

GREAT DECISIONS

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3. China and America: the new geopolitical equation

Acronyms and abbreviations

AIIB—Asian Infrastructure Investment Bank

ASEAN—Association of Southeast Asian Nations

BRI—Belt and Road Initiative

BRICS—Brazil, Russia, India, China and South Africa

FDI—foreign direct investment

G-7—Group of Seven

IMF—International Monetary Fund

NATO—North Atlantic Treaty Organization

PLA—People’s Liberation Army

SCO—Shanghai Cooperation Organization

TPP—Trans-Pacific Partnership

UNSC—United Nations Security Council

WTO—World Trade Organization

Glossary

19th National Congress of the Communist Party of China: A meeting of top-level officials of China’s Communist Party, held every five years to set the country’s policy goals and elect new leadership. The 19th Party Congress in October 2017 marked the first time since Chairman Mao Zedong that a Chinese leader entered a new guiding ideology into the Party

constitution—Xi’s “Thought on Socialism with Chinese Characteristics for a New Era.”

Alibaba Group: One of the ten most valuable companies in the world, Alibaba is a Chinese e-commerce conglomerate that runs an online consumer-to-consumer, business-to-consumer and business-to-business sales service.

Angela Merkel: Chancellor of Germany, in office since 2005, and leader of the center-right Christian Democratic Union (CDU) since 2000. Merkel is known for her strong leadership in Germany and in the European Union, and for managing the European financial crisis, healthcare reform, energy development and the ongoing migrant crisis in Germany.

Asia Infrastructure Investment Bank (AIIB): A multilateral development bank with the mission of infrastructure development in Asia. First proposed by China in 2013 and established in 2015, the bank has 56 member states and 24 prospective member states.

Belt and Road Initiative (BRI): An initiative of Chinese leader Xi Jinping, the BRI seeks to enhance interconnectivity between China and Eurasia through investment in infrastructure, trade, a power grid and raw materials.

BRICS: An acronym designating five countries with major emerging national economies—Brazil, Russia, India, China and South Africa—which have met annually since 2009.

“Going global policy”: Established in 1999, this policy by the Chinese government encouraged Chinese enterprises to invest abroad.

Export-Import Bank: The official export credit agency of the U.S. federal government, founded in 1934.

foreign direct investment (FDI): Investment made by a company or individual in a given country directed toward business interests in another country by establishing business operations or obtaining business assets in that country.

International Monetary Fund (IMF): Established in 1945 and spanning 189 countries, the IMF seeks to promote international monetary cooperation, international trade, employment, economic growth, exchange-rate stability and resource availability.

Kim Dynasty: The Kim Dynasty of North Korea began with Kim Il Sung in 1948, who began the Korean War in 1950 to reunite North and South Korea, followed by Kim Jong Il (1997–2011) and current leader Kim Jong Un (2011–present).

Mao Zedong: Chinese revolutionary leader and founder of the People’s Republic of China, which he led as chairman of the Communist Party of China from 1949 until his death in 1976.

“One China” policy: The perspective that there is a single, unified China operated by one government run out of Beijing. When the U.S. takes up this policy, for example, it does not acknowledge the government controlled by the island of Taiwan—a province that China seeks to reunify with the mainland. It was first stated in the 1972 Shanghai Communiqué, in which the U.S. recognized that Taiwan is a part of China.

Paris Climate Agreement: A 2016 UN agreement to cooperate on combating climate change. The Trump administration vowed to pull out of the agreement in 2017 but has yet to do so.

“Pivot to Asia” strategy: Enacted by the Barack Obama administration in 2012, this policy sought to strengthen bilateral relations with China; deepen relationships with emerging powers, including China; engage with regional multilateral institutions; expand trade and investment; increase U.S. military presence; and promote democracy and human rights in East Asia.

Shanghai Cooperation Organization (SCO): A political, economic and security organization founded in 2001 between China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan.

Shinzō Abe: The current prime minister of Japan, in office since 2012, known for bringing Japan’s economy out of decades-long stagnation with program of “Abenomics.”

South China Sea: A major shipping route in East Asia. The South China Sea has become subject to territorial disputes by countries such as Brunei, China, Malaysia, Vietnam, Indonesia and the Philippines.

Taiwan Relations Act (1979): An act of U.S. Congress that reconfigured its diplomatic relations with Taiwan. Established after the People’s Republic of China brokered a united front with the U.S., Japan and Western Europe against the Soviet Union, it also required the U.S. to end its mutual defense treaty with Taiwan, though Washington continues unofficial relations with the island today.

Trade deficit: An economic measure of international trade in which a country’s imports exceeds its exports.

Trans-Pacific Partnership (TPP): Designed to deepen economic relations, cut tariffs and enhance trade among 12 Pacific Rim countries, including the U.S., the treaty was signed in February 2016 with the ultimate goal of creating a new single market. The Trump administration pulled out of the treaty in January 2017.

World Bank: An international financial institution established in 1945 that seeks to reduce poverty around the world. Its guiding principles include foreign investment and international trade to facilitate capital investment.

Xi Jinping: General secretary of the Communist Party of China since 2012, president of the People’s Republic of China since 2013, and chairman of the Central Military Commission since 2012.