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Impact of COVID -19 on Defence spending in China: military burden or peacekeeping facilitation?

Ourania Dimitraki

University of Bedfordshire, Business School, department of Law and Finance, Luton LU13JU
UK

Corresponding author: Email: Ourania.Dimitraki@beds.ac.uk

Abstract

The coronavirus disease 2019 (COVID-19) pandemic has dramatically changed the world as we knew it. Although it is still unclear how the economic landscape post COVID-19 and recovery from ‘the great lockdown’ will look like, the pandemic has affected societies and economies in their core: global GDP shrank approximately 3% in 2021 and is predicted to fall further by at least 4% in 2022 increasing poverty and global inequalities (IMF, 2022); total military expenditure increased worldwide by 2.6% in 2020 (SIPRI, 2021); security threats with immediate impact on Peaceland’s¹ operations.

As the COVID-19 pandemic showed some signs of abating, China’s defence spending, which was the centre of the virus, was approximately \$252 billion in 2020 (an increase of 1.9% since 2019 and 76% since 2011). Worth noting, that, China provided \$26,666,716 financial support to the U.N. COVID-19 Global Humanitarian Response Plan. This article takes a closer look at the basic arguments regarding the increased Chinese defence spending during the period 2020-21 by conducting a narrative literature review. The current review is useful in obtaining a

broad perspective on China's defence spending during the COVID -19 pandemic and its role to peacekeeping, in order to have a more balanced understanding of its rational.

Keywords: defence spending, pandemic, COVID-19, military expenditure

JEL: F50, H56, H60

Introduction

The coronavirus disease 2019 (COVID -19 hereafter) pandemic has dramatically changed the world as we knew it. The pandemic and the measures against the expansion of the COVID -19 virus have worsened considerably the economic and social structure of most countries around the globe. Governments at all levels operating in a context of radical uncertainty. Most governmental and proposed policy responses to the COVID-19 pandemic, treat it like a standard cause of a recession. Although it is still unclear how the economic landscape post COVID -19 and recovery from *The Great Lockdown* will look like, the fact is that global GDP shrank by 4.3% in 2020 the deepest global recession in decades (even though governments have made remarkable efforts to respond to the downturn with fiscal and monetary policy support quickly and decisively) (IMF, 2022). This extraordinary shrank of the global GDP, the last couple of years, combined with a mixture of stimulus packages from governments and tax revenue losses, and increases in military spending (miles hereafter) is expected to place a severe burden on government budgets in the future. This in turn, will lead to difficult choices for the allocation of resources and policy priorities².

COVID -19, though, did not affect much the number and intensity of conflicts and terrorism - or the short-term global conflict -and as an extend miles. Yet, increased international tensions, and socio-economic challenges (e.g. economic crisis and increasing unemployment) are expected to have a negative impact on global security on the long -term as a number of non-traditional threats³ emerged (Anderson-Rogers & Crawford, 2018; Van der Lijn, 2022).

Furthermore, in the middle of the COVID -19 healthcare crisis, global miles increased in 2020 (miles as a share of GDP reached a global average of 2.4% in 2020, up from 2.2% in 2019). In particular, almost two-thirds of global miles came from just five countries that reflects growing concerns as since the end of the Cold War in 1990, defence expenditures

have declined both as a share of government spending and of the economy’s total output (GDP). Of particular interest is the allocation of this amount as shown in Figure I. The five countries with the largest millex in 2019, covering 62% of global defence spending, are the United States, China, India, Russia and Saudi Arabia.

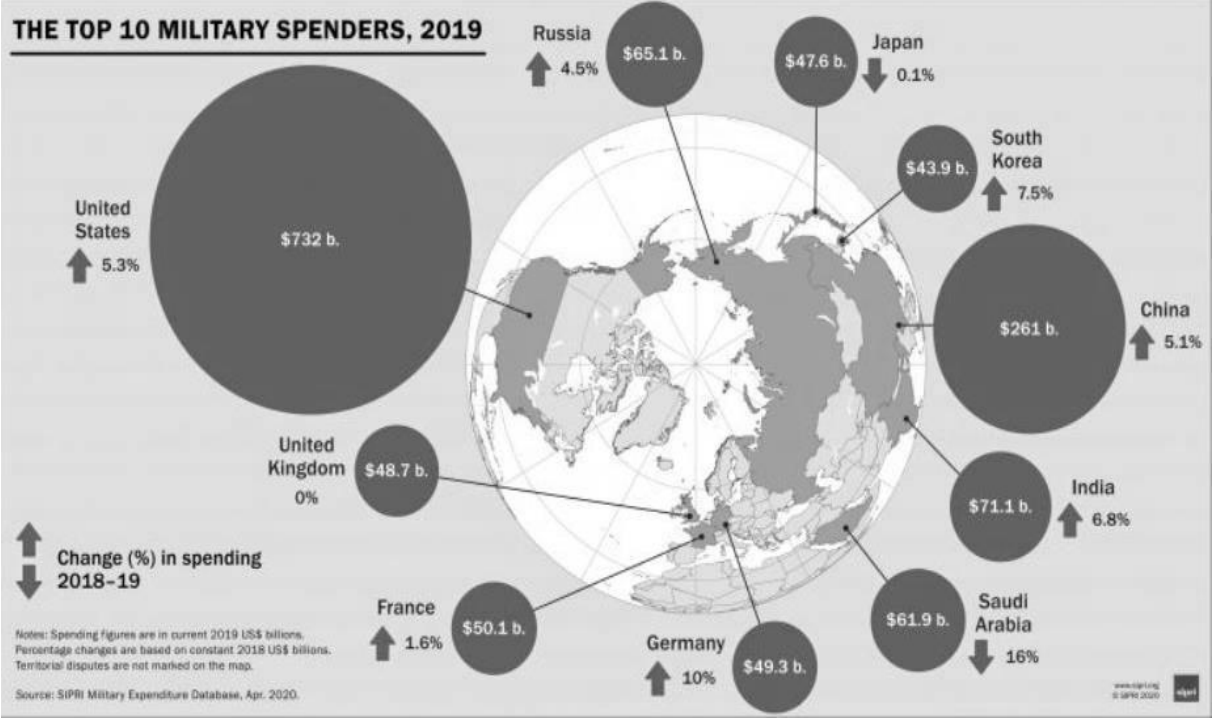


Figure I -Top 10 military spenders 2019

Source:

<https://www.sipri.org/research/armament-and-disarmament/arms-and-military-expenditure/military-expenditure>

The United States is among the top defence spenders (up to 5.3% since 2018), followed by China (6.8% since 2018), but military spending also rose by 4% across Europe (SIPRI, 2021).

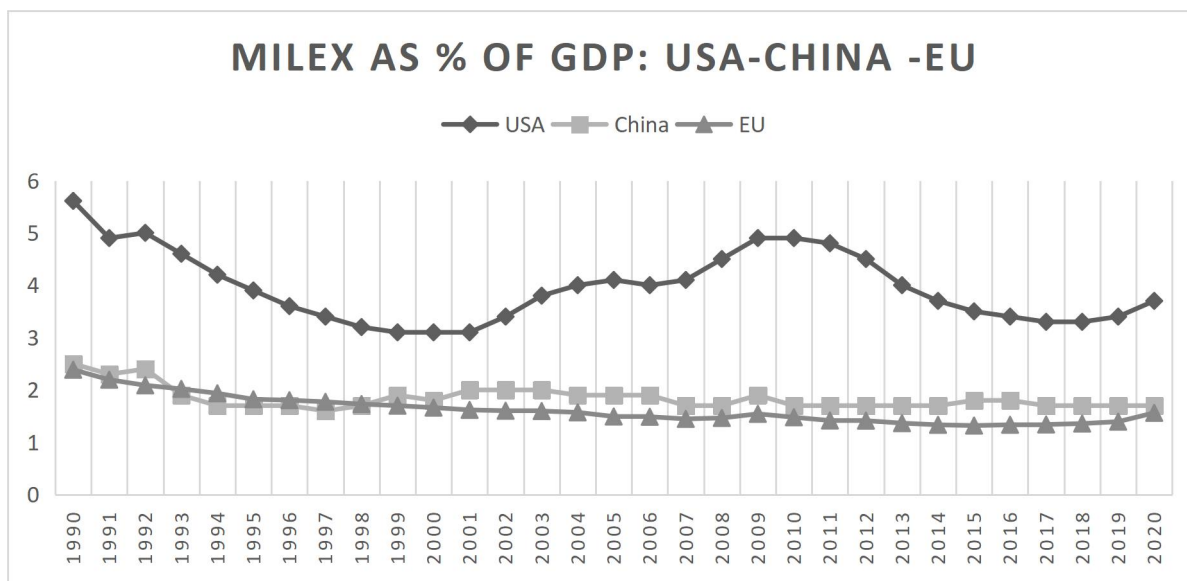


Figure II – Milex(% of GDP) for USA, China, EU 1990-2020

Source: the data were extracted from the SIPRI database 2021

Possible reasons for this, stem from perceived threats to military modernization and build-up plans, involvement in U.N.’s peacekeeping and peacebuilding operations, and largely due to the economic impacts of the COVID -19 pandemic⁴ (Younger, 2000; Haynes, 2016; SIPRI, 2021, IFRI, 2021).

Furthermore, quite often, militaries respond in times of need, like humanitarian and health crises, pandemic awareness and contributions to medical innovations (Michaud et al., 2019). According to Beaumier et al. (2013) militaries have also used health activities in the past to legitimise their existence in domestic and foreign sites (e.g. vaccination campaigns, filling gaps in under-resourced health systems and health security)⁵. Similarly, over the last couple of decades, actions such as emergency public health crises, natural disasters, emerging conflicts and anti-terrorist campaigns, are part of the Chinese military activities during peace. However, the COVID -19 pandemic revealed China’s strengths and weaknesses to deal with crises. Draconian quarantine of Wuhan the epicentre of the disease, by further transporting there of more than 4,000 military medical personnel – hailing from 19 cities and all branches of the armed forces for instance, curtailed its spread but the virus spread very quickly (IISS, 2021). Hence, China created new emergency departments, followed by providing the world with medical aid and vaccines⁶. For example, in March 2020, China announced that it would donate⁷ 300,000 vaccines to U.N. peacekeepers, particularly in Africa (Tharakan and Salaam-Blyther, 2021). China, is also the second biggest financial contributor to the United Nations [U.N.] peacekeeping budget (roughly \$6 billion a year), covering 15% of costs (Figure III).

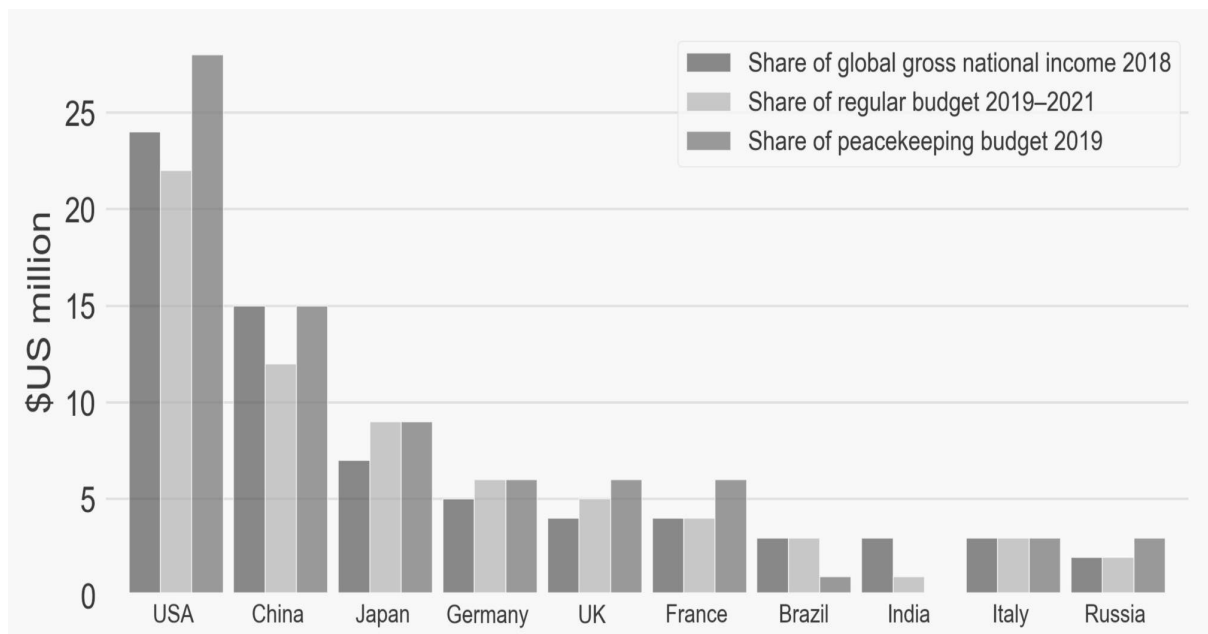


Figure III- Share of regular and peacekeeping budget assessments for ten biggest economies

Source: Mir, 2019: 3

It should be noted though, that disaster relief in China is funded through the defence budget and is to be reimbursed by non-defence agencies. As a result, China's millex, was \$178.6 billion in 2020, a 6.6% increase from \$177.5 billion in 2019, to \$252 billion in 2020 (with an average increase of 76% since 2011)⁸. Also, 2020 has been the 26th consecutive year that Chinese military spending increased, and it was also a year where China expanded its nuclear arsenal (SIPRI, 2021). Additionally, the China-U.N. Peace and Development Fund has provided \$67.7 million for 80 projects in support of peacekeeping operations since 2015 (Xinhua, 2020). Still, it is important to note that the increase in Chinese millex has been slowing, nonetheless, for half a decade. For example, in 2019 military expenditures were only 7.5% greater than 2018, also one of the lowest increases in recent years. The increases in millex for 2018, 2017, and 2016 were, respectively, 8.1%, 7%, and 7.6%. The question that rises at this point is why China's defence spending remained high in the face of the unprecedented crisis of the COVID -19 pandemic whilst the Chinese GDP dropped from 6.1% in 2019 to merely 2.3% in 2020 (IMF, 2022).

This paper strives to take a closer look at the basic arguments regarding the impact of the COVID -19 pandemic on the Chinese defence spending by considering China's role at the international peacekeeping. A narrative literature review is conducted to synthesize prior research on the prolonged relationship. Despite recent academic attempts made to discuss the impact of COVID -19 to defence spending, still the above relationship has been poorly

studied, which can be justified by its short-termism (e.g. the pandemic has the potential to change and security and defence policies' change) (Tan, 2020; Meyer et al., 2021). This in turn accounts for certain limitations to the scope of the current study, especially with regard to the considered period of impact of the pandemic and the related restrictive measures.

Additionally, this study contributes to the existing literature in providing a more balanced and more in-depth understanding of possible reasons of high defence expenditures in China in times of crisis such as the one caused by the COVID -19 pandemic. It also contributes to this literature by a timely review, by adding to the debate by scrutinizing themes related to the effects of COVID -19 on defence spending and peacekeeping, with focus on China.

The remainder of this article is organized as follows. Section 2 provides an overview of the methods used. Section 3 shortly discusses the militarization of COVID -19 and provides a short overview of China's involvement in peacekeeping. Section 4 outlines the basic arguments regarding the impact of the COVID -19 on the Chinese millex during the period 2020-21. Finally Section 5 concludes.

Methods

This paper conducts a narrative literature review by using different academic databases, to present a broad perspective of the effects of COVID -19 on China's defence spending and its role on peacekeeping.

A narrative literature review is a methodological approach that aims to establish a comprehensive understanding and narrative syntheses of previously published information. Also, it might further reveal weaknesses or problematize concepts, theories, or claims that deserve further research (Boell and Cecez-Kecmanovic, 2015). However, a narrative literature review is not meant to be exhaustive; instead, it is selective in the content it uses, aiming at shading further light to certain issues and to potentially reveal weaknesses or problematize concepts, theories, or claims that deserve further research (Cronin et al., 2008; Boell and Cecez-Kecmanovic, 2015). Unlike systematic literature reviews or meta-analysis that collecting samples of data, a narrative literature review does not necessarily requires to be representative. It is rather an unsystematic approach, selection of information from different literature sources and not necessarily a form of evidence for policy making (Boell and Cecez-Kecmanovic, 2015). Thus, by using a narrative literature review, this paper takes a closer look

at the basic arguments regarding the impact of the COVID -19 pandemic on the Chinese defence spending during the period 2020-21 by considering its role to peacekeeping.

Furthermore, being a relatively new research area (with regard to the considered period of impact of the pandemic and the related restrictive measures) that needs sound elaboration and given the multiple perspectives from which the effects of COVID -19 has been approached⁹, undertaking a narrative literature review of its effects on defence spending is more apt as in such a context, research on defence spending remained in the background. Moreover, this research method is well-established because narrative literature reviews have been commonly applied in several management, finance, and economics related studies among others (Ricciardi, 2004; Sharma & Kumar, 2010; to name a few).

Defence spending and Peacekeeping under the shadow of COVID -19

Defence spending vs. Militarization of COVID-19

Defence spending is of particular interest to researchers and political actors (even though it lacks a solid widely-accepted theoretical background¹⁰ and there is a heterogeneity of empirical results¹¹), due to the fact that it is often involved in economic and political debates over military strength and security, national sovereignty, budget allocations, elections and military campaigns, to name a few (Zuk and Woodbury, 1986; Dunne and Tian, 2013). Furthermore, defence expenditures are often perceived as an opportunity for increased employment or investment and research-and-development, while at the same time they are in constant competition with other sectors of the national economy (e.g. health or education). Their role in economic growth, though, is still highly a debated and contested topic and ‘in general they come at an economic cost’ Dunne and Tian (2013:8). However, the impact of COVID -19 on the global economy cannot but affect defence-spending plans. The world spent almost \$2 trillion on military in 2020, an increase of 2.4% since 2019, even as global gross domestic product (GDP) shrank by 4.4% due to the economic impacts of the COVID-19 (IMF, 2022). The reason is that most of the countries across have deployed their armed forces (e.g. from mobilization of military doctors/nurses, transportation of medical supplies and patients, deployment of army medical logistics planners, transportation of healthcare workers and the disinfection of hospitals and other public spaces, to development and testing of possible vaccines, and the production of medical supplies, including facemasks and disinfectant, planning meal deliveries to vulnerable people and supporting food banks¹²) in response to the

COVID -19 due to the armed forces expertise and organization in conditions of crisis (Kalkman, 2021). However, the apparent need for military contributions to manage COVID -19 resulted in militarization of the COVID -19 crisis. Table 1, below, highlights military involvements to manage COVID -19.

Table I - Three trends in COVID-19 civil-military involvements

Trend types	Key characteristics	Response examples*
1 Minimal technical military support	Civilian leadership-military niche tasks in transportation and supply chain, border control	Japan, Taiwan, Canada, Kerala, Sweden, New Zealand, South Korea
2 Blended civil-military response	Civilian leadership-military support in organisation and logistics; air repatriations, border controls, mobile testing, quarantine and lockdown enforcement, emergency field hospitals	Nigeria, Kenya, US, France, UK, China, Vietnam, South Africa, Singapore
3 Military-led response	Military leadership in response planning and coordination, emergency hospitals, contact-tracing, surveillance, border controls, quarantine and lockdown enforcement	Indonesia, Philippines, Iran, Pakistan, Brazil, Peru

Source: Gibson-Fall, 2019: 166.

Furthermore, politicians used the metaphor of *war*, in cases of crisis, quite often: e.g. New York's governor Cuomo highlighted in one of his speeches that '[COVID -19] is a war, we have to treat it like a war' (Walters, 2020). António Guterres, the secretary-general of the United Nations, stated on the 23rd of March 2020 that '...[t]he fury of the virus illustrates the folly of [a] war'. Furthermore, the French president also declared *war* on the virus and a BBC article stated that: 'Healthcare workers are on the frontlines, scientists are the new generals, economists draw up battle plans, politicians call for mobilisation' (Bernhard, 2020).

The militarization of COVID -19 is not unique, though, as military discourses were used at previous disease outbreaks as well (Kalkman, 2021). During the Ebola crisis, for instance, Liberia and Sierra Leone used their armed forces, whilst thousands of military units were sent from the Western countries (Roemer-Mahler & Elbe, 2016). The pandemic influenza has been framed as a security issue and a threat, whilst during the Zika crisis, the Brazilian military were fighting the *enemy*, (Kalkman, 2021). Indeed, health and security are interrelated and by the framing diseases in military terms has justified military involvement in the past, and so as well, during the COVID-19 outbreak¹³ (Wenham 2019).

Peacekeeping vs. COVID -19

The People's Republic of China (PRC) officially joined the U.N in 1971. Historically, though, China's foreign policies were maintaining its neutrality in the international arena, and its non -

interference with supranational institutions like U.N. Peacekeeping, by its nature, is interference and '[b]ased upon Mao's theory of just war, China viewed peacekeeping as an act of super- power "power politics," a pretext deployed to justify U.S. or Soviet intervention in the affairs of small state' (Fravel, 1996: 1104).

It was not until the 1990s, that the Chinese policy towards peacekeeping started to shift, resulted from changes in China's domestic politics, in response to Deng Xiaoping's economic reforms, which required a more open and cooperative foreign policy. Thus, peacekeeping contributions have become an important part of China's policies advancing its so-called 'peaceful rise' in an attempt to balance out the view of China as a threat. (Backgrounder, 2018) giving birth to the norm of *developmental peace* – with foreign aid and non-military interventions at its core¹⁴ (Yin, 2017).

In the midst of the pandemic, China became not only an active participant but also an important contributor to the UN peacekeeping operations. For example, between March 2020 and April 2021, China provided military medical assistance or donations to 56 countries around the world, as part of U.N.'s peacekeeping missions. In January 2020, there was a terrorist attack at the Tessalit Camp in the Sector North of Minusma resulted in more than 20 wounded people. The Chinese medical unit rushed in by air and evacuated seven injured Chad peacekeepers to the Chinese medical camp. All the wounded were saved by prompt emergency treatment. In March 2020, the PLA sent protective equipment and clothing to Iran(U.N., 2020).

Consequently, China's¹⁵ participation in U.N. peacekeeping missions (Table II), made it the third-largest contributor to the UN budget, the second highest contributor to the UN peacekeeping budget, and the 12th highest provider of peacekeepers, with 2,634 personnel (e.g. engineers, medical personnel, military observers, and troops) as of January 2018 (Figure IV). However, the rise in the Chinese share of the UN budget will continue over the next decade (see Figure V) as China has incubated its intention to become a global security provider¹⁶. To do so, China should invest more in research and capacity building, and to further strengthen the peacekeeping expertise via education. Also, mediation fits on the Chinese approach to peacekeeping and as such more financial resources should be directed on its development (Yin, 2020). The prolonged can also explain the rise of millex in China.

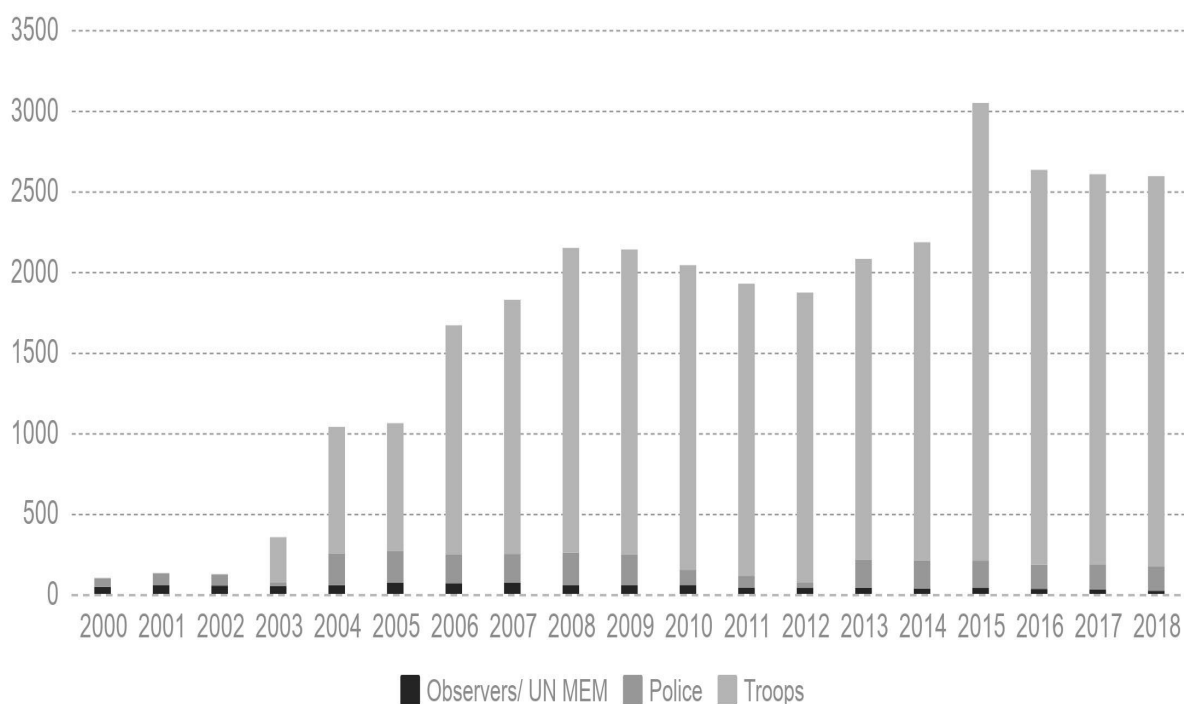


Figure IV- China's Contribution to Peacekeeping Personnel (2000-2018)

Source: *Backgrounder 2018: 3.*

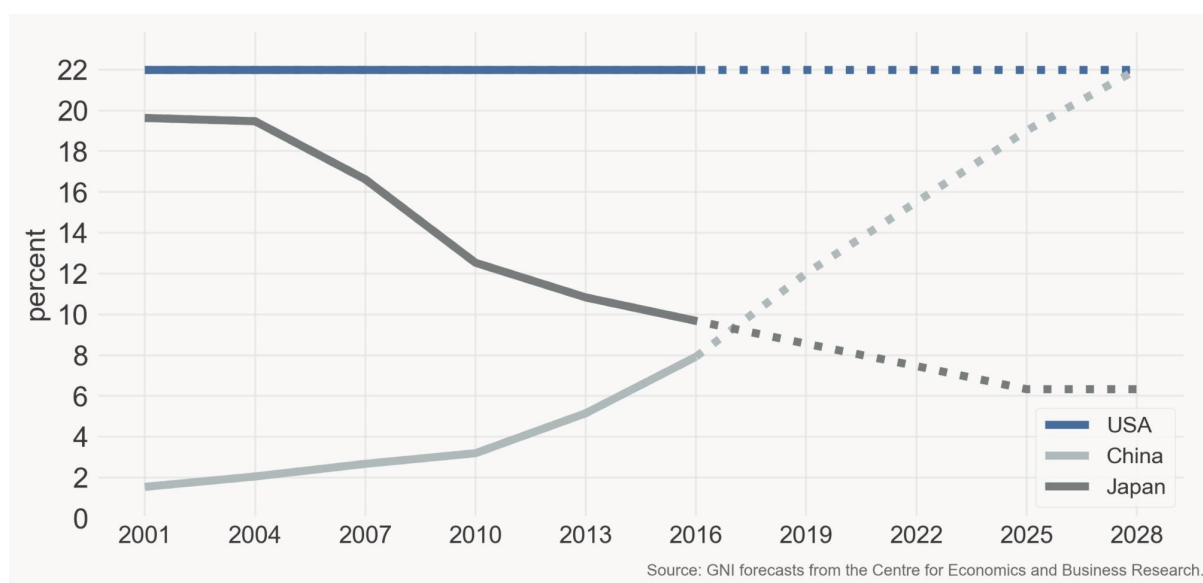


Figure V - Projected share of UN regular budget

Source: GNI forecasts from the Centre of Economics and Business Research, 2018.

Table II - Participation in UN Peacekeeping Missions

NO.	UN PEACEKEEPING MISSIONS	PERIOD OF PARTICIPATION
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NO.	UN PEACEKEEPING MISSIONS	PERIOD OF PARTICIPATION
1	United Nations Truce Supervision Organization (UNTSO)	April 1990 – present
2	United Nations Iraq-Kuwait Observation Mission (UNIKOM)	April 1991 – January 2003
3	United Nations Mission for the Referendum in Western Sahara (MINURSO)	September 1991 – present
4	United Nations Advance Mission in Cambodia (UNAMIC)	December 1991 – March 1992
5	United Nations Transitional Authority in Cambodia (UNTAC)	March 1992 – September 1993
6	United Nations Operation in Mozambique (ONUMOZ)	June 1993 – December 1994
7	United Nations Observer Mission in Liberia (UNOMIL)	November 1993 – September 1997
8	United Nations Observer Mission in Sierra Leone (UNOMSIL)	August 1998 – October 1999
9	United Nations Mission in Sierra Leone (UNAMSIL)	October 1999 – December 2005
10	United Nations Mission in Ethiopia and Eritrea (UNMEE)	October 2000 – August 2008
11	United Nations Organization Mission in the Democratic Republic of the Congo (MONUC)	April 2001 – June 2010
12	United Nations Mission in Liberia (UNMIL)	October 2003 – December 2017
13	United Nations Operation in Côte d'Ivoire (UNOCI)	April 2004 – February 2017
14	United Nations Operation in Burundi (ONUB)	June 2004 – September 2006
15	United Nations Mission in Sudan (UNMIS)	April 2005 – July 2011
16	United Nations Interim Force in Lebanon (UNIFIL)	March 2006 – present
17	United Nations Integrated Mission in Timor-Leste (UNMIT)	October 2006 – November 2012
18	African Union-United Nations Hybrid Operation in Darfur (UNAMID)	November 2007 – present
19	United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO)	July 2010 – present
20	United Nations Peacekeeping Force in Cyprus (UNFICYP)	February 2011 – August 2014
21	United Nations Mission in South Sudan (UNMISS)	July 2011 – present

NO.	UN PEACEKEEPING MISSIONS	PERIOD OF PARTICIPATION
22	United Nations Organization Interim Security Force for Abyei (UNISFA)	July 2011 – October 2011
23	United Nations Supervision Mission in Syria (UNSMIS)	April 2012 – August 2012
24	United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA)	October 2013 – present
25	United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA)	January 2020 – present

Source: The State Council Information Office of the People's Republic of China, 2020: 24-25.

The world as we knew it changed the last couple of years; it largely depends on medical supplies, social distancing, peacekeepers and, vaccines, to fight the pandemic. In addition, COVID -19 has disproportionately affected people around the world, especially in conflict-affected communities and refugee sites. Or as Geng Shuang, China's deputy permanent representative to the UN¹⁷ put it '[t]he COVID-19 pandemic and existing threats, such as regional hot-spot issues, ethnic conflicts and terrorism, ..., bring[s] new impacts to international peace and security. In this context, the role and significance of UN peacekeeping operations have become more prominent'.

However, as the U.N. peacekeeping missions continued their mandate to protect vulnerable populations around the world under the shadow of COVID -19, the peacekeepers' health¹⁸ was endangered as well. For example, on 2021, the United Nations Interim Force in Lebanon [UNIFIL] contacted training sessions with best practices on COVID-19 for health workers, and has been facilitating PCR testing in villages in South Lebanon.

Admittedly it is not clear how to deal best with economic crises and instability caused by the pandemic in the long -run, but financing the recovery from Covid-19 will be costly, especially as foreign aid and contributions to the U.N. are minor expenditures in most government budgets. Intrinsically, China's contributions can be considered crucial in support of the U.N.'s peacekeeping mandate to date.

Impact of COVID-19 on the Chinese Miletus

China treats the pandemic like a ‘War’

Clark (2016) characterises a pandemic as a *serial killer* that can have devastating consequences on humans and the global economy. A number of academics (e.g. Grant et al., 2010; Pinkus and Ramaswamy, 2020; Hilpert and Stanzel, 2021; Costa et al. 2021; to name a few) take insight from times of war to predict behaviour during pandemics. They find similarities in the following areas: 1) just like in times of war, people need to be mobilized during a pandemic - they are usually told to stay at home or are drafted into hospitals to help with high case numbers; 2) a pandemic, like most wars, goes on for much longer than to be expected at first; and 3) a pandemic comes with a severe economic recession.

Kadim and Abbas (2022) call the pandemic a *Disease War* and characteristically state:

The first thing that should be noted ... is the ... expression “Disease's war”. The world is at war against a disease. This war is not similar to the First World War or the Second World War or a civil war. It is a new type of war having its own weapons, ways, and plans of dominating the planet. It has no allies. All people are enemies. It shows no respect for human rights. It violates the rules of international humanitarian law. It shows no mercy for children, women, and old people. It is a dangerous enemy that cannot be killed by a gun or a tank or an aircraft, or a battleship. Even the intercontinental ballistic missiles cannot kill or defend the world against the fierce attacks of the disease. The dramatic irony which all people know is that all the weapons which cost the world billions of dollars cannot kill this disease (4).

It stands to reason that China, as the origin country of the COVID -19 virus, had to act more swiftly and rigorously than other countries¹⁹, as with almost 1.4 billion population, any mistake could have had disastrous consequences not only for the population but for the government as well. This, combined with hostile actions from all over the world, might be a reason for the Chinese military response to the pandemic. In an environment of unfavourable views of China, increased US-China trade tensions, and the entangled feud between the USA, China and the WHO for the centre of the virus, acting up in a military way seems like a logical step for China from an external security perspective as to not lose footing in the globalized world (Hilpert and Stanzel, 2021). This to some extent explains how China used its military as a soft power: by helping other countries combat the consequences of the pandemic and by delivering medical equipment, China showed that it has a place in the COVID -19 world other than that of the blameworthy party (Smith and Fallon, 2020). Both the use of soft

power and the military posturing stems from China treating the pandemic like a war and can therefore explain the increase in military spending.

Furthermore, China treated the pandemic as a war both internally and externally to support people's health and security (Wuthnow, 2020). In February 2020, President Xi quite literally called the fight against COVID -19 the *People's War* (Mulder, 2020) and the Foreign Minister Wang Yi has noted that 'China knows full well the value of peace'²⁰. At the outbreak of the pandemic, the United Nations [U.N.] though, asked nine countries, including China, South Korea, and France, to delay by three months the rotation of their U.N. peacekeeping forces to prevent peacekeepers from contagion (as had happened with the cholera epidemic in Haiti in 2010) (Van der Lijn, 2022). At the same time, it requested those countries to maintain operational strength and execute their mandated tasks. Thus, China directed funds towards the military as they had to step up and to be a part of the solution in the fight against the virus. This included military hospitals, support in logistical and technical questions and health security measures (Gibson-Fall, 2021). Hence, China mobilized over 10,000 military personnel and Chinese military medics and supplies have been sent to aid various countries (Lei, 2020) to protect the civilians²¹. China has also proposed building *a Community of Common Health for Mankind* and making vaccines a global public good once the R&D is completed (Boao Forum for Asia Launches 'Report on the Global Use of Covid-19 Vaccines', 2021). To some extent, the prolonged explain the increase of the Chinese millex.

China safeguards its national sovereignty²²

The priorities for the People's Liberation Army (PLA hereafter) changed throughout the recent years, in support of potential disputes at peripheral regions and defend the lifeblood of the Chinese development. In particular, and due to a continuously changing economic and security environment President Hu Jintao redefined the PLA's mission statement in 2004²³ mainly to reflect those changes and enhance China's sovereignty and territorial integrity and legitimacy (Li, 2011). Thus, apart from dealing with the pandemic, one reason that China increased its military spending was due to the threat of a full-scale war. The three main regions which saw and are likely to see continuous rise in tensions include the Indian-Chinese border, the South China Sea and Taiwan.

PLA seems to have adopted heterogeneous objectives in those regions. In case of the China-India border, two crucial roles of military were identified: '[...] in some instances, these

Chinese forces are deployed to protect the new physical infrastructure now being built, like roads, bunkers, and barracks, but in other instances they are seeking to establish a new presence across critical avenues of access to both sides' (Tellis, 2020: 2). Additionally, it was underscored that 'the long-standing border dispute between India and China remains intractable, as no mutually acceptable solution seems possible at the moment' (Kaura, 2020: 513). This strengthens the notion that although full-scale war is not likely, the current situation will involve significant costs as 'both sides end up in a long and interminable standoff' (Menla-Ali and Dimitraki, 2014: 3412).

A similar situation can be observed in the South-China Sea. Although a naval war between Vietnam, Philippines, Brunei, Malaysia and China is not plausible, China uses its military forces in innovative and unconventional manners for the region by using radars, anti-aircraft and airstrips which are spread through the South-China Sea (Duchâtel, 2021). The biggest drawback of this project is that 'for the construction of the artificial island, the cost is high, the development cycle is long, and the investment return is slow' (Zheng, et al., 2020: 7). This reinforces the notion of long-lasting costs of the current and future projects in the region similarly to the situation on the China-India border.

Taiwan is not an exception to this rule. As the conflict on the island would require two nuclear superpowers to fight each other, it would create a high risk of detrimental consequences for the entire world. The emphasis is that although the use of nuclear power might be unlikely at the beginning of the war, the likelihood increases with the development of the conflict (Sweeney, 2001). However, the US currently has 1750 operational warheads whereas China has around 200. This disproportion in nuclear power might be the reason why China is suspected of extending and modernising its nuclear arsenal. Although it is not likely to be employed by China in a war case scenario, it might be used as a nuclear deterrent in the region.

China's milex secures development interests and develops national defence capacity

The Chinese milex is linked with its economic development²⁴. China's milex has seen a nearly six-fold increase over the past two decades (from \$41.2 billion in 2000 to \$244.9 billion in 2020). One of the reasons, corresponds with over two decades of modernization efforts. China began military modernization in earnest after the 1995–1996 Taiwan Strait crisis, which exposed fundamental weaknesses in China's ability to deter foreign intervention

in sovereignty disputes. This increase in China's military was, in part, also a response to domestic policies and participation in UN peacekeeping operations, antipiracy efforts, and humanitarian assistance and disaster relief (IISS, 2020). Also, one of China's basic policy goals is to support sustainable development of the country (Ministry of National Defence PRC, 2019).

Furthermore, the Chinese military is tied to China's rising gross domestic product (GDP). According to Menla-Ali and Dimitraki (2014) the Chinese military increases in periods of boosted economic growth. Since 2000, China's defence expenditures as a share of its GDP has hovered, though, at or below 2% compared to US military spending averaged about 3.9% of GDP from 2000 to 2020. For China there were no defence budget

Furthermore, China's military, the People's Liberation Army (PLA), is undergoing massive reforms. It has been modernised, with the latest technology being incorporated as a big part of military. However, the country has been reliant on Russian arms imports since the end of the Cold War in the 1990s after Western powers placed an arms embargo on China. According to the SIPRI (2021) a large majority (77%) of Chinese arms imports during the period 2016-2020 were Russian. The next biggest exporters to China are France (9.7%) and Ukraine (6.3%). China imported 18% of Russia's exports and 36% of Ukraine's exports making it overall the fifth largest importer of major arms in 2020 (IISS, 2021).

Nevertheless, due to high military spending over the past decade there has been a shift to increased manufacturing of their own military hardware, improvement of equipment and organisational structure (IISS, 2021). The above resulted for China to be one of the greatest arm exporters: China exported more arms than they imported the last two years. In order to compare military trade between different countries SIPRI came up with an estimation figure that is based on production costs for various weapons called trend-indicator values (TIV). During the period 2010-20 China exported nearly 16.6bn such TIV, an annual average of 1.5bn (SIPRI, 2021).

Final Remarks and Limitations

It is probable that the full economic and fiscal effects of Covid-19 will manifest only in the years to come, when the costs of the crisis are reflected in government spending policy. For instance, in the wake of the 2007–08 global financial crisis, global GDP did not contract until 2009, and the biggest cuts to defence were not made until 2012 and 2013. In 2011, global

defence spending reached a peak of US\$1.55 trillion (2015 US\$). It took five years for spending to recover back to this level, reaching US\$1.56trn (2015 US\$) in 2016.

China's spending on the PLA, China's armed forces, will rise 7.1% compared to last year, according to a 5 March 2022 announcement about Beijing's defence budget for 2022 so as to safeguard its security and development interests (e.g. modernisation of the PLA Navy). The overall increase is approximately 20 billion US dollars 'but China's defence spending overall is no mystery – it supports PLA's modernization and personnel development as well as its announced objectives of securing China's homeland and asserting control over contested territorial and maritime claims, with a focus on the Near Seas (the Yellow, East, and South China seas)' (Liff and Erickson, 2013: 85). Furthermore, in the three months between March 13 and June 19 2020, the PLA transferred medical material to 46 countries. The material, which mostly consisted of masks and personal protective equipment (PPE), were donated to the recipient countries' armed forces or defence ministries. The PLA also set up video conferences with foreign militaries to sharing its experiences of fighting the Covid-19.

Changes in China's domestic and foreign policies lead to changes in the country's international affairs and participation in supranational institutions, including that on UN peacekeeping. China's gradual involvement to U.N. peacekeeping was mainly based to its need for a peaceful international environment that could promote its own economic development and strengthening the U.N. (Yin, 2007). Today's China is the second largest U.N. peacekeeping financial contributor and the most active UN peacekeeper. Hence, the PLA has included peacekeeping as one of its major missions, which in turn impacted China's millex.

Although this study aims to explore the basic arguments regarding the impact of the COVID-19 pandemic on Chinese defence spending and its role to peacekeeping, it does not cover in great depth all information surrounding this area as the conundrum, is far from being resolved. Hence, future studies may provide additional insights through comprehensively considering other research directions.

Notes

¹ Autesserre (2014) uses Peaceland to describe the community of foreign organizations, such as the UN and NGOs, engaged in peacekeeping and peacebuilding.

² Most countries prioritized public health and reviving their economies especially over peace operations in conflicts far away.

³ E.g. economic, health, personal, political, food, environmental, and community security. See more at UNDP (1994).

⁴ See Padhan and Prabheesh (2021) for a survey of the economic impacts of COVID-19.

⁵ For a thorough discussion of the role of militaries on health, see Kennedy et al. (2019).

⁶ For a thorough analysis on China's strengths and weaknesses for the COVID-19, see Wang and Wang (2020).

⁷ The handover ceremony of the Chinese COVID-19 vaccines to the UN peacekeepers was held on September 17, 2021. (See more: Wei, 2021).

⁸ At this point two factors should be considered as well: a) Part of China's economic strategy is to support its military modernization: for more see Annual Report to Congress (2020) from China's office of the Secretary of Defence, at: <https://media.defense.gov/2020/Sep/01/2002488689/-1/-1/1/2020-DOD-CHINA-MILITARY-POWER-REPORT-FINAL.PDF> . b) At the forefront of fighting and controlling the spread of the virus in China was the People's Liberation Army (PLA)

⁹ In general, the literature was mainly focused on issues such as healthcare, education, tourism and SMEs.

¹⁰ For more see: Yetkiner (2012).

¹¹ See (Awaworyi and Ling Yew, 2018) for a metanalysis at the in the military expenditure-growth empirical literature.

¹² See for instance Michaud et al. (2019).

¹³ A complete discussion regarding further military interests for their involvement with health crisis can be found at Kalkman (2021).

¹⁴ Burton (2020) severely criticized China's developmental peace calling it *negative peace*.

¹⁵ However, without the huge economic development that 'provided the country with resources, confidence, and enthusiasm to fulfil its global peace engagement strategy' (Lei 2011: 344).

¹⁶ China refused though, to adopt measures such as external interventions by distancing itself from military interventions abroad which contradicts China's fundamental foreign policy principle of state sovereignty (Feng, 2016) .

¹⁷ See more at: Chinese envoy to UN asks peacekeeping operations to help fight COVID-19 available at: <https://www.globaltimes.cn/page/202102/1215689.shtml>

¹⁸ By 6 July 2020, there were 550 confirmed COVID cases among UN peacekeepers, but fewer than 10 fatalities. As of 1 October 2020, there were 463 cases, including three deaths, among MINUSCA peacekeepers in the Central African Republic. In the Democratic Republic of Congo, MONUSCO recorded 171 cases, including 6 fatalities, by 25 November 2020 (Lijn, 2022).

¹⁹ For a review of the reasons see at the report of the Institute for Economics & Peace (2020).

²⁰ 'Peace is an ever-lasting aspiration of the Chinese people and the salient feature of China's development' The State Council Information Office of the People's Republic of China (2020:1).

²¹ The Protection of civilians (POC) is an important part of the U.N. Peace Keeping Operations [UNPKOs].

²² Even when discussing the Chinese view of peace-building, the emphasis on respecting territorial sovereignty remain at the forefront.

²³ ‘The priorities were: Consolidate the ruling status of the Communist Party; Help ensure China’s sovereignty, territorial integrity, and domestic security in order to continue national development; Safeguard China’s national interests; Help maintain World Peace’ (Li, 2011:81).

²⁴ Discussion regarding the effects of military on economic growth in China can be found at: Dimitraki and Menla-Ali (2015) and Menla-Ali and Dimitraki (2014).

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