⁵⁴ This is perhaps because the point is frequently made by Chinese officials. .

However, several commentators addressed Xi’s efforts during his trip to elicit support for the Chinese position in favor of the establishment of a UN-based system of internet governance grounded in the concept of national sovereignty over cyberspace. One observer stressed that Xi hopes:

the BRICS nations... can reach a consensus on network information security and the needs of founding a global Internet governance system *to counterbalance the United States’ information hegemony* [my italics].... The Internet industry is closely related to state security, information security and sovereignty. The rapid development and internationalization of Chinese Internet companies, thanks to the huge network user population in the country, can better help China to safeguard its national interests. In this sense, the Chinese government needs to support the healthy development of its Internet industry to let it play a bigger role at home and abroad.⁵⁵

A Xinhua article even more directly criticized the U.S. and the West for pursuing a double standard in cyber affairs by using the internet to violate “...other countries’ sovereignty, safety, and development interests” while allegedly ignoring the desire of developing countries to prevent such violations.⁵⁶

Conclusion

Xi Jinping’s 10-day July 2014 trip to Latin America constitutes an important milestone in the development of China-Latin America relations, marking the first major visit to this increasingly important region for a top Chinese leader since the extensive trip taken by Hu Jintao in 2004 and the historic trip by Jiang Zemin in 2001 and occurring during an increase in various economic difficulties between Beijing and the region after a multi-year period of rapid growth.

Xi Jinping’s speeches and remarks during his visit, along with the multitude of meetings and agreements reached with Latin American leaders, and the establishment of new political initiatives such as the CELAC Forum, all indicate that Beijing regards Latin America as an increasingly important region not only for China’s economic development, but also as a key target for its long-standing effort to reform certain economic and political aspects of the global order. For Beijing, Latin America stands not only as an

economic partner with some significant complementary features, but perhaps equally important as a potential ally in the effort to develop a common political and security strategy for deepening South-South cooperation and influence and advancing key international principles such as state sovereignty.

With regard to the last point, the visit to Brazil in particular provided an opportunity for Beijing to promote its notion of a UN-based, state-centered international internet governance structure that would enshrine government control over the cyber behavior of its citizens and prevent intrusions by foreign entities into a nation's sovereign cyber realm, however defined.⁵⁷

Chinese commentators stoutly defended Xi's visit, and the growth of China-Latin America ties in general, as extremely positive developments for South-South economic development and the broader emergence of a more "just, reasonable, and equitable" global order that more accurately reflects and supports the interests of developing nations. During Xi's visit, the effort to create such an order was reflected mainly in rhetoric, and more notably in the creation of the NDB and CRA.

Commentators differed over whether, and to what extent, such actions constituted a challenge to Washington's historical dominance over Latin America. However, most Chinese observers supported the official Chinese position that Beijing's actions have no such intent. In fact, many Chinese observers went to considerable lengths to criticize U.S. and Western suspicion of Chinese motives in Latin America, often linking such views to an outmoded "zero-sum" mindset and the commonly criticized U.S. desire to maintain its hegemonic control over the region and the world.

Nonetheless, as we have seen, at least some Chinese observers, and probably the most engaged Chinese officials, realize that China's deepening involvement in Latin America has the potential to pose significant problems in Sino-U.S. relations if several states in the region respond more positively to some of Beijing's political and strategic messages (such as its views toward internet governance), and especially if it decides to significantly upgrade its currently low-level military ties with the key countries. Indeed, the deepening economic and political woes of some major Latin American nations such as Brazil, Argentina, and Venezuela might make their leaderships more receptive to such messages and actions if such receptivity is viewed as a necessary condition for future Chinese trade, investment, and assistance.

That having been said, Beijing has thus far been very cautious in developing its relations with Latin America and has focused primarily on economic ties and the theme of advancing South-South development. Such actions do not necessarily constitute a threat to the United States. Indeed, the United States could benefit in some ways over the long term if, for example, such ties increase regional living standards and reduce illegal immigration into the United States. And Washington could improve its image in Latin America and other developing regions by supporting rather than stalling efforts to give a greater voice to developing countries in international institutions and fora. In this respect, the Chinese are standing on the correct side of current global developments toward a

more multipolar world. It is in the interest of the United States to accept and shape this development in its favor.

Notes

“Xi’s Latin American Visit to Expand Ties: Experts,” Xinhua, July 11, 2014. Xi first visited the region as president from May 31–June 6, 2013, stopping in Trinidad, Tobago, Costa Rica, and Mexico and meeting with eight Caribbean leaders. He also visited the region twice as vice president, in 2009 (to Brazil, Columbia, Jamaica, Mexico, and Venezuela), and in 2011 (to Chile, Cuba, and Uruguay). See: Georg Strüver, “‘Bereft of Friends’? China’s Rise and Search for Political Partners in South America,” *The Chinese Journal of International Politics*, vol. 7, no. 1, January 18, 2014.

² CELAC, established in 2011, includes every country in the Western Hemisphere except Canada and the United States. The first ministerial meeting of CELAC will be held in Beijing in 2015. See: “Xi Jinping Meets with Leaders of the ‘Quartet’ of CELAC,” Ministry of Foreign Affairs of the People’s Republic of China, July 18, 2014; Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014. The CELAC Summit witnessed the formation of the CELAC Forum, intended to advance political, diplomatic, and other relations between Beijing and Latin American and Caribbean nations. See: “Xi Jinping Attends China-Latin America and the Caribbean Summit and Delivers Keynote Speech, Comprehensively Expounding China’s Policies and Propositions Toward Latin America, Announcing Establishment of China-Latin America Comprehensive Cooperative Partnership of Equality, Mutual Benefit and Common Development, and Establishment of China-CELAC Forum,” Ministry of Foreign Affairs of the People’s Republic of China, July 18, 2014; Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014;” Matt Ferchen, “China-Latin America Relations: Creative Engagement versus Non-Intervention,” *Caijing*, July 16, 2014.

³ “Xi Jinping, “新起点 新愿景 新动力 (New Starting, New Vision, New Driving Force),” Sixth BRICS Leaders’ Meeting, Fortaleza, Brazil, July 15, 2014; Xi Jinping, “弘扬传统友好 共谱合作新篇 (Carry Forward Traditional Friendship and Jointly Open up New Chapter of Cooperation),” National Congress of Brazil, Brasilia, Brazil, July 16, 2014; and Xi Jinping, “努力构建携手共进的命运共同体 (Striving to Build a Hand-in-Hand Community of Common Destiny),” Keynote Speech, China-Latin America and the Caribbean Summit, Brasilia, Brazil, July 17, 2014.

⁴ “Xi Jinping Attends Dialogue between Leaders of BRICS Countries and South American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 17, 2014. Attending the meeting were: Chinese President Xi Jinping, Brazilian President Rousseff, Russian President Putin, Indian President Modi, South African President Zuma,

Surinamese President Bouterse, Argentinian President Cristina, Bolivian President Morales, Colombian President Santos, Chilean President Bachelet, Ecuadorean President Correa, Guyanese President Ramotar, Paraguayan President Cartes, Peruvian President Humala, Uruguayan President Mujica, and Venezuelan President Maduro. See also: “Xi Jinping Speaks at BRICS-Latin American Leaders Dialogue,” Xinhua, July 17, 2014.

⁵ Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014.

⁶ The NDB will be located in Shanghai. Beijing will provide the lion’s share of the \$100 billion planned capital fund (\$41 billion), while India, Russia, and Brazil will each provide \$18 billion and South Africa the remaining \$5 billion. However, the NDB will reportedly operate on the principle of “one-country, one-vote” regardless of the size of a nation’s capital contribution. The CRA will also have \$100 billion in funds. See: Rupakjyoti Borach, “Laying the BRICS of a New World Order,” *Global Asia*, August 13, 2014.

⁷ Planned visits to Venezuela and Chile in 2010 were cancelled due to the earthquake in Qinghai Province, China. See: Strüver, “Bereft of Friends?” Several regional leaders have also visited Beijing, including Ecuadorian Vice President Jorge Glas Espinel, Bolivian President Juan Evo Morales Ayma, and Brazilian Vice President Michel Temer. See: Shannon Tiezzi, “China’s Push into ‘America’s Backyard,’” *The Diplomat*, February 8, 2014.

⁸ “Full Text: President Xi’s Joint Written Interview with Media from Four Latin American and Caribbean Countries,” Xinhua, July 14, 2014; Luo Jun, “Not a Zero Sum Game for China, US in Latin America,” Xinhua, July 14, 2014; Li Jinzhang, “State Visit to Boost Countries’ Friendship,” *China Daily*, July 13, 2014; Qi Fengtian, “Xi’s Tour of Latin America Offers Vital Regional Trade Cooperation,” *Global Times*, July 15, 2014. China-Argentina trade in 2013 was \$14.8 billion; Beijing is Buenos Aires’s second largest trading partner and a major source of investment, while Argentina is China’s fifth largest trading partner in Latin America. China-Venezuela bilateral trade totaled \$19.2 billion in 2013; Beijing is Caracas’ second largest trading partner and Venezuela is China’s fourth largest trading partner in Latin America, with economic ties centered on oil exports to China and Chinese arms sales. Cuba, the last stop on Xi’s July visit to the region, is Havana’s second largest trading partner and Beijing’s largest trading partner in the Caribbean, with bilateral trade totaling approximately \$2 billion. See: Huang Yinji, “Cuba Still Under Shadow of Washington’s Half-Century-Old Trade Embargo,” *Global Times*, July 28, 2014. About 20 percent of China’s imports of crude oil and 60 percent of its imports of soybeans come from Latin America. While the demand for energy and raw materials has been the primary driver of Chinese economic interest in the region, in recent years, Latin America has also become an increasingly important market for Chinese goods and a recipient of an increasingly diversified pattern of Chinese investment in areas ranging from natural resources to infrastructure and finance. “Xi’s Trip Further Brightens Prospects of China-LatAm Cooperation,” Xinhua, July 24, 2014; Zhong Sheng, “Spur the Development of China-Latin America Relations at a Still Higher

Level,” *People’s Daily*, July 9, 2014; Ferchen, “Creative Engagement versus Non-Intervention.”

⁹ Sun Yanfeng, “The Latin Link,” *Beijing Review*, July 21, 2014. Sun Yafeng is an associate researcher with China Institutes of Contemporary International Relations.

¹⁰ China has been Brazil's largest trading partner five years in a row, while Brazil has consistently remained China's largest trading partner in Latin America and an important destination of China’s outbound investment in the region. See: Zhong Sheng, “South-South Cooperation Injects New Impetus into World Economy,” *People’s Daily*, July 29, 2014. For problems in the bilateral economic relationship, see: Lawrence Brainard and Joh H. Welch, “Brazil and China: Clouds on the Horizon,” *Americas Quarterly*, January 24, 2012.

¹¹ For example, the above-mentioned China-CELAC Forum, established during Xi’s trip, is reportedly designed to provide “an important platform for the growth of bilateral comprehensive and cooperative partnership featuring equality, mutual benefit and common development,” reflecting “...the shared wish of Latin American and Caribbean states to enhance their overall cooperation with China.” Shannon Tiezzi, “China’s Push into ‘America’s Backyard,’” *The Diplomat*, February 8, 2014.

¹² Deng Yuwen and Jonathan Sullivan, “China’s ties with Latin America counter US rebalance policy,” *South China Morning Post*, August 5, 2014.

¹³ “Xi Jinping Attends Dialogue,” Ministry of Foreign Affairs of the People’s Republic of China. These objectives were summarized by Chinese Foreign Minister Wang Yi in the following manner: “The visits of President Xi Jinping aimed at elevating and boosting international community’s confidence in emerging markets, promoting common development and mutually beneficial cooperation among developing countries, pushing forward governance and reform of global economy, and safeguarding the legitimate rights and interests of developing countries.” See: Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014; “Xi’s LatAm Visit Raises Confidence in Emerging Markets: Chinese FM,” Xinhua, July 25, 2014.

¹⁴ “Xi Jinping Attends China-Latin America and the Caribbean Summit and Delivers Keynote Speech,” Ministry of Foreign Affairs of the People’s Republic of China. “Xi Jinping Attends, Delivers Speech at Meeting with Leaders of Latin America, Caribbean States,” Xinhua, July 18, 2014. See also: Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014; “Xi’s LatAm Visit Raises Confidence in Emerging Markets: Chinese FM,” Xinhua, July 25, 2014.

¹⁵ “Xi Jinping Attends China-Latin America and the Caribbean Summit and Delivers Keynote Speech,” Ministry of Foreign Affairs of the People’s Republic of China; “Xi Jinping Attends, Delivers Speech at Meeting,” Xinhua. “Xi’s LatAm Visit Raises Confidence in Emerging Markets: Chinese FM,” Xinhua, July 25, 2014; Wang Yi, “Seize

New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014;” “China Expects Positive Results from BRICS Summit: Official,” Xinhua, July 7, 2014.

¹⁶ Xi stated: “China will formally implement the \$10 billion special loans for Chinese-Latin American infrastructure and will, on this basis, further raise the credit limit for special loans to \$20 billion. China will also provide \$10 billion of concessional loans for Latin American and Caribbean countries, and comprehensively launch the China-Latin America Cooperation Fund with a commitment to invest \$5 billion. China will officially implement \$50 million of special funds for China-Latin America agricultural cooperation, establish China-Latin America Scientific and Technological Partnership Program and China-Latin America Young Scientists Exchange Program, and hold the first China-Latin America Scientific and Technological Innovation Forum in due time.” “Xi Jinping Attends China-Latin America and the Caribbean Summit and Delivers Keynote Speech,” Ministry of Foreign Affairs of the People’s Republic of China.

¹⁷ “Full Text: President Xi’s Joint Written Interview,” Xinhua.

¹⁸ Zhong Sheng, “South-South Cooperation Injects New Impetus into World Economy,” *People’s Daily*, July 29, 2014; Ding Gang, “Chinese ‘Go East’ Move Stress [sic] Equality,” *Global Times*, July 17, 2014.

¹⁹ In his remarks to the Latin American media, Xi stated: “Equality and justice is the noble goal pursued by people around the world in international relations. China resolutely upholds international justice and equality, and is committed to promoting a multi-polar world and democracy in international relations. We maintain that the destiny of the world must be taken into the hands of peoples of all countries and that world affairs can only be handled through consultation by governments and peoples around the world. All countries, regardless of their size, strength or wealth, are equal members of the international community and should work together for greater democracy in international relations.” Xi struck these themes in his remarks to the BRICS summit and at all of his stops in the region. The following is a typical statement: “The two sides should also strengthen coordination and cooperation in international affairs such as global economic governance, energy security and climate changes, and spread voices of developing countries to the international community more, so as to push forward the development of the international order towards a more just and rational direction.” “Xi Jinping Holds Talks with President Nicolás Maduro of Venezuela and Two Heads of State Announce to Promote China-Venezuela Relations to Comprehensive Strategic Partnership,” Ministry of Foreign Affairs of the People’s Republic of China, July 21, 2014; “Xi Jinping Holds Talks with President Cristina Fernández de Kirchner of Argentina and Two Heads Announce the Establishment of China-Argentina Comprehensive Strategic Partnership,” Ministry of Foreign Affairs of the People’s Republic of China, July 19, 2014; Xi Jinping, “New Starting, New Vision, New Driving Force;” Xi stated that the economic growth of developing countries will thus “...provide impetus to improve global governance.”

²⁰ In his speech to the BRICS summit, Xi stated: “BRICS countries, which uphold justice and are committed to building a better world of fairness and justice, are the positive energy in international relations. We should amplify such positive energy by putting

forward joint proposals for upholding and practicing equality in international affairs... As long as the people of BRICS countries join hands with the people of other countries in the world, there will be broader and broader prospects for BRICS cooperation, South-South cooperation, and the path of human development.” Xi Jinping, “New Starting, New Vision, New Driving Force.”

²¹ In his speech to the BRICS summit, Xi stated: “...we should adopt necessary economic reforms to enhance the endogenous dynamics and maintain stable economic growth. We should adhere to the concept of inclusive growth and underpin macroeconomic policy with social policy to provide a firm social safety net and push the economy to shift from quantitative growth to qualitative growth.” Xi Jinping, “New Starting, New Vision, New Driving Force.”

²² In Argentina, for example, he stated: “Both sides should strengthen communication and coordination in major issues such as global governance and the reform of international economic and financial systems, well safeguard the rights and interests of emerging market countries and developing countries and drive the international order to develop in a more just and reasonable direction...” See: “Xi Jinping Holds Talks with President Cristina Fernández de Kirchner of Argentina and Two Heads Announce the Establishment of China-Argentina Comprehensive Strategic Partnership,” Ministry of Foreign Affairs of the People’s Republic of China, July 19, 2014.

²³ The Fortaleza Declaration issued at the end of their summit stated: “We remain disappointed and seriously concerned with the current non-implementation of the 2010 International Monetary Fund reforms, which negatively impacts on the IMF’s legitimacy, credibility and effectiveness.” Yang Yingjie, “Brics Bank Offers Alternative,” *Global Times*, July 17, 2014.

²⁴ “Xi Jinping Attends, Delivers Speech at Meeting with Leaders of Latin American, Caribbean States,” Xinhua, July 18, 2014. According to Wang Yi, “President Xi Jinping had in-depth exchanges on governance and administration of state affairs with the four heads of state [visited on this trip], and they all agreed to firmly support each other's choice of development path and each other's position on issues concerning their core interests such as safeguarding sovereignty, security and territorial integrity. They also agreed to firmly support developing countries to maintain and expand their own legitimate rights and interests.” Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping’s Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People’s Republic of China, July 25, 2014.

²⁵ “Cyberspace Sovereignty ‘Should be Respected,’” *China Daily*, July 18, 2014.

²⁶ “It’s A Golden Time for China’s Internet Industry,” *China Daily*, July 22, 2014.

²⁷ As a result, Rouseff canceled a planned state visit to the United States in 2013 and “...sponsored a debate about online spying at the UN General Assembly that ended in December with the adoption of a resolution reaffirming the right to Internet privacy.” “Cyberspace sovereignty ‘should be respected,’” *China Daily*, July 18, 2014.

²⁸ “Xi Jinping Delivers Important Speech at National Congress of Brazil-Carry Forward Traditional Friendship and Jointly Open up New Chapter of Cooperation,” Ministry of

Foreign Affairs of the People's Republic of China, July 17, 2014; this is paraphrasing, but still conveys his meaning.

²⁹ “Xi Jinping Attends, Delivers Speech at Meeting with Leaders of Latin American, Caribbean States,” Xinhua, July 18, 2014. Also, CELAC, along with “...the China-ASEAN Cooperation Mechanism, Shanghai Cooperation Organization, China-Africa Cooperation Forum, China-Arab Cooperation Forum, Summit of China-Central and Eastern European Countries, and China-Pacific Islands Forum Dialogue, was cited by Foreign Minister Wang Yi as “...a symbol showing that the regional and multilateral cooperation framework, promoted by China and mainly targeted at developing countries, has achieved the global coverage and perfected China's diplomatic layout towards developing countries.” Wang Yi, “Seize New Opportunities, Embark on New Path and Write New Chapter – Foreign Minister Wang Yi Talks about President Xi Jinping's Attendance at BRICS Summit and China-Latin America and the Caribbean Summit, and Visits to Four Latin American Countries,” Ministry of Foreign Affairs of the People's Republic of China, July 25, 2014.

³⁰ Speaking at the BRICS summit, Xi stated that “...the anchor that helps stabilize the global economy and the shield that protects the peace of the international community... [need] to advocate a new security outlook, and jointly safeguard the system for international security cooperation with the United Nations as the core.” Zhong Sheng, “BRICS Radiate With Common Aspirations,” *People's Daily*, July 17, 2014.

³¹ Zhong Sheng, “South-South Cooperation Injects New Impetus into World Economy,” *People's Daily*, July 29, 2014. In support of this argument, the author(s) cite statistics provided by a Brookings Institution study showing a significant reduction in the extent of overall trade between developing countries and developed states. See also: Mei Xinyu, “Create 3-Dimensional Upgraded Version of South-South Cooperation,” *People's Daily*, July 23, 2014. Mei Xinyu is a researcher at the Ministry of Commerce Research Institute.

³² Ding Gang, “Chinese ‘go east’ move stress [sic] equality,” *Global Times*, July 17, 2014.

³³ Sun Yanfeng, “The Latin Link,” *Beijing Review*, July 21, 2014. Sun Yafeng is an associate researcher with China Institutes of Contemporary International Relations.

³⁴ Again, Zhong Sheng provides the most notable example of the importance of the BRICS countries. The author(s) state: “Reviewing its past and looking to the future, people have high expectations from the joint action of the BRICS nations. They see them as devoted to promoting world economic growth, perfecting the global governance system, promoting the democratization of international relations, and becoming a major force in international relations and an active builder of the international system. As President Xi Jinping said, BRICS should be the anchor of global economic stability and the shield of international peace. ... He said BRICS should regard the common fight against terrorism and the preservation of cyber security as key areas of cooperation, advocate a new security view, and jointly defend the international security cooperation system centered on the United Nations.” Zhong Sheng, “BRICS Radiate With Common Aspirations,” *People's Daily*, July 17, 2014. See also: “Brics Evolution Caters to Emerging States,” *Global Times*, July 14, 2014; Ruan Zongze, “West Should Not Look at BRICS' Rise With Zero-Sum Mentality,” *People's Daily* (Overseas Edition), July 15,

2014; Deng Yushan, “Commentary: A milestone in shaping a better world order,” *Xinhua*, July 25, 2014. Ruan Zongze is research fellow and deputy director of the China Institute of International Studies.

³⁵ As one observer noted: “The economic growth rate of the BRICS countries as a whole is still far higher than the global average and they account for a quarter of the global economic aggregate and contributed over 50 percent of global economic growth over the last decade.” See: Ruan Zongze, “West Should Not Look at BRICS’ Rise With Zero-Sum Mentality,” *People’s Daily* (Overseas Edition), July 15, 2014; Wu Xia, “‘Broken BRICS’ argument lacks vision, substance,” *Xinhua*, July 15, 2014.

³⁶ Zhong Sheng stated: “China has been Brazil’s largest trading partner five years in a row, while Brazil has consistently remained China’s largest trading partner and important destination of China’s outbound investment in Latin America. Pragmatic cooperation between China and Brazil has gone beyond the traditional economic interactions and trade to include joint development and launching of resource satellites, the development of feeder aircraft, deep-sea oil prospecting and recovery, biotechnology, and other high-tech industries. We can say it ranges from the sky to the water and runs the whole gamut.” *Zhong Sheng*, “South-South Cooperation Injects New Impetus into World Economy,” *People’s Daily*, July 29, 2014. See also: Li Jinzhang, “State Visit to Boost Countries’ Friendship,” *China Daily*, July 13, 2014; “China, Brazil vow to consolidate partnership,” *Xinhua*, July 18, 2014; “Summary: *Zhong Sheng* Article on Pushing Forward Sino-Brazilian Comprehensive Strategic Partnership,” *People’s Daily*, July 18, 2014.

³⁷ Deng Yushan, “Commentary: A milestone in shaping a better world order,” *Xinhua*, July 25, 2014. Deng Yushan is a staff writer for *Xinhua*. See also: “Chinese President Voices Hope for Stronger BRICS,” *China Daily*, July 16, 2014; Zhong Sheng, “BRICS Radiate With Common Aspirations,” *People’s Daily*, July 17, 2014.

³⁸ Yang Yingjie, “Brics Bank Offers Alternative,” *Global Times*, July 17, 2014. The quote is from Hu Zhiyong, a research fellow with the Institute of International Relations at the Shanghai Academy of Social Sciences. See also: Hu Yao, “Commentary: BRICS development bank meets the call for fairer global financial order,” *Xinhua*, July 16, 2014. While not explicitly arguing for Chinese dominance, one Chinese economist analyst (Zhao Changhui, chief country risk analyst with the Export-Import Bank of China) stated that: “China will be in a good position to shape the NDB’s culture and its development path. When [the World Bank and IMF] are no longer the only service providers, they will lose their dominance... time is on our side as the capacity of BRICS financial institutions develops.” Yang Yingjie, “Brics Bank Offers Alternative,” *Global Times*, July 17, 2014. Specifically, for such observers, the NDB and CRA will allegedly counterbalance the supposed “political conditions” of World Bank and IMF loans in advocating “liberalization, deregulation, and privatization” that allegedly benefit some countries while failing others, by taking a “...more flexible stance” in granting loans. See: Yang Yingjie and “China Voice: BRICS bank diversifies global finances, not zero-sum game,” *Xinhua*, July 16, 2014.

³⁹ As the same above-cited article by Deng Yushan stated: “...the BRICS development bank is by no means designed to undermine or rival the existing Bretton Woods institutions. It is indeed intended to supplement the World Bank and the International

Monetary Fund and cover the corners which are crying for help but left untended by the pair due to lack of either resources or willingness. In the same vein, China's increasingly close interaction with Latin America is never aimed at nibbling U.S. influence and interests in the region or counterbalancing Washington's so-called "rebalancing" to Asia. It is nothing but a natural outcome of the development needs of both sides that poses no threat to anyone." Deng Yushan, "Commentary: A milestone in shaping a better world order," *Xinhua*, July 25, 2014. See also: Luo Jun, "Not a Zero Sum Game for China, US in Latin America," *Xinhua*, July 14, 2014; Ding Gang, "Chinese 'go east' move stress [sic] equality," *Global Times*, July 17, 2014.

⁴⁰ In fact, one source cites the conclusion of a World Bank study that "...South Asia needs to invest about \$250 billion a year to bridge the infrastructure gap over the next 10 years, while East Asia needs about \$600 billion annually." See: "China Voice: BRICS bank diversifies global finances, not zero-sum game," *Xinhua*, July 16, 2014; Hu Yao, "Commentary: BRICS development bank meets the call for fairer global financial order," *Xinhua*, July 16, 2014.

⁴¹ Ruan Zongze, "West Should Not Look at BRICS' Rise With Zero-Sum Mentality," *People's Daily* (Overseas Edition), July 15, 2014. See also: Dong Chunling and Sun Chenghao, "Why is the US Worried about Xi Jinping's Latin America Trip?," 中国现代国际关系研究院 (China Institutes of Contemporary International Relations), August 11, 2014; Yang Yingjie, "Brics Bank Offers Alternative," *Global Times*, July 17, 2014.

⁴² Ding Gang, "Chinese 'go east' move stress [sic] equality," *Global Times*, July 17, 2014. Of course, some outside observers have stated that Beijing's ties to Latin America are precisely intended to counter or undermine the U.S. "rebalance" to Asia. See: Deng Yuwen and Jonathan Sullivan, "China's ties with Latin America counter US rebalance policy," *South China Morning Post*, August 5, 2014. Deng Yuwen is a Beijing-based political analyst and Jonathan Sullivan is associate professor and deputy director of the China Policy Institute at the University of Nottingham.

⁴³ "Brics Evolution Caters to Emerging States," *Global Times*, July 14, 2014. One Chinese source summarizes Western criticism as including the following points: "First, in view of deteriorating relations between Russia and the West, some believe that China and Russia's visit to Latin America will exert pressure on the US... the visits underscore the mix of ideology and economics that allows the two powers to expand their influence in America's backyard. Second, along with China's increasing influence and the U.S. decreasing influence in the region, Latin American countries generally see China as a countermeasure to U.S. hegemony in the region... Third, the creation of the BRICS Development Bank and the Contingent Reserve Arrangement reflects the emerging powers' intention and determination to challenge the existing world order...." See: Dong Chunling and Sun Chenghao, "Why is the US Worried about Xi Jinping's Latin America Trip?," 中国现代国际关系研究院 (China Institutes of Contemporary International Relations), August 11, 2014. The authors conclude that: "The above three views reflect a biased perception of China, a product of realist logic and a 'zero-sum' mindset."

⁴⁴ Ding Gang, "Chinese 'go east' move stress [sic] equality," *Global Times*, July 17, 2014.

⁴⁵ Dong Chunling and Sun Chenghao, “Why is the US Worried about Xi Jinping’s Latin America Trip?,” 中国现代国际关系研究院 (China Institutes of Contemporary International Relations), August 11, 2014. See also: Ding Gang, “Chinese ‘go east’ move stress [sic] equality,” *Global Times*, July 17, 2014.

⁴⁶ Qi Fengtian, “Xi’s Tour of Latin America Offers Vital Regional Trade Cooperation,” *Global Times*, July 15, 2014.

⁴⁷ “Ties with Latin America not a rebuke to US,” *Global Times*, July 24, 2014.

⁴⁸ Qi Fengtian, “Xi’s Tour of Latin America Offers Vital Regional Trade Cooperation,” *Global Times*, July 15, 2014. Qi Fengtian is an assistant research fellow at the Institute of Latin American Studies, Chinese Academy of Social Sciences.

⁴⁹ Luo Jun, “Not a Zero Sum Game for China, US in Latin America,” *Xinhua*, July 14, 2014.

⁵⁰ Ding Gang, “Chinese ‘go east’ move stress [sic] equality,” *Global Times*, July 17, 2014.

⁵¹ Sun Yanfeng, “The Latin Link,” *Beijing Review*, July 21, 2014.

⁵² Qi Fengtian, “Xi’s Tour of Latin America Offers Vital Regional Trade Cooperation,” *Global Times*, July 15, 2014.

⁵³ Ding Gang, “Chinese ‘go east’ move stress [sic] equality,” *Global Times*, July 17, 2014. Zhong Sheng remarks: “President Xi Jinping’s latest visit to Latin America show that China plays an exceptionally prominent role in perfecting channels and mechanisms of communication in South-South cooperation and in extending such cooperation to investment, finance, and other areas.” Zhong Sheng, “South-South Cooperation Injects New Impetus into World Economy,” *People’s Daily*, July 29, 2014. See also: Mei Xinyu, “Create 3-Dimensional Upgraded Version of South-South Cooperation,” *People’s Daily*, July 23, 2014.

⁵⁴ See: “China, Venezuela Issue Joint Declaration on Upgrading Partnership,” *Xinhua*, July 22, 2014. “Leaders of the two countries, in the declaration, reiterate the importance of observing the basic principles of international law, including the respect of sovereignty and territorial integrity and non-interference in other countries’ domestic affairs.”

⁵⁵ “It’s A Golden Time for China’s Internet Industry,” *China Daily*, July 22, 2014. See also: “Cyberspace sovereignty ‘should be respected,’” *China Daily*, July 18, 2014; Deng Ziqing, “互联网治理须秉持公共意识 (Internet governance required to uphold public awareness),” *Xinhua*, July 18, 2014; Wang Mian, “新华网评:努力构建崭新的国际互联网治理体系 (Xinhua commentary: Efforts to build a new system of international internet governance),” *Xinhua*, July 17, 2014. Wang Mian is a *Xinhua* commentator.

⁵⁶ See: “信息领域决不该有双重标准 (The field of information should not have double standards),” *Xinhua*, July 18, 2014. The author concludes: “The United States has always treated the internet with double standards, this is unjust, and the most typical manifestation of unfair hegemony.” Translation provided by Eleanor Freund.

⁵⁷ For further details on the Chinese viewpoint see: Michael D. Swaine, “Chinese Views on Cybersecurity in Foreign Relations,” *China Leadership Monitor*, no. 42, Fall 2013.