In 2013, the People’s Republic of China (PRC) announced its ambitious One Belt, One Road (OBOR) initiative. The ‘Belt & Road’ strategy, as it has come to be known, is an umbrella term for China’s plans to re-establish both the overland Silk Route Economic Belt and the 21st Century Maritime Silk Route. This policy is designed to enhance connectivity and economic interaction between Asia, Europe and Africa. When complete, the two trade routes will traverse an area which is home to almost two thirds of the world’s population and that generates almost one third of the world’s Gross Domestic Product. This essay will critically assess the OBOR initiative, looking specifically at its objectives, how it is linked to history, the way territorial disputes in the South China Sea (SCS) are fostering international apprehension towards the policy and how it is destabilising China’s relationship with India. Progressing in three sections, the essay will begin with an analysis of the official international and domestic objectives of the policy. In section two, it will be argued that the Belt & Road strategy proposed by China is explicitly tied to the history of the Maritime Silk Route. It will be shown that by incorporating the historically significant imagery of the Maritime Silk Route within its OBOR initiative, China is attempting to revive its maritime glory and reassert itself as a powerful middle kingdom that is central to global trade and international relations. The third section of the essay will show that despite its official objectives, other countries perceive the Belt & Road policy as a cover for China to assert economic and strategic control over the region. Moreover, this section will demonstrate how these perceptions are being fueled by China’s actions regarding the ongoing territorial disputes in the SCS. Finally, the effect that the Belt & Road initiative is having on Beijing’s relationship with India will be assessed.

Since the Belt & Road strategy was announced by Chinese President Xi Jinping in 2013, Beijing has been arguing that the policy is designed to achieve purely benign economic and diplomatic objectives. It is said that OBOR will establish direct road and rail corridors between East Asia and Europe, in addition to a string of sea ports linking China with Southeast Asia, South Asia, Africa, the Middle East and Europe. It is stated that once complete, this comprehensive network of trade routes will stimulate trade and exports amongst Eurasian states, driving economic development in the region (PwC 2016: 3). Beijing has said that it plans to invest Chinese economic and intellectual capital into the Eurasian region, in an effort to build infrastructure and production hubs that will benefit both China and the host nations (Till 2016: 2). In addition to the economic benefits of the strategy, Beijing argues that OBOR will also have significant diplomatic windfalls. As Premier Li Keqiang commented, the OBOR policy was developed not only to boost economic growth, but also to “deepen international cooperation and promote world peace” through sustained bilateral investment and the economic interdependence it produces (Till 2016: 2). Through the Asian Infrastructure Investment Bank (AIIB), the investment arm of the OBOR policy, China intends to promote partnerships for addressing regional development issues. Because building this shared cross-border infrastructure facilitates such extensive diplomatic negotiations and significant economic growth opportunities for partner nations, the Chinese believe the strategy will improve their regional image amongst Belt & Road partner nations (Ferdinand 2016: 950). While Beijing insists that its strategy is intended for purely benign economic and diplomatic purposes, many have questioned the real motives behind establishing the initiative. This is because the policy is said to have significant geopolitical and strategic benefits for China. These concerns about the unofficial international objectives of China’s policy will be addressed later in the essay.

In addition to its official international objectives, the OBOR initiative also has a significant domestic focus. As Arase
observes, "the comprehensive network of trade routes developed as part of the initiative will link China to many established and developing markets, creating significant opportunities for Chinese industries" (2015: 25). The PRC believes that opening up trade to new markets in this way will sustain the country’s economic growth long into the future, while also raising living standards for a large portion of the Chinese population (Ferdinand 2016:43). In addition to reversing the recent decline in the country’s growth rate, the Belt & Road strategy is seen as a way of increasing levels of domestic consumption and offsetting China’s manufacturing overcapacity (PwC 2016:4). Addressing these structural issues in the state’s economy and maintaining high rates of growth is a key domestic objective for the Chinese Communist Party (CCP). This is because the regime’s legitimacy and the maintenance of social order in China rely heavily on the CCP’s ability to secure the country’s economic prosperity (Seo & Cho 2013: 306). The OBOR initiative is therefore seen as a way to ensure domestic stability and maintain the primacy of the communist party in China. This explains to a great extent why the CCP has prioritised the Belt & Road strategy and committed such significant financial and bureaucratic resources to the project.

Another important domestic objective of the Belt & Road strategy is for the initiative to address the disparity in economic growth that exists between different provinces in China. The Central and Western provinces of China have been left behind by economic policies implemented in the PRC since it ‘Opened Up’ to the global economy in the 1970s (Ferdinand 2016: 951). By connecting provinces such as Xinjiang to Central, South and West Asia through major infrastructure projects, the CCP hopes to produce rapid economic development (Summers 2016: 1633). Reducing the economic disparity between Chinese provinces is an important objective for Beijing as it is understood that the economic gains produced by the Belt & Road strategy will help to fight Islamic extremism in the region and quell separatist movements (Fallon 2015: 142). It is also understood that by physically linking Western provinces of China with those in the East through infrastructure interpersonal exchange will grow exponentially. This will help to build a greater sense of ethnic solidarity amongst the provinces, which will serve to mitigate separatist tendencies (Kam 2016). From this it is clear that although the OBOR initiative is the key foreign policy platform of President Xi Jinping, it also has significant domestic objectives that are intended to boost the nation’s economy, consolidate the CCP’s legitimacy and hold the diverse populations of the Chinese state together. While the Belt & Road strategy is a contemporary initiative that is designed to ensure China’s prosperity and growth long into the future, the strategy remains intimately tied to the long history of the Maritime Silk Route.

The Maritime Silk Route, which is also referred to as the Maritime Silk Road, was “the first official international sea-trading route in Chinese history” (Zhaoming 2014: 1231). From before the Tang dynasty through until European colonialism, Chinese silks and ceramics traversed this vital trade route which connected China with the polities of Southeast Asia and beyond into India, the Middle East and Europe (Till 2016: 2). As Zhaoming notes, “the Maritime Silk Road should be considered with the same historical importance attached to the more celebrated overland Silk Route” (2014: 1231). This is because the trading conduit made China the greatest maritime nation in the world and facilitated the economic success of several Chinese dynasties (Dooley 2012: 53). Martin Stuart-Fox argues that China’s economic pre-eminence in Southeast Asia, which emerged as a result of the Maritime Silk Road, had major political and geostrategic implications (2014: 123). The size of China’s economy allowed it to exercise a hegemonic order throughout the region that encompassed all aspects of international relations with the polities in Southeast Asia (Stuart-Fox 2014: 123). This Sinocentric world order is often referred to as the ‘tributary system’, and it existed in the region until the 19th Century (Stuart-Fox 2014: 124). The kingdoms of Southeast Asia were pragmatic and adhered to this hierarchical system, deferring to Chinese leadership in an effort to gain access to its immense markets. For China, the Maritime Silk Route, as well as the prosperity and status it produced, represents a golden era before a period of imperialism by Western powers and Japan, which it now refers to as the ‘century of humiliation’. It is this era of grandeur and Chinese regional pre-eminence that the CCP is attempting to re-establish through its OBOR initiative.

By incorporating the historically significant imagery of the ancient Maritime Silk Route within its Belt & Road strategy, China is attempting to revive its maritime glory and reassert itself as a powerful middle kingdom that is once again central to global trade and international relations. Till notes that the CCP is attempting to realise the “China Dream” of national rejuvenation by re-establishing its maritime trading and economic dominance that it lost to the imperial powers during the century of humiliation (2016: 2). As Adwita Rai argues, “China is intentionally using the term ‘Silk Road’ and connotations of the past in its Belt & Road strategy” (2016: 121). By linking the OBOR initiative with
China’s past trading success, Beijing is attempting to reassert the centrality in, and dominance over, maritime exchange that it had achieved during antiquity (Rai 2016:121). Fasslabend builds upon this notion, stating that like the first Maritime Silk Road, the OBOR initiative will allow China to gain economic supremacy in Southeast Asia and further afield into the Indian Ocean (2015: 297). As it did in the past, it is expected that this economic pre-eminence will facilitate China’s political omnipotence and the re-introduction of a Sinocentric regional order that will again require states to defer to Beijing’s leadership (Fasslabend 2015: 297). It is therefore, exceptionally clear that the OBOR initiative is intimately tied to the history of the Maritime Silk Route and the connotations of Chinese exceptionalism that resonate with the period that the ancient trade route was in operation. It is these strategic benefits and the potential for China to re-emerge as a regional hegemon because of the Belt & Road strategy that has made states throughout Eurasia and particularly those in Southeast Asia, suspicious about Beijing’s massive infrastructure initiative.

While officially, the OBOR initiative is intended for purely economic and diplomatic purposes, many states in the region have questioned the real motives behind the policy because it is said to have significant strategic benefits for China. As Bhattacharyya notes, “countries in Southeast Asia believe that building large-scale infrastructural networks is a discrete way for China to increase its strategic footprint in the region” (2010: 54). It is feared that the roads and rail corridors proposed as part of the OBOR initiative could be used during a potential future conflict to quickly mobilise and transport troops in a similar way to which the Nazi’s utilized Germany’s autobahn network during the Second World War (Bhattacharyya 2010: 56). Moreover, deep-water ports built as part of the 21st Century Maritime Silk Route will enable the Chinese navy to militarily secure its sea lanes of communication which are vital because the Chinese state is a net importer of energy, industrial commodities and food. Moreover, the country’s economy relies heavily on manufacturing exports. In order to ensure food and energy security, as well as continued economic prosperity, the PRC believes it must secure these sea lanes of communication (Len 2015: 2). The Belt & Road strategy is perceived throughout the region as one way in which China is seeking to achieve this strategic objective. It is therefore clear that despite China’s claims of the policy’s benign objectives, strategic mistrust for the initiative is alive amongst many Southeast Asian states. This is because there is a hesitation to support a Chinese re-emergence that could reinstate the hierarchical and Sinocentric tributary system that was present during the era of the first Maritime Silk Road (Callahan 2015: 232). A key source of this strategic mistrust with regards to the Belt & Road policy is the current territorial disputes over the SCS.

The SCS has been a strategically significant region ever since the beginning of long distance voyaging. Not only did the region make up an integral part of the Maritime Sea Route linking China with Asia, the Middle East and Europe, it was also vital for trade between early Southeast Asian polities (Flecker 2015: 48). Even today, the SCS remains strategically significant for almost every state in the Indo-Pacific. For the six countries, including the Philippines, Malaysia, Brunei, Taiwan, Vietnam and China, who lay claim to parts of the SCS, it is no longer just access to trade routes that makes the region important as vast reserves of fish, oil and gas are believed to be under the ocean surface.

Recently, “China has instigated something of a reclamation blitzkrieg” on disputed islands and features in the SCS, which has significantly heightened tensions and strategic mistrust in the region (Flecker 2015: 1). China’s actions, which include building deep-water ports as well as airfields that can accommodate fighter jets and long range strategic bombers, has continued unabated. This, despite the Permanent Court of Arbitration in The Hague declaring China’s historical claim to the region, which is based on the ambiguous “nine-dash line” map produced in 1947, had no legal basis. In addition to the ruling by The Hague, archaeological work on shipwrecks in the SCS showed that Southeast Asian mariners were the first to dominate trading routes throughout the region (Fleck 2015: 3). Moreover, voyages by Chinese fisherman to the SCS were spasmodic and as such claims of an on-going Chinese presence in the region are historically inaccurate (Flecker 2015: 46). Combined, this archaeological evidence works to invalidate China’s ‘indisputable historic claim’ to the SCS. Yet China continues with its reclamation works in the region. These actions have heightened the concerns amongst Southeast Asian governments with regards to the OBOR initiative. This is because the Southeast Asian governments think it will enable Beijing to assert more control over the disputed islands in the SCS, all under the guise of regional economic integration (Tiezzi 2016). The mistrust towards the Belt & Road policy, which has been exacerbated by China’s assertive actions in the SCS, could potentially scuttle the 21st Century Maritime Silk Road, as regional cooperation on the project is necessary to bring it into fruition. This suspicion
towards the Belt & Road strategy is not however, limited to Southeast Asia.

With the Belt & Road initiative extending past Southeast Asia and into the Indian Ocean, India, a long time rival and strategic adversary of China is also suspicious of Beijing’s intentions for the massive infrastructure project. Because the notion of the ‘China threat’ is deeply rooted in the Indian psyche, the government has been very cautious about Beijing’s proposed infrastructural network (Li 2016:22). As Raja Menon notes, New Delhi considers OBOR as part of a “grand geo-political game” (2016: 46). Cai believes this is because once completed, the OBOR initiative will provide massive economic benefits to China’s quasi-ally Pakistan, with whom India has serious border disputes and a history of major conflict (2016). Moreover, analysts in New Delhi regard OBOR as a cover for establishing the ‘String of Pearls’, which refers to a network of Chinese commercial and military bases throughout the Indian Ocean (Len 2015: 9). Dooley observes that Chinese firms are building ports in Djibouti, Myanmar, Bangladesh, Sri Lanka and Pakistan (2012: 60). Once complete, this maritime network has the capacity to dramatically reduce Indian authority throughout South Asia and the Indian Ocean, which it regards as its core sphere of influence (Len 2015: 9). These strategic implications of the OBOR initiative have further destabilised China’s already uneasy bilateral relationship with India, as New Delhi does not wish to see its position as the regional hegemon overturned. From this it is evident that geopolitical tension is a significant factor working against the successful implementation of China’s infrastructure initiative. Beijing therefore, has substantial work to do in reassuring India and its neighbours in Southeast Asia that the Belt & Road strategy has benign economic and diplomatic objectives. Until it can achieve this, the policy will continue to be hampered by the strategic mistrust of China that is prevalent throughout the Indo-Pacific region.

This essay has critically analysed the OBOR infrastructure initiative being pursued by the PRC. It has outlined the official international intentions of the policy and has shown that Beijing continues to reiterate the purely benign economic and diplomatic objectives of the project. The essay has also demonstrated that although the OBOR initiative is the key foreign policy platform of President Xi Jinping, it has significant domestic objectives that are intended to boost the China’s economy, consolidate the CCP’s legitimacy and hold the diverse populations of the Chinese state together. The essay went on to explain that by incorporating the historically significant imagery of the ancient Maritime Silk Route within the OBOR strategy, China is attempting to revive its maritime glory and reassert itself as a powerful middle kingdom that is once again central to global trade and international relations. The strategic benefits and the potential for China to re-emerge as a regional hegemon because of the Belt & Road strategy have however, made states throughout Eurasia and particularly those in Southeast Asia, suspicious about Beijing’s infrastructure initiative. This strategic mistrust has been heightened by assertive actions taken by the Chinese in the SCS to secure their claims to sovereignty over disputed islands and features in the region. Finally, the essay demonstrated how the strategic implications of the Belt & Road initiative have further destabilised China’s already uneasy bilateral relationship with India, who is reluctant to lose its position as the South Asian hegemon. From this essay, it is clear that if the Belt & Road initiative is to succeed, Beijing must find more effective ways to reassure its neighbours that the Belt & Road strategy has benign objectives and that it will produce economic and diplomatic benefits for all states in the Indo-Pacific region.

References


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