

# China's Xi Campaigns For 'New Silk Road'

by Our European Bureau

March 29—Chinese President Xi Jinping began a ten-day visit to Western Europe on March 22, with an agenda of promoting the Eurasian development plan called the “New Silk Road.” The following reports from the French and German legs of his trip, give a taste of the vision he offered to the sinking Western European economies.

President Xi's tour started in the Netherlands, and was scheduled to conclude it in Brussels. The highlights were his state visits to France and Germany.

## 50 Years of Ties with France

President Xi's visit to France celebrated the 50th anniversary of the opening of relations between France and the People's Republic of China, in 1964, when President Charles de Gaulle was the first Western President to open up relations with China.

The daily *Le Monde* reported on March 26: “Mr. Xi hopes to promote the project for a ‘New Silk Road,’ a theme he will also develop in his speech tomorrow at UNESCO, in Paris. China's New Silk Road diplomacy is aimed at rebuilding a logistical corridor, able to offer stable outlets for China's interior provinces, and also to open the Chinese market to European products.”

At his request, China's President began his visit in Lyon, which has a long history with China. France's first silk center, Lyon's ties to China go back to the 16th Century and have continued to the present day. Speaking at a dinner in Lyon, Xi said the city “was one of the important arrival points in Europe for the Silk Road that started in my native Shaanxi province.”

Lyon also hosts the Franco-Chinese Institute, the only Chinese university in operation outside of China. Founded in 1920, it is a top-level institution for the most advanced students, where many Chinese students have come for preparation in the French language, science, etc., and are able to pursue studies at other high-level institutes, before returning to China. Many schools in Lyon teach Mandarin as a first or second

language, and there are 3,000 Chinese students in the city.

Of course, economic deals were a large part of the trip. President Xi toured Lyon's top medical laboratory, bioMérieux, which develops *in vitro* diagnostics for infectious disease, cardiovascular disease, and cancer. China's top automaker, Dongfeng, was scheduled to sign an agreement to invest in Peugeot. Dongfeng and the French state are investing EU800 million each, the largest investment ever by a Chinese company in France. China already represents 20% of Peugeot's market, and the joint venture is aimed at giving Peugeot greater access to the Chinese and Asian markets.

Announcement of a huge deal was also expected with Airbus Helicopters for the delivery of 1,000 EC175 helicopters to China over the next ten years, via a Franco-Chinese industrial partnership, and it is anticipated that China will renew for ten years its assembly of A-320 Airbuses in Tianjin. China might also announce the purchase of 70 aircraft from Airbus, and go ahead with the purchase of 27 A330 aircraft that Beijing had frozen last year when the EU decided to tax CO<sub>2</sub> emissions of foreign airline companies.

Since cooperation is already very advanced on nuclear energy and aeronautics, the French are working on new contracts in other areas: agro-industry (the Chinese are expected to open their borders to French charcuterie, which will make the French butchers and sausage-makers happy), health care, and medical laboratories, and helping China solve the air pollution problem in its cities.

## Germany: The Land-Bridge

In Germany, President Xi was scheduled to visit Berlin and the inland port of Duisburg, where, three times a week, the Yuxinou train arrives from Chongqing in southwestern China, the start of the 11,179-kilometer rail line, the current New Silk Road. The train transports electronic goods and textiles from China to Germany, and industrial goods and machinery from Germany to the central Chinese industrial region—a major source of growth in the German Ruhr region.

The train goes from Chongqing to Kazakstan, from there to the Trans-Siberian route via Russia, Belarus, Poland, and on to Germany. Bringing the containers to China's seaports from Chongqing for shipment to Europe would take three days alone, so the land route is more efficient.