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The Belt and Road Initiative: China's New Geopolitical Strategy?

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Introduction

Launched in 2013, China's Belt and Road Initiative (BRI), also known as "One Belt, One Road (OBOR)," has been regarded by many China observers as China's new geopolitical strategy aimed at extending its sphere of influence, fostering new norms of international economic cooperation, and promoting a new world order. As the Chinese government and academia keep advocating the initiative in ever higher profile, the United States, the EU and some of China's close neighbors are deliberating their own blueprints on increased engagement in regional economy and security; further strengthening people's impression of ever more intense geopolitical rivalry in the Indo-Pacific region.

To what extent has the international community overreacted to (or over-expected from) the BRI? More specifically, is the BRI China's new geopolitical strategy? If not, what is it about? And what is China's geopolitical strategy today? Starting from a brief introduction into the background of the launch of the BRI, this paper analyzes the strategic dimensions of the BRI as well as its expected role in China's international strategy. It then examines the potential prospects of the BRI and concludes by discussing the geopolitical implications of the BRI to the world, in particular EU countries.

The BRI in Geopolitical Perspective

The BRI refers to the "Silk Road Economic Belt (SREB)" and the "21st-Century Maritime Silk Road (MSR)" proposed by Chinese President Xi Jinping in September and October 2013 respectively. According to China's White Book issued in March 2015, the BRI aims to "promote the connectivity of Asian, European and African continents and their adjacent seas, establish and strengthen partnerships among the countries along the Belt and Road, set up all-dimensional, multi-tiered and composite connectivity networks, and realize di-

verified, independent, balanced and sustainable development in these countries.” Elaborating on the five priority areas -- policy coordination, facilities connectivity, unimpeded trade, financial integration, and people-to-people bond -- to be enhanced, later called the “five connectivities,” the White Book emphasizes that it is “an ambitious economic **vision** [highlighted by the author] of the opening-up of and cooperation among the countries along the Belt and Road.”¹

Grandiose as it looks, the BRI was a vague concept in the first place, manifesting a political willingness to strengthen cooperation with neighboring countries instead of careful deliberation of its goals and approaches. That is why the SREB and the MSR were first proposed separately in Kazakhstan and Indonesia,² rather than as a complete package on broader platforms like the Shanghai Cooperation Organization (SCO) summit or East Asian Summit (EAS).

By the tradition of the Communist Party of China (CPC), every new leadership would put forward an updated international strategy (though seldom a conspicuous departure from the previous one), or at least new visions or slogans, based on a comprehensive assessment of the new domestic and international environments faced by China. Xi Jinping was no exception. After he was elected CPC Secretary-General at the 18th CPC National Congress in November 2012 (he did not become President of China until March 2013), China’s strategic circle came to believe that China was confronted by three major challenges: the first was industrial overcapacity and weakened momentum for high-speed economic growth, necessitating broader international cooperation for larger overseas markets; the second was the slackening world economy and potential retrogression of globalization, which triggered a new round of regional or sub-regional cooperation such as the Regional Comprehensive Economic Partnership (RCEP); and the third was the Obama administration’s Asia-Rebalancing strategy which effected a strategic alienation between China and many of its neighbors including among others Japan, Vietnam and the Philippines.

It was on such background that Xi proposed the SREB and the MSR, in order to seek new ways of international economic cooperation and thereby mitigate tensions in its neighborhood -- consistent with China’s “peaceful development” strategy during the preceding decade. Only on the Central Meeting on Neighborhood Diplomacy held at the end of October 2013 was the BRI mentioned as a combined initiative with few, if any, concrete steps to implement it, and later written in the document of the 3rd Plenary Session of the 18th CPC National Congress.³ As a Chinese BRI expert observes, “While the year of 2013 marks the proposal of the BRI, 2014 witnesses careful policy deliberation of it, 2015 highlights top-level designing, and 2016 marks substantial international consensus through the launch of

¹ “Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,” jointly issued by the National Development and Reform Commission, Ministry of Foreign Affairs and Ministry of Commerce of the People’s Republic of China with State Council authorization, March 28, 2015, <https://www.fmprc.gov.cn/ce/cevn/chn/sghkt/t1251121.htm>.

² Xi Jinping proposed the “21st-Century Maritime Silk Road” on his state visit to Indonesia celebrating the 10th anniversary of the Sino-ASEAN strategic partnership, calling for deeper cooperation between both sides. No other party was mentioned as a potential partner in building the MSR.

³ “透视习近平周边外交理念：亲诚惠容打造命运共同体 [Xi Jinping’s Thinking on Neighborhood Diplomacy: Building a Community of Common Destiny with Amity, Sincerity, Endeavor toward Mutual Benefit, and Inclusiveness],” People.cn, October 10, 2014, <http://politics.people.com.cn/n/2014/1010/c1001-25805455.html>.

landmark projects.”⁴ That the BRI was promulgated both domestically and to the world even before a vague blueprint was on hand is a rare case in China’s international behavior, which set the stage for both over-expectation and over-caution of the international community afterwards.

Five years after its announcement, the BRI has become China’s major international cooperation strategy to serve its economic development. So far, China has signed cooperation agreements with over 100 countries and international organizations. More importantly, the BRI has witnessed concrete and steady achievements in infrastructure building, trade and investment promotion, joint construction of industrial parks and free trade zones, financial cooperation and cultural exchange that benefit the economic and social progress of both China and cooperating countries.⁵ As the first initiative proposed by a developing country for world-wide economic cooperation, the BRI marks a strong willingness of the Chinese leadership to kick off a new round of reform and opening-up, to be more deeply engaged in world economy, and to enhance China’s role in global economic and political arenas.

Does the BRI carry any geopolitical weight then? The answer is definite. As discussed above, a major consideration behind its proposal is to mitigate tensions and enhance mutual trust with neighboring countries to ensure a peaceful environment for China’s development. For it is believed that closer economic ties and people-to-people bonds help to both dissolve hostility and promote security cooperation. In this sense, the BRI is conducive to maintain favorable strategic space for China’s long-term development.

However, it is not meant to expand China’s “sphere of influence;” nor is it a geopolitical strategy to compete with the United States or any other country for regional dominance. First, the ultimate goal of the BRI has been set to promote common development on the principles of engagement out of free will and consultation on equal footing, rather than to seek power or control by a state-centered approach.⁶ Second, the BRI has been focused on specific business or social projects to enhance economic and social ties (the “five connectivities”) instead of geo-strategic elements such as political and security cooperation. Third, the BRI is an open and inclusive mechanism on the principles of “wide consultation, joint contribution and shared benefits.” It welcomes all countries of the willing -- including the United States -- to participate and has generally adopted common international rules and norms while engaging funds, technology and talents from the world. Thus, it can be said that the BRI is China’s geo-economic strategy aimed to strengthen China’s economic development and global status by promoting regional integration and fostering a more inclusive international system.

⁴ “舞动的双翼 丰硕的成果 --‘一带一路’建设回眸与愿景[Dancing Wings, Rich Fruits -- Reflections and Visions of Construction of the ‘Belt and Road’],” Xinhua, January 3, 2017, http://www.xinhuanet.com//politics/2017-01/03/c_1120233965.htm.

⁵ “‘一带一路’五周年：与103个国家和国际组织签署118份合作协议[Five Years after Proposal of the BRI: 118 Cooperation Agreements Signed with 103 Countries and International Organizations],” Sohu News, August 28, 2018, http://www.sohu.com/a/250533585_160320.

⁶ C. Flint and Zhang Xiaotong, “The Belt and Road and the Innovation of Geopolitical Theory,” *Foreign Affairs Review*, 2016, 33(3), pp. 1-24.

China's Grand Strategy Revisited

Since its reform and opening-up four decades ago, China's "grand strategy" has always been centered on self-development, with quantifiable goals on GDP growth and public living standards set and met every one or two decades. Accordingly, its international strategy -- from re-engagement in the global system in the 1980s and 1990s to highlighting peaceful development in the 2000s -- has been to serve its domestic development by maintaining a peaceful and cooperative international environment, especially stable relationships with other major powers. The Beijing Olympics and China's robust reaction to the 2008 global financial crisis greatly boosted Chinese confidence as well as expectations from the international community for China to play a bigger role and thus China's fundamental principle began to shift from focusing on "keeping a low profile" onto "playing a more active role in international arenas."

As I wrote in a 2016 paper, China's international strategy has taken full shape by 2015, demonstrating five major changes from the past decades: (1) promoting regional peace and stability pro-actively and with more resources invested; (2) seeking to build new type major-power relations with more pragmatic endeavor; (3) highlighting neighboring diplomacy as the centerpiece of its global strategy; (4) increasing its sense of international contribution and responsibility in providing global public goods; and (5) safeguarding its core interests with greater resolution and harsher efforts. In general, the new Chinese international strategy features more confidence and determination in safeguarding China's perceived core interests and stronger steps toward achieving the century-long ambition of "the great rejuvenation of the Chinese nation;" yet at the same time, it also features a more active and responsible role of China in maintaining global peace and stability as well as enhancing regional economic integration.⁷

In the geopolitical lens, faced by increasing challenges to Asia-Pacific peace and stability, China has taken active measures to improve its security environment and to foster a lasting and commonly-beneficial regional security order based on the "New Asian Security Concept." Though no official blueprint has been established by the Chinese government, it has reiterated its vision to push forward an all-inclusive and comprehensive platform for enhanced collective security driven by major powers on their consulted consensus, a "consultative-cooperation approach" that incorporates efforts on mutual trust building and socio-economic integration.⁸ It is in this regard that the BRI serves as an important part.

Undoubtedly, China's ultimate goal is to become the strongest power and arrive at the center of the world stage, the so-called "China Dream." Yet it is not a hegemonic dream, but one of a Confucian nature, which highlights a peaceful, consultative and commonly-beneficial approach toward building a harmonious world. That is the essence of President Xi's advocate for all nations to work together to foster a "community of shared destiny." With regard to the growing trends of populism and nationalism worldwide, exemplified by the Brexit and President Trump's "America First" doctrine, China's BRI and other efforts to strengthen international cooperation are not only conducive to China's economy and global status, but they also help to stabilize the world economic and political situation,

⁷ Zhang Zhixin, "Xi Jinping's International Strategy and Its Implications for Southeast Asia," in Malcolm Cook and Daljit Singh, eds., *Southeast Asian Affairs 2016* (Singapore: ISEAS, 2016), pp. 55-66.

⁸ Zhang Zhixin, "China's Pursuit of a New Asia-Pacific Security Architecture: Underlying Rationale, Ongoing Actions, and Future Prospects," *China Quarterly of International Strategic Studies*, December 2015, pp. 573-590.

which, in turn, is beneficial to China's development. Therefore, the BRI is generally viewed by the Chinese strategic circle as key to opening a "window of strategic opportunity" for China's peaceful development.⁹

Why, then, has the BRI triggered much global suspicion about China's "hidden geopolitical agenda"? There are mainly three reasons. The first is due to the ambiguity of the BRI's goals and approaches. As no clear blueprint to implement the BRI had been announced years after its proposal, there are many interpretations to the BRI's nature even in the Chinese strategic and academic circle. According to statistics, nearly 49,000 academic articles on the BRI were published between 2014 and 2017, giving different definitions to the BRI, whether it is an "initiative," "strategy," or "policy."¹⁰ In fact, there was such widespread misunderstanding about the BRI that China's state-run Xinhua News Agency had to issue an executive order in 2017 banning the use of "BRI strategy" in all public media outlets. Still, there are many academic and media articles discussing the "geopolitical significance of the BRI," which adds to the doubt of the international community.

The second reason lies in the ostensible gap between China's pacifist rhetoric and assertive behavior in recent years. As Professor Shi Yinhong, a leading Chinese strategist, observes, President Xi's leadership seems to have put forward two contradictory sets of messages in its words and actions: one highlights China's "peaceful development" orientation, sincere efforts to build a "new type of great-power relationship" with the United States and work more closely with it in tackling salient security issues concerning North Korea, Syria, and Iran, as well as concrete measures to implement its "good neighbor policy," especially among ASEAN nations; the other, however, suggests that China is taking a more assertive line, including, among others, a shift in the driving aim of the People's Liberation Army (PLA) from military modernization to "being capable of fighting, and fighting victoriously", high-profile reports on new breakthroughs in China's military build-up, and a hardening posture on its territorial and maritime disputes with neighboring countries.¹¹ As China's economic and military strength continues to grow rapidly, it is natural for other countries to attach geopolitical implications to any of China's major moves -- not only the BRI, but also the Asian Infrastructure Investment Bank (AIIB), the Regional Comprehensive Economic Partnership (RCEP) and other economic initiatives.

The third reason is related to the "neo-colonialism" discourse regarding the potential trends of the BRI. It is often argued that by increasing national debt burdens and making those less successful developing nations an import market of Chinese goods, the BRI is consolidating China's economic and political dominance in Asia and Africa, thus extending its sphere of geostrategic influence. However, as discussed above, the BRI is an inclusive economic mechanism to promote common development through consultation and joint efforts, instead of self-interested exploitation and one-way flow of technology and wealth. The overwhelming enthusiasm of developing countries in the BRI, as seen on the first "Belt and Road Forum for International Cooperation" held in May 2017, is sufficient to invalidate the "neo-colonialism" argument.

⁹ Shi Yinhong, "关于新时代中国对外战略的若干问题[Key Questions Concerning China's External Strategy in the New Era]," China Institute for Innovation & qDevelopment Strategy, May 25, 2018, http://www.cids.cn/content/2018-05/25/content_17431120.htm.

¹⁰ Liu Weidong, et. al, "Progress in Research on the Belt and Road Initiative," *Acta Geographica Sinica*, 2018, 73(4), <http://aoc.ouc.edu.cn/36/df/c9821a210655/page.htm>.

¹¹ Shi Yinhong, "China's Complicated Foreign Policy," European Council on Foreign Relations, 31 March, 2015, http://www.ecfr.eu/article/commentary_chinas_complicated_foreign_policy311562.

In short, the BRI is an important part of China's international strategy aimed to secure a favorable environment for China's lasting development, which is crucial to achieve its grand strategic goal: to keep developing and become a truly great power with international recognition.

Future of the BRI and Its Geopolitical Implications to Europe

Although the Chinese government has increasingly clarified the objective, principles and road map of the BRI, and a large number of joint projects are underway to enhance economic and social ties between China and BRI-related countries, many Chinese scholars consider the BRI premature -- not only because China still lacks economic strength and soft power to lead such a grand initiative, but more importantly, because it will inevitably aggravate the "China threat" mentality and invite more balancing, if not containing, moves from the United States and other major powers. A better way to maintain a favorable international environment, they argue, is to keep a low profile in international arenas while promoting regional integration by bilateral or mini-multilateral approaches, so as to avoid the "over-extension" of Chinese influence.¹² Other opponents tend to consider the potential economic costs of the BRI and doubt whether its costs will prove bigger than its benefits, including geopolitical ones, to China's long-term development.

Indeed, it is sensible for a country to sacrifice short-term economic benefits for long-term strategic interests, as China would very possibly do in making deals with potential partners.¹³ But how to ensure the calculations are correct? Although the Chinese government has reiterated that the BRI is not China's own baby, most other developing nations, especially African ones, look up to China for more financial and technological aids, which arouses much debate in the Chinese society on whether China should make so much commitment to other countries while its own population is still faced by such serious problems as poverty, under-employment and lack of funding for private enterprises. It is very likely that with the shrinking financial basis of state expenses due to slower economic growth and more intense trade disputes with the United States, the Chinese government will have fewer resources to drive the BRI on even short-term economic sacrifice, which will undermine the willingness of other countries to participate in the BRI.

Moreover, during the past five years, the BRI has reaped not only positive results, but also many negative examples, including suspended projects due to policy change of host countries, such as the Singapore-Malaysia High-speed Train project and the East Coast Railway project in Malaysia; postponed projects due to inadequate environmental or social concerns, such as the Myitsone dam in Myanmar and China's "High-speed train for rice" project with Thailand; and terminated projects due to exposed corruption, such as the road construction project along the China-Pakistan Economic Corridor (CPEC). As former Chinese UN ambassador Sha Zukang warns, if those problems are not addressed effectively,

¹² Yin Ruilin, "国力过度延伸的大国兴衰启示录[Implications of Over-extension of National Strengths to the Rise and Fall of Great Nations]," *United Morning Post*, May 24, 2018, <http://www.zaobao.com/wencui/politic/story20180524-861611>.

¹³ "一带一路'部分沿线国家对中国提出更苛刻的优惠条件[Some BRI-covered Countries Raise Harsher Requests to China on BRI Cooperation]," *Huanqiu Strategic Thinktank*, July 26, 2018, <http://www.yidianzixun.com/0jDXSbHj>.

we may possibly see much corruption, violation of local law, degradation of local environment, frequent strikes and public demonstrations, even Chinese-targeted terrorist attacks along the Belt and Road in 10 to 20 years.¹⁴

Yet the biggest challenge to the BRI may lie in its “bigness.” Today, almost every economic and social cooperation plan between China and Asian, European, African and Latin American countries is labeled as a BRI-related project; even China’s proposal to explore a new trade route through the Arctic is named “Silk Road on the Ice.” This has attached too much weight and expectations to the BRI, where any major failure in specific projects would undermine people’s confidence in the whole BRI. As a trade war and even “new Cold War” is looming large between China and the United States, China is bound to face more economic protectionism from the world. If it fails to stabilize its economic relationship with the United States and to launch a new round of comprehensive opening-up in a timely and resolute way, then the BRI will inevitably encounter greater resistance from Western and developing countries alike.

What does this potential future of the BRI mean for the EU? While the United States proposed an “Indo-Pacific Initiative” in July 2018, supported by Japan, Australia and many other countries, the EU also issued a new connectivity strategy with an expected starting fund of 60 billion Euros, dubbed as the EU version of the Belt and Road, which is widely considered as a counterbalance to China’s BRI. Even so, such economic cooperation-centered initiatives should be encouraged for they are helpful to regional integration and development while alleviating financial pressure on China to single-handedly push forward infrastructure building in Asia. It will be more beneficial to all parties if China, the United States and the EU can reach a consensus on their respective role and commitment so as to avoid waste and counteraction among themselves.

If such moves are meant to confine China’s expanding geopolitical influence through the BRI, however, it would be of little meaning, not only because neither the United States nor the EU has the same state-backed financial resources as China for lasting investment in infrastructure building in Asia, but more importantly, because they will amplify the geopolitical tensions between China and the West and cause more instability in regional politics and economy, which will bring about economic losses and unexpected security challenges to all parties involved. Contrary to many observers’ suggestion, the initiatives on economic integration should leave no room for a “big triangle game” among China, the United States and the EU.

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¹⁴ “沙祖康：‘一带一路’研究，看得把我急死了 [Sha Zukang: Am So Worried about Our ‘Belt and Road’ Studies],” Phoenix News, July 18, 2017, http://news.ifeng.com/a/20170718/51453071_0.shtml.