No.151 OCT 2019 PG 1 OF 7

bulletin **HELSINKI COMMITTEE**



FOR HUMAN RIGHTS IN SERBIA address: Kneza Miloša 4, Belgrade, Serbia tel/fax. +381-11-3349-170; 3349-167; e-mail: office@helsinki org.rs

http://www.helsinki.org.rs

NO.151 // OCTOBER 2019



China's longlasting leaders: Mao Zedong and Xi Jinping

SERBIA AND CHINA: A QUESTIONABLE STRATEGIC PARTNERSHIP

Against the backdrop of the emerging new world order that is now hinting deep changes, tensions and uncertainties of ambitious countries' wish to secure for themselves as high as possible standing in global transition, China is obviously a key player.

Three leaders that each in his own way marked the history of today's China – now marking its 70th anniversary - Mao Zedong, Deng Xiaoping and Xi Jinping, is also marked by three periods

during which China "raised," "got rich" and "became powerful."1

The now "powerful" China's ambitious project "Belt and Road" is after "belting" the entire planet. The Chinese leader's initiative, symbolically based on the Middle Ages "Silk Road," connects Asia and Europe, but includes Africa as well; in a wider context, China's economic-financial business deals with South American countries could

¹ According to "The New Silk Roads" by Peter Frankopan

place this continent too in the "Belt and Road" project.

Unlike his main competitor, US, global policy describes as "global policeman" that uses "stick" more often than "carrot," Chinese leader Xi Jinping is bearing an "olive branch;" he argues that his initiative benefits all by shaping a "shared future of the mankind." The "Belt and Road" initiative, he stresses out, stands not for a military-political alliance or "a Chinese club," but for the process" meant to improve global models of development, global management and economic cooperation." In his book "The Silk Roads; A New History of the World" Peter Frankopan, world history professor at the Oxford University, quotes Xi Jinping saying that peoples along the silk road "differs from one another by their race, beliefs and cultural pasts," but are "fully capable of living together in peace and progress."2

Serbia, metaphorically speaking, has tied itself to the huge Chinese ship with a strategic alliance, political friendship and economic-financial interests. Despite the obviously large discrepancy in size and international standing between the two, China appreciates Serbia as a partner and genuine friend. The reasons why it is so are in the fact that Belgrade keeps quite a low profile at all international forums discussing and growingly accusing China of the situation of human rights.

Serbia and China have signed documents on strategic partnership twice: in 2009 at the time of Hu Jintao's presidency and Boris Tadić in his capacity of the President of Serbia (2009) and during Xi Jinping's visit to Serbia when his counterpart was Tomislav Nikolić (2016).³ Serbia is among the countries encompassed by the "16+1" initiative, the predecessor of the more ambitious "Belt and Road." Within the former initiative China offers attractive financial

arrangements to ex-socialist countries while strengthening its presence in Europe. What also marks the present regime's close relations with its partners in Beijing is an obvious "personal touch": President Xi Jinping and the Communist Party of China's authoritarian regime that has a control over the country's entire economic, political and social life stands for an ideal model of governance President Vučić and his Progressive Party of Serbia aspire to.⁴

Nevertheless, China's unprecedented growth in global proportions seems to turn into a big challenge to itself and its domestic development. The one-party monopoly and a growingly authoritarian leader (President Xi became), under the auspices of which China has been competing for a number one at the global arena, are faced with a number of contrarieties at home. The economic growth slowdown in the past year or two (some 4 percent) when compared with extremely high growth over three decades (some 10 percent) makes many Chinese anxious as it forebodes a return to the "unwelcome past."

In the first place this refers to transition winners – enterprisers and intellectual elites. Their standard of living reaches the level of the high middle class; therefore, any economic stagnation would affect them seriously. Besides, this segment of the Chinese society is now more and more turning against restrictions in individual freedoms (freedom of speech and expression, movement, money flows, etc.) and the omnipresent control; and they are more and more turning against the fact that the regime wants to "conquer" the world but to not want to see

² Ibid.

³ www.blic.rs/...kina...opartnerstvo...sporazum/pl4/jnve.

⁴ According to well-informed observers, President Xi, having cosolidated his rule at the 2017 Congress of the Communist Party of China, has been smoothly revitalizing the full state-party control over economic and social life, including privately-owned and internationally recognized companies such as "Ali Baba," Helsinki Bulletin No. 138.

that "world" in China, and blocs communication with the outside world with all its might (social networks, foreign TV stations, movies, etc.).

SERBIA AND CHINA

By relying on traditionally good relations between Yugoslavia and China, all Serbia's regimes have been trying to keep the same course following on the latter's collapse. When in the early 21st century Serbia, on its anyway wavering foreign policy path towards EU, was let known that accession would be a long and slow process, Belgrade immediately, and especially over the past years, turned towards the East.⁵

The alliance with a huge country growing stronger and stronger at the global arena not only massages the ego of (every) Belgrade's regime but leans as well on quite pragmatic political whys: along with Russia, China is among the two UNSC member-states that opposed Kosovo's independence (Beijing is against any separatism because of its problems plaguing its domestic policy, Tibet in the first place but also some other possible independence movement in its West with Uyghur Muslim population.).

An obviously economic dimension has been marking political closeness over last years. Attempt at ensuring Serbia's impoverished, almost destroyed economy reliable financial injections from yet another country corresponded with China's interest in investing its overflowing foreign currency reserves in a region as close as possible to the European market.⁶

5 The policy of "four pillars" (Beijing being the fourth along Brussels, Washington and Moscow) was formulated during the presidency of Borisa Tadić. .

Namely, in the meantime China, over the past years recognized as the world's biggest "factory" of commodities, has also become the biggest "world bank." China has been using these foreign currency reserves that keep pouring into it for "purchasing influence" all over the world. At the beginning it was focused on Africa only to gradually extend to other continents. Its generous loans are usually "covered" by non-transparent contracts, and, to all appearances, have corruption in their background. Let alone that some countries (Pakistan, Venezuela, etc.) are already in its "debt slavery."

For the time being, Belgrade's regime seems not to care about it: with its investments and credits China has practically permeated Serbia's economy.7 It has already bought the Smederevo Iron Works and, more importantly, the Bor Copper Mining and Smelting Complex with its gold mine (the right to exploit the locality has been bought out for 33.5 million dollars). 8 According to domestic media sources, China's investments in Serbia amounts to six billion dollars, mostly in infrastructure, highway and railway modernization, energy supply, telecommunications, factories, etc. Construction of the Pupin Bridge in Belgrade and involvement in modernization of Belgrade-Budapest railway are seen as major projects realized up to now;9 the 75-million dollars contract on participation in the construction of sections of the Corridor 11, as well as most other contracts signed are still sealed as top secrets.

⁶ Ovdašnje opšte uverenje o kineskoj ekonomskoj ulozi u Srbiji ilustruje jedan od mnogobrojnih naslova u štampi na ovu temu – "Kineski zmaj razvija Srbiju", Politika 23. decembar 2017.

⁷ Analitičar i kolumnista Nikola Samardžić u netransparentnim i koruptivnim poslovima s Kinom vidi ozbiljnu opasnost za Srbiju: "Pojas, put i svilen gajtan za slobodnu, evropsku Srbiju.

⁸ Politika, 23. decembar 2017.

⁹ These days the first China-Serbia cargo train with construction equipment set off for Jinan. Minister of Traffic and Construction Zorana Mihajlović broke the news in Serbia; Politika, October 1, 2019.

No.151 OCT 2019PG 4 OF 7

BOTHERSOME SECURITY COOPERATION

Serbian and Chinese ministries of interior have become very close, as evident, among other things, by frequent meetings of their respective officials. Military and especially police cooperation that date back to the Yugoslav era have been deepened, and in some segments became – bothersome. This notably refers to the purchase of Chinese "smart" cameras already installed at a variety of locations in Belgrade and the Nis Highway, and even more to the announcement that Chinese policemen will be patrolling the streets in Belgrade soon.

Cameras to start with: Chinese technological breakthroughs in the sphere of future technologies (artificial intelligence, robotics, AT-technology, communications, etc.) are fascinating. The country the industrial-technological development of which relied on imports of machinery and technologies, and their copying not long ago, incredibly swiftly came forward with innovations of its own, some of which reach the level of science fiction.¹⁰ Beside constructing, say, the railway infrastructure and trains moving at 350 kilometers per hour (thus surpassing until recently superior Japan), China made a global breakthrough in the development of "smart technologies" (telecommunications giant Huawei is already selling mobiles of the so-called 5G, "fifth generation")11

The cameras (1,100) Serbia bought from China have "smart" software capable of recognizing people's faces.¹² According to domestic media, photos taken with those cameras raise the issue of "misuse of supervision system for political purpose" and, generally, the question of privacy breaches.¹³

The announced joint patrols in the streets of Belgrade and other towns in Serbia – Belgrade papers (Danas) wrote about back in August (having attracted the attention of foreign media outlets in the meantime) raise even more questions. For instance, patrols wearing "foreign uniforms" at duty might question Serbia's sovereignty.

Dilemmas are even deeper when it comes to the fact that the initiative came from Beijing and Serbia seem to have conceded to it. Official sources argue that Chinese policemen would be assisting their Serbian colleagues in the case of incidents (fistfights, robberies, murders and other crimes) breaking in the Chinese community in Serbia (allegedly people working as interpreters and service providers).

However, the very presence of Chinese policemen raises doubts over whether Chinese authorities, already fully controlling domestic populations, are trying to do the same about their citizens living abroad.

"HONGKONG SYNDROME"

The ongoing turmoil in Hongkong with three months of pro-democratic protests going on is more than associative in this context. Masses of Hongkong citizens hit the streets to protest

¹⁰ The body of a Chinese girl (who committed suicide several months ago) was recently found at the Mt. Tara thanks to information about precise location domestic investigators received from China; to all appearances, the location was detected thanks to the girl's mobile that has been turned off for months. .

¹¹ As German ex-foreign minister Joshka Fisher put it, power of states in the 21st century will not be measured by their nuclear arsenals but by spectres of their technological capacities based on digitalization; and all the others that are not highly ranked when it comes to artificial intelligence and data bases will unavoidably turn dependent on other powers that will

finally have a control over them; Danas, August 19, 2019.

¹² Danas, October 1, 2019.

¹³ Ibid.

No.151 oct 2019PG 5 OF 7

Helsinki bulletin

against the draft law (withdrawn from the procedure under the pressure of protesters) under which Hongkong would extradite Chinese citizens, criminals, to Beijing whenever the capital wants it to. Possibilities for political misuse of the law actually raise a great hue and cry: whenever labeled criminals political dissidents, critics of the Chinese regime and other "unsuitable" persons who have found refuge in Hongkong could be turned over the China.

In fact, citizens of Hongkong are so disturbed as they fear Beijing's control over (capitalist) economy, which would suspend the level of freedoms attained, especially media and individual freedoms; and would, metaphorically speaking" turn the "one country, two systems" formula into "two countries, one system."

CONSISTENCE AND DIVERGENCIES

The fact that the Chinese President Xi appeared at the ceremony in the same uniform-suit Mao Zedong was wearing 70 years ago when he proclaimed the People's Republic of China was meant to stress out continuity linking the two leaders in China's modern history.

An observer could simply note that Mao's vision of China's communist development (which dramatically regressed the country during decades of his rule) has nothing to do the one his successors and especially Xi Jinping have been implementing under the slogan "socialism with Chinese characteristics." However, the same observer would be wrong about a major segment: political system remained absolutely the same.

14 British colony Hongkong was returned to China in 1997 under the formula "one country, two systems"

Deng Xiaoping created; the fomer colony (the same as Macao Portugal turned back to China in 1999) retains its capitalist system and the level of freedoms attained over 50 years.

One-party monopoly and an unquestionable leader on the top of the ruling pyramid have persisted despite deep changes in economic and social spheres that have turned today's China into a super power.

Ever since Deng Xiaoping, the architect of economic reforms and China's opening to the world, declared that "socialism means not distribution of poverty" and "being rich is not a shame," the Communist Party renounced its fundamental ideological postulates (equality, proletarian solidarity, struggle against world imperialism, etc.) but not the prerogatives of power. A social-economic and political model as such makes China a global phenomenon of sorts.

In answering the question about "how possible could it happen" Chinese intellectual and dissident Jiao Hui (publishing under the pseudonym Mo Jixi) says that the "regime adjusted itself" to the changes it has initiated itself by freeing private initiative in agriculture, industry, trade, etc. However, these changes have not been mirrored in democratization. "On the contrary," he says, "reforms have been so adapted as to strengthen the system...The Party retained control over basic economic sectors, and made itself stronger due to financial opportunities."¹⁵

In other words, economic prosperity has strengthened the regime's financial capacity and made it possible for it to multiply fortify its control over all segments of the society: and especially over the media, ethnic and other minorities, human rights defenders, critics and dissidents... Its sensitivity about every public criticism is simply amazing.¹⁶

¹⁵ Danas, March 3-4, 2018.

¹⁶ In an essay law professor at the University of Beijing criticized the regime for its free-handed investments and loans given all over the world, instead to working for the wellbeing of its own people; the essay "dissapeared" from social networks; searching the

PARADOXES AND UNCERTAINTIES

One can feel this strengthened pressure "from above" practically at every corner – and feel it despite daily dynamics of Beijing, Shanghai, Qinhuangdao and other cities, magnificent buildings, luxurious stores, all those people taking trains or luxury automobiles. Putting all that together one cannot but feel too a growing uncertainty. For how long - and how possibly at all – can China's international prestige and the attained level of standards of life (for instance, in one day only Chinese customers are spending some 1.1 billion-yuan, 1 euro = 7.8 yuan, through internet) will be satisfying all the appetites of Chinese citizens? Could appeals for "strengthening" China's struggle against "unilateralism" and "protectionism" (i.e. the United States of America) that are presently on the country's priority list, compensate citizens' wish to freely, without the exhausting police checks, walk over Tian'an Men Square or just get into the city? Or to read something on Google without trouble or some contrivances? Or to see, with no one in between (strongly controlled media), what it is that world media – from CNN, BBC to Washington Post and New York Times – think about

China's indisputable successes but about its problems too?

"Shutting the doors" at home is among China's biggest paradoxes – and practically a mission impossible. Not only because it's diametrically opposite to the proclaimed policy of "opening to the world" and especially in discord with the process of globalization (from which China has profited so much) but also because of relentless spread of global communication networks to which it immeasurably contributes itself.

Pro-democratic protests in Hongkong challenge the Beijing regime; not only because its local "branch" over there badly copes with them but also because of a possible "spark" spreading to the motherland; the fire could mostly catch student population in the case of which liberal intellectuals would side with them. The question is whether the stronger control and pressure on domestic population (and those temporarily living and working abroad such as Chinese in Serbia) is a proper response to that "fear syndrome." Or else, it could just add to the resistance at home.



CONCLUSION AND RECOMMENDATIONS

No doubt that China is becoming Europe's – and especially the countries' in its South – more and more important and unavoidable partner. Lacking capital, regional leaders are more and more counting on Chinese loans. However, on the one hand countries like Serbia are getting money they are short of, but, on the other, these credits are not only more expensive but also non-transparent contracts signed on them implicate corruption.

Chinese economic wonder generates both hard and soft power to a certain extent. Chinese project "Belt and Road" is attractive but only until countries turn incapable of paying off loans and succumb to bond slavery what has already befell some of them.

China has invested billions of dollars in soft power; many countries in the West have responded to it in a defensive way. Objectively speaking, all this exposes the countries such as Serbia to manifold dangers (lost sovereignty over security sector, while membership of NATO is opposed to).

Most problematic to Serbia are China's investments in its security sector (joint police patrols and potential joint military maneuvers). No information whatever about the type of cooperation it is all about is a fundamental problem. There is no telling what the jurisdiction of the Chinese police would be and how long shall they stay in three towns – Belgrade, Novi Sad and Smederevo.

The number of Chinese tourists in Serbia is permanently growing. According to the Serbian Tourist Organization it grew by 36 percent in the first half of 2019.

Serbia has not only signed a document on forming a joint work group for "Belt and Road" project but also a letter on intent. Serbia is among the Balkan countries China has included in its ambitious trading plans between its companies and Europe.

If truly committed to the membership of EU (which is rather uncertain) Serbia will be faced with problems: firstly, because of its non-transparent contracts with China, and, secondly, because EU's business deals are based on liberal principles, which is pretty contrary to China's practices.