Leader, Model, and Commercial Partner: China’s Strategy in the Global South

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Another thrust of China’s diplomacy involves playing to lingering mistrust of Western intentions and prescriptions in many capitals across the Global South, emphasizing a sense of shared grievance about the uneven distribution of power and wealth in the international system.

While U.S.-China competition over the future global order makes headlines, middle and smaller powers will play a pivotal role in determining the shape of this order. Many of these countries are members of what some call the “Global South,” a term used to describe middle- and low-income states largely concentrated in Latin America, the Middle East, Africa, and Asia. While many of these states sought power in the mid-twentieth century as members of the Non-Aligned Movement or the “third world,” the Global South has become an increasingly serious player on the world stage in recent years. These countries’ rising profile is reflective of their growing wealth, population, and power and the important role they will play on a widening array of global issues. Yet while the United States and other G7 capitals have embraced a new era of strategic competition and have sharpened their focus on China and, secondarily, Russia as top national security threats, countries of the Global South—which often count China and Russia as like-minded states—are more interested in preserving space for their own economic development and strategic agency. To build its influence, China skillfully plays to these concerns by touting its three-decade history of double-digit economic growth as a model for its partners and by contrasting its own form of unconditional engagement and noninterference in domestic affairs with the conditionality and broad engagement of the West.¹

Over the past decade, Beijing has directed substantial financial and diplomatic resources toward building up its influence in and cultivating its image as a member (and leader) of the Global South. The primary thrust of China’s diplomacy has been commercial. The Belt and Road Initiative (BRI), launched in 2013, aims to deepen bilateral partnerships and build markets for Chinese goods and services. By one estimate, total BRI transactions summed to around $1 trillion from 2013 to 2022.² Beijing frequently frames the BRI as a key pillar of its value proposition to the Global South, a signal of commitment to deliver development opportunities beyond its borders.³ Beijing has also institutionalized cooperation with many states in the Global South by creating special forums
for diplomatic interaction and a wide range of educational and cultural exchange programs.

Many lower-income states cannot afford to pass up an opportunity to deepen trade, aid, and investment ties with the world’s second-largest economy. To build influence in the Global South, China casts itself as a partner in technological upgrading as well as economic development and diversification. Another thrust of China’s diplomacy involves playing to lingering mistrust of Western intentions and prescriptions in many capitals across the Global South, emphasizing a sense of shared grievance about the uneven distribution of power and wealth in the international system. Beijing frequently frames itself as a member of the Global South and a champion for a bigger voice for developing countries in international affairs.

Beijing’s engagement with the Global South advances its interests in at least three ways. For one, many developing countries offer both markets and resources key to China’s infrastructure and export-driven growth model. It is no surprise that much of the initial overseas foreign direct investment (FDI) from China, once Beijing began encouraging state-owned enterprises to invest overseas as part of its “go out” initiative in the early 2000s, was concentrated in resource-rich developing countries. Countries in the Middle East offer valuable partnerships for China as a major oil and gas consumer, and state-backed Chinese firms have invested billions in Africa to mine and refine critical minerals pivotal to leadership in clean energy technologies of the future. As ties with advanced economies sour and China’s growth slows, Beijing has intensified efforts to reorient its global trade position, find new markets for its exports, and ensure the sustainable supply of key raw materials.

Beyond this, Beijing sees countries of the Global South as useful partners in leveraging international institutions to serve and protect China’s core interests. By expanding its network of partners, Beijing aims to grow the number of countries it can count on to support—or at least not criticize or oppose—its positions on sensitive issues such as Taiwan, Xinjiang, and the South China Sea in multilateral venues such as the United Nations and on the bilateral level. Research suggests that Beijing has swayed developing countries to amplify its voice in the UN General Assembly, prevent Taiwan’s meaningful participation in international bodies, and deter criticism of its human rights record. Beijing peddles norms of governance, security, and interstate behavior that serve its interests as protecting the interests of developing countries more broadly.

Third, deepening ties with developing economies allows Beijing to undermine Western efforts to build a global order that advances Western interests at the expense of China. In recent years, Washington and advanced industrial economies from Europe to Asia have adjusted their economic and security policies to address China’s assertive turn abroad and repressive turn at home—a development Xi has framed as “all-around containment, blockade, and suppression by Western countries led by the United States.” Countries of the Global South are central to Beijing’s ambitions to expand its partnership network, or—as Xi put it in June 2021—“enlarge the circle of friends who understand China.” In his speech at the 2018 Central Conference on Work Relating to Foreign Affairs, Xi stated that “developing countries are our natural allies in international affairs.”

Looking ahead, recent developments in Beijing’s engagement with the Global South portend a more targeted, assertive, and normative approach—one more colored by U.S.-China competition than in the past. For one, Xi has signaled the BRI will become smaller and greener (“small but beautiful,” as Xi put it at the initiative’s 2023 forum). Most analysts agree that while its top-line dollar value may fall as the country’s willingness to lend has declined, recipient countries are less able to acquire additional debt, and high-profile projects have run into issues, the BRI is not going away. Projects going forward will be smaller but more strategically targeted and more focused on technology and digital infrastructure.

Meanwhile, Beijing has stepped up efforts to expand its normative influence through a range of global initiatives largely aimed at the Global South, including the Global Development Initiative (GDI, introduced September 2021), Global Security Initiative (GSI, introduced April 2022), and Global Civilizational Initiative (GCI, introduced March 2023).
Through these initiatives, which largely repackage existing Chinese foreign policy rhetoric under sleek banners, Beijing seeks to advance its image as a provider of global solutions that attend to common needs and priorities within the Global South—at a time when retreats from globalization and rising geopolitical competition throw development trajectories for many of these states into jeopardy.15

Finally, Beijing is seeking to temper U.S. global influence by expanding the membership and interoperability of the multilateral groupings in which it holds a central role. For several years, Beijing has pushed for the enlargement of BRICS, which recently welcomed Saudi Arabia, Egypt, the United Arab Emirates, Argentina, Iran, and Ethiopia to its ranks. Saudi Arabia also recently joined the Shanghai Cooperation Organization (SCO), a move discussed during Xi’s state visit to the kingdom in December 2022. These groups offer platforms for Chinese leaders to interact directly with partners from the Global South, as occurred during the BRICS summit in September, and they are seen as critical counterweights to tightening ties between the world’s most advanced economies, diluting U.S. global influence. Beijing appears committed to continuing to expand such arrangements in the years ahead.

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