

## **Study on the development of the relations between China and Latin American (SinoLATAM) in the context of globalization<sup>1</sup>**

## **Estudio sobre el desarrollo de las relaciones entre China y América Latina (SinoLATAM) en el contexto de la globalización.**

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### **Resumen**

Con el crecimiento constante de la globalización económica y la gobernanza global de los asuntos internacionales, la relación entre China y América Latina ha manifestado una tendencia estable y de rápido desarrollo. En la nueva era, China y América Latina deben estrechar sus lazos en el tema de “la paz y el desarrollo”, establecer una comunidad de destino común y construir una comunidad cooperativa de ganar-ganar para el desarrollo común, para formar una comunidad invencible de cultura común. Aunque las relaciones entre China y América Latina (SinoLATAM) enfrentan una serie de contradicciones internas y externas, es necesario ver las amplias perspectivas que están detrás de dichas contradicciones con el fin de promover el desarrollo constante de las relaciones bilaterales y multilaterales, profundizar la confianza política, ampliar las áreas de cooperación económica y comercial, aumentar la reciprocidad de ganar-ganar y sentar una base sólida para el desarrollo global de China y América Latina.

### **Palabras clave**

Globalización, relaciones China-América Latina (SinoLATAM), tendencia, comunidad de destino común, comunidad de desarrollo común, comunidad de cultura común.

### **Abstract**

With the steady growth of economic globalization and global governance of international affairs, the relationship between China and Latin America has demonstrated a stable and rapid development trend. In the new era, China and Latin America should strengthen their ties in the theme of “peace and development”, establish a community of common destiny and build a cooperative community win-win community for common development, so as to form an invincible community of common culture. Though the relations between China and Latin America (SinoLATAM) face a series of internal and external contradictions, it is necessary to see the wide perspectives that are behind the above mentioned contradictions in order to promote the steady development of bilateral and multilateral relations, deepen political trust, expand areas of economic and commercial cooperation, increase the reciprocity of win-win and lay a solid foundation for the global development of China and Latin America.

### **Keywords**

Globalization, SinoLATAM relations, trend, community of common destiny, community of common development, community of common culture.

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## Introduction

In the 1980s, an era of globalization for social development began quietly. Economic globalization has been eroding traditional ways of contact between nation states, as well as to build new and dynamic international relations based on peace and development as the theme, and win-win cooperation as the principle. In the era of global integration, China, safeguarding its own core interests, has persistently adhered to a diplomatic path of peace and friendship for common development, maintaining world stability and promoting world peace.

China has not only kept good cooperative relations with developed countries such as U.S., Russia and Europe, but also made efforts to establish comprehensive partnerships with developing countries; among them, the most conspicuous is surely the relationship of the SinoLATAM community. Since Xi Jinping's 2014 visit to Latin America and the announcement of the establishment of a comprehensive and cooperative partnership between China and Latin America characterized by equality, reciprocity and common development, the consciousness for the community of common destiny between China and Latin American countries has been further strengthened, and the bilateral and multilateral framework for cooperation established under the advocacy of China and mainly designed for developing countries and regions has been consolidating strategic partnerships between China and major countries in Latin America.

Premier Li Keqiang's first visit to Latin America in May, 2015 was considered by foreign media as "another important milestone in SinoLATAM relations". Li Keqiang's visit has promoted the further development of the new pattern of "5 in 1" in SinoLATAM relations and the "1+3+6" framework for pragmatic cooperation, and based on that, proposed a new "3\*3" model for SinoLATAM productivity cooperation, thus laying a solid foundation

for the SinoLATAM community of common destiny with economic and trade cooperation as the core.

## Research review both home and abroad

China experienced great difficulties in expanding its official diplomatic ties with Latin America due to the confrontation between eastern and western blocks during the Cold War era, especially the hostile policy of political isolation, economic embargo and military intimidation towards new China adopted by U.S.,. Only after the establishment of diplomatic relationship with Cuba in 1960 and the thawing of Sino-U.S. relationship in the 1970s, China began to conduct research on Latin America. Since the inception of reform and opening up, SinoLATAM economic and trade cooperation has effectively promoted the gradual formation of diplomatic ties between China and Latin America featuring "peace and friendship, mutual support, equality and reciprocity, and common development".

By 1980s, China entered a brand-new stage of research on Latin America, with relatively fruitful results in studies on issues such as Latin American political ideologies, development strategies, democratization movement, and wealth gap in social development. In 1990s, China further expanded its scope and area for Latin American studies and began to establish a comprehensive discipline for LATAM research. In the 21st century, studies about SinoLATAM relations have become not only the research interests for domestic scholars, but also the hot topics for scholars both home and abroad.

Since the exchange of visits by top China and Latin American leaders in 1990s, Latin American studies both home and abroad have made some achievements, but relevant materials for the comprehensive study of Sino-LATAM relationship is still lacking, and research in some areas remains blank.

Domestic scholars have generally studied the future trends in SinoLATAM relationship from perspectives such as the historical evolution, development characteristics and impact factors SinoLATAM. On studies of the historical evolution of SinoLATAM relationship, Zheng Bingwen, Sun Hongbo, Yue Yunxia (2009) made a chronological review of the five stages in the development of SinoLATAM and argued that SinoLATAM relationship showed a steady growth from long-term “accumulation” to “leap-forward” development, gradually forming a new pattern that is comprehensive, multi-level and broad with both official and non-official players, proposing that common “development interests” constitute the strategic core pursued by both China and Latin America and serve as the solid foundation for economic reciprocity and win-win.

Based on the majority of research results by domestic scholars, China’s diplomatic policy towards Latin America can be divided in four periods: first is non-official exchange period at the beginning of the Cold War; second is the honeymoon period for the establishment of diplomatic relations with Latin America based on Mao Tsetung’s “Three Worlds” theory; third is the period for the co-existence of “trade and regional powers” and the steady growth of economic and trade relations; fourth is the period for the community of common destiny with economic and trade cooperation and mutual political trust as the core (Hongbo, 2009).

Chen Xiwen (2007) analyzed the steady growth of SinoLATAM relations after the Cold War and pointed out that the frequent interaction between China and Latin America have manifested new features, namely, strategic, comprehensive, standard, pragmatic and stable, with major manifestations such as: In politics, establish a SinoLATAM relationship featuring mutual support, future-orientation and extensive cooperation; in economy, establish a SinoLATAM relationship featuring mutual complementarity of advantages, reciprocity and win-win and long-term strategic cooperative partnership; in

diplomacy, focus more on the strengthening of international cooperation and make efforts to establish new strategic partnerships; in culture, China and Latin America is becoming a model for active dialogues between different civilizations (Xiwen, 2007).

Yang Jianmin and Zhang Yong (2013) argued that the leap-forward growth of SinoLATAM trade, China’s investment in Latin America and bilateral financial cooperation between China and Latin America constitute the basic characteristic of SinoLATAM relationship with economic and trade cooperation as the substance. Wu Baiyi (2013) argued that SinoLATAM relationship showed a pyramid structure pointing out that trade and investment remain to be the top priority in future SinoLATAM relations, while areas such as money, energy, and human resources are the key, proposing the establishment of multi-level mechanisms in aspects such as politics, security and diplomacy so as to provide basic guarantee for SinoLATAM relationship.

It is not hard to see that since China implemented the “going-out” strategy in middle and late 1990s, the core for the development of SinoLATAM relationship has been economic, trade and financial cooperation, which then promotes political trust and cultural exchange between China and Latin America and form “a new pattern for overall SinoLATAM cooperation that goes from small to big, and from point to plane”.

On studies of the impact factors affecting SinoLATAM relationship, Sun Hongbo (2009) and Dong Guohui (2013) argued that despite the challenges posed by the rapid development of SinoLATAM relationship to the interests of U.S. in Latin America in terms of ideology, petroleum resources and military areas, if handled properly, those concerns “won’t substantially affect the normal development of the trilateral relationship between China, U.S., and Latin America”, instead the prosperity of Latin American economy promoted by China will help expand U.S. economic benefits in Latin America”.

Cheng Hong and Li Yan (2011) discussed the “Taiwan factor” that influenced the development of SinoLATAM relationship, arguing that the SinoLATAM proper handling of this factor is of great significance for the promotion of long-term development of relationship between China and Latin America. Huang Huayi (2012) explored the obstructing factors in SinoLATAM relationship from multiple perspectives: Significant differences in politics, culture, society and values due to geographical distance between China and Latin America; the frequent disputes due to structural incongruity in SinoLATAM trade; the narrow scope in bilateral investment and low level of cooperation due to imbalanced investment and trade between China and Latin America; the restrictions in development of SinoLATAM relationship due to Taiwan and U.S. factors. Jiang Shixue (2015) argued that development in SinoLATAM relationship will not be plain sailing. Because of linguistic, cultural and geographic factors, most people in Latin America have extremely little knowledge of China. Talks of “China fear” and “China threat”, appears now and then in Latin American media. Therefore, he proposed that Chinese enterprises in Latin America should take more social responsibilities, conscientiously safeguard national image, and stay on alert of “sovereign risks” in this region.

The explorations by the above scholars all pointed to the fact that problems do exist in the development of SinoLATAM relationship. Though some western countries and even some political parties within Latin American countries have some worries about the development of SinoLATAM relationship, China will certainly disperse the bias of the politicians in relevant countries sticking to an independent foreign policy of peace.

In contrast, foreign scholars mainly made systematic explorations of the achievements in areas such as economic and trade cooperation, mutual political trust and cultural exchanges and their impact on world economic and political

landscape from the perspectives of country case studies and comparisons. Based on the topics of research by foreign scholars, their research on SinoLATAM relationship can be divided into three levels: *first*, from the perspective of Latin American development, analyze the similarities and differences in China’s diplomatic relations with different countries in Latin America; *second*, from the stance of China’s diplomacy, explore and analyze SinoLATAM cooperation in areas such as trade and commerce, investment and finance, and the potential benefits it brings to both China and Latin America; *third*, based on a global perspective, discuss the new changes in world political and economic brought by the evolution and development of SinoLATAM relationship; among them, the pros and cons of the development of SinoLATAM relationship to U.S. policy towards Latin America and its adjustments.

Evan Ellis, Joern Dosch, Ariel C. Armony and other foreign scholars studied the trade investment, political contact and cultural and non-official exchanges between China and Latin America. They pointed out that China possesses both economic and political demands in Latin America, and that China has gradually become an increasingly important factor to Latin America SinoLATAM for the constant strengthening of awareness for community of common destiny. China has emerged as a new political force in Latin America alongside with traditional forces such as U.S. and the European Union. However, for countries in Latin America, China has not yet constituted a hegemonic power in the region parallel to U.S. and Europe. “Countries in Latin America attempt to use China to counterbalance the hegemony of U.S. in the region, rather than to use China to replace U.S.”.

### **Development trend of SinoLATAM relations in the context of globalization**

Driven both by revolutions in science and technology and development of production forces, economic globalization has involved all

nations in the world in a global market, thus connecting economies of all countries into a whole. Just as David Held (2005) pointed out, in the context of globalization “a political event in one corner of the world would soon produce an impact all over the world. Political activities in cities or any region or space in a country would fall into a huge net of political interaction”. Thus it will trigger a new change in international politics, and the emergence of “internationalization of domestic political issues and the localization of international political issue” (Dechang, 2011).

China and Latin America are both on the rise and share common interest demands in promoting world multi-polarization, economic globalization and democratization of international relations. When both sides strengthen communication and cooperation and carry out sincere cooperation on global issues of common concern, it will not only increase the initiative and discourse power in international affairs, but also maximize safeguard the overall interests of countries on both sides. President Xi Jinping considered China and Latin America as “a community of common destiny” in his speech Build a Community of Shared Destiny for Common Progress. German sociologist Tonnies explained the nature of a community: A community is “a perfect unity of people with a common sense of belonging who grow permanently and organically together by will”. Individuals, groups and even a nation state within a community can live in peace, and integrate into each other, showing homogeneous and holistic features (Tonnies, 1999).

Though economic globalization has created a world devoid of certainty and subjectivity and brought the world into a period of instability with moral transformations, political games and interest conflicts, among community members will construct an indestructible community of common destiny, build a cooperative win-win community of common development and common culture,

implementing a development strategy for SinoLATAM community with real significance.

### **Establish an indestructible community of common destiny**

#### **Trade, investment and financial cooperation as the core.**

With China’s entry into the World Trade Organization (WTO) and the constant strengthening of mutual political trust between China and Latin America SinoLATAM, economic and trade cooperation has experienced “a gold period of 15 years” for rapid development. Structural transformations in world economy has provided opportunities for China and Latin America to change growth models for world economy, with significant features and potential for complementarity of each other’s strength.

Since the beginning of the 21st century, the volume of bilateral trade has expanded from 12.6 billion USD in 2000 to 263.6 billion USD in 2014, (Xiaona & Xiaoqing, 1999). , when hi-tech products and products with high added values begin to enter bilateral trade. Investment and cooperation are also further expanding, and by the end of 2014, China’s direct investment in Latin America reached 98.9 billion USD, with actual sales income totaling 67.6 billion USD; areas of cooperation covered infrastructure construction, energy resources, agricultural and industrial manufacturing, mining development and processing, etc. The participation of financial institutions from both China and Latin America has also added new dynamics to the multi-level, broad and pragmatic SinoLATAM cooperation.

The Central Bank of China has signed bilateral agreements of monetary exchanges with countries such as Argentina, Brazil and Chile, and several commercial banks from China have set up branches in Latin American countries such as Brazil, Argentina and Peru. Meanwhile, banks from Latin America are also

working to find markets in China and China's entry into American Development Bank has played a significant role in supporting the economic growth in Latin America. At present, trade, investment and finance are the core in the multi-level broad cooperation between China and Latin, while areas such as energy, infrastructure construction, civil projects and human resources are still the key for economic and trade cooperation.

### **Bilateral and multilateral mechanisms as the framework.**

With the establishment of diplomatic relationship with Cuban in the 1960s, China and Latin America ushered in a honeymoon period for establishing diplomatic ties in the 1970s. Today China has diplomatic ties with 21 countries in Latin America. SinoLATAM relationship has grown from unofficial ties to official ties, from ordinary relationship to friendly cooperation and from mere economic cooperation to comprehensive strategic partnership. SinoLATAM relationship is now in the best period for further development. With China's growth in national power and the rapid progress of globalization, it became a strategic choice for China to prioritize and participate in multilateral diplomacy at the turn of the new century.

In the new century, China has established comprehensive strategic partnership with six countries, namely, Brazil, Argentina, Chile, Peru, Venezuela and Mexico. SinoLATAM. Though free bilateral trade can help diversify domestic export in the short run, it will end up damaging the national interests of some Latin American countries, which is detrimental to the long-term development of SinoLATAM relationship. For the sake of long-term interests, while consolidating stable ties with major countries in Latin America, China is also actively strengthening multilateral trade with all Latin American countries, setting up multilateral forums and mechanisms for negotiation and

consultation for SinoLATAM cooperation. The bilateral and multilateral agreements for investment and trade signed by China with Latin America can effectively avoid political risks in the economic and trade cooperation in multiple areas between China and Latin America. China has been strengthening bilateral cooperation with major Latin American countries in areas such as international affairs, trade and commerce and cultural exchanges within bilateral and multilateral frameworks, so as to display the image of an active and responsible big power, boosting its influence in Latin America and strengthening mutual political trust between China and Latin American countries.

### ***Mutual political trust and institutional development as the guarantee.***

The community of common destiny for China and Latin America have benefited from the double guarantees of mutual political trust and institutional development. Among them, mutual political trust is the basis to guarantee the relationship, while institutional development is the core to guarantee the relationship. In terms of mutual political trust, top leadership in both China and Latin America have been close in exchanges since 2005, with 12 state leaders from Latin America visiting China and frequent visits by current and past presidents and premiers from China visiting countries in Latin America. Both China and Latin America have abandoned differences in ideology, political systems and social reality and embraced tolerance and cooperation on the basis of understanding and respecting each other's core national interests. According to the statistics released by Comunidad de Estados Latinoamericanos y Caribeños (CELAC) of the United Nations in 2013, every percentage growth in Chinese economy brought half percentage growth in Latin American economy. Therefore, China and Latin America have made the right choice to opt for win-win cooperation and mutual political trust amid the tide of economic globalization. Mutual political trust

will not be possible without the guarantee of institutional development. China and Latin American countries should properly handle potential conflicts, disputes and differences in bilateral trade within the scope of WTO rules and in accordance with bilateral and multilateral trade agreements as well as trade policies, laws and regulations of Latin American countries, so as to actively confront and avoid potential risks.

At present, China has been closely observing the consensus reached in the China-Latin America and the Caribbean Cooperation Plan 2015-2019 as the overall mechanism for SinoLATAM Cooperation. SinoLATAM both sides will carry out multi-level and pragmatic cooperation in all areas and constantly accumulate institutional experiences for the coordinated development of SinoLATAM relations. With nearly 30 years of exchanges and cooperation, the awareness for each other's interests between China and Latin America has been further strengthened. Both China and Latin America will deepen mutual political trust more rationally and steadily, boost each other's confidence in the process of globalization and grasp historical opportunities to win greater successes.

**Build a cooperative win-win community of common development.**

***“Harmony despite differences” as development concept.***

“Harmony despite differences” represents a pursuit of both internal and external harmony and unity, which proves to be resilient. Different from the logic in western theories for international politics, the concept of “harmony despite differences” requires the handling of relationships with Latin American countries with equal coexistence, win-win cooperation and common development at the core. “Harmony despite differences” constitutes the basic condition and principle for coexistence in human society. In the

world today, no country can develop itself outside the international context of economic globalization and cultural diversity. Due to the different status in economic globalization and different strengths among civilizations, the political and economic landscapes in the world show an apparent feature of imbalances, between developing countries and developed countries. Therefore, it is impossible to find a uniform development model to cater for nation states from two different civilizations. China and Latin America are in the same stage for development, where both are faced with the key tasks to accelerate economic development and promote social progress.

There are increasingly more converging points in cooperation and interests for both sides, with particularly commonalities such as economic and trade development. However, there are still big differences in the development path towards modernization between China and Latin America. First, China and Latin America have significant differences in political backgrounds and legislative rules. Second, the 33 countries in Latin America all are different in individual nature and foreign policies, thus it is unlikely to find a single concept to guide the integrative development of China and Latin America. Third, China and Latin America are significantly different in culture, which makes it hard to reconcile ideological conflicts arising from clashes of civilizations. Finally, China and Latin America are also different in terms of priorities for social construction and development. However, China and Latin America can seek “harmony” amid “differences”, i.e., both sides should, with the prerequisite of political stability, accelerate the upgrading and transformation of industrial structure, scientifically handle the relationship between “economy, resources and environment, improve mechanisms for social welfare and security, properly handle conflict of interests and disputes in social development and seek to boost the living standards of the people (Hesheng, 2014). The concept of “harmony despite differences” in Chinese diplomacy views the development trend of world political

and economic landscapes proves to be an essential path to solve disputes in development among different countries, promote the common prosperity of pluralistic culture in the world, and pursue a new model for foreign policy featuring harmony, openness, equality and reciprocity.

***Equal and reciprocal status for development.***

Equality and reciprocity is a general principle in market economy, which is also a basic principle for China to develop economic ties with Latin America. First, equal and reciprocal status for SinoLATAM development expresses itself in the sincere cooperation in areas of trade and investment. China and Latin America enjoy equal legal status in commerce, trade and investment abiding by WTO regulations and bilateral trade agreements, removing trade protection barriers, and reinforcing mechanisms to guarantee rights and obligations. SinoLATAM. In recent years, China's import of crude oil from Latin America has grown rapidly, with gradual increases in percentage. The strengthening of energy cooperation between China and Latin America is completely based on the equality and reciprocity, whereby China participates in various forms in Latin American energy reforms concerning areas such as technical services, energy capital financing, infrastructure construction, exploration and exploitation. Both sides will probably address potential risks in development based on the principle of equality and mutual benefits.

The "China Energy Threat" cannot change the development trend of equality and reciprocity in SinoLATAM energy cooperation. China will treat countries in Latin America, big or small, rich or poor, strong or weak, with respect and mutual reciprocity. China establishes a relationship of community with Latin America based on pragmatic cooperation of win-win reciprocity and will never abuse economic interdependence to force any country

to join an alliance of political ideology or to implement geopolitical strategies. China seeks to develop comprehensive cooperative partnership with Latin America based on the principle of equality, reciprocity and common prosperity, which is not only in line with each other's fundamental interests, but also conducive to regional peace and development.

***Common prosperity as development goal.***

The common objective for the community of common destiny for China and Latin America is to achieve common prosperity through reciprocal development. At present, China and Latin America have both entered a critical period to bridge wealth gap and enrich the people. The key to solve these problems is development. In the new century, SinoLATAM win-win cooperation has played an effective role in promoting the reciprocal development and common prosperity of both sides. First, economic interdependence of China and Latin America for common prosperity is constantly increasing. According to official statistics, in recent years, China has played a key role in financing major infrastructure projects in Latin America.

Loans from China's state banks to Latin America reached 22 billion USD (14 billion pounds), an increase of 71%. Total volume of direct investment in Latin America from China reached 98.9 billion USD, which strongly promoted infrastructure construction in Latin America. Meanwhile, Latin America has also provided rich industrial raw materials and important energy support to China's economic development, and become a major market for China's export and the second largest destination for foreign investment from China. Therefore, Latin America is indispensable for China's development. Second, China has always been trying its best to provide assistance to other developing countries despite ideological differences (The State Council of the People's Republic of China, 2014). Based on the framework of South-South Cooperation,



China has fulfilled its international obligation and increased its aid to Latin America in areas such as industry, agriculture, education, medicare, and infrastructure. China and Latin America have joined hands forces in the historical task for national development and enrichment of the people.

### **Towards an invincible community of common culture.**

#### ***Value recognition as the prerequisite.***

Recognition is a bidirectional dynamic process involving both “seeking common ground” and “putting aside differences”. From a micro-perspective, recognition is the guarantee for a nation to rise in the world, and promote national development and prosperity. In a cultural community, different nation states should not only keep their own cultural features and differences, but also show strong respect and recognition to the core values of different cultures. A cultural community try to understand the political institutions, ideologies and development paths selected by different countries to achieve national independence and development on the basis of “putting aside differences”.

In a time of ongoing globalization and the third wave of nationalism, value recognition between China and Latin America is the prerequisite to guarantee the relationship of a SinoLATAM community for common destiny and prosperity. The ongoing trade conflicts, labor disputes, stereotypes and lack of communication have led people in Latin America to distrust China. Globalization, not only has helped to remove barriers between nation states, but also has led them to increase the awareness of self-protection in the fight for discourse power and economic status in the world. Without a strong value system it will be difficult for China to steadily promote the relationship of a community of common destiny and prosperity with Latin America in the age of globalization. We believe that a value system that

can sustain the steady development of China’s strategic partnership with Latin America should include four basic elements: First is the essence of traditional Chinese culture with patriotism, unity and “harmony despite differences” at the core; second is the modern spirit featuring reform and opening up, entrepreneurship and innovation and advancing with the times; third is the essence of western values as represented by professionalism, stoicism and pragmatism; fourth is the essence of Latin American culture which includes independence and autonomy, freedom and equality, democracy and civility.

#### ***Tolerance and coexistence as the principle.***

Tolerance and coexistence is the basic principle for Chinese culture to spread to Latin America. Chinese and Latin American culture have common grounds for tolerance and coexistence: First, Chinese and Latin American culture are both diverse, a feature that gives the two cultures an open nature. Chinese culture originated from multiple centers, a feature that determined its pluralistic structure and strong continuity, which absorbed the essence of various civilizations throughout history. Culture in Latin America, due to colonial influences, is a mixture of heterogeneous cultures, which has been compromised, adjusted, assimilated and integrated into a stable and unique culture through long-term clashes and dialogues (Cheng, 2007). Second, Chinese and Latin American cultures had contacts in history and have been influencing each other through long-term exchanges. SinoLATAM during the colonial period, Chinese workers and compatriots played a key role in promoting the communication between cultures in China and Latin America. The differences in both cultures increase each other’s charms.

There are varying degrees of Chinese cultural elements in food, clothing, agricultural production, tea and medicine in Latin America. Meanwhile, Latin American culture has also

had a profound influence on Chinese literature. *Hundred Years of Solitude* by Colombian writer Garcia Marquez is one of the literature masterpieces with an ever-lasting influence in China. The Chinese nobel laureate Mo Yan admitted that his works have been deeply influenced by the “magical realism” in Latin American literature. Poems by the Chilean nobel laureate Neruda once pioneered the poetry writing in the middle and late half of the 20th century. Second, Chinese government has always emphasized cultural diplomacy with Latin America. Premier Zhou Enlai once vividly described cultural exchanges and foreign trade as the two wings of diplomacy. Chinese Ministry of Culture and Latin America jointly organized cultural activities to promote Chinese culture in various forms including shows, exhibitions, movies, dialogues and lectures. Overseas embassies and consulates, Chinese enterprises in Latin America, Confucius institutes and Chinese universities receiving students from Latin America have also regularly organized cultural exchange activities. The signing and gradual implementation of cultural agreements between governments have brought SinoLATAM cultural exchanges into a new stage for development. Finally, China and Latin America have been learning and drawing from each other’s culture in the process of globalization and understanding. In the early half a century of cultural exchanges, there have not been any large scale cultural confrontation or irreconcilable cultural conflicts. Instead, both sides have shown strong interest and recognition for each other’s culture during the exchanges. It may be said that the dialogue and exchange between Chinese and Latin American cultures can serve as a perfect example for the harmonious coexistence of diverse cultures in the world. Practice has shown that domestic and foreign cultures can not only avoid conflicts, but also tolerate and complement each other.

### ***Cultural cooperation as the support.***

China and Latin America have signed many agreements in key areas such as trade and

commerce, investment, energy, manufacturing and infrastructure construction with significant progress. But we should also be aware that future SinoLATAM relationship should not be limited to trade and financial cooperation. If China wants to establish an indestructible and invincible community of common destiny with Latin America, it must export to Latin America its national image, values, and traditional culture, so as to avoid “deficit of soft power”. At present, China should seek the opportunity in the integrative development of Latin America and actively promote cultural trade with Latin America, strengthen cultural cooperation and explore ways to dock and integrate cultural industries.

In recent years, the State Council has ratified several measures to encourage Chinese cultural industry to go out. Due to factors such as cultural differences and political ideology, China and Latin America still have many unexplored areas in cultural industry and both sides have good prospects and space for future cooperation.

Nowadays, China has achieved significant progress in terms of cultural exhibitions, exchanges of students and joint operation of Confucius Institutes with major countries in Latin America including Brazil, Argentina, Mexico and Peru. China has already signed cultural agreements with 19 of the 21 countries which have established diplomatic relations with China in Latin America and signed with 11 countries plans to carry out annual cultural exchanges within such frameworks (Bo, 2015). During the visit of the Chinese delegation of cultural industries to Argentina to participate in the first Exposition of South American Cultural Industry in May, 2014, China proposed the idea of launching a mechanism for cooperation between cultural industries in China and South America, which won the unanimous support of all the 10 South American countries. For the time being, China should unite with Latin American research institutes and universities both home

and abroad to jointly develop products of Chinese culture that cater to the tastes of folks in Latin America, its culture and its social conditions (Hong, 2007). Chinese government encourages potential cultural enterprises to implement the strategy of “going out” and relevant departments from the Foreign Ministry, Cultural Ministry, Commerce Ministry and Cultural Industry Association to actively participate in forums of cultural industry development in Latin America. Meanwhile, China seeks to launch platforms for exchange information with Latin America and to promote cooperation between enterprises from both sides in areas such as capital operation, project construction and product research & development.

## **Factors obstructing SinoLATAM community and solutions**

### **Factors obstructing the development of SinoLATAM community.**

The development of SinoLATAM relationship is not all plain sailing. Generally speaking, factors affecting the sustainable development of SinoLATAM relationship are in three categories:

First, the irreconcilable structural conflicts in international trade and commerce between China and Latin America and the differences and imbalances among Latin American countries. First, there is a strong complementarity between China and Latin America in economy and trade; Latin America mainly exporting raw materials, industrial energy and some manufactured products to China and China exporting manufactured products with varying degrees of technology to Latin America. However, there is also a strong homogeneity in the products that China and Latin America export to international markets. Some countries in Latin America consider China as a rival of vested interests. Meanwhile, China’s export to Latin America impacted their domestic markets, stifling the development of their national industries, and leading to

increasing conflicts in bilateral trade. Along with the global economic slowdown, Latin America has become a region where China encounters the most severe trade protectionism. Countries with developed trade unions such as Brazil, Argentina and Mexico raised tariffs on China’s capital and merchandise exports and carry out anti-dumping measures and special protection investigations. Second, the differences and imbalances among Latin American countries have made difficult to have an overall breakthrough in SinoLATAM relationship.

The political and economical landscapes in Latin America are in constant change with major manifestations such as: The regrouping of power in each country and the formation of multi-tiered groups for development; the gradual stabilizing political ecology with confronting “rightist” and “leftist” players in Latin America politics and increasing awareness on the part of major Latin American countries to lead regional cooperation (Dongzhen, 2013). Therefore, China has a priority in its foreign policy towards Latin America. China emphasizes the strategic partnerships with major Latin American countries such as Brazil, Argentina, Mexico, Venezuela, Chile and Peru. However, it does mean that China confronts the other countries in Latin America. Some small countries in Latin America worry that China will impose political pressure and economic embargo against them along with other major countries, which is totally groundless.

Second, SinoLATAM relationship will be inevitably restricted by Taiwan factor and international factors. Among the 33 countries in Latin America, there are 12 which still have the so-called “diplomatic relations” with Taiwan. China has always included the “One China Principle” in its foreign policy of peace and any move that disrupts the peaceful national reunification will affect China’s diplomatic relationship with Latin America. Meanwhile, U.S., European Union and Japan are also factors that affect the development of SinoLATAM

relationship that cannot be overlooked. China has Latin America's second largest trade partner and its major source of investment.

China's gradual increase of influence in Latin America has caused great discomfort among politicians in U.S., western Europe and Japan. Political extremists in U.S. even considered China's growing influence in Latin America as a serious geopolitical challenge, fearing that China may seek the opportunity to expand its influence in Latin America and threaten U.S. national security. The European Union and China consider Latin America as an important source of industrial raw materials, energy and primary products and both strongly focus on this huge market with over 560 million people. China's increasing influence in Latin America will undoubtedly undermine the profit margin of E.U. in Latin America. As for Japan, it is feared that China will squeeze its trade market in Latin America, as well as to challenge their political interests and prevent it from getting support from Latin America, which will undermine its efforts to become a permanent member of the United Nations. At present, western countries are preaching "China Threat" and "China Fear" in Latin America to warn major Latin American countries against China. On the other hand, it actively adjusts its foreign policy towards Latin America and follows closely China's move in the region.

Third, cultural differences between China and Latin America affect further development of SinoLATAM relationship. First, due to great geographical distance between China and Latin America, the lack of bilateral communication in history and the cultural exchanges which are extremely limited. Differences in Chinese and Latin American cultures include not only different cultural traditions, but also different ideologies and values. China and Latin America have great differences in politics, values, languages and customs, religion and faith, which lead to different ways to perceive and handle problems, thus causing trouble in bilateral

communication. Second, the greatest potential risk for SinoLATAM relationship is the lack of in-depth understanding and study of both China and Latin America. Restricted by language differences, insufficient funding for research and lack of materials, research institutes on both sides fail to produce in-depth and broad studies, and lack international platforms to share research findings. In addition, there are relatively few unofficial exchanges, limited channels for information sharing, high expenses for direct visits, inadequate understanding of each other and great deviance in psychological recognition. Third, irresponsible reports by media in the west as well as within Latin American countries have apparently limited the further development of SinoLATAM relations. People in Latin America often turn to media in U.S. and Europe for information about China and are often manipulated by western opinions. For fear that China may challenge the economic interests of U.S. and Europe in Latin America, some western media published biased reports exaggerating bilateral trade conflicts between China and Latin America.

The lack of understanding of Latin American policies concerning labor, environmental protection and taxes on the part of many Chinese enterprises is considered as "China Threat", which may lead to negative perception of China on the part of Latin Americans.

### **Paths for long-term development of SinoLATAM community.**

The community of common destiny, common development and common culture for China and Latin America have solid conditions and preliminary foundations. It has been benefited not only from the strong economic bonds that drive bilateral and multilateral relations, but also from the important consensus reached by China and Latin America on development strategies. How to handle the various barriers confronted by SinoLATAM community is a key issue that cannot be

ignored in the development of relationship between China and Latin America. We believe that to achieve long-term development of the SinoLATAM community, efforts need to be made in the following aspects:

First, make efforts to construct comprehensive support systems in three major areas of cooperation, namely, politics, economy and culture. In the area of mutual political trust, efforts need to be made to promote the overall balanced development of China and Latin America, consolidate frameworks for SinoLATAM bilateral and multilateral cooperation, improve coordination mechanisms for China and Latin America in international politics, jointly promote the just and rational development of international political and economic order and strengthen the awareness for strategic cooperation. In the area of economic promotion, efforts should be made to consolidate the “1+3+6” framework for SinoLATAM economic and trade cooperation and the new “3\*3” model for production and energy cooperation, promote the simultaneous development of trade, investment and financial cooperation, improve industrial complementarity and integration mechanisms in the global division of labor, help the upgrading and transformation of each other’s economic structure, improve mechanisms to handle trade disputes and increase mutual benefit and reciprocity. In the area of cultural cooperation, efforts need to be made to expand the depth of cultural studies and learning between China and Latin America, remove psychological barriers caused by SinoLATAM cultural differences, actively hold activities for cultural exchanges, construct mechanisms for cooperation between cultural industries from China and Latin America, boost each other’s cultural soft power and consolidate public opinions for traditional SinoLATAM friendship.

Second, properly handle international factors and “Taiwan Factor” in SinoLATAM relationship and safeguard the overall stability of relationship between China and Latin America.

Due to the international status and influence of U.S., Sino-U.S. relationship undoubtedly occupies a very important place in the trilateral relationship between China, U.S., and Latin America. Overall SinoLATAM cooperation in the future should avoid direct challenges to U.S.’s core interests in Latin America. China and U.S. have broad prospects and great scopes of cooperation in Latin America. Both China and U.S. can strengthen cooperation in areas such as the development of free trade zones in Latin America and the drafting of bilateral and multilateral free trade agreements. Meanwhile, they can set up third party companies with joint investment and exploit key energies such as petroleum together in Latin America based on the principle of mutual reciprocity and win-win. China should adopt a cautious and serious attitude towards cooperation in sensitive areas such as SinoLATAM military and security cooperation and make full use of platforms such as Sino-U.S. Strategy and Economic Dialogue to communicate sensitive issues of concern to the U.S. in time, so as to avoid strategic misjudgment due to asymmetry of information (Hongbo, 2010). Meanwhile, China should also actively carry out cooperation with European Union and Japan, construct mechanisms for communication and negotiation, cautiously handle differences in political ideology, properly handle trade clashes and disputes and avoid the politicization of economic and trade issues.

On handling the Taiwan factor that affects SinoLATAM relationship, China always sticks to the “One China” principle, which is also a basic policy for China to develop its foreign relations. China is committed to consolidating economic and trade cooperation and strengthening political dialogue and strategic mutual trust with the 12 countries not yet having diplomatic relationship with China, so as to remove doubts and barriers for each other. On the other hand, China mainland should establish effective mechanisms for communication with Taiwan, make efforts to improve cross-strait relations, put aside political disputes for the sake

of overall national development and restart talks for peaceful reunification as early as possible (Hong & Yan, 2011).

Third, balance the interests of China with different countries in Latin America. Due to differences in political ideology and national institutions in Latin America, different sovereign states have distinct interest considerations and political demands. SinoLATAM which requires that China should have political wisdom and diplomatic strategies Based on the understanding of the differences among CELAC members, China should adopt both “bilateral” and “multilateral” strategies for the overall cooperation with Latin America. China should strengthen bilateral cooperation in key areas such as international affairs, trade and commerce and cultural exchanges with major countries in Latin America including Brazil, Argentina and Mexico, reinforce its connection with South American countries through Brazil, consolidate cooperation with Mercosur through Argentina, and strengthen ties with countries in Central America and the Caribbean through Mexico. Meanwhile, through SinoLATAM Forum and the “5 in 1” Framework for SinoLATAM Cooperation, China strengthens multilateral coordination with Latin American countries and conduct close coordination and effective cooperation on agreed key areas and projects. China should have a long-term vision and take into account both partial and overall interests, so as to ensure that the overflow effect in the overall SinoLATAM cooperation can win the unanimous approval and general acceptance of all CELAC members countries.

## Conclusion

China has gradually formed and consolidated a community for common destiny, common development and common culture with LATAM countries, which constitutes an indispensable external factor for the maintenance of sustainable social development in China. Though SinoLATAM relations face a series of

internal and external contradictions, we should rationally and dialectically view the broad prospects lying behind the contradictions for the development for SinoLATAM relationship, stick to cooperation in trade and commerce, investment and finance as the driving force and based on the promotion of the steady development of bilateral and multilateral relations, further deepen political trust, expand areas for cooperation, increase win-win reciprocity and lay a solid foundation for the overall balanced development of China and Latin America in the age of globalization.

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