
Chinese perspectives on the Belt and Road Initiative

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Received on September 24, 2018; editorial decision on November 8, 2018; accepted on November 8, 2018

China's Belt and Road Initiative (BRI) is a call for an open and inclusive model of sustainable international economic, political and cultural cooperation and development under the guiding principles of the peaceful coexistence of sovereign states, achieved through multiple types of increased connectivity and financed by new multilateral financial instruments. This article outlines the evolution of the BRI, its relationship to changing conditions in China and the world, and the ideas and thinking that underly it as expressed in official documents and speeches by President Xi Jinping. The relationships between individual and collective interests, the Silk Road Spirit and Chinese concepts of harmony and "different but equal" in a Community of Shared Future and mutual benefit are examined, along with some of the political and economic challenges associated with the coexistence of competing values and social models.

Keywords: Belt and Road Initiative, Silk Road, connectivity, international finance, harmony, Community of Shared Future

JEL Classifications: F15, F21, F55, F63

Introduction

China's Belt and Road Initiative (BRI or, in Chinese, 一带一路 *yī dài yī lù*) dates from 2013. In a short span of time, it has received an extraordinary amount of attention, not just in China but throughout the world. A great deal is positive. As of September 2018, more than 130 countries and international organisations had signed cooperation agreements with China. Other actors are, however, cautious, critical and even disruptive.

These different responses reflect China's growing economic strength and soft power on the one hand, and rivalries between rising powers and largely Western developed countries

along with related differences in value systems, ideologies and interests on the other hand. As Fukuyama (2016) remarked, "an historic contest is underway over competing development models ... between China, on the one hand, and the United States and other Western countries, on the other, ... [whose] outcome will determine the fate of much of Eurasia for decades to come"

Contemporary China's influence derives in part from the fact that it is the second largest economy in the world, the world's largest exporter (12.76% of world exports in 2017), the second largest importer (10.26% of world imports in 2017) and the second largest exporter of capital (12.61% of global outward

foreign direct investment in 2016), holds huge foreign currency reserves (US\$3.14 trillion in 2017), has a vast and highly coveted domestic market and owns a currency that is increasingly used to settle international payments and is starting to be used to price oil using a gold-backed futures contract in Shanghai ([The State Administration of Foreign Exchange \[SAFE, PRC\], 2018](#); [United Nations Conference on Trade and Development \[UNCTAD\], 2018](#)). In emerging economies, China's remarkable economic success has, moreover, generated considerable interest in its development model.

At present, China's own development model is changing in a new phase of reform of the earlier reform. Domestically, the emphasis on quantitative growth and increased income and consumption is giving way to a concern with the quality of growth, construction of an ecological civilisation (involving renewable energy, electric vehicles, energy-efficient cities and ecological remediation), improved wages and working conditions and reduced inequality. Internationally, increases in relative wages and the exchange value of the renminbi and a decline in export demand after the western financial crisis undermined China's export-led growth model, and saw labour-intensive industries start to relocate in China and move offshore to lower cost countries.

As early as 1999, China adopted a Go Out Strategy (*zǒu chūqù zhànlüè*), government foreign aid and loans increased, as did debt forgiveness, and Chinese companies undertook major overseas infrastructure, industrial and commercial investment projects: China wanted to diversify its vast foreign currency reserves and to use its international trade surpluses and savings to acquire assets in other countries, while Chinese enterprises invested abroad.

After the financial crisis, China's fiscal stimulus saw it act as the main engine of global growth, yet growth contributed to excess capacity that current supply-side measures and outward investment seek to reduce. High infrastructure investment saw the emergence of relatively

high levels of subnational government debt. Industrially, China needs to upgrade. In 2015, the State Council released a "Made in China 2025" strategy to guide and support industrial upgrading and moving up the value-added chain. Government subsidies, investments in research and innovation, targets for increased domestic manufacturing content and the encouragement/requirement that foreign companies seeking access to the Chinese domestic market establish joint ventures with domestic firms are designed to support the development of smart manufacturing industries, including robotics, advanced information and communications technologies, aviation and new energy vehicles, improvements in product quality and the development of Chinese brands.¹

China needs to export goods and services, as it needs to import resources with which it is not well endowed. In 2010, China accounted for 20% of the world's population, 8% of its cultivated land, 5% of its renewable water resources and 5% of its forest area and stock ([Dunford, 2015](#)). If all of China's maritime claims were upheld, its exclusive economic zone would amount to less than 3 million km² compared with 12.236 million for the USA, 11.035 million for France, 8.974 million for Australia, 8.096 million for Russia, 6.805 million for the UK and 6.696 million for New Zealand ([Nolan, 2013, 80](#)). China is also increasingly dependent on imported energy and raw materials. A reduction in CO₂ emissions per unit of GDP to at least 40% of the 2005 level by 2020 confirmed in China's 12th Five-Year Plan (2011–2015) implies the transformation of energy-intensive industries and the replacement of coal by cleaner sources of imported energy. China's resource dependencies require it to develop and diversify resource and energy sources and routes. At the same time, the stagnation of the European and US economies requires China to develop new markets in developing countries. Creating new markets implies extending the march of modernisation to under-developed Asian and African countries that find it

extremely difficult to get loans to modernise their economies.

Also important was political change in China itself. In November 2012, a new Chinese leadership came into office. As soon as the political transition was completed, the new President, Xi Jinping, proceeded to advance a new vision and adopt new measures for China domestically and internationally. Up until that time, the Chinese leadership had paid most attention to domestic social and economic development, as the country was poor, and lifting the Chinese people out of poverty was the top priority in the reform period. After more than 30 years of high-speed growth, China's economic weight has increased enormously, although contemporary China is only an upper middle-income country (Dunford, 2015, 2017). For the new leadership, however, the time had come for China to make constructive use of its economic strength and capabilities to contribute more actively to world development.

As China mapped out this new course, the global situation was changing. The consequences of greater neo-liberal interdependence and interconnectedness were mixed. Countries such as China that made non-neoliberal choices gained, while those that implemented World Bank and International Monetary Fund (IMF) structural adjustment programmes suffered (see, for example, Ismi, 2004). class inequality increased dramatically, as the income and wealth of a small global elite raced away from the rest, and real incomes decreased for wage earners in some economically advanced countries and for many low-income households in the least developed countries: what sanctioned often disruptive economic change was the existence of potential Pareto improvements, with no need felt by ruling elites to compensate the losers. A Pareto improvement involves a win-and-no-lose outcome, whereas a potential Pareto improvement sanctions win-lose outcomes as long as the gains exceed the losses. At the same time, massive global imbalances emerged, with large trade deficits for the USA and some other

countries and surpluses for China, East Asia, Germany and energy exporters.

Asymmetric economic and financial interdependencies (related, for example, to the role of the US currency) created vulnerabilities and dependencies (Leonard, 2016) which were exploited politically. Trade restrictions, restrictive regulations, the freezing of financial assets, sanctions including cutting countries off inter-bank payment message systems, the strategic use of domestic multinational companies, trade boycotts and political control of migration flows were all used for political purposes. In the political sphere, conflict and disagreements gridlocked institutions, while power asymmetries were exploited to drive the agendas of powerful countries and elites. Cyberspace was used to drive a homogenising culture, colour revolutions, political interference and political destabilisation. The results included trends towards de-globalisation, the development of gated varieties of globalisation with the creation of exclusive groups and new parallel, complementary and potentially competing institutions, measures to restore national control over cyberspace and attempts to reduce military, political and economic/financial vulnerabilities.²

At the same time, the world economy had yet to recover from the global financial crisis and was in need of new drivers. As Xi (2017, 77) argues, the world faces three major deficits: a deficit in peace, as wars, terrorism and the threat of war wrack many parts of it, generating massive and scarcely manageable flows of refugees and migrants; a deficit in development, as many parts of the world remain mired in poverty and comparative under-development; and a deficit in governance, as most international institutions do not grant a sufficient role to emerging powers and have proved incapable of adequately addressing major global issues.

China's BRI emerged in this wider context and as a response to it and the three deficits. The aim was to promote a new open and inclusive model of development (Chen, 2018; Liu and Dunford, 2016; Liu et al., 2018) and

a new system of international relations and global governance. At its core is a quest for “win–win” economic cooperation and common development achieved through the advancement of connectivity in a multiplicity of fields, rather than through rule-governed liberalisation and privatisation in a unipolar world.

The aim of this article is to outline the development of this new initiative and the thinking behind it as expressed in a number of official documents and public statements made especially by Chinese President, Xi Jinping, and to examine the challenges it faces. To this end, the next section outlines the first steps in the development of the BRI. The ‘*Vision and Actions: the thinking behind the BRI*’ section examines the thinking reflected in the first official document published by the Chinese government. The ‘Belt and Road International Cooperation Forum’ section explores the speeches of Xi Jinping at the 2017 Belt and Road Forum for International Cooperation, while the ‘Cooperation, division of labour and a world community with a shared future’ section outlines the principles underlying the concept of a Community of Shared Future. The ‘Challenges along the road and ways forward’ section connects these ideas with the wider issues addressed in this introduction and the obstacles that the BRI will have to surmount, and the final section concludes.

The (early) evolution of the BRI and Chinese infrastructure finance

The BRI was proposed by China’s President Xi Jinping shortly after coming into office in November 2012. The “Belt” refers to the Silk Road Economic Belt, proposed in September 2013 on a visit to Astana, Kazakhstan, while the “Road” refers to the 21st century Maritime Silk Road, proposed in October 2013 on the occasion of a state visit to Indonesia and attendance at the Asia-Pacific Economic Cooperation (APEC) leaders meeting.

In June 2017, the Arctic was explicitly incorporated into the BRI.³ China’s *Vision for*

Maritime Cooperation under the Belt and Road Initiative (National Development and Reform Commission and State Oceanic Administration [NDRC and SOA] [*guójiā hǎiyáng jú*], 2017) envisaged a blue economic passage to Europe via the Arctic Ocean, while in January 2018, a Chinese government White Paper identified opportunities to develop jointly a Polar Silk Road to increase Arctic connectivity and sustainable development (The State Council Information Office of the People’s Republic of China, 2018). In the same month, China invited the 33 members of the Community of Latin American and Caribbean States (CELAC) to participate in the BRI.

On the same visit to Indonesia, President Xi used a speech to the Indonesian Parliament entitled “Join hands in building a China-ASEAN community with a shared future” (*mìngyùn gòngtóngtǐ*) (Xi, 2013) to announce officially the intention to establish an Asian Infrastructure Investment Bank (AIIB) and use the US\$50 billion China-ASEAN Maritime Cooperation Fund, announced in 2011, to help jointly build the 21st century Maritime Silk Road.

The AIIB was originally suggested by the Vice Chairman of the China Centre for International Economic Exchanges, a Chinese think-tank, at the Bo’ao Forum in April 2009. The initial idea was to make better use of China’s foreign currency reserves in the wake of the global financial crisis. However, the decision to proceed also reflected several other factors. The first was a shortfall of Asian infrastructure finance, subsequently put at US\$26 trillion over the 15 years from 2016 to 2030 (Asian Development Bank [ADB], 2017b). The second was frustration at the slow pace of reform of the governance of established global institutions like the IMF, World Bank and ADB, and the unwillingness of American, European and Japanese interests to cede a greater role, corresponding to the size of their economies, to rising powers.⁴

In March 2015, the UK announced its intention to apply to join the AIIB as one of the 37

regional and 20 non-regional founding members, much to the anger of the USA. The UK was followed by several other major west European states, including Germany, France and Italy. Although the USA allegedly sought to prevent them, Australia and South Korea applied for founding membership in March 2015. Official US and Japanese concerns relate to whether the AIIB will meet the so-called high standards of governance and environmental and social safeguards of the World Bank and the ADB.

In spite of US and Japanese opposition, by May 2018, the AIIB had 42 regional members, 22 non-regional members and another 22 prospective members, indicating the capacity of China to drive major multilateral initiatives. With a subscribed capital of US\$100 billion, the AIIB is a medium-sized multilateral development bank: as Figure 1 shows, the subscribed capital of the International Bank for Reconstruction and Development (World Bank) was nearly US\$270 billion before an increase agreed (along with some reforms) in April 2018, while that of the ADB was US\$152 billion. However, the paid-in capital of the AIIB was greater than that of the World Bank Group and the ADB.⁵ Of the members, China accounted for 31.0215%

of the capital (US\$29,780.4) and 26.6491% of the votes.

Commencing in January 2016, the AIIB provides finance for real investments in sustainable infrastructure and other productive sectors (energy and power, transportation and telecommunications, rural infrastructure and agriculture development, water supply and sanitation, environmental protection, and urban development and logistics). This strategy draws on the Chinese experience which shows that “infrastructure investment paves the way for broad-based economic social development, and poverty alleviation comes as a natural consequence” (Liqun Jin, AIIB President, cited in [Kyngge, 2016](#)). (China also has specific poverty alleviation policies, so the relationship is not automatic, although growth clearly made a significant contribution to the remarkable reduction in poverty in China). Finance is provided in a variety of ways, including loans, equity and loan guarantees for economic development projects, while the AIIB can also underwrite in whole or in part security issues. This path is far from easy: although infrastructure can massively increase productivity, the payback period is long, construction delays are common, it is often difficult to monetise sufficiently

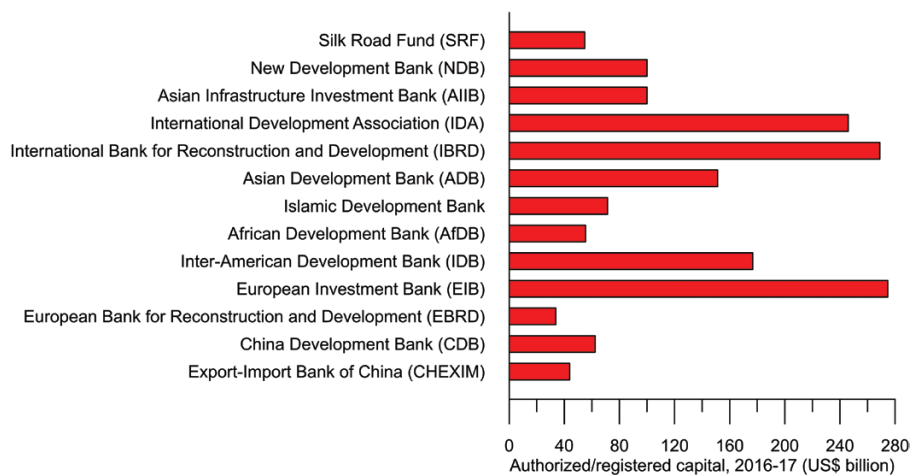


Figure 1. Authorised/registered capital of some major Chinese and multilateral development banks.
Source: 2016 and 2017 Annual Reports.

the rewards and instability blights some of the territories embraced by the BRI. According to Kyngge (2016), Chinese officials expect to incur losses of up to 80% in Pakistan, 50% in Myanmar and 30% in Central Asia.

In 2012, the Secretariat for Cooperation between China and Central and East European Countries (CEECs) was established (16 plus 1), followed in November 2013 by a China-Central and Eastern Europe Investment Cooperation Fund, sponsored by the Export-Import Bank of China (CHEXIM) to invest in energy, education, healthcare, telecommunications and manufacturing sectors in the region. In November 2016, a second phase was announced. In this case, China was taking advantage of remaining sovereignty and a cleavage in the European Union (EU) between CEECs anxious to attract Chinese infrastructure investment and more developed west European countries seeking to contain China, restrict Chinese acquisition of shares in European technology companies, open further Chinese markets and force China to give more contracts to European companies (notwithstanding the facts that without Chinese loans these projects may not secure finance, Chinese companies are highly competitive in infrastructure sectors, China's European joint venture partners are involved and the finished infrastructures will afford numerous development possibilities including for exports of European products to China).

Also in 2012, at the fourth BRICS (Brazil, China, India, Russia and South Africa) Summit in New Delhi, Indian President Narendra Modi proposed the establishment of what was subsequently called the New Development Bank (NDB) to provide resources for infrastructure and sustainable development projects in the BRICS and other emerging and developing countries. The NDB was established in mid-2015, after agreement at the sixth BRICS Summit in Fortaleza, with an initial authorised capital of US\$100 billion and an initial subscribed capital of US\$50 billion. Already including leading emerging economies in three

continents, a BRICS+ may also emerge integrating other countries and regional groups.

In November 2014, at the meeting of the Central Leading Group on Financial and Economic Affairs, President Xi announced the establishment of a US\$40 billion Silk Road Fund (*sīlù jījīn*). The Fund was established at the end of the following month with the participation of the SAFE (65%), China Investment Corporation (15%), CHEXIM (15%) and the China Development Bank (CDB) (5%) to foster increased investment in connectivity and economic cooperation projects in BRI countries, subject to principles of openness, inclusiveness and mutual benefit. At the 2017 BRI International Cooperation Forum, President Xi announced another 100 billion RMB for the Silk Road Fund, the setting up of special BRI lending schemes worth 250 and 130 billion RMB by CDB and CHEXIM and Chinese government assistance worth 60 billion RMB over three years for developing countries and international organisations implementing BRI projects designed to improve people's well-being.

Earlier, in November 2013, the Third Plenary Session of the 18th Central Committee of the Communist Party of China (CPC) called for an acceleration of infrastructure interconnection with neighbouring countries and facilitating the construction of the BRI, while the December Central Economic Work Conference of China designated the BRI as a notion representing China's new thinking about open development and China's going-out. In February 2014, Presidents Xi Jinping and Vladimir Putin reached a consensus on the BRI and its connection with Russia's Euro-Asia Railways. In March 2014, Premier Li Keqiang's government work report highlighted an acceleration of work on the BRI and the development of the Bangladesh–China–India–Myanmar and the China–Pakistan Economic Corridors.⁶ In May 2014, the first phase of a joint China–Kazakhstan logistics terminal, constructed to export goods from central Asia, went into operation in the port of Lianyungang in east

China's Jiangsu Province. In December 2014, Thailand and China signed a draft memorandum of understanding on railway cooperation. A number of major oil and gas supply projects involving Central Asia, Russia and Myanmar were set in motion (Liu and Dunford, 2016). At the start of February 2015, a high-level meeting chaired by Vice-Premier Zhang Gaoli identified BRI priorities as the construction of transport infrastructure, investment and trade facilitation, financial cooperation and cultural exchange and advocated the development of major trade and industrial zones and strategic port cities as platforms along international economic cooperation corridors.

In March 2015, after nearly two years of reflection, the NDRC, Ministry of Foreign Affairs (MFA) and Ministry of Commerce (MC) of China, with State Council authorisation, issued the first official Chinese government document on the BRI, entitled *Vision and Actions on Jointly Building the Silk Road Economic Belt and the 21st Century Maritime Silk Road* (NDRC MFA and Ministry of Commerce of the People's Republic of China with State Council Authorization [NDRC MFA and MOC], 2015).

Vision and Actions: the thinking behind the BRI

According to *Vision and Actions*, the BRI seeks jointly, through consultation with Asian, European and African countries, to support regional economic cooperation, strengthen economic, scientific, technological and cultural exchanges and mutual learning between different civilisations, and promote world peace and development. In doing so, it draws on the cultural heritage of the Silk Road or the Silk Road Spirit, identified as a spirit of “peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit”

At a fundamental level *Vision and Actions* “upholds the Five Principles of Peaceful Coexistence: mutual respect for each other's

sovereignty and territorial integrity; mutual non-aggression; mutual non-interference in each other's internal affairs; equality and mutual benefit; and peaceful coexistence”. In their substantive content, these principles derive from the principles of “equality, mutual benefit and mutual respect for territorial integrity and sovereignty” espoused by Chairman Mao Zedong and the new China. The five principles themselves were first put forward (with some small differences in wording) in 1953 by Chinese Premier Zhou Enlai in a meeting with members of an Indian Government Delegation. The principles were subsequently adopted in agreements between the governments of China, India and Myanmar, and were extended and adopted in the Asian-African Conference convened in Bandung, Indonesia in 1955. As the Indian Prime Minister, Jawaharlal Nehru, said in a broadcast speech made at the time of the Asian Prime Ministers' Conference in Colombo in 1954: “If these principles were recognized in the mutual relations of all countries, then indeed there would hardly be any conflict and certainly no war” (Nehru, 1958, 253). These Five Principles were adopted as the guiding principles of the Non-Aligned Movement which emerged in the 1960s, and were also incorporated in declarations adopted by the United Nations General Assembly in 1970 and 1974.

These principles are, however, diametrically opposed to those of colonialism, those that underpin the type of power politics that has for several centuries involved the domination of one country by another, including the contemporary neo-Conservative stance that considers that the USA has a unilateral right to intervene wherever and whenever it sees fit and that never again shall a foreign power be able to rival the USA as the Soviet Union once did.

At a meeting marking the 60th Anniversary of the Initiation of the Five Principles of Peaceful Coexistence in 2014, President Xi Jinping (Xi, 2014a) drew on them to identify six principles: (i) uphold sovereign equality and respect the right of a country to choose its own

social system and model of development; (ii) uphold sovereign equality, resolving disputes and differences between countries through dialogue, consultation and peaceful means; (iii) advance common development, as “just as rising water lifts all boats and more water in the tributaries make a wider river, all will benefit when everyone develops”; (iv) promote win-win cooperation rather than zero-sum game and winner takes all notions; (v) champion inclusiveness and mutual learning, respecting the diversity of civilisations; and (vi) uphold fairness and justice.

According to *Visions and Actions*, the BRI is also “designed to uphold the global free trade regime and the open world economy in the spirit of open regional cooperation,” and “abides by market rules and international norms”.

As far as the geographical coverage of the BRI is concerned, *Visions and Actions* states that the BRI is not limited to the area covered by the ancient Silk Roads, connects Asian, European and African countries more closely, reaches the South Pacific through the South China Sea and “is open to all countries, and international and regional organizations”. At the same time, it envisages six major land transport corridors, comprising physical and virtual communications infrastructures and nodal cities, coastal and inland ports, trade and industrial zones and industrial clusters: a new Eurasian Land Bridge; and China–Mongolia–Russia, China–Central Asia–West Asia, China–Indochina Peninsula, China–Pakistan and Bangladesh–China–India–Myanmar economic corridors. The China–Pakistan Corridor and Gwadar Port are under construction, while a development plan for the China–Mongolia–Russia Corridor has been signed. Although a number of corridors have been designated, the BRI is not a series of corridors and nodes but an open, multi-scalar spatial system.

More than these geographies, the BRI is a platform for international cooperation that draws on a set of principles identified with the Silk Road Spirit of peace and cooperation,

openness and inclusiveness, mutual learning and mutual benefit and mutual respect (Liu and Dunford, 2016). At the centre is the Chinese concept of harmony (*héxié*) which stresses the pursuit of peaceful coexistence while respecting differences. A Confucian concept, it is reflected in Confucius’ statement that ideal human beings embodying the virtue of benevolence are together but different (*jūnzǐ hé ér bùtóng*). This concept clearly underlay a statement by the Chinese Premier, Li Keqiang, at the 2015 World Economic Forum Annual Meeting in Davos:

In a world of diverse civilizations, we should all seek to live in harmony. Cultural diversity ... is a most precious treasure. ... And human society is like a garden where all human civilizations blossom. Different cultures and religions need to respect and live in harmony with each other. While maintaining the natural close ties among those with whom we see eye to eye, we also need to respect those with whom we disagree. Like the vast ocean admitting all rivers that run into it, members of the international community need to work together to expand common ground while accepting differences, and seek win-win progress through inclusive cooperation and mutual learning.⁷

The concept of harmony involves the idea of cooperation (*hézuò*), mutual benefit (*hù lì*) and win-win (*gòng yíng*). *Visions and Actions* refers repeatedly to these ideas and to the role of the BRI in creating a “community of shared interests, destiny and responsibility”.

According to *Vision and Actions*, the BRI proposes five cooperation priorities (Figure 2): policy coordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bonds. By policy coordination, the BRI seeks to expand shared interests and arrive at multi-level cooperation agreements. By facilities connectivity, China proposes improved, green and low-carbon road,

rail, air, riverine, maritime, energy, information and telecommunications infrastructures and networks. Infrastructure development involves not just physical networks but also the alignment of technical and institutional standards and management operations. The realisation of unimpeded trade involves investment and trade cooperation and the removal of investment, tariff and non-tariff barriers. The development of free trade areas, cross-border e-commerce, customs cooperation, inspection and quarantine and certification and accreditation, as well as mutual recognition of standards and economic operators, are all involved in facilitating trade. Measures to protect investments are envisaged, along with cooperation to develop in a sustainable way integrated resource and energy industries, make progress in emerging industries and improve the division of labour and distribution of entire value-added chains, embracing research, design, production, marketing and distribution. Financial integration means cooperation to ensure exchange rate stability, expand currency swaps and settlements, regulate financial markets, provide investment finance and credit and develop an Asian bond market. Major projects are the AIIB, NDB

and the Silk Road Fund, as well as a possible Shanghai Cooperation Organization (SCO)⁸ financial institution. People-to-people bonds are intended to increase support for the BRI and the capabilities needed to implement it. The mechanisms are cultural and academic exchanges, joint scientific and technological research, staff and student exchanges, cultural and sports events, media coverage, tourism, emergency and medical assistance and cooperation between voluntary and non-governmental organisations.

Visions and Actions goes on to identify cooperation mechanisms (comprehensive development of bilateral relations through multi-level and multi-channel communication and consultation, enhancement of multilateral cooperation mechanisms and the organisation of international forums and exhibitions). Next it considers the role of China's subnational territories: the BRI is a national strategy depending in many aspects on central government action, although all domestic regions are involved in trade and social and environmental cooperation. *Visions and Actions* concludes with some notes on how China has actively promoted the BRI and how China will work with other countries to advance the initiative.

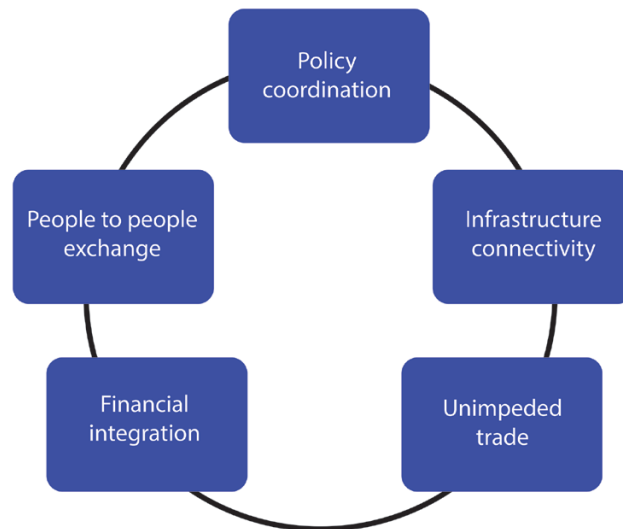


Figure 2. BRI cooperation priorities.

The Belt and Road International Cooperation Forum

In May 2017, the BRI entered a new historical stage, marked by the holding by the Chinese government of the Belt and Road International Cooperation Forum in Beijing. The forum attracted 1,500 participants from more than 130 countries and 70 international organisations, including 29 foreign heads of State or Government, nearly 100 foreign government ministers and top officials and the heads of 60 international organisations. Other than meetings of the United Nations, it was the largest global summit held since the end of the Second World War. At the conclusion of a second-day round-table summit on international cooperation, 30 heads of State, the United Nations, the World Bank and the IMF signed a Joint Communiqué ([The Leaders Roundtable of the Belt and Road Forum for International Cooperation, 2017](#)).

The Joint Communiqué noted an opportunity to aspire for “peace, development and cooperation”, welcomed “bilateral, triangular, regional and multilateral cooperation where countries place emphasis on eradicating poverty, creating jobs, addressing the consequences of international financial crises, promoting sustainable development, and advancing market-based industrial transformation and economic diversification”, and welcomed and supported the BRI and the opportunities it provided for deeper cooperation. As for cooperation principles and measures, the Joint Communiqué endorsed many of those that underpin the BRI. Five principles, for example, should guide cooperation: consultation on an equal footing; mutual benefit; harmony and inclusiveness; market-based operation; and balance and sustainability. “Our joint endeavor on the Belt and Road Initiative”, it concluded, “and seeking complementarities with other connectivity initiatives provide new opportunities and impetus for international cooperation. It helps to work for a globalization that is open, inclusive and beneficial to all”

At this Forum, Xi Jinping’s speech at the Opening Ceremony restated the view that the ancient Silk Road routes were a “valued legacy of human civilization” as in times of peace they embodied “a spirit of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit”. As far as mutual learning was concerned, for example: “Through these routes, Buddhism and Islam, and Arab astronomy, calendars, and medicine found their way to China, while China’s four great inventions and sericulture spread to other parts of the world”, indicating the reciprocal impact of interactivity in the past. In each of these cases, Silk Road connectivity was a source of positive interaction and combined development ([Dunford and Liu, 2017](#)).

For Xi, the development of new Silk Roads embodying these principles offers a way to address the challenges posed by contemporary deficits in peace, development and governance and to deal with the fact that “global growth requires new drivers, development needs to be more inclusive and balanced, and the gap between the rich and poor needs to be narrowed”, while instability and rampant terrorism need to be addressed.

Xi points out that in the four years since the BRI was first proposed, progress has been made in the shape of deepened policy connectivity, enhanced infrastructure connectivity, increased trade connectivity, expanded financial connectivity and strengthened people-to-people connectivity ([Figure 2](#) and *Vision and Actions*).

In his speech, Xi then identified principles that should guide the further development of the BRI as a road between civilisations for peace, prosperity, openness and innovation. A road for peace requires “a new type of international relations centered on win-win cooperation . . . dialogue rather than confrontation and . . . friendship rather than alliances. All countries should respect each other’s sovereignty, dignity, and territorial integrity, each other’s approach to development and social systems, and each other’s core interests and major concerns”. In

relation to prosperity, “development is the master key for solving all problems. . . . Industries are the bedrock of an economy. . . . Finance is the lifeblood of a modern economy. . . . Interconnected infrastructure is the foundation of cooperative development?” A road of openness requires the creation of an “open platform for cooperation . . . uphold[ing] and grow[ing] an open world economy . . . mak[ing] economic globalization open, inclusive, balanced, and beneficial to all.” A road of innovation requires intensified “cooperation in frontier fields such as the digital economy, artificial intelligence, nanotechnology, and quantum computing. . . . big data, cloud computing, and smart cities . . . a 21st century digital silk road . . . lifestyles and production methods that are green, low-carbon, circular, and sustainable . . . [and] ecological civilizations.” The development of a road between civilisations requires “mutual understanding, mutual respect, and mutual trust . . . to realize inclusive development”.

Cooperation, division of labour and a world community with a shared future

Guided by principles of joint, coordinated, innovative, sustainable, open and inclusive development, the BRI is an agenda for practical international development cooperation and the use of “. . . economic complementarities to boost sustainable growth and build a community of shared interests and mutual benefit” (“Work together to build the Silk Road Economic Belt” in [Xi, 2014b](#)).

These cooperative initiatives are intended to complement the development strategies of the countries involved by harnessing their comparative strengths, accelerating, in particular, the catch-up of less developed countries, creating new markets in less developed countries and establishing strong complementarities among more developed parts of the world. Close cooperation depends, however, on mutual awareness and understanding and an equitable (win-win)

sharing of the benefits. The general formula is extremely flexible and can be expanded to embrace past projects, as there are no deadlines and no clear parameters.

The BRI is in other words a call for a new world order centred on cooperation, commerce and economic development, under the guiding principle of no interference in the domestic affairs of sovereign states. As major guidelines are openness and inclusiveness in accepting new members (anyone can join), cooperation and integration arrangements will have to allow for adaptation to a wide variety of local conditions and for considerable variety and flexibility in their design and implementation: except in the most general terms, one hat will not fit all. A result will be a world economy characterised by a variety of models of development and modes of integration rather than a movement in the direction of a single (western) model.

At the root of these differences are fundamental concepts of international relations and economic development. In the Chinese case, the starting points are concepts of equality and diversity in a community of shared interests. This starting point differs from the western liberal (Enlightenment) vision of individuals in civil society, each with his/her own individual interests competing with all others. It also differs from dominant realist views of international politics, in which individual countries use diplomatic, economic and military resources to compete for leadership, wealth and power and in which the powerful seek to dominate world affairs.⁹

Although this Chinese vision seeks to dismiss the realist mentalities of colonialism and imperialism and zero-sum Cold War contestation, it does not deny the existence of conflicts of interest. Instead it emphasises, in the light of historical experience, the ways in which peace, development, cooperation and mutual benefit coincide with collective interests and the aspirations of very many people, making it a desirable path. It stresses the need for considerable care and restraint in the exercise of preponderant

power (arising, for example, from differences in economic strength). And it relies on non-conflict, non-confrontation and negotiation in resolving difficulties.

The mission is “the people’s wish for a happy life. . . . A happy life comes from hard work” (Xi, 2014b). Especially in the modern world, human well-being depends on cooperation and the division of labour. In a context of peace, a result of the development of cooperation and the division of labour and of “drawing on each other’s strengths to make up for respective shortcomings” is that “one plus one can be greater than two” and that development is, therefore, potentially mutually beneficial and win–win (“Follow the trend of the times and promote global peace and development”, in Xi, 2014b).

As Adam Smith said in the opening sentence of *The Wealth of Nations*, “the greatest improvements in the productive powers of labour . . . seem to have been the effects of the division of labour” (Smith, 2012 [1776]). However, the division of labour is limited by the extent of the market. As Marx and Engels pointed out in *The German Ideology*, increases in the production of means of human existence and the reproduction of the human species expand human needs and depend on an extension of the division of labour and an increase in social intercourse, paralleling increased cooperation and interdependence (Marx and Engels, 1968 [1845]). The “mutual interdependence of all of the individuals among whom the labour is divided” gives rise to a communal or shared interest, as the prosperity of each and every individual depends not just on their individual effort but on the collective efforts of everyone participating in the division of labour.

These complementarities and this general interdependence explain in part why the world is a “Community of Common Destiny” (*mìngyùn gòngtóngtǐ*) (Xi, 2014b) or what is now translated as a “Community with a Shared Future.” No single part of the world can, on its own, achieve the degree of division of labour

on which advanced levels of productivity and human well-being depend. The well-being of any single part of the world depends on cooperation with others and mutual interdependence (Ross, 2017). These advantages associated with cooperation and an increased division of labour arise precisely from differences between different parts of the economic system. However, the distribution of the net gains that result depends on the values attached to different contributions. In this context, only a concept of equity and mutual benefit which recognises and attributes value to all contributions generates outcomes that are win–win (rather than winner-takes-all, win–lose or win–no lose).

At the same time, the world contains many civilisations, which all have their strengths and weaknesses. Human progress, peace and development derive in part from exchanges and mutual learning which make civilisations richer and more colourful. For Xi Jinping, “the destiny of the world must be left in the hands of the peoples of all countries. Matters that fall within the sovereign rights of a country should be managed only by the government and people of that country. And affairs of the world should be addressed by the governments and peoples of all countries through consultation.” What is important, however, is that in a context of peace, harmony and shared development the interaction between different civilisations enriches them. For this reason, an inclusive global order that rests on the Chinese concept of harmony without uniformity and embraces all civilisations can avoid the “clash of civilisations” that has done such terrible damage.

For Xi, drawing on an old Chinese saying, “the ocean is vast because it refuses no rivers” (Xi, 2014c), connectivity produces a whole that is greater than the sum of its parts and shows that “one plus one can be greater than two” (“Follow the trend of the times and promote global peace and development”, in Xi, 2014b).¹⁰ In that case, and if choices are made in ways that are mutually beneficial, this emphasis on mutual, common and collective interests offers

much greater prospects of peace and development than the competitive pursuit of narrow sectional interests.

Challenges along the road and ways forward

At the root of the BRI are a set of principles and a call for a new model of international relations and international development. A number of questions arise, including whether or not China's concrete practices conform with these principles, whether the BRI is really driven by other unspoken motives and whether BRI projects will prove successful. Answering these questions in any detail is beyond the scope of this article, but a number of general remarks are in order in addition to those already made in earlier sections.

China is often misperceived and criticised. China provides development assistance and investment finance (grants, interest-free and concessional loans), export credits and direct investment, and develops trade and industrial cooperation zones. China has also acquired assets, including shares in ports in Greece, Zeebrugge, Pakistan, Sri Lanka, Djibouti and Malaysia. China's interest rates are not high, as China lends to states with low investment ratings, subsidises interest payments and is often the only willing financier. As a result of negotiations, Chinese finance and the construction of economic and social infrastructure are sometimes provided in return for long-term resource access agreements rather than debt obligations, and a significant share of contracts do go to Chinese companies. Chinese finance is not accompanied by conditionalities.

A consequence of some of these factors is that Chinese finance can account for a large share of a country's debt. Another is that China is drawn into deeper commitments in areas that are relatively under-developed and in areas of relative instability in continental Asia and Africa. Any difficulties that arise could constrain its rise.¹¹ As with any other lender, China

hopes to be repaid. If, however, repayment difficulties arise, and if new governments are elected in countries with multi-party systems, China renegotiates loan repayment terms. Interest-free loans are sometimes written off. In some cases, controversies have arisen. A case in point is Hambantota port in Sri Lanka, where a lack of commercial success and difficulties with loan repayments were resolved through a negotiated agreement, valid for 99 years, granting a Chinese state-owned enterprise (SOE) a 70% stake in two joint ventures that will manage the port's commercial and administrative operations. This replacement of Chinese loans by Chinese investment was condemned as an instance of debt diplomacy or debt-trap diplomacy, especially in India and the USA, an accusation fiercely contested by the Chinese and Sri Lankan governments.

The second challenge is the intention of the USA to contain China and resist its rise. After the collapse of the Soviet Union, the USA has intervened in wars and military conflicts in Iraq, Yugoslavia, Somalia, Sudan, Afghanistan, Northwest Pakistan, Libya, Syria and the Yemen. Since 9/11, a common justification was the "War on Terror." US concerns were, however, evolving. The 2006 Quadrennial Defense Review Report identified China as a potential military competitor ([US Department of Defense, 2006](#), 29). The November 2011 announcement of a US strategic, diplomatic and economic pivot to Asia expressed the intention to sustain American leadership in the Asia-Pacific. Concerned in part about energy partnerships and threats to the role of the US dollar as the major reserve currency, the 2018 US national security strategy identified China, Russia, North Korea and Iran as the principal threats to US influence, interests, power and values ([The White House, 2017](#), 2, 25). In January 2018, Secretary of Defense James Mattis explained that "great power competition, not terrorism, is now the primary focus of US national security." Over this period, conflicts over North Korea, the Diaoyu islands in

the East China Sea, the South China Sea and Taiwan, China all arose, with the US also seeking to establish a first strike nuclear capability.

In 2017, the USA, Japan, Australia and India agreed to enter negotiations to revive the 2007 diplomatic and military Quadrilateral Security Dialogue (QSD or Quad). A step in the creation of a so-called “Asian Arc of Democracy”; the QSD was designed to exercise control over a part of the maritime fringe of Eurasia that [Spykman \(1944\)](#) called the “Rimland” and to help encircle and exclude China. On the cultural front in 2014, India put forward its Project Mausam to counter China’s maritime Silk Roads and re-establish historical maritime spice route relationships, while the 2015 Sagarmala and 2017 Bharatmala projects deal, respectively, with the consolidation of maritime ports and road connectivity. On the economic and political fronts, Japan proposed its Expanded Partnership for Quality Infrastructure in 2015, and Japan and India their Asia–African Growth Corridor in 2017. In October 2018, the EU published a communication on an approach to Europe–Asia connectivity centred on European values and rules ([European Commission and High Representative of the Union for Foreign Affairs and Security Policy, 2018](#)).

China is prepared to work with other countries and with their projects. At the same time, it has necessarily responded to attempts to establish exclusionary military, diplomatic and economic ties with countries adjacent to its borders and to frustrate its attempts to develop cooperative relationships and economic partnership. Throughout the new millennium, China has invested substantial efforts in developing relationships with the Association of Southeast Asian Nations (ASEAN) and with ASEAN plus Japan, and South Korea and has sought negotiated settlements to disputes.

China is one of the five members of the BRICS and is active in plans for a BRICS+. Somewhat hemmed in, China exploits the potential of Going West ([Chen, 2018](#); [Wang, 2015](#)). As a consequence of skilful Russian

diplomacy, India’s distrust of China’s relationship with Pakistan has decreased, and in 2017 India and Pakistan joined China, Russia, Kazakhstan, Uzbekistan, Kyrgyzstan and Tajikistan as full members of the SCO, at the same time making the organisation more balanced in terms of political and economic power. Afghanistan, Belarus, Iran and Mongolia have observer status, and dialogue partners include Turkey and Sri Lanka. Together SCO’s eight full members account for more than 40% of the world’s population, more than 20% of the world’s GDP and much of the Eurasian landmass, while the larger group accounts for 20% of the world’s proven oil reserves and 50% of its natural gas.

Originally established in 2001 to deal with security concerns, the SCO has expanded to deal with trade and finance, with China calling for an SCO Development Bank and a Free Trade Agreement. After helping establish the Eurasian Economic Union (EAEU) with Belarus and Kazakhstan, to which Armenia and Kyrgyzstan were added ([Chubarov, 2018](#)), Russia, with China’s support, advocated a Greater Eurasia economic integration project, including members of the Commonwealth of Independent States, the SCO and possibly ASEAN countries and the EU.¹² India, Iran and Afghanistan are committed to developments involving the Iranian port of Chabahar, which also figures in Gwadar-related projects and a wider North–South Transport Corridor connecting India, Iran, Afghanistan, Armenia, Azerbaijan, Russia, Central Asia and Europe. In August 2018, a Caspian Sea Agreement was signed in Aktau by the five littoral states (Azerbaijan, Iran, Kazakhstan, Russia and Turkmenistan), assigning exclusive economic zones and areas of common use and jointly shared benefits and forbidding the establishment of foreign military bases. Given the significance of these developments, it is not surprising that India has recently displayed some reluctance to participate in QUAD activities and is considered its weak link.

A third issue connected with the potential challenge to the dominant market positions of western oligopolies and the political leadership of the G7 relates to China's social system and development path. The rise of China shows that a country can get rich without capitalism, while China accepts the right of different civilisations to choose their own political, economic and cultural orders, respects these choices, co-operates economically and coexists peacefully. "Together but different" is a principle the Atlantic powers do not accept: countries that choose non-western development paths are held to challenge their security and interests and compete unfairly and are pressurised to adopt contemporary western social models. The situation is further complicated by current economic and political crises of the western model and a desire to attribute responsibility not to their capitalist systems but to other countries.

At present, the Atlantic powers refuse to consider China as a market economy and claim that it is state capitalist, while Chinese investments (minority as well as acquisitions of advanced country technology companies) are blocked on national security grounds. Actual market economies and state ownership have different characteristics at different points in time and in different types of society. Other than in the fictional worlds of some economists, market economies require a minimal state guaranteeing certain legal and financial conditions, rules and institutions. In practice, all states do more: military defence, macroeconomic regulation, market supervision and regulation, trade and industrial policy, infrastructure and public service provision, social security and the establishment of state-owned enterprises, although the scope and intensity of government involvement varies. In the case of western capitalism, the state played crucial roles in processes of primitive accumulation (accumulation by dispossession) and colonial and imperial expansion. Governments rescue industrial and financial companies that fail. Great Britain and the USA used protectionism to develop their

infant industries and only when their industrial supremacy was clear did they promote free trade, if necessary forcing other countries to open their markets unconditionally to advance the interests of their monopolies and oligopolies. In so far as they did, they effectively kicked away the ladder they had themselves used to rise (List, 1909).¹³

In terms of the Gilpin (2001), three-fold classification of state-market relations, China is clearly "nationalist" in the sense that politics is determinant, yet it is wrong to infer that China is interested in relative rather than absolute gains (Dunford et al., 2014). Gilpin is correct to argue that liberalism involves in principle the separation of economics and politics (to create separate realms of economic and political freedom). In China, however, political power does not derive from private economic power, whereas it, to a large extent, does in liberal societies. At the same time, free trade associated with liberal ideologies is often mercantilist. As Robinson (1977) argued, "When Ricardo set out the case against protection, he was supporting British economic interests. Free trade ruined Portuguese industry. Free trade for others is in the interests of the strongest competitor in world markets, and a sufficiently strong competitor has no need for protection at home. Free trade doctrine, in practice, is a more subtle form of Mercantilism?"

The rise of China is largely due to the fact that China refused to play by the rules set by dominant powers and took steps to protect its sovereignty. Foreign investors usually had to partner with Chinese companies, although China's judgment is that it learned far less than it had hoped, leading it to adopt a strategy of indigenous innovation (Grimes and Yang, 2018). Until 2018, China largely controlled major economic decisions. Only in 2018 was the ceiling for foreign ownership of joint venture fund management companies raised from 49% to 51%. Although foreign companies were never happy with these arrangements, they accepted them in order to access the vast Chinese market. In

contrast to most other developing countries, western governments and international organisations could not force the Chinese government to permit foreign companies to do whatever they want in China.

As for SOEs, the ownership structure, distribution system and institutional mechanisms differ between capitalist and socialist societies. In capitalist societies, SOEs are controlled by a capitalist state which predominantly serves private capitalist interests and are usually established for strategic reasons, to socialise losses or to cope with market failure. In China, SOEs are owned by the population as a whole, are an important instrument of economic and modernisation, safeguard common interests and make effective short- and long-term adjustments not dependent on short-term profitability. SOEs are responsible for providing public services, developing important forward-looking strategic industries, protecting the ecological environment, making scientific and technological progress, safeguarding national security, promoting fair distribution and realising the aims of the CPC.

A model of this kind does alter the balance of power compared with colonial and imperial arrangements. The fundamental point, however, is that it remains perfectly possible to negotiate arrangements which are mutually beneficial.

Conclusions

The BRI is a remarkable new initiative connecting positive features of the past, the Silk Road Spirit, defined as “our aspiration for inter-civilization exchanges, . . . our yearning for peace and stability . . . our pursuit of common development and our shared dream for a better life” (“Toast at the welcoming banquet in honour of the distinguished guests attending the Belt and Road Forum for international cooperation,” in [Xi, 2017](#)) with the present and future, where it aims to reshape international relations and global economic development.

Notwithstanding difficulties, the BRI has made remarkable progress. By September 2018, under the BRI framework, China had signed cooperation agreements with over 130 countries and organisations, conducted institutionalised industrial cooperation with over 30 countries and constructed 82 overseas economic and trade cooperation zones in 24 countries, while Chinese companies had invested over \$50 billion, creating nearly 200,000 local jobs. Chinese loans were estimated to exceed \$300 billion. In 2018, a number of major BRI projects were pushing ahead, including the Jakarta–Bandung high-speed railway, the China–Laos railway, the Addis Ababa–Djibouti railway, the Hungary–Serbia railway, the Melaka Gateway project in Malaysia and the upgrading of Gwadar port in Pakistan.

As already emphasised, what China is proposing is the negotiation and implementation of mutually beneficial economic cooperation activities along with exchanges and friendship between the peoples of sovereign nations. China will not interfere in the internal affairs of other nations. China is committed to peaceful development. China is not expansionist and supports cooperative solutions to global issues.¹⁴

As in the past, the rise of new powers, principles and rules of the game require adaptation and adjustment. The BRI is a call for a new multi-polar world order. The problem is that the rise of China and the specific principles of together but different and equality of respect conflict with the economic interests of dominant global elites and the beliefs and values of political and economic forces that uphold the “manifest destiny” of the USA and its allies and their right to impose their will (where interests trump values) on other countries and civilisations.

For these forces, the rise of China and its call for a world order without a global hegemon is an existential danger. As a result, successive US governments have put obstacles in China’s path

via (initially) stringent requirements for admission to the World Trade Organization, limits on Chinese participation in the IMF and World Bank, opposition to the AIIB, sanctions and exclusions, portrayal of China as an expansionist power, military encirclement and attempts to generate domestic instability.

China seeks to counter these strategies through care in the exercise of “predominant power” and emphasis on non-interference and the economic advantages of closer cooperative relationships with China, China’s “spirit of reciprocity” and “win–win” economic benefit (Woodward, 2017). Many countries are already reconsidering their strategic options and seeking pathways in between existing alliances with the USA and the development of closer relationships with China. Many challenges remain: complex inter-country relations and tensions, national political instability, cross-border crime, cross-border nationalisms, separatism, ethnic, religious and sectarian conflicts, religious extremism, ecological vulnerability, poverty and under-development.

The demonstrable success of China’s own path to modernity, the financial resources at its disposition and the attractiveness of its civilisational principles and values make it, however, a country that “can play an extraordinary role in human history, serving as both a bridge to the past and a herald of the future . . . a ‘state in the middle’ . . . that connects East and West and narrows the divide between North and South” (Wang, 2015). As long as the BRI upholds the principles on which it is founded, it will make a major contribution not just to the rejuvenation of the Chinese nation and its role in the world but also to peaceful coexistence and global development.

Endnotes

¹ In April 2018, the USA announced plans for punitive tariffs on 1333 Chinese products worth some

\$50–60 billion under Section 301 of the Trade Act, to reduce the US trade deficit and protect US intellectual property. These tariffs were implemented in two steps, with China retaliating. In September 2018, tariffs were imposed on another \$200 billion worth of Chinese imports. China immediately retaliated, and sold off US \$7.7 billion worth of US Treasury bonds. Although the USA has a large trade deficit with China, the deficit would fall by one half if account were taken of value added. The main aim of the USA was, however, to restrict China’s future production capacity and competition with the USA in high-end manufacturing.

² China established CIPS (China International Payment System) alongside the US controlled SWIFT payment orders system, China and Russia established Union Pay and the Mir systems as alternatives to the US-based Visa and Mastercard, and China and Russia developed gold-backed yuan and rouble currencies as alternatives to the US fiat monetary system.

³ An earlier March 2014 agreement between the Russian and Chinese governments over the development of the Yamal Liquefied Natural Gas project in the Arctic saw the Silk Road Fund take up 9.9% of the equity, and China’s Export-Import Bank and China Development Bank provide loan capital (<http://yamallng.ru/en/project/about/>).

⁴ In December 2016, China held just 5.454% of the voting rights and 6.444% of the subscribed capital in the ADB while Japan and the USA had 12.784% each and 15.607% of the subscribed capital (ADB, 2017a).

⁵ As a result of the new capital increases, the average annual financing capacity of the combined financing arms of the World Bank Group was expected to reach nearly \$100 billion per year from 2019 to 2030. For the Group as a whole paid-in capital which drives income increased by US\$13 billion from US\$19 billion compared with US\$19.3 billion for AIIB and just US\$7.6 billion for the ADB (World Bank Group, 2018). Note that the figures for the CDM and CHEXIM are for registered capital. The assets of the CDB exceed those of the IBRD by a factor of more than five while those of CHEXIM are also larger.

⁶ For China, the China–Pakistan Economic Corridor (CPEC) plays a vital role, as it will provide China

with an alternative trade route to Western Europe, West Asia, the Middle East and Africa, avoiding the South China Sea and Strait of Malacca and increase China's trade security. However, this project is one reason why India refuses to participate in the BRI, as the CPEC crosses Azad Kashmir and Gilgit-Baltistan in Pakistan, which were formerly part of the princely state of Jammu and Kashmir and are claimed by India (see also [Sabir et al., 2017](#)).

⁷ <http://english.cntv.cn/2015/01/23/ARTI1421968224140189.shtml>.

⁸ The Shanghai Cooperation Organisation (SCO) is a permanent international intergovernmental organisation. Created in 2001 by the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan, to which were added the Republic of India and the Islamic Republic of Pakistan, its main goals are strengthening mutual trust and neighbourliness, promoting effective cooperation, jointly maintaining and ensuring peace, security and stability in the region and moving towards a new international political and economic order.

⁹ For realists such as [Gilpin \(2001\)](#), the state is the primary actor in international affairs. Anarchy prevails in the sense that there is no higher authority able to establish order, and national security interests and state power are the fundamental drivers. This stance differs from the neo-realist position associated with [Waltz \(1979\)](#) for whom state behaviour depends mainly on the distribution of power in the international system. Neorealism deals with the possibility of conflict, whereas Gilpin concentrates on the probability of conflict leaving a greater space for moral and value considerations in determining behaviour.

¹⁰ The Belt and Road regions are, for example, richly endowed with mineral resources (including oil, natural gas, coal, iron and copper) and with fresh water and other natural resources. The oil reserves of the Middle East account for about 60% of the world total, while the natural gas reserves of Russia, Iran and Qatar account for approximately 58% of the world total ([Zou et al., 2015](#)), while the areas to the east specialised in manufacturing and west specialised in service sectors lack resources. The unmatched resource wealth of Russia includes fresh water, enabling it to emerge in a short space of time as one of the world's main wheat exporters, while it also

has unrivalled military technologies. These resource and industrial complementarities give rise to great potential and space for cooperation.

¹¹ The US government and its allies have long records of destabilisation and intervention: sanctions and exclusions, measures to reduce export revenues or government financial resources, security threats requiring increased defence spending and direct political and military intervention are all employed. Attempts at destabilisation involve identifying potentially dissatisfied social, ethnic, religious or territorial groups, exacerbating cleavages, disaffection and resentment and supporting social and political movements to implement regime change, split-up countries or disrupt their international relationships. A contemporary example is the East Turkistan Islamic Movement (ETIM which is also known as the Turkestan Islamic Party), which has killed several hundred people in China, is sanctioned by the UN as an al-Qaeda aligned movement and seeks to extend Salafist-Wahhabi Islamic practice into traditionally Sufi Uyghur-Muslim areas in Xin Jiang. The Chinese government is seeking to prevent the spread of this ideology which has played a major role in western-sponsored conflicts in North Africa and the Middle East, while western and Turkish elites hope its diffusion will see the growth of an ethnic-nationalistic Turkic Uyghur movement and a separatist campaign.

¹² Of particular importance for the emergence of a viable Greater Eurasia is a harmonisation of the BRI with other initiatives and of individual projects with the strategic planning of individual countries ([Chubarov, 2018](#); [Vinokurov and Tsukarev, 2018](#)).

¹³ "It is a very common clever device that when anyone has attained the summit of greatness, he kicks away the ladder by which he has climbed up, in order to deprive others of the means of climbing up after him" ([List, 1909](#), chapter 33).

¹⁴ As President [Xi \(2017\)](#) said in a speech at the United Nations Office in Geneva, "China has grown from a poor and weak country to the world's second largest economy not by committing military expansion or colonial plunder, but through the hard work of its people and our efforts to uphold peace. China will never waver in its pursuit of peaceful development. No matter how strong its economy grows, China will never seek hegemony, expansion

or sphere of influence. History has borne this out and will continue to do so? See also Xi (2015).

Acknowledgements

The authors wish to acknowledge the support of the National Natural Science Foundation of China (grant number 41530751) and the Chinese Academy of Sciences (grant number 2017VP01).

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