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CHINA'S NEW SILK ROAD

AN EMERGING WORLD ORDER

Edited by
Carmen Amado Mendes



China's New Silk Road

Much is being written about China's new 'One Belt, One Road' initiative, but much of the writing focuses on China itself, on the destinations of the road – Europe and the Middle East – or on the countries through which the road passes, such as Central Asia. This book takes a different approach, assessing the views of East Asian and other countries on the Belt and Road Initiative, both from a transnational and multidisciplinary perspective. The book considers international visions and limitations of the New Silk Road as a new paradigm, explores economic and trade aspects, including infrastructure networks, financial mechanisms, and the likely impact for other countries and regions, and analyses the likely implications for regional and trans-regional cooperation and competition. Western and Asian regional perspectives on the New Silk Road, including from India, Pakistan, Southeast Asia and Japan are considered throughout the book.

Carmen Amado Mendes is Professor of International Relations at the University of Coimbra, Portugal.

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Introduction

China's New Silk Road

Carmen Amado Mendes

In October 2013, Chinese President Xi Jinping announced the creation of a 'Silk Road Economic Belt and 21st Century Maritime Silk Road', also referred to as 'One Belt, One Road' (OBOR). The scope of this project was made public by the Chinese government in 2015, in the document 'Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road'. The official translated name of this strategy was revised in 2017 to 'The Belt and Road Initiative' (BRI), mainly to avoid using the word 'one' as several land and sea routes are involved. In any case, China's New Silk Road refers to the revitalisation of both land and sea corridors that once linked the so-called Middle Kingdom to other peoples and civilisations. The People's Republic of China has staked much of its credibility as a global power on the implementation of this highly promising project, which has turned into one of its major foreign policy goals and public diplomacy challenges, aiming to promote a positive image of China. Incredibly ambitious in its scope, running from Asia to Europe, it has attracted a great deal of critical attention.

Much is being written about this initiative, mainly focusing on China itself, on the destinations of the road – Europe, the Middle East and Africa – and on the countries through which the road passes, such as Central Asia. This book takes a different approach, assessing the views of East Asian and other countries towards China's New Silk Road, both from a transnational and multidisciplinary perspective. In order to do so, contributors go beyond applauding BRI, offering a critical evaluation of its merits and potential problem areas. The volume is organised in three parts, subdivided into chapters that deal with geopolitical implications of this initiative.

Part I, 'The general context', presents international visions and limitations of the New Silk Road as a new paradigm and ideology. In Chapter 1, 'New paradigms for the New Silk Road', Sean Golden examines a shifting world order in which re-emerging powers want to have a word in international affairs but face competition from conventional theoretical frameworks that dominate geo-strategic thinking. This new paradigm presents an alternative to traditional strategies by supporting the idea of win-win relations through 'building a community of a shared destiny'. This is analysed further in Chapter 2 by Beatrice Gallelli and Patrick Heinrich. They examine how this fits in the discourse on the

‘Chinese dream of a great rejuvenation of the Chinese nation’ by considering the political speeches of President Xi Jinping. This rhetoric of ‘national rejuvenation’ within the ‘Silk Road spirit’ is negatively perceived by other powers that fear the consequences of a Chinese-dominated world order.

In Chapter 3, Paulo Duarte argues that China’s New Silk Road challenges other projects for regional integration in Central Asia, such as those of the United States, Europe and Russia. After discussing these strategic and political implications, the book examines problematical environmental and social impacts of projects that are perceived as bringing benefits to the economy. Daniele Brombal contributes to this understanding, in Chapter 4 – ‘Sustainability implications of the New Silk Road’. Environmental and social policies applicable to projects funded by the Asian Infrastructure Investment Bank (AIIB) are analysed to assess progress made and the challenges ahead in ensuring sustainability.

Part II, ‘The economic dimension’, focuses on economic and trade aspects, such as infrastructure networks and financial mechanisms. It begins with Chapter 5, ‘The political economy of new multilateral development bank and reserve arrangements in East Asia’. In this chapter Werner Pascha suggests that a detailed analysis of multilateral structures that appeared in recent years shows that (re-)emerging powers challenge the Western paradigm, not only in politics but also in the economic arena. In addition to AIIB, understood as a parallel institution to the Asian Development Bank, the New Development Bank of the Brazil, Russia, India, China and South Africa (BRICS) was arguably created to respond to the lack of equitable representation that these countries have in the World Bank, and the BRICS Contingent Reserve Arrangement.

The New Silk Road is part of a broader Chinese strategy of creating multi-lateral initiatives with economic, diplomatic and geostrategic purposes. The impact of this strategy in other countries and regions is analysed in the following chapters. In Chapter 6, Fernanda Ilhéu presents ‘Perspectives for EU–China economic cooperation’, questioning the objectives of the New Silk Road regarding investment and trade. Themes include the removal of barriers and opening up of free areas and the EU–China 2020 Strategic Agenda. Chapters 7 and 8 look at cooperation between China and Pakistan. In Chapter 7 Mario Esteban addresses the strategic motivations and repercussions of the New Silk Road, illustrated by the nature of the China–Pakistan Economic Corridor: it must be a development corridor rather than just a transit corridor. Here, the focus is on the main challenges faced in the implementation of the corridor, including geopolitical rivalry, territorial disputes and security threats. These dilemmas, which may affect implementation of the New Silk Road are also considered by Jorge Tavares da Silva in Chapter 8. However, he underlines the Chinese and Pakistani interest in diversifying diplomatic partners and the growing bilateral trade and energy flows and issues of common concern, such as terrorism and independence movements. This geopolitical convenience arguably explains the high level of trust and stability in bilateral relations and the continuous political, economic and military interaction over the past years.

Implications for regional and trans-regional cooperation and competition are analysed in more detail in Part III 'The strategic dimension'. In Chapter 9, Dominik Mierzejewski discusses the evolution of the role of local governments in China's foreign policy since Xi Jinping announced the BRI. He argues that it is an instrument towards a more centralised foreign policy and uses Sichuan province's external interaction as a case study for the implementation of the New Silk Road at the local level. Provincial authorities can be seen to be convenient agents of the central government in foreign relations with political implications, conducting informal diplomacy.

Chapters 10 and 11 provide insights on the twenty-first century Maritime Silk Road envisioned by China. It starts from the Southeast province of Fujian, crosses the South China Sea and the Indian Ocean, reaching the Persian Gulf, East Africa and the Mediterranean, allowing the establishment of a viable and sustainable link between China and the European Union. Roger Greatrex considers it to be a central component of the Belt and Road Initiative and looks at the response of South Asian countries in Chapter 10. He concludes that, despite varying degrees of warmth of welcome, the problem of insufficient transparency appears to have been expressed as a concern in the media of India and the three main South Asian participants in the initiative: Myanmar, Sri Lanka and Pakistan. In Chapter 11 Edyta Roszko looks at the Maritime Silk Road in the context of the long-standing history of commerce in East and Southeast Asia and of modern territorial claims in the South China Sea. Sovereignty over strategic dominance of the transport routes and natural resources in the Paracels and Spratlys is disputed by China, Vietnam and other Association of Southeast Asian Nations (ASEAN) countries. Although China's investment in regional maritime infrastructures throughout the Silk Road is claimed to be economically motivated, the construction of overseas military infrastructures and the strategic control over important points and resources reveal geopolitical ambitions that go beyond the need to protect its merchant marine fleet.

Overall, the following chapters reveal that, even if the economic dimension is more visible, China's New Silk Road is not a mere attempt to expand access to foreign markets and deepen economic reforms in China. After exploring economic and trade aspects, including the likely impact for other countries and regions, this volume analyses the likely implications for regional and trans-regional cooperation and competition. By attracting much interest, the initiative threatens the influence of other powers throughout the Silk Road. Western and Asian regional perspectives, including those of India, Pakistan and Southeast Asia, are taken into account throughout the book. The implementation of this initiative also presents major risks for China by interacting with countries in which there are tensions regarding sensitive issues.

The project of the New Silk Road reveals geostrategic, security and military considerations that disguise strategic goals and implications. By presenting it as an opportunity, instead of a threat, to participant countries, Chinese leaders try to reassure countries about the benefits of China's 'peaceful development'. They also offer an alternative image of friendship and mutual benefit compared to the

legacy of European colonialism in Asia and Africa. Furthermore, the BRI allows China to assume responsibilities expected from a major power at the centre of a new economic order, following the Chinese dream political slogan of President Xi Jinping. Thus, the New Silk Road is also a counter-initiative to US-led globalisation and has larger implications in the shifting world order. It may be a vanguard for a new non-Western paradigm emerging from the geopolitical reconceptualisation of dominating traditional strategies and thinking.

Part I

The general context



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1 New paradigms for the New Silk Road

Sean Golden

The invention of paradigms in International Relations studies

The study of International Relations (IR) in the Euroamerican context is dominated by a limited number of paradigms – especially *Realpolitik* – which tend to become ‘paradogmas’ that reflect an unquestioned or unproblematised Eurocentric or Euroamericentric or even NATO-centric bias. They lack intellectual and theoretical diversity. A geoeconomic power shift has occurred and a concomitant geopolitical power shift is occurring, but the paradigms that dominate Euroamerican political theory have not shifted.¹ Does the West run the risk of falling prey to the Maginot Line Syndrome, preparing obsolete defences of political systems and paradigms based on Westphalian nation-states for a post Bretton Woods world order that has moved the Rest into uncharted territory?

Realism, based on naked self-interest and (instrumental) rational choice theory, runs the risk of becoming an immune theory, a theory that is resistant to facts, in which any outcome must automatically confirm the theory, so that an allegedly altruistic decision must really be a selfish one because it affords some kind of benefit. An immune theory is not scientific by Karl Popper’s definition of the scientific method, because an immune theory cannot be falsified. North American *Realism* also tends to be ideologised and normative, while its European counterpart tends to rely on absolutism, essentialism and universalism. The amoral nature of *Realpolitik* makes it difficult to justify ‘Realist’ analyses or strategies on any other basis than pure naked national self-interest, and from that point of view, the Rest are equally justified in promoting their own self-interest.

If the United States (US) accuses China of hacking American businesses for the purposes of industrial espionage, at the same time that the US hacks the offices of European Union (EU) negotiators of a trans-Atlantic free trade treaty in order to find out what the EU strategy will be, on what basis can the Chinese be faulted? Is it simply ‘we are the good guys and they are the bad guys’? The fallacy of such an approach reaches its extreme in the ‘Make America Great Again (MAGA)’ or ‘America First’ philosophy of Donald Trump and those he seems to represent. From what objective point of view are US or EU self-interests inherently more justified or justifiable than Chinese or Russian or