

Hanging By A Thread? China, America and the New Silk Road

Written by Joseph Anstee

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JOSEPH ANSTEE, MAR 2 2013

Why in Recent Years have China and the US Made Moves to Revive the Concept of the Great Silk Road, and Why Does it Matter?

The Great Silk Road, although a modern construct, refers to a historical network of interlinking trade routes that stretched all the way across the Eurasian landmass, connecting East and West in a time long before motorways, airports and railways. Having extended over five thousand miles in its beginnings, the Silk Road facilitated trade between caravan merchants, and goods specific to a given region, such as the prized Chinese silk from which the construct takes its name, could travel gradually from China in the East, all the way to Europe and the Mediterranean, via Central Asia and the Arab World. The lucrative trade in Chinese silk, a sought-after product in the West from the period of the Roman Republic and later Empire, can be traced back to the Han Dynasty, from the second century BC. In the centuries before Christ, exploration and expansion into Central Asia by the Greeks in the West, starting with Alexander the Great, and by the Chinese in the East through imperial envoys such as Zhang Qian, led to the first known contact between China and the West, and by the end of the first century BC the Silk Road had come into being. The two extremes of the Eurasian continent were connected, albeit through Indian, central Asian and Arabic traders.

However, the Great Silk Road plays a far more important role in history than just simply a way to buy silk and sell olive oil. As leading economist and China expert Ben Simpfendorfer tells us, 'the Silk Road, of course, was never just about trade and capital. It was also about ideas'.^[1] The Great Silk Road can be considered a key factor in the development of civilization in China, Europe, Central Asia, India and Arabia because as well as facilitating the exchange of silk and other goods, the Silk Road also facilitated communication, the establishment and maintenance of diplomatic relations, and the transmission of culture, technology and religious and secular philosophies. An early phenomenon, of political and cultural integration, the Silk Road sustained an international culture which grew over time, but experienced prime periods of popularity and activity in differing eras at differing points along its immense length. The transmission of material and cultural goods was not all positive and helpful for development, as political disunity and conflict along the route could easily disrupt trade and co-operation. Tribal societies living along the Silk Road, who had previously been in isolation, were drawn to the riches and opportunities of the connected civilization, and were tempted by the trades of marauders or mercenaries, many becoming skilled warriors. Therefore the Silk Road can be credited, at least in part, with the formation of military states and empires in Central Asia and the East, which could influence the trade taking place along the Silk Road, and the main traders along the route passed from Indian and Bactrian traders in antiquity, to Sogdians and later Arab and Persian traders as conflicting states rose to and fell from prominence, and the Islamic Caliphate dominated trade in the region for much of the Middle Ages.

The Mongol Empire, which one might argue was aided in its eventual formation by the effect of centuries of activity along the Silk Road, and Mongol expansion across the Asian continent helped bring more political stability, re-establishing the Silk Road with its political centres, which included Beijing, spread along the course of the Silk Road, and this did much to aid communication between East and West through missionaries and envoys as well as the caravan merchants, most famously documented by the travels of Venetian explorer Marco Polo in the thirteenth century. The Silk Road can also, less fortunately, be attributed significance in the transmission of the Black Death,

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reaching from Central Asia to Europe along the trade routes, and this along with the fragmentation of the Mongol Empire loosened the political and economic solidarity between powers along the Silk Road and saw a decline in levels of trade. Furthermore in Europe the nation-state rose and gave way to conflict and economic mercantilism, and so the Silk Road suffered as a trade network between the fourteenth and sixteenth centuries. Simpfendorfer states that trade between the Arab World and China had flourished for over a millennium, but 'political turbulence in Central Asia made the Silk Road too dangerous for the caravans, while the newly emergent European powers opened up sea routes to commerce'.^[2] Whether the advent of maritime exchange was a direct effect or cause of the decline of the Silk Road over land is debatable, but the rise of the European powers would change the world in all respects, including international trade.

So as we can see, the concept of a Great Silk Road in pre-modern society did much for the development of societies across the world, increasing communication, allowing ideas and discoveries to spread and creating a more economically and politically advanced, integrated and co-operative world, although it could not stop conflict. With this in mind, we can examine with interest moves in the modern world, specifically by the present day's two biggest powers in the United States of America and China, to revive the concept of the Great Silk Road. Although the countless advances in technology and development of society since trade along the Silk Road dried up means a series of caravan merchants are no longer necessary for the transmission of goods, a 'New Silk Road' will still be primarily used for international trade. Thanks to the collapse of the USSR, whose closed borders stood, sometimes literally, as a wall across Eurasia, China's decision to open trade across its western border, and the gradual return of Afghanistan to the community of nations, continental trade spanning the entire Eurasian land mass is again possible. Moreover, we can also consider the concept of a New Silk Road in a more metaphorical sense. Perhaps a New Silk Road will facilitate the transmission of ideas and technologies that aided and affected pre-modern societies in such a significant fashion.

The roots of a plan to revive the concept of the Great Silk Road via a combination of modern highways, rail links and energy pipelines running across the Eurasian landmass can be found in the intentions of the United Nations Economic and Social Commission for Asia and the Pacific, or UNESCAP, to initiate the project of a Trans-Asia Railway in 1959.^[3] The Cold War kept these plans on ice until the 1990s when the Trans-Asian Railway and a New Silk Road began to appear in both Chinese and American rhetoric. As the two biggest powers of our time, the fact that the USA and China have both in the years since around 1990 actively sought to revive the Silk Road in a modern form should be encouraging, but it does not necessarily represent shared interests, and indeed there is good reason to believe that the US and China have different concepts, expectations and intentions for a New Silk Road. The relationship between the US and China bears significance for the entire world, and this is why examining, scrutinizing and comparing Chinese and American motivations in reviving the Silk Road is so important. It brings to light the potential dangers of both powers acting on the project with only their own intentions in mind, many specific to the Silk Road project such as the infrastructure and the future of Afghanistan, and several representative of wider issues in the burgeoning Sino-American power tussle, such as retaining influence in the Arab World, control of mineral resources, and military presence across the Eurasian continent.

From a theoretical perspective, it is not difficult to see the relevance of the New Silk Road to some of the many Grand Theories of history and prominent theories about the political and economic world of today, in particular concerning the rise and fall of dominant powers in the world, and the interaction between dominant states and their challengers in what Samuel Huntington dubbed a 'clash of civilizations'. The New Silk Road and its implications could provide the friction required to trigger conflict between the US and China, 'the two great, but utterly unlike, economic powers of our time'.^[4] Only the most pessimistic of scholars or those who advocate the idea that conflict is inevitable between rival superpowers would suggest that all-out conflict between China and the US is a distinct or likely possibility, but the course that is taken in the New Silk Road project has wide potential to create more problems than it solves or relieves. Moreover, the rhetoric on the New Silk Road by both China and the US may not match the actual intent or aims of either party, and by taking a look at past policymaking in both countries, as well as considering the issues that will be created by the New Silk Road, we can gain a better sense of the potential merits and dangers of the project and its effect on the global political and economic landscape.

In *When China Rules the World*, Martin Jacques theorized that the declining USA will be surpassed by China during

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our lifetime, and that China will become the dominant global leader that the USA was during the twentieth century. Jacques argues that 'the power of each new hegemonic nation or continent is invariably expressed in novel ways', in the case of Europe in the Early Modern period, it was maritime expansion and colonial empires, and for the US it was airborne superiority and colonial empires. He suggests that 'Chinese power, similarly, will take new and innovative forms'.^[5] Meanwhile Susan Shirk stresses in *China: Fragile Superpower* the need for mutual understanding between China and the USA, though more specifically the USA, as China becomes more and more powerful in order to minimize tensions and avoid conflict. She rightly surmises that 'the scale of China's economy has caused economic competition which can easily be misunderstood as a geopolitical contest for power, even in this era of globalization'.^[6] The issues surrounding the New Silk Road project can illuminate the possibilities of China's intentions once it becomes the most powerful economy, and also the likelihood of facilitating co-operation and understanding between the two powers, that partly characterized the Great Silk Road in its earlier form. Fortunately, both Shirk and Jacques point to the economic interdependence between China and the US as a key obstruction to conflict, but issues like mineral resources and spheres of influence could eventually overpower the resolve to compromise.

The New Silk Road

i) China's Concept

Since Premier Li Peng in 1994 discussed the revival of infrastructure across Central Asia on an official visit and pronounced 'it is important that we open a modern version of the Silk Road', China has done more than any other nation to re-forge trade and transport links and establish a New Silk Road, in terms of both financial and political investment.^[7] Richard Rousseau in *Diplomatic Courier* tells us that 'Beyond speeches, in the last two decades the idea of "Rebuilding the Silk Road" has become a key component of China's reforms and a cornerstone of its economic policies'.^[8] If words are to be taken at their face value, China is focused on the internal and external economic benefits of a New Silk Road. The Chinese concept of a New Silk Road is based around over forty thousand kilometres of railways in three corridors across the Eurasian continent dubbed the 'Eurasian Land Bridge'. The first of these for the most part uses the Trans-Siberian Railway between Vladivostok and Western Europe, and was completed in 2008. The second runs from Lianyungang Port, through Kazakhstan and eventually terminating at Rotterdam, which completed testing in 2011. The third begins at the Pearl River Delta, running through South Asia before also terminating at Rotterdam, but is not yet finished. We can point out the numerous beneficial aspects of such a connection to Central Asia, the Middle East and Europe for China, in trade, environment and diplomacy.

Fu Jing in a 2004 China Daily article stated that 'Nowadays, as the old thoroughfare [of the Silk Road] falls into disrepair and oblivion, regions along it are also suffering'. He alludes to another aim of China's New Silk Road, stating that China 'needs to develop its own western regions by co-operating with Central Asian and European countries'.^[9] In a volume edited by Frederick Starr, Niklas Swanstrom, Nicklas Norling and Zhang Li point out that the total trade volume between China and the former Soviet states of Greater Central Asia have increased exponentially from virtually zero in 1991 to nearly six billion dollars in 2004.^[10] While this is significantly profitable for China, it is also stated that greater ties between China, South Asia and the Middle East puts Greater Central Asia at the crossroads of Eurasian continental trade corridors, which opens alternatives to the Central Asian states, and 'for the first time in a century the Greater Central Asian states can trade freely with their friends in the South, East and West'.^[11]

So as we can see, the New Silk Road, in the eyes of China, will allow for increases in the volume of trade, by opening new channels and increasing efficiency, between China and Central Asia, the Middle East and Europe. China has also made moves to stimulate trade between these areas, re-launching the yearly China-Eurasia Expo in 2010.^[12] Furthermore, the plans will significantly improve the infrastructure of China's western regions, including the troubled Xinjiang province. Improving the Xinjiang province is a high hope of the New Silk Road in the eyes of the Chinese government. Denny Roy had previously argued that neighbouring Kazakhstan controls an infrastructure that is superior to that of Xinjiang, and PRC strategists at the turn of the century saw it as 'imperative that Xinjiang makes rapid economic strides in the coming years as a hedge against Xinjiang Chinese envying the living standards of their fellow ethnics'.^[13] These plans had earlier roots, as after the break-up of the Soviet Union, 'the Chinese moved

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quickly to establish three Special Economic Zones in Xinjiang province, all connected by rail to the Central Asian states'.^[14] The New Silk Road project will act and improve upon these interests. Furthermore, appealing to the population of the twenty million Chinese Muslims, of which ten million make up the Hui Muslim population that Simpfendorfer claims are 'the original descendants of Silk Road traders', should prove conducive to good relations with the Central Asian states and with the Arab World, and so the New Silk Road can for China provide a return to the flourishing trade with the Arab World that the Great Silk Road had provided in the past.^[15] It can also be pointed out that Islam found its way to China as part of the transmission of non-material goods that the Great Silk Road facilitated in history, with Buddhism travelling the other way.^[16]

Furthermore, Jing informs us that at the time, almost all of China's exported goods to Europe are transported by sea, and also that 'the areas along the China section of the second route are the country's most important bases of energy and raw materials'.^[17] The railway links improve on the expensive and time-consuming nature of Chinese maritime logistics would provide a faster, cheaper, cleaner and altogether more efficient way of distributing China's exports. For example, Dr. Christina Lin recorded that by using the first corridor, cargo could be transported from Beijing to Hamburg over ten thousand kilometres in fifteen days. By comparison, shipping the goods from China to Germany would add another ten thousand kilometres and twenty-five days to the transport time.^[18] The other corridors present a similar increase in efficiency. In the case of China, where the economic growth enjoyed in recent decades has come at a severe environmental cost, one that continues to rise and can be argued to be unsustainable in the face of continuing growth, the lighter carbon footprint of freight rail compared to sea travel is a relatively small but welcome relief. However, as we will see, the advent of freight has not slowed Chinese investment in maritime endeavours.

Despite the largely positive aspects of China's multilateral approach and generous investment, there are underlying aspects of China's concept of the New Silk Road which do not seem concordant with such gestures. Lin argues that 'Conceptually, China's New Silk Road is based on China's resurging imperial role in the world', citing the strategic frontier doctrine as a cause for concern behind the rhetoric of improving trade and helping their Asian neighbours.^[19] Certainly it could be argued that China's sponsorship of the railways and heavy investment is part of a defence strategy and power projection, protecting supply lines and enabling potential militarization. The governor of Yunnan province, Qin Guangrong, promoting the third corridor of the Eurasian Land Bridge, was quoted in China Daily in 2009 as saying the land corridor 'would boost trade and provide an alternative transport channel to safeguard China's energy and economic safety',^[20] which does not appear to rule out such suspicions, although it is mixed in with the more benign aspects of China's involvement in the New Silk Road project.

ii) America's Concept

On the other hand, although the desire to help the Greater Central Asian states is an aspect where intentions overlap, the American concept of a New Silk Road does not match the Chinese concept. Where China's New Silk Road is more concerned with economic possibilities, the US is more concerned with the political aspects of such change, surely in part as a result of the fact that North America will not be any more connected directly with other parts of the world as Europe, Central Asia and China will be by a completed New Silk Road. On a basic level, Christina Lin claims that 'US motivations for the New Silk Road address security issues such as denying safe havens for terrorists, WMD proliferation and the need for energy and stability in the region'.^[21] Therefore it becomes easy to argue that alongside preparing Afghanistan's economy for post-2014 when coalition forces have withdrawn from the country, and aiding other Central Asian states in boosting economic activity, providing regional stability, and cleansing the fading Soviet influence, the US surely by participating in the New Silk Road project seeks to maintain and protect its influence in Asia and the Middle East.^[22] The relationship between the US and the Middle East and Islamic World has been well-publicized for negative reasons since 2001. However, US interest in the region and the New Silk Road project pre-dates the terrorist attacks on New York of September 2001, with The Silk Road Strategy Act first rolled out by the US Congress in 1999, to be updated in 2006. Afghanistan seems to be the point where the Chinese and American concepts of the New Silk Road most converge, with the mutual aim of propelling Afghanistan into being the 'Asian roundabout' in Eurasian trade and commerce.

The US plan to develop on their own Northern Distribution Network, which they have used to supply their own forces

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in Afghanistan when political conditions in surrounding countries such as Pakistan have been unfavourable, in a similar manner to China, in that caravan tracks and camel pathways of the Old Silk Road will be replaced by energy pipelines and railways. The full title of the 1999 Silk Road Strategy Act reads 'To amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia'.[23] While the American rhetoric on the matter discusses long-term stability and opening up possibilities for Greater Central Asian states, it is not hard to uncover self-interest in the plans, with the aims of retaining American influence in the region, and protecting American businesses. Joshua Kucera in *The Diplomat* commented that 'the plan also dovetails nicely with a broader U.S. project to wean these countries away from their economic and political ties to Russia',[24] while Richard Solash surmised that the US is 'well aware of fears that waning U.S. interest in the region could lead to chaos, would be able to show that it is involved for the long-term while also keeping Iranian interests in the region at bay'.[25] Some might argue that in actuality, the US concept of the New Silk Road is a continuation of American twentieth-century strategy of imposing Western principles in a double-edged sword with the giving of aid or military intervention and protection, in much the same way that the Taiwan Relations Act seeks to protect democracy in Taiwan from the Communist Chinese mainland, and this area is pointed out by both Jacques and Shirk as a potential trigger of conflict in the future.

In the Silk Road Strategy Acts of 1999 and 2006, the full text highlights 'democracy building assistance', to promote sovereignty, independence with democratic government, the promoting of 'market-oriented principles' and the 'support of US business interests and investments in the region', as well as the development of infrastructure necessary for exchange on an East-West axis with 'the democratic, market-oriented countries of the Euro-Atlantic community'.[26] However, in 2010 US forces discovered around one trillion dollars' worth of untapped mineral deposits in Afghanistan, and as energy prices around the world soar, this could be a point of heavy tension. The text of the Silk Road Strategy Act 2006 mentions that 'the energy-producing and energy-transporting states of Central Asia and the South Caucasus will enhance United States access to diversified energy resources, thereby strengthening United States energy security' as well as 'Preventing any other country from establishing a monopoly on energy resources or energy transport infrastructure in the countries of Central Asia and the South Caucasus that may restrict United States access to energy'.[27] James Risen in the *New York Times* commented that the reserves are 'far beyond any previously known reserves and enough to fundamentally alter the Afghan economy and perhaps the Afghan war itself', but he also indicated arguably the biggest problem with the reserves, the potential for friction between America and China. Risen told us that 'American officials fear resource-hungry China will try to dominate the development of Afghanistan's mineral wealth, which could upset the United States, given its heavy investment in the region'.[28]

So as we can see, American and Chinese intentions, aims and expectations for the New Silk Road differ, with the Chinese wishing to strengthen ties with their neighbours and to strengthen their own extensive trade network across the Eurasian landmass, whereas the US wish to retain and impose their own influence on the region with the aim of guiding the Greater Central Asian states towards a Western path of economic and political development, based on democracy and free market principles. This illuminates the areas of potential friction, if both powers continue their work on the project with only their own intentions in mind, against the suggestions of Susan Shirk. Ominously, it is difficult to find any dialogue between the United States and China on the New Silk Road project and as time goes on, the issues of energy security, resources and military presence could become dangerous.

Problems

So we must consider whether or not it is likely that the New Silk Road can facilitate the required understanding for co-operation between the superpowers and ensure the peaceful development of what Jacques called 'contested modernity', or whether the blank canvas of the Greater Central Asian states will become the battleground for influence, as the rising Chinese superpower seeks to surpass the declining US. In *A Contest for Supremacy*, Aaron Friedberg argues that 'the emerging Sino-American rivalry is not the result of easily erased misperceptions or readily correctible policy errors'.[29] However, as he, Martin Jacques and various other scholars have pointed out, at the present time both the US and China continue to benefit from their deep economic entanglement, and Friedberg also argues that 'most experts remain strongly committed to the belief that Chinese and American interests are steadily converging'.[30] On issues like energy security and holding influence through military presence and political

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guidance, the New Silk Road, at least at first, does not appear concordant with this.

On the issues of oil and energy, clearly both the US and China intend to utilize the resources found across Central Asia. Simpfordorfer tells us that China is looking towards Central Asia due to the amount of troubled states in the Middle East and Africa.[31] Susan Shirk tells us on this matter that China currently relies on the politically volatile Middle East for over sixty per cent of its oil. Shirk also told us that the Chinese invest in new oil and gas fields instead of just buying energy on the market so it can be sure that the US or other countries cannot shut it off if relations sour, and the US has done the same in the past.[32] It is probable that the Chinese concept of the New Silk Road is heavily focused on protecting their energy supplies, as suggested by the rhetoric and media articles mentioned earlier. Friedberg commented that 'Almost overnight China has acquired interests in virtually every corner of the earth, yet it currently has no means of protecting them or of guaranteeing its access' and that Chinese officials are painfully aware of this.[33]

Shirk argued that from a Chinese perspective, it looks as if global energy markets are dominated by Western oil companies.[34] However, since the last few years have been characterized by the Chinese buying companies in every field of commerce, with Martin Jacques informing that in the six months before the end of March 2011, Chinese businesses invested over sixty billion dollars in acquisitions, trade deals and loan agreements, and these were just investments made in Europe, this has surely changed.[35] Furthermore, Friedberg tells us of a growing 'maritime faction' in China, which aims to combat the threat to maritime blockade to which China is still vulnerable,[36] which would explain why the Chinese continue to invest heavily in maritime endeavours, both commercial and military, despite the fact that the Eurasian Land Bridges and their freight rail alleviate some of the requirements for this. As global supplies of energy become tighter in the face of continually increasing demand, the US may be forced to seek greater quantities of energy from the Middle East if supplies cannot be secured from sites along the New Silk Road. With the Chinese position in the Middle East strong and getting stronger, competition between the two major energy consumers could intensify to the point of highest tension.

Another problem presented by the New Silk Road is the diplomacy which it brings, which although beneficial for each party separately, could be dangerous if misinterpreted. China's involvement in the New Silk Road strengthens organizations such as ASEAN, the SCO and new groups such as the Pamir Group which China has initiated with Afghanistan and Pakistan. Many of the multilateral ties that China has built in recent years exclude the USA. As China has become powerful it is now undoubtedly the dominant country in Asia, and has built diplomatic ties with the countries of Asia over the last few decades, making multilateral co-operation a core tenet of its national security doctrine. Susan Shirk argued that 'underlying China's multilateral activism is an implicit challenge to the US as the superpower which dominates the Asia-Pacific region and the world through its bilateral alliances'.[37] With the New Silk Road, the new routes of the Eurasian Land Bridges 'reduces China's reliance on railways controlled by Russia, Europe and America, and allows Iran to hedge against US/Allies trade embargoes over its nuclear program'.[38] Furthermore, Shirk also alludes to the difficulty in some of China's multilateralism. For instance, she suggests that Beijing has had a difficult time convincing the US that the SCO isn't an 'anti-American club' after 2001, and also argues that the Chinese have sent ambiguous signals as to whether or not the ultimate goal is to exclude the US from Asia. When the New Silk Road project is fully implemented with China at its head, the increased ties between China and the other countries at the forefront of involvement, some of whom have endured hostile relations with the US in recent years such as Pakistan, Iran and Syria, and the platform it will provide for groups like the SCO which excludes the US, it must be said that the pressure this could place on America could become dangerous if not handled correctly.

Moreover, the New Silk Road project as a means to increase military presence by China could also raise tensions between the superpowers to hazardous levels. As Susan Shirk, quoting from the theory of historian Paul Kennedy, said "Wealth is usually needed to underpin military power, and military power is usually needed to acquire and protect wealth", and China is strengthening in both, a fact that could well be emphasized by China's involvement in the New Silk Road project.[39] Dr. Christina Lin treats this issue in detail, and states that 'Similar to America building the first transcontinental railroad in the 19th century, China's own "Empire Express" of the Eurasian Land Bridges can not only project commercial but also military influence across Eurasia'.[40] As argued by Lin, we have already mentioned the fact that China does not adhere to the Western concept of borders and territories like the US and the

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West, instead believing in power projection or 'strategic frontiers' that expand or contract according to the centre's ability to project power to the periphery. With over seventy thousand US soldiers in Asia, and Chinese military spending increasing exponentially, though it is still dwarfed by the US, actual conflict remains a remote possibility, but with troops at close quarters, accidents like the 1999 bombing of the Chinese Embassy in Belgrade by an American plane can happen, and could escalate conflict very quickly.

Lin argues that China has been militarizing its railways and building up dual-use transport infrastructures across the Eurasian continent, through the construction of secure airfields, acquiring and modernizing strategic port facilities, and of course the construction of roads and railways.[41] This could be interpreted as a move to expand China's strategic frontiers, but as with most 'hard power', it is most likely that these facilities are mainly to serve as a deterrent. Furthermore, these moves could also be a copy of the twentieth century US strategy, in which it bound itself to others 'by extending security guarantees, offering defence assistance, and in some cases stationing its forces on foreign soil.[42] On the Chinese military presence in the Arab World, Simpfendorfer is dismissive, but admits that 'If China were to build an aircraft carrier this would represent an important change in strategy'.[43] It is implied that Simpfendorfer did not expect this to happen for years, or even decades, but in only the following year, in November 2012, the Chinese tested and launched their first aircraft carrier.[44] While this may not yet be cause for concern as the US currently operates eleven aircraft carriers, perhaps this move by China represents the change in strategy that worries Simpfendorfer or Lin. With China expanding its military power and creating the faculty to deploy this power along the New Silk Road, coupled with the US having overseen 'the beginnings of a sharp decline in its margin of advantage in East Asia', the potential for actual conflict between the two powers in Central and East Asia is a more damaging prospect, with the potential triggers of pronounced struggles over energy or mineral resources, the New Silk Road project does indeed seem to present as many dangers as it does solutions.

Foreign Policy and Sino-American Relations

With such potential danger presented by the New Silk Road, it is important to consider the recent political status quo of Sino-American relations, and the foreign policies of China and the US, to provide some assurance about the future, and the merits of the New Silk Road project. As has already been mentioned, China and the US are economically entwined, with both parties currently benefitting. The US is currently China's biggest export market, which around twenty per cent of its total exports, and much of the profit generated by China's trade is loaned to the US government, with the US trade deficit with China over two hundred billion dollars in 2005.[45] Surely then conflict between the two remains a remote prospect. There are contrasting views on the current state of Sino-American relations, some significantly more negative than others, and with the issues of the New Silk Road, particularly those with wider political implications, at stake, if affairs are not handled correctly, relations could sour.

Denny Roy, on China's foreign policy, argued that 'a consistent explanation for China's foreign relations is impossible to pin down'.[46] However, he also suggested that the PRC's leadership's emphasis on economic development entailed two major corollary strategies. The first of these is 'active participation in global economic and other regimes to maximize Chinese access to the world's wealth, knowledge and influential institutions'.[47] This we have seen in abundance over the last few decades since the reforms of Deng Xiaoping, with the numerous diplomatic and multilateral ties built by China bringing gradual membership in a variety of regional groups like the SCO, and global groups such as the World Trade Organization. The New Silk Road project will improve further upon these ties, and further increase China's standing in the world of trade. Further Chinese policy aims to increase the country's appeal to foreign traders, such as the building of mosques to encourage traders from the Arab World in a re-occurrence of the activity along the Great Silk Road. Simpfendorfer argues that 'the [building of] mosques is a reflection of how far China and the West have diverged since 2001. It is tough to imagine Western governments building a mosque today to encourage Arab traders to visit a city'.[48] Certainly here China holds an advantage over the US and the West, unaffected by the problems between the West and the Arab World since 2001, which incidentally shifted some of the focus away from Sino-American relations which had suffered during the 1990s owing to a series of events such as the Embassy bombing mentioned earlier, and entertaining a large indigenous Muslim population.

Today China's foreign policy is arguably embodied in the implications of the New Silk Road project, with the focus on forming and extending diplomatic ties with its neighbours, and strengthening the Chinese economic position, but also

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some evidence to suggest disdain for the US. While the rhetoric surrounding the project contains notions of safeguarding regional peace and stability, or that 'China believes that regional affairs should be determined by countries and people of this region and supports them in pursuing development paths suited to their national conditions'.[49] Perhaps there is some truth to the idea that China wishes to decrease the US' power and influence in Asia. Furthermore, the China concept of the New Silk Road has been used to invoke the narrative of Admiral Zheng He, the famed fifteenth century Ming Dynasty explorer who explored Asia, the Middle East and East Africa. Zheng He established the tributary system which centred on China along the seaborne silk routes. Lin argues that Chinese leadership has attempted to compare the narrative of Zheng He with the recent swift ascent to power of China in the economic, political and military spheres, to imply that today's growth is merely 'the latest phase in a benign regional dominance'.[50] Certainly, the 'peaceful rise' of China is one that appears regularly in rhetoric and scholarship, notably in the work of Jacques and Shirk. The Chinese government has described itself as a responsible power over the last two decades since the fall of the Soviet Union, and Shirk describes a recipe for China's reputation as a responsible power as accommodating its neighbours, being a team player in multilateral organizations, and using economic ties to make friends.[51] Certainly, much of China's activity in the New Silk Road project does not discredit these ideas. However, Shirk questions how sustainable this philosophy is in the face of change, and other activity in the project such as the militarization described earlier appears contrary. Furthermore, an increasing rivalry with the US could also trouble the 'peaceful development' of China.

With the notion of a peaceful rise, there is a belief that Chinese foreign policy has not been aggressive or expansive in the past, one that appears to be held by Martin Jacques, and so there is little reason to fear the continuing rise to prominence of China. The legacy of Zheng He, it is claimed, is not similar to the violent colonial memories of European prominence in the past. In a speech presented in front of the ASEAN group, State Councillor Dai Bingguo told his audience 'Not seeking hegemony is our basic national policy and strategic choice' and that China does not have a history of aggression, expansion or hegemony, even when it was 'the most powerful country in the world with 30% of the global GDP a few hundred years ago'.[52] However, as Lin has pointed out, there are some who would argue to the contrary. Quoting Geoff Wade of the National University of Singapore in 2004, Lin reports that it has been argued that Zheng He's voyages were about 'gunboat diplomacy', coercion, and recognition of Ming dominance, intended to control ports and shipping lanes in order to control trade.[53] Although it might not seem relevant to cite a precedent of such a long time ago, it is worth pointing out that the nature of Chinese government, particularly since the accession of the Chinese Communist Party, would not allow them to be seen as hegemonic, or would explain discordant actions away through propaganda. If the Middle Kingdom mentality described by Jacques and others is poignant in reality, a future in which China is again the world's most powerful country could appear more daunting, with returning influence of the legacy of the tributary system created during the time of Zheng He, and should the Chinese state wish to exert its dominance or flex its proverbial muscle, the New Silk Road would provide a useful tool.

However, for now the US remains a counterweight to a rising China. Peter Lee in the *Asia-Pacific Journal* describes the foreign policy of the Obama administration as 'determined to move beyond might-makes-right-makes-might unilateralism of the Bush years, and reassert America's global influence as the most principled and powerful guarantor of rule-based multilateralism'.[54] Certainly the American rhetoric surrounding the New Silk Road project seems to confirm this, as the USA aims to help economic infrastructure and stimulate trade in countries like Afghanistan. Lee, though, reported increasingly acrimonious exchanges between Beijing and Washington, which revealed the difficulties in attempting to guide China into 'refurbished world system that ostensibly promotes democracy, open markets and multilateralism, while forcefully advancing American interests'.[55] Lee goes on to report that current Sino-American relationship has lurched into a zero-sum game, with relations in the deep freeze. On the other hand, Lee also suggests that it is clear that in two areas the US and China share a genuine identity of interests, in the global piracy, and in the fight against terrorism and piracy. As the New Silk Road can be considered a matter of the global economy, perhaps the two can co-operate on this subject, but Lee's assessment of current Sino-American relations does not do much to raise hope that issues such as mineral resources and energy supply lines along the New Silk Road can be dealt with smoothly and compromisingly, as a mistrust still exists between the two powers. Thus we are left to see if the 'contest for supremacy' and struggle for mastery in Asia described by Friedberg will become a physical reality.

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The Role of Central Asia and Europe

It is easy to forget in a matter such as the New Silk Road project, in which China and the US have assumed the role of key protagonists, that there are other actors involved. The European Union remains a vital global trading partner, and a key ally of the United States, and the New Silk Road would not be possible without the co-operation of the Greater Central Asian states through which it runs. Furthermore, India has also experienced economic growth in recent years, and with a population almost as big as that of China, could become an even more important global player in the future. The role of Central Asia, but more with the Middle East, Africa and Latin America rather than Europe, will partly determine the course of the dichotomy between the US and China in the future, as Europe is irreversibly attached to the Western concepts of the nation-state and modernity. On top of this, as Europe struggles with America in the Western financial crisis, Jacques tells us that 'the importance of Europe is already weakening in the American mind' and that 'Europe's weight in the world is far less than the sum of its parts'. [56]

Naturally, the New Silk Road project will oversee great improvements to the economy and infrastructure of Central Asia, as the entire Eurasian landmass will be connected and trade possible between more nations. A point made in various places is that, unlike with America, Chinese financial aid and assistance such as in the New Silk Road project 'offers an additional advantage over the Western kind: it comes with no annoying political strictures'. [57] However, it does come with economic ones, such as the buying up of local companies by Chinese, and it also provides long-term gain for China, such as in oil and gas fields. Furthermore, the input of China into the New Silk Road project means that locals in Central Asian countries can expect more Chinese immigrants, according to Dossym Satpayev, quoted in *The Economist*, who also describes protests against encroaching Chinese influence in Kazakhstan, which borders China, but 'Satpayev believes that within the next ten years it [China] will come to dominate Central Asia's political, economic and military spheres, mainly through the SCO'. [58] It seems that for many weaker countries along the New Silk Road, a state of picking sides could be on the horizon, if the US and China are going to struggle for influence in Asia and the Middle East.

Although there is still some scope for the EU to seek geopolitical influence in Central Asia in the same way as the US and China, it is far less pronounced, both by the greater size of the two powers, but also by the nature of the EU, which does not act together in the same way China and the US act for themselves, as the EU is a collective group of smaller nation-states. The quest for geopolitical influence between China and the US, but also Russia that has been discussed at length has been dubbed the 'New Great Game'. According to Alexander Cooley in an article for *Foreign Affairs*, 'the Central Asian governments are working to use renewed external involvement to their sovereign advantage, fending off disruptive demands and reinforcing their political control at home'. [59] The role of the Central Asian states could therefore be considered to concern bringing their nations up to speed with others, encouraging the economic growth and new possibilities provided by the New Silk Road project, and carefully considering the partnerships made for the future.

In Europe there are other concerns. As there is arguably no need at present for the European Union to be concerned with being drawn into the sphere of influence of either power, remaining firmly Western and similar to the US, despite welcoming partnerships and trade with China, Europe's role in the New Silk Road revolves around its effects. The EU is a hugely significant trading partner for China, which exports to China reaching over one hundred and thirty billion dollars in 2011 and still rising, while the volume of imports in 2011 almost hit a staggering three hundred billion. [60] The New Silk Road will serve only to increase the volume and efficiency of this trade as the infrastructure of Kazakhstan is developed. However, the transmission of radical Islam is considered a possibility, as the New Silk Road might facilitate the exchange of new ideas and cultures in the same way as it did in history, but this comes with dangers as well as opportunities. Francesco Guarascio in *Public Service Europe* discusses the growing numbers of radical Muslims in Central Asian countries like Kazakhstan, and the 'steady annual growth of Islamic terrorism-related convictions by the Kazakh authorities'. [61] Although, despite the danger of this, it must be considered that Muslim extremism has many ways to travel to Europe, and the New Silk Road is unlikely to increase the dangers of radical Islam significantly more than is already the case.

Conclusions: Taking the Rough with the Smooth

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In conclusion, the New Silk Road project presents massive opportunities for the entirety of the Eurasian continent. In ancient times, 'China's silk trade was conducted along the famous Silk Road, which traversed Central Asia, bringing precious Chinese silks to the Roman Empire'.^[62] The immense network of interlinking caravan paths and dirt tracks which stretched from China to the Mediterranean allowed for the transmission of material goods between previously isolated communities, and also facilitated the transmission of ideas, cultures, technologies and values between vastly different cultures, imposing a huge influence on the development of Eurasia. In those days, the world had two superpower equivalents at the extremes of the compass, with the Roman Empire in the West, and Han China in the East. Today, the Silk Road is reformed, with high-speed trains replacing camels and iron tracks and pipes replacing wooden carts, but two superpowers remain. The New Silk Road project has been welcomed and encouraged the world over, inviting generous investment and international co-operation. However, if we step away from the rhetoric of change and opportunity, we must consider the possibility that the New Silk Road may cause as many, or even more problems than it solves.

Firstly, we have considered the parties involved. The main protagonists of the project are the world's two current leading economic powers in China and the US. The pair are economically entangled, but retain a deep mistrust of one another, with some commentators believing that relations between them have become frosty and suspicious. The New Silk Road will offer the possibility of heightening the rivalry between the two, as China is on the cusp of surpassing declining America and dethroned Europe as the world's dominant economic power. The key issues of retaining influence in Asia and the Middle East, and securing energy supply lines could invite conflict between the two powers, who can be considered to be in a precarious position. Susan Shirk states that even a Cold War between China and the US would wreak havoc throughout the world.^[63] While China lives in fear of a protectionist backlash from the US, the US is currently on its knees in the midst of a Western financial crisis, and relies on Chinese wealth to help it stay afloat. Conflict would undoubtedly halt the growth of the Chinese economy that is so important to the security of the government, and although a major economic player, Chinese military capabilities are still dwarfed by the behemoth of the US Army. For these reasons, all-out physical conflict between the two remains only a remote possibility, as the repercussions would be too immense and damaging. However, the issues that the New Silk Road may throw up in the not-too-distant future could make relations extremely difficult.

The increased volume and efficiency of trade that the New Silk Road will provide for China, Europe, Asia as a whole and the Middle East is undoubtedly welcome, as Europe seeks to recovery from endless recessions and growing unemployment, and the Arab World continues to seek profits in the pursuit of modernizing. China also welcomes increased trade, as it would seem no amount would be too much for its continental size, and maintaining economic growth in China is a political imperative. Furthermore, the improvements in infrastructure and economy that the New Silk Road will provide for many countries such as the Greater Central Asian states will prove invaluable as time goes on, and perhaps it is this positive that we should focus on, rather than the looming tug-of-war between China and the US. On the other hand, the struggle between them is of utmost importance to the welfare of our planet, as any conflict has repercussions for everyone. The concept of the New Silk Road is different for China and the US, with China focused on internal and external economic benefits, such as improving the infrastructure of its troubled Western Xinjiang province, and improving the diplomatic ties and economic partnerships with its Asian neighbours that it has worked on for the past two decades. As for the US, political affairs are at the top of the agenda, with perhaps a more selfless approach than China, although this can be balanced by the fact that China has invested far more money into making the New Silk Road a reality. The US wish to help Afghanistan prepare for the withdrawal of coalition forces in the near future, to protect American interests and businesses in the Silk Road region, and to promote the Western concepts of government and business. However, as we have seen, it does not take much research or thought to uncover more selfish aims for the New Silk Road on the part of China and America, as actions and words sometimes diverge from the official line.

The main problems of the New Silk Road, concern what Jacques described in his work as the process of China becoming more dominant than the US. The US and China most likely both have eyes on the vast amounts of untapped mineral resources and energy fields lying beneath the lands of Central Asia, and as the US remains suspicious that China seeks to exclude it from Asia, and China continues to protest against what it considers Western dominance, the threshold for conflict becomes lower and lower as energy prices rise and America strives to hold on to its influence on the continent. What remains to be seen is the action that China takes once it has become

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the dominant economic force in Asia and the world. The Chinese government speaks of its history of non-violence, and its lack of desire to be a hegemon, but much has changed since the fifteenth century, and with America still interfering close to home Taiwan, the Chinese government faces pressure from its own people to be assertive. The increased profits that the New Silk Road will bring will help China continue to its military spending, perhaps until it truly rivals the US one day. For the sake of the rest of the world, we should hope that China and America can compromise and share on issues like Afghan copper and Kazakh gas fields.

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