China’s ‘One Belt, One Road’ Initiative: A Grand Vision or a Play for Power?

By Wang Yiwei

China’s Belt and Road Initiative is a grand vision that has the potential to deepen connections both within Asia and between Asia and the rest of the world in ways that will promote shared prosperity. It is by design a vision that is embracing and open.

By Greg Sheridan

The initiative has a lot to recommend it, not least because it could lead to more than US$1 trillion in much needed infrastructure spending. But make no mistake about it: it also has financial and geo-strategic motives to enhance China’s influence in the region and the world.
China’s Belt and Road Vision Comes Down to Connectivity

By Wang Yiwei

IF WE COMPARE the Belt and Road to two wings for the Asian economy to take off, then connectivity is the blood vessels of the wings. – Xi Jinping

CHINA’S Belt and Road Initiative is firstly an integrated, multi-dimensional Eurasian transport network composed of railways, roads, airports, sea routes, oil and gas pipelines, transmission lines and communications networks. Along these, there will be industrial clusters serving these networks and related industries, forming economic corridors that will integrate the development of construction, metallurgy, energy, finance, communications, logistics, tourism and other sectors. This network will connect the Asia-Pacific region, the engine of the world economy, with the European Union (EU), the world’s largest economy.

This longest economic corridor in the world will bring new space and opportunities to Eurasia and exert economic influence on East, West and South Asia. The basic direction and objective of the Belt and Road Initiative is to promote trade and investment facilitation, deepen economic and technological co-operation, establish free-trade zones and finally create the Eurasian market. The Initiative has as a prime goal allowing the optimal allocation of intra-regional trade and production factors, promoting regional economic integration and realizing the simultaneous development of the regional economy and society. This Eurasian Free-Trade Area or Eurasian market will have a transformative impact on the world economic landscape, and will contribute to a new global political and economic order.

ANCIENT ROAD, MODERN ASPIRATIONS
As part of the initiative, the Silk Road Economic Belt, following the ancient Silk Road, embodies the idea of collective and co-ordinated development of cities along the belt. The majority of countries involved belong to the “collapsed zone” between the two growth engines, East Asia and Europe. Given the sharp contrast between the highly prosperous ends of the belt and the less developed middle part, this region has long seen demand from these countries and their people for economic growth and better lives. This demand, together with the need of the two economic engines to establish a better connection, gives the Silk Road Economic Belt its international strategic support.

The belt is divided into three components: The North Line, the main part of which is the Eurasian Land Bridge (Beijing-Moscow-Germany-northern Europe); the Middle Line, which consists mainly of oil and natural gas pipelines (Beijing-Xi’an-Urumqi-Afghanistan-Kazakhstan-Hungary-France); and the South Line, the backbone of which are trans-national highways (Beijing-South Xinjiang-Pakistan-Iran-Iraq-Turkey-Italy-Spain). The Silk Road Economic Belt focuses on bringing together China, Central Asia, Russia and Europe (the Baltic); linking China with the Persian Gulf and the Mediterranean through Central Asia and West Asia; and connecting China with Southeast Asia, South Asia and the Indian Ocean. It is crystal clear that all these efforts aim to help landlocked areas develop and connect to the oceans.

The 21st-Century Maritime Silk Road starts from China’s coastal cities such as Quanzhou in Fujian and runs through the Pacific Ocean, Indian Ocean, South China Sea, Malacca Strait, Bay of Bengal, Arabian Sea, Gulf of Aden and Persian Gulf. It covers ASEAN, South Asia, West Asia and Northeast Africa, creating one route from coastal China to Europe through the South China Sea and the Indian Ocean, and another route from China through the South China Sea to the South Pacific.

In line with the priorities of the 21st-Century Maritime Silk Road, China will deepen ocean co-operation by fostering closer ties with countries along it, supported by the coastal economic belt in China. Ocean co-operation will focus on building the China-Indian Ocean-Africa-Mediterranean Sea “blue economic passage,” by linking the China-Indochina Peninsula Economic Corridor, running westward from the South China Sea to the Indian Ocean, and connecting the China-Pakistan Economic Corridor (CPEC) and the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC). Efforts will also be made to jointly build the blue economic passage of China-Oceania-South Pacific, travelling southward from the South China Sea into the Pacific Ocean. Another blue economic passage is also envisioned leading from China to Europe via the Arctic Ocean.

OF, BY AND FOR ALL: GUIDING PRINCIPLES
The Belt and Road Initiative encapsulates a number of principles, but three are key: it is built of all (with wide consultation; a community of common interests); built by all (from joint contributions; a community of common responsibility); and built for all (benefits are shared; a community of common destiny/shared future).

The initiative is embracing and open. First, it will not intrude on existing regional institutional arrangements. Second, it will work with outside countries such as Japan and the US, sharing resources among related countries instead of keeping resources within certain countries. For example, the talented people, financial resources, standards and techniques behind many of the projects will come from all over the world.

The initiative is also markedly different from Western colonialism, imperialism and hegemony, which emphasized international looting and competition, rather than co-operation or compromise; it is also different from the West’s post-Sec-
The Debate: China’s ‘One Belt, One Road’ Initiative: A Grand Vision or a Play for Power?

Wang Yiwei is Professor at the School of International Studies and Senior Fellow of Chongyang Institute for Financial Studies (RDCY), Director of the Institute of International Affairs, and Director of the Center for EU Studies at Renmin University, China. His recent publications include The World Is Connected: Logic of The Belt and Road Initiative; The Belt & Road Initiative: What China Will Offer the World in Its Rise.

The US Reaction
When China first put forward its vision of the Belt and Road Initiative, the US government seemed to consider it an “illusion” and didn’t pay much attention to it. Until now, Washington has been studying the intent, potential effects and feasibility of the initiative, so no clear stance emerged. Until the success of the Asian Infrastructure Investment Bank (AIIB), the US government had not changed its mind, but some US think tanks are studying the impact of the initiative on the global order and global governance, and some US elites fear that China will be able to challenge the US-led international order through the AIIB and the Belt and Road Initiative, or that the success of the initiative will enable China’s development model to challenge the Western model and its values.

There are also people who believe that the Belt and Road development will not necessarily compete with the US, but can bring opportunities. For example, the emergence of a vast Eurasian market could also benefit the US. It has also been suggested that the US should seek to integrate its own New Silk Road Strategy, designed to help stabilize and develop Afghanistan, with the Belt and Road Initiative and strengthen co-operation with China in regional security governance.

After the successful launch of the AIIB, perhaps the US will have learned some lessons and rethink its stance on the Belt and Road Initiative. “If you can’t beat ‘em, join ‘em” would then become an option for the US. Given that US President Donald Trump is highlighting the building of infrastructure to boost the US economy, it would be good to see him move Washington toward participating in the Belt and Road Initiative, which would enhance co-operation between China and the US in a wide range of areas and would be good for both countries and for the world.

We want to achieve the kind of connectivity that is not only about roads and bridges, but not only one-dimensional and single-line, it should be more about the integration of infrastructure, institutions and rules, and personnel exchanges, about the common progress of policy co-ordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bonds. It is all-directional, all-dimensional, network-based connectivity; it is an open system empowered by wide consultation and joint contribution.

The connectivity of the Belt and Road Initiative involves five important facets: first, policy communication; second, facilities connectivity; third, unimpeded trade; fourth, financial integration; and fifth, people-to-people bonds. In contrast to the one-way export approach of the Marshall Plan, the Belt and Road Initiative is designed by China to share quality production capacity with countries along the routes. Upholding the principle of “built of all, by all and for all,” it aims to achieve the five major goals of connectivity mentioned above. With much richer ambitions than the Marshall Plan, the initiative will fulfill three major missions: to explore drivers of global growth in the post-crisis era; to rebalance globalization; and to create new models for regional co-operation in the 21st century.

The undertaking has the potential to boost a region that will account for 80 percent of global economic growth and catapult 3 billion more people into the middle class by 2050, according to advisory firm McKinsey & Co.

In addition to transforming China’s economic development model, the initiative is also aimed at lowering logistics costs, enhancing the comparative competitiveness of Asian and African countries, eliminating the development gap between landlocked and maritime countries and regions and realizing the United Nations’ post-2030 development agenda and the long-term peace and stability of humankind.

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