



29<sup>th</sup>  
ASIA-PACIFIC  
ROUNDTABLE

**China's Plan for Prosperity and  
Stability in Asia and Beyond**

**Zha Peixin**

THE APR SERIES  
E-Monograph



# **China's Plan for Prosperity and Stability in Asia and Beyond**

**Zha Peixin**

The APR Series  
E-Monograph



**INSTITUTE OF STRATEGIC AND  
INTERNATIONAL STUDIES (ISIS) MALAYSIA**

Published by  
Institute of Strategic and International Studies (ISIS) Malaysia  
1 Persiaran Sultan Salahuddin  
PO Box 12424  
50778 Kuala Lumpur  
Malaysia  
[www.isis.org.my](http://www.isis.org.my)

© ISIS Malaysia 2016

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

The views and opinions expressed in this book are those of the author and may not necessarily reflect those of ISIS Malaysia.

## **China's Plan for Prosperity and Stability in Asia and Beyond**

2015 marks the 70th anniversary of the end of World War Two. The past seven decades have been a time of great changes. The two greatest changes in the global political landscape since we entered the new century are the rise of developing countries as a group and the rise of Asian countries as a group. As a big country in Asia and the biggest developing country in the world, China's rapid development is a reflection and an impartible part of these great changes.

China cannot develop in isolation from the rest of the world, and the world also needs China for its prosperity. China's fast development is attributable to: (i) the reform and opening up programme of the past 30 years and more; (ii) the peaceful and stable regional environment; and (iii) its mutual cooperation with the rest of Asia and the world. By developing itself, China seeks to play a bigger role in promoting world peace, stability, mutual benefits and cooperation. With 22 per cent of the world's population, China should make even more contribution to the progress of humanity.

In line with this thinking, the Chinese leaders have raised a series of important initiatives on various occasions in recent years — establishing a new model of major-country relationship featuring no conflict or confrontation, mutual respect and win-win cooperation; having the correct view of justice and benefit; establishing common, comprehensive, cooperative and sustainable security for Asia; building a new type of international relations featuring win-win cooperation and a global partnership network; developing the Silk Road Economic Belt and the 21st Century Maritime Silk Road (dubbed as the 'Belt and Road'); and creating the Asian Infrastructure Investment Bank (AIIB). These initiatives are China's contribution to the prosperity and stability of Asia and the

world. They are proof of the fact that China is a responsible major country.

Here are some of my views on China's development strategy and direction in the future.

First, although targeting different countries, region and areas, these initiatives have the same goal, that is, to uphold world peace, promote common development, enhance international cooperation and advance the progress of humanity, with the ultimate goal of building a community of common destiny for all mankind.

Since the end of the Second World War, especially after the end of the Cold War, we have witnessed the fast development of multipolarisation and economic globalisation in the world, and a strong trend of peace, development and win-win cooperation. All countries are more interdependent than ever before. The world has become an inseparable global village. No country can achieve development in isolation from the rest of the world. And no country, no matter how powerful it is, can manage the emerging global challenges alone. Whether you like it or not, are willing or unwilling, mankind is increasingly becoming a community of common destiny in which all are interconnected. This is what our world is like today and also the general trend of global development.

There are more than 200 countries and over 2,500 nations in the world today. Every country and nation has its own historical tradition and cultural heritage. It is an irrevocable reality for all civilisations, social systems and development roads to co-exist in the long-term. In today's world, neither the law of the jungle nor zero-sum gaming and winner-takes-all brings peace and stability, and development and prosperity. To achieve the goal of long-term peace, stability, development and prosperity, we must seek a new way — the way of building a community of common destiny, mutual respect, seeking common ground and reserving differences, equality and mutual benefit, and win-win cooperation.

At the annual Boao Forum for Asia conference last March, Chinese President Xin Jinping proposed the building of a community of common destiny for all mankind through efforts towards a community of common destiny for Asia. To this end, he suggested that countries respect one another and treat each other as equals, seek win-win cooperation and common development, pursue common, comprehensive, cooperative and sustainable security, and ensure inclusiveness and mutual learning among civilisations.

This important discourse by President Xi drew a blueprint for the community of common destiny. Important initiatives, including the Belt and Road, Asian Security Concept, and AIIB, will provide concrete support for the community of common destiny.

Second, these wide-ranging initiatives are all characterised by win-win cooperation, openness and inclusiveness.

The major problem confronting our world today is still development. Development, as we see it, is the master key to the solution of almost all issues. Our world today is peaceful on the whole, but not without challenges and threats. These problems include complex and intertwining traditional security threats, and the ever more diversifying non-traditional security challenges. Furthermore, the two are increasingly interplaying with one another. The crux of the series of major Chinese initiatives lies with the major issues of development and security. The essence is to achieve common development through win-win cooperation and ensure world peace and stability by realising common security through cooperation.

Our initiatives, whether for development or security, are non-exclusive. They are open to all regions and countries. We welcome all peace-loving nations and peoples to take an active part in the discussion and development of the initiatives as well as to share the fruits. These demonstrate Asia's tradition of openness and inclusiveness.

This is what China thinks, and also what it does. China advocates the building of a new type of international relationship with win-win cooperation at the core, a global partnership network, and a path of cooperation in lieu of confrontation and partnership in lieu of alliance. These have transcended ideology and shed new light on state-to-state relations.

Despite the many challenges and difficulties in its relations with the United States, China has been committed to working with the latter to shape a new type of major country relationship that is non-confrontational and based on mutual respect and win-win cooperation. China grows its comprehensive strategic partnership of coordination with Russia on the basis of equality and mutual benefits, a relationship that is non-aligned and not targeting third parties. China and India have effectively managed and properly settled boundary issues and made progress in bilateral ties. During Indian Prime Minister Narendra Modi's successful visit to China in May 2015, the two sides reaffirmed their commitment to the building of an even closer partnership for development.

The Belt and Road initiative is mainly about trade, economic cooperation and cultural exchanges, designed to connect the development strategies of countries along the Belt and Road, promote regional economic integration and realise complementarities and common development.

Though proposed by China, the Belt and Road initiative is by no means a solo by China itself, but a chorus by all countries along the routes. In promoting this initiative, China follows the principle of wide consultation, joint contribution and shared benefits. In promoting the Belt and Road development, China abides by the principles of equality and mutual benefits. It does not engage in seclusion or confrontation, or seek any sphere of influence, or interfere in another country's internal affairs, or impose anything on others. China does not seek to compete with other major countries or existing mechanisms.

As a major pillar of the Belt and Road, the AIIB will provide financing support for regional infrastructure connectivity. It will complement and grow in coordination with the Asian Development Bank, World Bank and other multilateral financial institutions.

At present, there are 57 AIIB Prospective Founding Members, 20 of which are extra-regional. This is evidence enough that the AIIB is open and inclusive. Just as President Xi Jinping puts it, the development of the Belt and Road and the AIIB is open to active participation by all countries along the routes and other Asian nations. Friends from other parts of the world are also warmly welcome to this great endeavour.

Asia's security cooperation has long lagged behind its economic integration, which is detrimental to the region's long-term development. China advocates a common, comprehensive, cooperative and sustainable security for Asia, the essence of which is to abandon the you-lose-so-I-win type of Cold War mentality and work together to explore a new path for Asia that ensures security for all, by all, and of all. This is consistent with the Association of Southeast Asian Nation's (ASEAN's) long-standing ideas of cooperative security and common security, and is conducive to coordinated development of economy and security in Asia.

It is noteworthy, however, that the responsibility of security and development in Asia should naturally be shouldered by Asian nations and peoples. There is nothing wrong in saying that Asia is Asians' Asia because this is our homeland in which we depend on for survival. It is as natural and justified as saying that ASEAN is ASEAN members' ASEAN. This does not mean that other countries are excluded or would be squeezed out of Asia.

The Asia today converge the interests of many countries from other parts of the world and has growing links with the rest of the world. We always welcome other countries to play a constructive role for Asia's prosperity and stability, and we have no intention at all to push any country out of

Asia. We respect the lawful interests and legitimate concerns of relevant countries in Asia. We also hope that relevant countries would respect the interests and concerns of regional countries, conform to the general wish of regional countries for peace and development, and follow the cooperation modalities, which have proven to be effective in the region.

Third, though these initiatives were proposed by China, they are, at the same time, shared undertakings for all parties concerned, which require a joint effort in terms of promotion and implementation.

The Chinese side will naturally make tremendous efforts on these initiatives. We believe that one must be truthful in speech and firm in action. These initiatives are not empty slogans. We have made real efforts for their implementation and will continue to do so. We aim high and we stand firm. Whatever goal it sets, the Chinese Government follows up with unswerving actions that will not stop until the destination is reached.

One of the advantages of the Chinese system is that the policies are highly stable and consistent. Although we elect in a new government every five years, our goals remain unchanged. For instance, Mr Deng Xiaoping set the goal of achieving modernisation in three steps in the early days of reform and opening-up. We are still moving forward towards this goal. To build a moderately well-off society in an all-round way is actually an interim target in the third strategic step. The proposed China Dream is also aiming at realising modernisation as well as the great rejuvenation of the Chinese nation.

We are keenly aware that it takes a long process to realise these initiatives. Rome was not built in one day. But the Chinese are also well-known for their patience. We will certainly persevere and work hard unremittingly. There is an ancient Chinese fable called “The Foolish Old Man Who Removed the Mountains”. We Chinese have the spirit of that foolish old man who would not stop until the mountains were removed. Although it may take generations or even tens of generations to realise

one goal, we will just work on it and our sons and grandsons will do the same.

Though we are mentally prepared for a long-term process, we also have a sense of urgency. We will seize the hour and the day so that there will be an early harvest to boost confidence. Real benefits will naturally generate more support without hesitation.

We are sober enough to foresee problems in implementing these initiatives because it will not be smooth sailing. However, although the road will have some twists and turns, we believe that what lies at the end of the road is well worth the hardship. It is absolutely possible that these initiatives could be realised.

First, China has been evolving out of its difficulties, challenges and risks, whether it was during times of revolution or economic development. When it grew from establishing the Communist Party of China to establishing the People's Republic of China, from a poor and weak China to a prosperous and strong China, the nation trekked an arduous journey and made numerous sacrifices.

Second, the circumstances we face are better than what we had in the past. We are stronger in national strength, richer in experience, higher in international standing, and greater in role and influence. We are well equipped to overcome difficulties and challenges.

Third, the implementation of these initiatives already has a firm foundation. China has established diplomatic relations with over 170 countries in the world. It is now the largest trading partner for over 120 countries. Moreover, it has established mechanisms of dialogue and cooperation with various regions, such as the Forum on China-Africa Cooperation, China-Arab States Cooperation Forum, and Forum of China and the Community of Latin America and Caribbean States. China's relation with most of the countries in the world is making solid progress

through the strengthening of mutual political trust, closer trade and economic cooperation, and more dynamic people-to-people and cultural exchanges.

Fourth, and most importantly, these initiatives serve not only China's interests, but also of other countries in the world. They conform to the trend of the times and reflect the wish and calling of the people. The tide of the times is so strong that only those who follow the trend will prevail and those against it fail. You become invincible when you have the broad support of the people.

In short, we have every reason to be confident in turning these initiatives into realities.

Of course, efforts by China alone are far from enough. As the saying goes, the fire burns high when everybody adds wood to it. Just like the boat race between Oxford and Cambridge every year, only the team whose members all row in the same direction can win.

Similarly, it takes the joint efforts of all governments and peoples in the world to realise these initiatives. Since the initiatives were proposed, there have been generally positive responses at home and abroad.

Inside China, our government's initiatives have been widely endorsed and supported by the general public. Take the Belt and Road initiative as an example. Many provinces are making plans, and the business and academic communities are also very keen. Internationally speaking, the initiatives are fairly well received. More than 60 countries along the Belt and Road have expressed understanding and support or interest in participation. Many may have known that the Silk Road Fund with US\$40 billion Chinese capital was launched successfully in 2014. There are already 57 prospective founding members for the AIIB, which is undergoing Articles of Agreement (AOA) negotiations and expected to start running by the end of 2015.

Misgivings are certainly there. And it is only natural to have doubts because many do not know much about our initiatives. We are more than patient to provide explanations to help with understanding. There are also others who are deeply biased against China and do not believe at all that what China proposes will be implemented or realised. We certainly hope that these people could give up their prejudice. But if they do not, we will allow them to wait and see. When Mr Deng Xiaoping proposed that China quadruple its 1980 gross domestic product by the end of the 20th century, many people, both Chinese and foreign, were dubious. In the end, we have not only realised the goal, but accomplished it five years ahead of schedule.

There is a saying in China that practice is the sole criterion for testing truth. Whether China's initiatives are practicable or not can only be proven by practice. Most foreign people wish China well, but there are inevitably some who wish us ill or that Asia will never grow. They are anxious about China's development and Asia's rise, so much so that they would have no qualms about smearing or discrediting China's initiatives, and sow discord or poison the relations among Asian nations. We are mentally prepared for this too. We will make clarifications in time to clear away rumours and slanders. Believing that most countries would not be misled by the provocation and estrangement, we will enhance unity and cooperation as a response. We will stay vigilant against intentional provocation and respond firmly when necessary.

In fact, China's initiatives have not only garnered increasing understanding and support, but have also been implemented step by step. As you can see from the media, Chinese leaders have been visiting other countries or receiving foreign heads of state or government quite frequently lately, during which these initiatives were vigorously promoted for implementation, and the results have been fairly satisfying.

When President Xi Jinping visited Pakistan last April, the comprehensive development of the China-Pakistan economic corridor was launched.

During the President's recent visit to Central Asia, China and Russia agreed to start connecting the Silk Road Economic Belt and Eurasian Economic Union cooperation. In addition, China and Kazakhstan agreed to expedite synergising the Belt and *Nurly Zhol* (the Bright Road) economic development strategy. China and Belarus also agreed to build their bilateral industrial park project into a flagship programme in the Silk Road Economic Belt.

Besides, China formulated the *Vision and Actions on Jointly Building the Silk Road Economic Belt and 21st-Century Maritime Silk Road*, taking into consideration views and comments of countries along the routes. It has also signed various memorandum of understanding on joint development of the Belt and Road with some other countries. This indicates that the Belt and Road has developed from a concept into real and tangible measures with broad prospects.

Fifth, ASEAN is a priority in China's neighbour diplomacy and an indispensable partner for China to implement these initiatives.

ASEAN is to build itself into a community by the end of 2015, which is the first sub-regional community in Asia, a milestone in the annals of the region. China has supported the ASEAN integration, ASEAN's leading role of the grouping in East Asian regional cooperation, and the development of ASEAN. China will continue to vigorously implement the '2+7' cooperation framework and build an even closer China-ASEAN community of common destiny so as to contribute even more to the building of the Asian community of common destiny.

We stand ready to work with ASEAN to promote the Asian Security Concept and make full use of ASEAN-led multilateral mechanisms in the region to deepen cooperation in non-traditional security threats, such as disaster relief, counter terrorism, transnational crimes and cyber security, to provide more public security products to the region. The successful ASEAN Regional Forum (ARF) Disaster Relief Exercises (DiREx) 2015 co-

organised by China and Malaysia marks an important action to carry out the Asian Security Concept.

Southeast Asia represents a key direction in the building of the 21st Century Maritime Silk Road. 2015 is the year of China-ASEAN maritime cooperation, during which China will conduct pragmatic cooperation with ASEAN countries in marine economy, maritime connectivity, scientific research, environmental protection, maritime security and maritime culture. The programmes include establishing a China-ASEAN Marine Cooperation Center, setting up the China-ASEAN Maritime Emergency and Rescue Assistance Hotline, and opening of the China-ASEAN College of Marine Sciences. We are confident that China-ASEAN maritime cooperation across the board will become exemplary for the development of the 21st Century Maritime Silk Road and also a new highlight in the development of China-ASEAN relations.

Concerning maritime disputes left over by history, we are willing to adopt a dual-track approach to properly settle the issues with ASEAN countries, that is, for the disputes to be peacefully resolved through dialogue and consultation between countries directly concerned, and for peace and stability in the South China Sea to be upheld by China and ASEAN countries together. China will continue to work with ASEAN countries for the comprehensive and effective implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC), and strive to reach a Code of Conduct (COC) at an early date on the basis of consensus through consultation so that proper dispute settlement and pragmatic maritime cooperation could reinforce each other.

China's initiatives bring huge opportunities for ASEAN members, other Asian countries and also for countries all over the world. The earlier participation in the initiatives, the sooner one gets the benefits. We sincerely hope that more countries will soon take part in the

implementation of the initiatives, so that we will work together for an even brighter future.

~~~~~

**HE Amb Zha Peixin**

Member, Foreign Policy Advisory Group,  
Ministry of Foreign Affairs, China

Amb Zha Peixin has been a member of the Foreign Policy Advisory Group of the Ministry of Foreign Affairs of China since 2008. His previous appointments include: Member of the Standing Committee of the 11th National People's Congress (NPC) and Vice Chairman of the Foreign Affairs Committee of the NPC (2008–2013); Vice President of the Chinese People's Institute of Foreign Affairs (2007–2008); Ambassador to the United Kingdom (2002–2007); Vice Minister of the Foreign Affairs Office of the State Council and Vice Minister of the Central Foreign Affairs Office (1998–2002); and Ambassador to Canada (1997–1998). He was also Deputy Director-General and later Director-General of the State Council's Foreign Affairs Office in 1993–1996, having served in numerous positions in China's diplomatic service. Amb Zha is from Jiangsu province in China.





## **INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA**

The Institute of Strategic and International Studies (ISIS) Malaysia was established on 8 April 1983 as an autonomous, not-for-profit research organisation. ISIS Malaysia has a diverse research focus which includes economics, foreign policy, security studies, nation-building, social policy, technology, innovation and environmental studies. It also undertakes research collaboration with national and international organisations in important areas such as national development and international affairs.

ISIS Malaysia engages actively in Track Two diplomacy, and promotes the exchange of views and opinions at both the national and international levels. The Institute has also played a role in fostering closer regional integration and international cooperation through forums such as the Asia-Pacific Roundtable (APR), the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS), the Pacific Economic Cooperation Council (PECC) and the Network of East Asian Think-Tanks (NEAT). ISIS Malaysia is a founding member of the Council for Security Cooperation in the Asia-Pacific (CSCAP) and manages the Council's Secretariat.

As the country's premier think-tank, ISIS Malaysia has been at the forefront of some of the most significant nation-building initiatives in the nation's history. It was a contributor to the Vision 2020 concept and was consultant to the Knowledge-Based Economy Master Plan initiative.









INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA

No. 1, Persiaran Sultan Salahuddin,  
P. O. Box 12424, 50778 Kuala Lumpur, MALAYSIA

Tel : +603 2693 9366

Fax : +603 2691 5435  
+603 2691 3210

Email : [info@isis.org.my](mailto:info@isis.org.my)  
Web : [www.isis.org.my](http://www.isis.org.my)



Institute of Strategic and  
International Studies (ISIS) Malaysia



ISIS\_MY

