

Trends in International Politics 2024

Chinese foreign policy in 2024: crisis management and global governance

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When it comes to Chinese foreign policy in 2024, decision-makers in Austria and the EU have to most importantly consider three highly topical questions that are and should be preoccupying China researchers: Will China invade or blockade Taiwan? Will China escalate its support for Russia during the war in Ukraine? Will China’s global governance reform proposals gain the support of the “Global South”? Further trends in China research will address digital governance and surveillance (incl. privacy issues and protests) (BCCN 2024), research and innovation cooperation with China (ReConnect China 2024), outer space issues (Julienne and Wohrer 2023), the re-ideologization of China’s foreign and security policy under Xi Jinping (Tsang 2023), and “De-Risking” relations with China (Carry, Godehardt and Mueller 2023; Cha 2023; China Horizons DWARC 2024; Seaman 2023).

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Following the presidential and parliamentary elections on Taiwan, China will still not see itself as forced to invade or blockade Taiwan in 2024. The Chinese leadership would only reach that conclusion, if it thought permanent separation could otherwise not be

avoided. While the more Beijing-critical current Vice-President William Lai won the presidential race against a divided opposition, angering China, the results were not completely unfavourable to Beijing. China trusts Lai even less than current president Tsai Ying-wen – both represent the Democratic Progressive Party (DPP), seen as hostile by Beijing – because he made stronger pro-independence statements in the past (Qi 2023). But Lai reached only 40% of the vote, and he did promise to continue the cautious policies of Tsai Ying-wen and preserve the status quo (Crabtree 2024) (i.e. no push for international recognition). At the same time, the more Beijing-friendly centre-right Kuomintang (KMT) won the parliamentary elections against Lai’s centre-left Democratic Progressive Party (DPP). The new (and third-placed) Taiwan People’s Party (TPP), which also seeks more dialogue and better relations with Beijing, can tip the scales and give the KMT an absolute majority in parliamentary votes. This means that Lai will have to negotiate and compromise to move ahead with his policy agenda (Legarda and Vasselier 2023). With a view to “cross-straits”- or China-related policies, these results will necessarily moderate any plans Lai and the DPP may have had. This is not the outcome Xi

Jinping wanted, but it is a step forward from his perspective, and something to build on. Beijing indeed already commented that “the results reveal that the [DPP] cannot represent the mainstream public opinion on the island” (Xinhua 2024). The Taiwan-related threat to China is less physical than relational or ontological. As long as China’s “security of the self” – and the Chinese Communist Party’s domestic legitimacy – is not upset by plans for formalized permanent separation, an invasion is much less probable (Shih and Luo 2023).

Several important deterrent factors also outweigh any considerations of an opportune moment for an invasion due to the US being distracted in 2024. China’s “security of the self” would have to be much more severely threatened, to overcome these deterrent factors. As noted in 2023 (Eder 2023), China is deterred by Russia’s losses in Ukraine and vulnerability to sanctions, as well as Western unity. This could change, should Western support for Ukraine falter. Xi Jinping also does not trust his military to succeed with an invasion yet – see also current corruption probes (Reuters 2023b) – and knows that the risk of failure to him personally is very high (China Power 2023). The main deterrent is of course the real potential of direct confrontation with the US military. With a

view to a prolonged Chinese blockade of Taiwan instead of an invasion, that might bring the risk of sanctions and military escalation without the benefit of a successful takeover of the island (China Power 2024). Additionally, Beijing wants some stability in its ties with Washington (and lucrative economic relations) during the US election campaign. It would like to avoid unnecessarily capsizing the relationship before 2025, when a return of Donald Trump to the presidency could accelerate such a trend soon enough.

The Chinese leadership will instead continue the escalation of threats, sanctions, disinformation and cyber-attacks. New navy and air force exercises all around Taiwan, unprecedented in scale and duration, are likely. Beijing may choose to repeat such exercises at crucial points of Lai’s presidential term (Bland 2024). The Chinese air force can be expected to cross the median line in the Taiwan Straits more frequently, and enter the Taiwanese Air Defence Identification Zone much more often (Brown and Lewis 2024). China’s economic threats – in the form of raised tariffs on Taiwan’s chemical sector (Reuters 2023a) – did not have the desired effect during the election campaign. Beijing will, however, likely seek to punish Taiwan and gradually raise pressure on its economy by restricting its exports to China. China

will also view efforts to influence the Taiwanese society via propaganda or disinformation through (social) media, civil society and religious (especially Buddhist and Daoist) organizations as even more important, and double down on related activities (Stokes 2023). The goal is to have the Taiwanese population view integration with the People's Republic as beneficial, preferable or at least inevitable. More regular hacking of public institutions and private companies on Taiwan, and cyberattacks (including on critical infrastructure) may be seen as ways to attrite Taiwanese voters' willingness to resist (Bland 2024; Lewis 2023). The idea is to raise the psychological pressure and complicate life on Taiwan, while offering some positive inducement like a new integration zone with China's Fujian province to make people think life after unification would be better (China Power 2023).

China's focus on economic growth, regional power in the Western Pacific, and leading global governance reform supported by the "Global South", will keep it from escalating support for Russia's war against Ukraine in 2024. After the end of its harsh Zero-Covid policies last year, Beijing has not yet

managed to get economic performance back on track (Reuters 2023c). This is further complicated by high debt levels, a shrinking (working age) population, and a rapidly ageing society. Despite all declared efforts to increase domestic demand, China continues to depend very heavily on exports. Beijing expects the US to gradually fall away as an export

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market, because of worsening ties. Losing Europe as well, would mean losing about 40% of China's

export revenues – whereas US allies and partners in the Indo-Pacific account for another 20%, which may disappear in a war over Taiwan (Trading Economics 2023). Next to exports, Europe is a key technology, research and innovation partner for China. Beijing will not discard this in order to support Moscow, and will not cross Europe's red lines (cf. Xiao Bin 2023). The main goal of China's grand strategy is ending the US's leading position in the global order and regionally in the Western Pacific (Doshi 2021). In order to be competitive with the US, China needs Russia as a security partner, but at the same time Europe as an economic partner, and most of the

states in the “Global South” as diplomatic partners. Delivering heavy weapons and ammunition for Russia’s war effort would lead to a break with Europe and would kneecap China’s image-building as a peace-maker mainly focused on the development interests of the “Global South”. Support for Beijing’s claim to be building a more peaceful, just and prosperous order for developing countries could falter. China will likely bet on continuity, in the sense of gradually expanded relations with Russia that do not cross Europe’s red lines (i.e., no heavy weapons and ammunition, etc.).

Rising resentment among “Global South” countries against Washington’s security and human rights posture, the popularity of Beijing’s economic initiatives, and its deft image-building, will see China garner much support for its global governance reform proposals. UN General Assembly votes show a broad rejection of US policies on the Israel-Gaza War (UN News 2023), and South Africa has accused Israel of genocide against Palestinians at the International Court of Justice (ICJ 2024). The conflict is perhaps the most poignant example of how claims of US “double standards” and

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hypocrisy on international law and human rights gain further ground (especially) in the “Global South”. Meanwhile, Beijing has prepared the ground for replacing the US as the most influential power on global governance by positioning itself as the leader of the “Global South”. It has accused industrialized nations of shirking their responsibilities on development cooperation, it claims to work towards a more “just and fair” economic order with its “Belt and Road Initiative” and “Global Development Initiative” (FMPRC 2023b), and has built much goodwill with the governments of developing economies. With its 2023 “Global Security Initiative” and “Global Civilization Initiative”, China promises to also remedy the US-led global order’s inability to secure peace, stability (“regime security”), and respect (“national realities” relevant for human rights protection) (Arase 2023; Chestnut Greitens 2023; FMPRC 2023a; FMPRC 2023b; Freeman and Tsering 2023). It is likely that Beijing will aim to strongly expand on these efforts in 2024, seeking to align as many states as possible with its agenda and leadership claim.

European decision-makers should recognize China's conviction that it can still turn Taiwanese voters over time and that it faces real disincentives against an invasion or blockade, but should add their reassurances to Beijing that they will not upset the status quo. At the same time, given China's reliance on solid economic relations with Europe, they should make clear to Beijing how gravely Europe's economy would be impacted by an escalation in the Taiwan Straits. On support for Russia, Europe's red lines need to remain crystal clear. It should be conveyed that, if anything, the

issue has gained salience. As for Beijing's global governance ideas, European decision-makers should cooperate where possible and resist where necessary. Importantly, they should increase their own diplomatic and economic engagement with the "Global South", and consistently demonstrate both adherence to the UN Charter and respect for smaller states and poorer economies.

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