

The Belt and Road Initiative (BRI) as a major component of the geo-economic strategy of the People's Republic of China

This conference paper deals with one of the prominent elements of the contemporary China's global strategy. It is argued that the Belt Road Initiative is yet at the early stage of its implementation so that its exact impact and chances for success at large are yet to be ascertained.

Introduction

The Belt and Road Initiative (the BRI), early referred to as The Silk Road Economic Belt, could be considered to be one of the most wide-ranging projects forming part of China's geo-economic strategy so far. Introduced in 2013, that proposal for a "new Silk Road" [1] has been seen as contributing to China's future projecting of its economic and ultimately political power across the wide swaths of Eurasia and the Indian Ocean region [2]. Simultaneously, some assessments would call into question the BRI's perceived impact on the globe's geopolitics, painting the project as constituting a strategic threat to the extant initiatives in regional economic and political integration [3]. Hence, it would be necessary to examine the substantial features of the BRI as an ambitious project of China's economic diplomacy, so as to be able to evaluate its potential consequences for the international actors involved therein.

The BRI as a "New Silk Road" project

In fall 2013, PRC's President Xi Jinping unveiled his vision for a shared economic space and logistical network to be utilized by the nation-states of Eurasia and maritime South / Southeast Asia based on traditional trade routes and networks stretching across the mainland Eurasia and the Indian Ocean, with China as its starting point and Western Europe as its destination (see Figure 1). More specifically, the BRI initiative would suggest developing a network of communications and adjacent infrastructural assets to create new opportunities for mutual trade and economic development along its 'New Silk Road' network of linkages [3]. As of 2017, close to \$900 billion has been committed to the BRI projects by Chinese investors, with state-owned enterprises / institutional investors leading the way [4].



Fig. 1. Directions of international trade and development along the BRI land and sea routes [3]

In particular, one has to refer to China's cooperation with such an important nation-state involved as Pakistan, with the China-Pakistan Economic Corridor having attracted \$55-62 billion as of 2018 [5]. Aiming to connect the western China with the Arabian Sea and the Oman Gulf, the Corridor has been endorsed by the Chinese and the Pakistani leadership with a view to securing swifter access to the markets of the Middle East for the former and attaining an ambitious overhaul of the national transportation and infrastructural systems for the latter [6]. Figure 2 presents a sketch of the relevant maritime route proceeding from the Pakistani port of Gwadar, which may be seen as a key point in ensuring the effective execution of the aforementioned strategic plan.



Fig. 2. The Gwadar Port as a major node for the BRI's Middle Eastern sub-section

In a similar manner, other nation-states located along the BRI's suggested route can be expected to draw the relevant economic development benefits from the former. Thus, Kazakhstan, with its Khorgos Eastern Gate, a dry-port centre developed by China's COSCO Shipping and Lianyungang Port Holding companies together with a number of Kazakhstan's investors, may profit from a set of opportunities in respect of the project potentially offering wide cost-cutting opportunities as far transporting industrial goods by land across Eurasia is concerned [7]. In fact, the development of Nurkent as a new economic power centre of the south-eastern Kazakhstan based on the former's liaison to the BRI can be seen as a convincing piece of evidence in that respect [7].

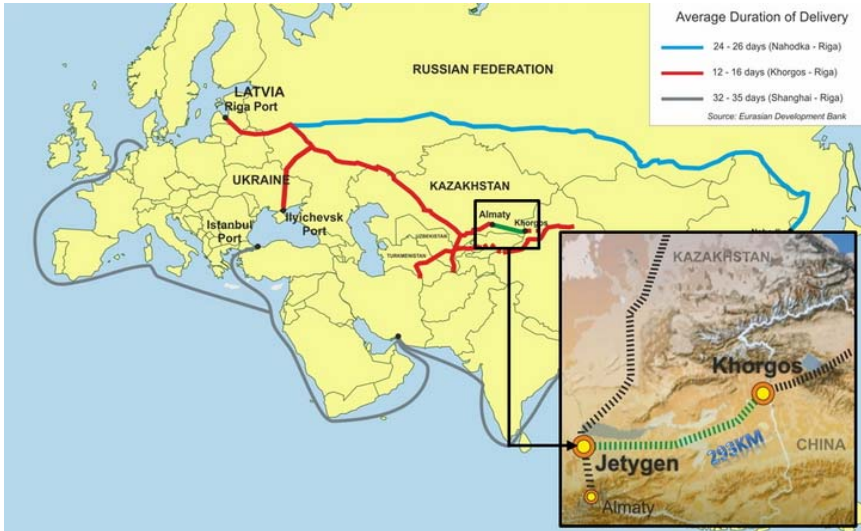


Fig. 3. The Khorgos-Nurkent sub-route’s potential effects on decreasing average duration of delivery between China and Europe [8]

The BRI and a “neo-colonialism” thesis

While the beneficent side of BRI has already been analysed above, it is time to address a relatively widespread claim on this initiative being a ‘cover’ for alleged Chinese neo-colonialism. It must be noted that the concept of neo-colonialism itself refers to “any relationship of dependency in which one nation is dominated by the indirect control of its political, economic, and natural resources by external actors”, initially referring to the relations between former colonies and their respective metropolises in the post-1960s era [9, p. 332]. In the context of BRI, the neo-colonialism thesis would appear to be rather far-fetched, given that the initiative’s focus is firmly aimed at building up infrastructure, such as roads, railways, and their respective transportation hubs, which would effectively open faster and less expensive venues for the nation-states involved to connect between each other as well as to the other corners of Eurasia. As shown from the example of Pakistan as cited above, such FDI inflows may in effect be instrumental for revamping the respective country’s model of economic growth so that rather than inhibiting its development, as the classical notion of neo-colonialism would presume to be the case [9], Pakistan’s participation in BRI would be tantamount to a new stimulus for economic development. The same may be assumed in respect of Kazakhstan, where BRI-related investments from China have already contributed to both country-wide and local economic development boost [7]. In that sense, BRI can by no means be seen as a purely neo-colonialist project.

Conclusion

To conclude, it may be assumed that BRI as a 'new Silk Road' could be seen as an important sign of China's growing ability to make use of its economic power to push even the most ambitious economic diplomacy projects through. At the same time, this project could be seen as presenting important economic opportunities in the context of both economic globalisation and regional economic integration within greater Eurasia. In particular, such western neighbours of China as Kazakhstan and Pakistan may be assumed to be able to accrue relevant infrastructural and general economic development benefits to themselves from participating in BRI implementation. The notion of a 'neo-colonial' nature of the BRI enterprise may thus be thoroughly overturned by the fact that this economic diplomacy initiative would actually expand the respective countries' ability to partake of the processes of economic integration across Eurasia, rather than chaining them to China as mere raw materials and labour force providers.

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